

NORTHERN TERRITORY OF AUSTRALIA

LEGISLATIVE ASSEMBLY

Fifth Assembly
First Session

PARLIAMENTARY RECORD

Tuesday 2 June 1987
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Thursday 4 June 1987

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THE GOVERNMENT OF THE NORTHERN TERRITORY

DEPARTMENT OF HEALTH

1997-1998

FINANCIAL STATEMENTS

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Fifth Assembly
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PART I

DEBATES



DEBATES

Tuesday 2 June 1987

Mr Speaker Vale took the Chair at 10 am.

LEAVE OF ABSENCE
Minister for Transport and Works

Mr HANRAHAN (Lands and Housing): Mr Speaker, I move that leave of absence for these sittings be granted to the Minister for Transport and Works on account of ill health.

Motion agreed to.

TABLED PAPER
Report of Commission of Inquiry into Chamberlain Convictions

Mr MANZIE (Attorney-General): Mr Speaker, I lay on the table Mr Justice Morling's Report of the Commission of Inquiry established pursuant to the Commission of Inquiry (Chamberlain Convictions) Act 1986. Mr Speaker, I move that the report be printed.

Motion agreed.

MOTION
Report of Commission of Inquiry into Chamberlain Convictions

Mr MANZIE (Attorney-General): Mr Speaker, I move that the Assembly take note of the report.

Mr Speaker, honourable members would be aware that this matter has been a long and complex affair. The Chamberlain case has run the full gamut of Australia's legal system, finally culminating in Mr Justice Morling's inquiry which was, itself, an exhaustive undertaking. The commissioner concluded his report by saying:

It follows from what I have written that there are serious doubts and questions as to the Chamberlains' guilt and as to the evidence in the trial leading to their conviction. In my opinion, if the evidence before the commission had been given at the trial, the trial judge would have been obliged to direct the jury to acquit the Chamberlains on the grounds that the evidence could not justify their conviction.

Mr Speaker, the finding is that the Chamberlains would not be convicted beyond reasonable doubt on the basis of the evidence which is now available. Accordingly, the government has advised the Administrator that each should be pardoned, and His Honour signed orders to that effect this morning.

There are some aspects of the report upon which I should comment. Having regard to the onus of proof, the report is a finding that the Crown could not now discharge the onus of proving the Chamberlains' guilt. Before the inquiry commenced, there were many wild accusations concerning an alleged conspiracy between police officers and people in authority to procure convictions against the Chamberlains. At the hearing, the conduct of the police and the prosecution was examined exhaustively. There was no conspiracy. There was no misconduct. The commissioner makes no criticism of the Crown or the police. As to the way the Crown Prosecutor put the case, the commissioner says:

The evidence at the trial being as I have described it in chapter 4, the Crown Prosecutor submitted to the jury that a strong case had been made out establishing Mr and Mrs Chamberlain's guilt. I shall refer later in this report to several important respects in which the evidence before the commission differs from the evidence at the trial upon which the prosecutor based his submissions. It is convenient to refer to these submissions for the purpose of later demonstrating that some of the most persuasive of them could not have been put to the jury and others could not have been put with the same force had the evidence been as it is before the commissioner.

I should make it plain that no criticism can be made of the manner in which the Crown Prosecutor addressed the jury. No complaint was made, nor could it have been made, by defence counsel that the Crown Prosecutor was not entitled to address the jury in the terms which he used.

The commissioner observed that the trial judge conducted every aspect of the trial with scrupulousness and fairness. As for the police, the commissioner said:

Counsel for the Chamberlains submitted to me that the manner in which the Northern Territory police conducted the investigation into Azaria's disappearance prejudiced their trial. I am not persuaded that it did. The great difficulties for the defence arose out of scientific evidence and the police cannot be held responsible for the deficiencies of it.

The commissioner disposes once and for all of the 'Ding' theory and the disgraceful allegations made against park rangers and police officers by Messrs Ward and McNichol. The commissioner said, with regard to this issue, that:

The Ding story was investigated by Inspector Charlwood in 1983. He formed the view that it had no foundation. The evidence before the commission affords no support for the story. Mr Cawood said that he shot Ding on the night of 23 June 1980 and Mrs Cawood confirmed that this was so. Cawood's contemporary diary contains an entry recording the shooting of Ding, as does a written report he made to Mr Roff, the Chief Ranger. Other documents which predate 17 August also refer to the shooting, but do not mention Ding by name. A number of witnesses gave evidence that they did not see Ding after 23 June.

On the evidence before the commission, I am left in no doubt that Ding was destroyed on 23 June 1980. In these circumstances, no useful purpose would be served by referring to the extremely tenuous material which seems to have been relied upon by proponents of the Ding story. It is sufficient to say that it does not make out even the semblance of a case that Mr or Mrs Cawood or any persons who may have been at their home on the night of Azaria's disappearance took any part in disposing of her body or placing her clothes where they were found.

It may well be the fact that there were dog or dingo tracks leading to Cawood's house on the night of 17 August, but there would be nothing unusual about that. It may also be the fact that some persons may have been seen in the grounds of the Cawood residence on that night. Indeed, there appears to be no dispute that Mr Elston

did hold a conversation with some of the women outside the Cawood house on that night and that a dingo was seen by Mrs Beasy in the Cawood's backyard after the child disappeared. Perhaps the sighting of this dingo explains the origin of the Ding story. The fact that neither Mr Ward nor Mr McNicol was able to provide the commission with any evidence which might support the story confirms my opinion that it has no foundation.

Mr Speaker, the report repeatedly refers to the fact that much more evidence was before the inquiry than before the jury. It is clear that important evidence could have been obtained for the trial had the defence examined the issues more closely at the appropriate time. For example, at the trial, the defence did not seriously dispute that the material under the dash board of the car was blood and no significant attack was made upon the evidence of the Crown's expert that the damage to the child's clothes could not have been caused by canine teeth. The defence did not call witnesses who, at the inquiry, supported Mrs Chamberlain's assertion that she saw marks on a blanket resembling paw marks. Nor did it call a scientist, Dr Lincoln, who examined samples from the car sent to him by the defence in 1982, before the trial, and who was unable to detect any blood in the samples. The commissioner said of this that:

The failure of the defence to put in issue some of the scientific opinions expressed at the trial may have been due, in part, to lack of access to the necessary expert witnesses. However, this does not account for the failure to call Dr Lincoln who was in a position to dispute Mr Culliford's opinion that blood was present in some of the samples taken from the car. Again, with the benefit of hindsight, it is unfortunate that the defence did not become aware of the chemical composition of the spray found on the metal plate removed from under the dash of a Torana car similar to the one owned by the Chamberlains. If this had been ascertained, it seems likely that the defence would have been alerted to the possibility that all the findings of blood relied upon by the Crown might be suspect. On a less technical and less important matter, it is surprising that the Demains' evidence was not called at the trial, although both the prosecution and defence appear to have been aware that it was available to be called.

As to the marks on the blanket, the commissioner made the observation that the failure of the defence to call the witnesses at the trial is 'surprising and unexplained'. At the inquiry, the Chamberlain's counsel offered no explanation as to why some important evidence was not called at the trial. The matter remains a mystery. Perhaps decisions of a tactical nature were made not to call evidence which is now seen to have been important. I do not know.

I am not offering criticism of the Chamberlains' legal advisers at the trial, but the fact remains that highly significant evidence called before the inquiry could have been called at the trial by the defence and it chose not to call it. It is clear that the jury did not believe the evidence of the Chamberlains and their credit was a serious issue both at the trial and before the inquiry. It is fair to say that, for whatever reason, a large part of their own evidence and their various public utterances have not been of great assistance to them. The commissioner made various references to the evidence of the Chamberlains. Some of his observations are as follows:

It is not possible to do justice to the Crown case without referring to some of the unsatisfactory features of Mrs Chamberlain's evidence. According to the Crown, the fatal flaw in her story is that she does not claim ever to have seen Azaria in the mouth of the dingo which is supposed to have taken her. She says that she could see the dingo shaking its head, but apparently saw nothing in its mouth. She gave conflicting accounts of the state of the lighting. She claimed that she could see inside the tent from the barbecue area yet she said the light was such as to prevent her seeing what was in the dingo's mouth. Her explanation of this - that the dingo's mouth would have been obscured by the post-and-rail fence - is unconvincing. She gave varying accounts of the direction taken by the dingo after she frightened it away. Unless there were two dingoes at or near the tent (a matter to which I shall presently refer) her ability to describe in minute detail the appearance of the dingo's face and ears is very difficult to reconcile with her inability to see the child in the dingo's mouth. Her evidence as to when she first called out that she had seen the dingo conflicts with Mr and Mrs Lowe's evidence. Her statement that she believed the dingo had the baby when she first saw it is not easily reconcilable with another statement she made that she 'dived straight for the tent to see what made the baby cry'. She claimed to have seen the dingo run off into the area behind the car and it might be that she would have assumed that the dingo had carried the child off. The Crown contends that since, on her own story, she only saw the dingo at the entrance to the tent and did not see the baby in its mouth, she could not have known that the dingo had taken the baby when she cried out that it had taken her.

These are all powerful considerations. However, it is not difficult to find explanations consistent with her innocence for many of the problems raised by her evidence. The Crown submitted that it was unbelievable that Mrs Chamberlain could have had such a clear view of the alleged dingo as to be able to describe its face and head with great precision, and yet be unable to see Azaria in its mouth. This is a very powerful submission if the assumption be made that there was only one dingo at or near the tent at the time. It is rendered even more powerful by the circumstance that the child was clad in white clothing. But the submission loses its weight if it can be accepted that two dogs or dingoes might have been at or near the tent. On the evidence, I do not think this possibility can be ruled out.

Referring to the marks on the blanket and damage to other blankets, the commissioner said:

I have dealt with the matter of the space blanket in chapter 14. As I point out, the evidence before the commission on this matter is much more favourable to Mrs Chamberlain than it was at the trial. I need do no more than repeat that I am persuaded that there were some marks on the space blanket and that Mrs Murchison and members of her family believe that those marks may have been caused by a dingo. I do not think the evidence concerning the space blanket of itself reflects adversely on Mrs Chamberlain's credit.

The Crown also submitted at the trial and to me that Mrs Chamberlain was lying when she claimed that the damage to the blanket which had been over Azaria in the bassinet may have been caused by the dingo. As appears from what I have written in chapter 14, the evidence

before me on this matter is much more favourable to Mrs Chamberlain than it was at the trial.

With regard to some of the changes in the evidence of Mrs Chamberlain between the trial and the inquiry, the commissioner said:

The Crown claimed that some statements made for the first time by Mrs Chamberlain in her evidence before the commission demonstrate a willingness on her part to make untrue statements in support of her claim of innocence. For instance, she told the commission that Azaria's singlet was one size too big for her whereas she had not previously claimed this to be the case. Again, before the commission, she said that she thought that Azaria had been asleep for only about ten minutes before she took her back to the tent to bed her down for the night. At all times previously, she had stated that the child had been asleep for one-half or three-quarters of an hour. Yet again, before the commission, she stated for the first time that Aidan accompanied her from the tent towards the car when she went to obtain extra food for him. She had previously said that he stayed in the tent. I do not think any of these matters are of great importance. If any of her more recent statements are incorrect, and they may well be, their inaccuracy could be due to frailty or confusion of memory or a desire to obtain redress for an unjust conviction.

The commissioner also said that:

There is considerable force in some but not all of the Crown's criticism of Mr Chamberlain.

However, he then went on to reject some of the criticisms. Of the behaviour of Mr Chamberlain after the event, he said:

Most parents would have acted differently, but I do not think it would be safe to draw any inference adverse to him from this.

The commissioner further said:

However, by any standards, some of Mr Chamberlain's conduct on 18 August was unusual. His willingness to be interviewed by the media and to talk about the tragedy was extraordinary. He explained this willingness by saying that he wanted to alert the public to the danger to tourists posed by dingoes at Ayers Rock. Perhaps the most extraordinary aspect of his conduct was the request he made of Constable Morris that he be permitted to photograph the jaws of a dingo which had been shot by the police. Strange though this request was, it was not of itself incriminating. The request, like some of his other conduct, was equally extraordinary whether Azaria was murdered or taken by a dingo.

To my mind, the most suspicious aspect of Mr Chamberlain's conduct was the statement he made so soon after Azaria's disappearance, that she would not be found alive. There is some uncertainty in the evidence as to when he first expressed this opinion, but it seems to have been about half an hour after Azaria disappeared. In his defence, it has been said that, very soon after the search commenced, and before he said that he did not think Azaria would be found alive, he was told by Mr Lowe that he was pessimistic about the likely

outcome of the search. Lowe said at the trial: 'Mike and I had been searching for about 10 minutes, and I told him if we found the baby, it's not going to be any joy for him and he agreed ...'. Counsel also submitted on his behalf that the prospects of viewing Azaria's savaged corpse was so horrific to Mr Chamberlain that he could not face it and that he set up a psychological barrier, as it were, by convincing himself that her body would never be found. Whether or not he did so is impossible to say.

There is much in the evidence to justify a conclusion that Mr Chamberlain has a tendency to describe events in theatrical language. I think he also enjoys having an audience. These characteristics (which are exemplified in some of the language used in his statement I have quoted above) may account for some of the embellishments and exaggerations in his evidence. It is these exaggerations and embellishments which give some of his evidence a ring of unreality. In one of his interviews with the media, he said that the great quantity of blood discovered in the tent led him to conclude that Azaria's death must have been swift. This statement was patently ridiculous and could not have deceived any person who saw inside the tent. The Crown relies upon it as showing that Mr Chamberlain is a liar but I think the statement does no more than reflect his proclivity for hyperbole.

The commissioner pointed out that it was significant that both Mr Chamberlain and Mr Lowe say they heard the child cry. He saw it to be favourable to Mr Chamberlain's case that he was prepared to leave their 2 boys alone with his wife after the tragedy. He also commented favourably upon Mr Chamberlain's willingness to furnish the police with any information requested of him to the extent that he pointed out to the police that they had taken possession of the wrong camera bag. Of this the commissioner said:

This was extraordinary conduct on his part if the bag had been used as a repository for Azaria's body.

And, as to the assertion that the child may have been buried by the Chamberlains, the commissioner said:

The difficulties inherent in this part of the Crown's case are very considerable indeed. Compared to them, the difficulties the defence has in explaining the Chamberlains' conduct, although of a different kind, are minor.

Speaking generally of the credibility of the Chamberlains, the commissioner said:

Counsel for the Crown submitted that, since the accounts given by the Chamberlains at the trial and to the commission of what happened at the time of Azaria's disappearance do not vary significantly, I can derive considerable assistance from the comments made on their evidence by some of the judges who decided the appeals to the High Court. However, their Honours' task in deciding the appeal was much different from mine. Quite apart from seeing the Chamberlains in the witness box, there is so much more evidence before the commission on the general question as to the Chamberlains' guilt, and the particular question as to whether a dingo might have been involved in Azaria's disappearance, that the help that can be derived from the judgments is limited. As appears from what I have already written, I

share many of the difficulties felt by their Honours in accepting the Chamberlains' evidence but, in the light of the evidence before the commission, those difficulties are not nearly as great as they were at the trial. For instance, the tracking evidence before the commission is more favourable to the Chamberlains than it was at the trial. So is the evidence on the question whether the damage to Azaria's clothes could have been caused by a dingo and the further question whether the vegetable matter found on her clothes was more consistent with dingo involvement than not. I mention these matters merely by way of illustration - there are many others. While they do nothing of themselves to explain any unsatisfactory features about the Chamberlains' evidence, they do afford more support for the general story of dingo involvement.

Mr Speaker, the commissioner's criticisms, expressed or implied, are directed substantially at the scientific evidence. He was not impressed by the blood evidence and found errors in it. At the same time, he pointed to difficulties facing Mrs Kuhl when she undertook the testing process. For example, he said:

These matters and the conclusions I have drawn in Chapter 7 that Mrs Kuhl failed to carry out essential pre-use testing of anti-sera and that she failed to use necessary controls indicate she lacked the considerable experience required to enable her to plan and to carry out these complex and difficult testing procedures, at least without careful guidance from a more experienced biologist. Indeed, there appears to be doubt whether any practising forensic biologist would have been sufficiently qualified to perform these tasks without extensive consultation with leaders in immunological research.

And he later said:

Mrs Kuhl was called upon to perform an extremely difficult task in a scientific area where controversy between experts was, to say the least, likely. Yet, it appears that her laboratory had not laid down any criteria for determining whether a particular result was sufficiently certain to be used as a basis for giving evidence. At the commission Mr Martin, who was called at the request of the Crown, said that some of the test results, especially in respect of the scissors found in the car, were so uncertain that they should not have been relied upon.

Mr Martin thought that, in the field of immuno-chemical reaction testing, certain criteria had to be adopted to ensure that only reasonably certain results were relied upon in a criminal case. The absence of such criteria in the Chamberlain investigation produced a risk of injustice to the accused and aggravated the difficulty of the task which confronted Mrs Kuhl.

It will often be the case that experts will disagree on matters concerning which there is little prior experience. However, in the present case, a number of opinions given in the evidence at the trial have been shown to be plainly erroneous. Some of them were extremely adverse to the Chamberlains and it is unfortunate that they should have been given in evidence at a murder trial. It is appropriate to discuss some of them in the hope that lessons may be learned which might prevent similar errors being made in the future. These and other errors were the cause of lengthy and expensive evidence, both at the trial and before the commission.

It is now clear that the Crown's biologist was breaking new ground when she was asked to test such old blood and it is unfortunate that she was not given more support in the work she was doing at the time that the tests were undertaken.

The commissioner rejected the evidence of Professor Cameron that there were detectable prints of hands or fingers on the child's jumpsuit. He dealt at length with the blood stains on the clothes, finally concluding that:

The answers to the questions posed above are to a large extent inconclusive. The staining on the clothing, when considered on its own, does not provide any positive support for dingo involvement. However, in contrast with the position of the trial staining, considered on its own, provides no positive support for the allegation of murder.

The commissioner also dealt at length with the problems of the nature of the damage to the clothes and the appearance of them when found. He pointed to the much more extensive evidence called at the inquiry than at the trial. He had difficulty with the proposition that the clothing was damaged by canine teeth but, again, having regard to the onus of proof, he was unable to find beyond reasonable doubt that a dingo was not involved. For example, he said:

Notwithstanding the views expressed by Dr Pelton and Messrs Chapman and Smith, I am not persuaded that a comparison of Azaria's and the other jumpsuits of itself leads to the view that Azaria's probably was damaged by a canid. But this is not to say that a canid could not have produced the damage. The question whether the Crown has established the negative can only be decided in the light of all the evidence. If regard is had only to the technical evidence, I do not think it can be concluded beyond reasonable doubt that the damage to the clothes was caused by scissors or a knife or that it was not caused by the teeth of a canid.

The commissioner was impressed by the evidence of Dr Sanson, a zoologist called by the Crown, saying:

I found Dr Sanson's evidence impressive, but he was prepared to admit that, in nature, unexpected things can happen, and he would not say that it was completely impossible for a dingo to have inflicted the damage on Azaria's clothing. However, he could not conceive how it could have been done by a dingo.

The commissioner said it was surprising that, if a dingo killed Azaria, the child's nappy was not bloodstained but he added that:

If a dingo killed Azaria, it is surprising that the nappy was not blood stained. It was torn and there were some pieces of wadding lying nearby but there was no blood stain on it. However, the absence of staining seems consistent with the paucity of staining on the lower half of the jumpsuit. It is conceivable that the nappy could have been pulled off the child before being ripped apart and before any injury was caused to the lower half of the body. The appearance of the nappy is yet another puzzling feature of the evidence. On balance, it seems to support the theory of dingo involvement. However it has to be borne in mind that a dingo from the nearby den could have damaged the nappy after a human being had removed it from Azaria's body.

The commissioner found it very difficult to accept the proposition that a dingo could have removed Azaria from her clothes without causing more damage than was observed on her clothes. With regard to this issue, he said:

Were it not for the conflict of expert opinion on this question, I would find it difficult to accept that a dingo could have removed Azaria from her clothing without causing more damage to it than was observed. However, Mr Roff's evidence cannot be lightly dismissed. He is a practical man with much more knowledge and experience of dingoes. He is a disinterested witness. As Senior Ranger at Uluru National Park it was not in his interest to support an allegation that a dingo had taken a child from a camping area within the park for which he had general responsibility. It is apparent from the evidence that Constable Morris (and probably other police officers) recognised his great experience and deferred to it. His opinion gained support from Professor Gustafson's evidence. In these circumstances, I conclude that although a dingo would have had difficulty in removing Azaria's body from her clothing without causing more damage to it, it was possible for it to have done so.

The commissioner pursued this theme, saying later:

It would have been very difficult for a dingo to have removed Azaria from her clothing without causing more damage than was observed on it. However, it would have been possible for it to have done so. Mr Roff, the Chief Ranger at Ayers Rock and a man of great experience, thought that the arrangement of the clothing when discovered was consistent with dingo activity. Other dingo experts disagreed. I think it is likely that a dingo would have left the clothing more scattered, but it might not have done so.

In the end, the commissioner expressed the following opinions:

It is impossible in the above summary to capture the whole effect of the voluminous evidence given on the matters which bear upon the dingo hypothesis but, taken in its entirety, it falls far short of proving that Azaria was not taken by a dingo. Indeed, the evidence affords considerable support for the view that a dingo may have taken her. To examine the evidence to see whether it has been proved that a dingo took Azaria would be to make the fundamental error of reversing the onus of proof and requiring Mrs Chamberlain to prove her innocence.

I am far from being persuaded that Mrs Chamberlain's account of having seen a dingo near the tent was false or that Mr Chamberlain falsely denied that he knew his wife had murdered his daughter. That is not to say that I accept that all their evidence is accurate. Some of it plainly is not, since parts of it are inconsistent with other parts. But if a dingo took her child, the events of the night of 17 August must have been emotionally devastating to Mrs Chamberlain. Her ability to give a reliable account of the tragedy may have been badly affected by her distress. The inconsistencies in her evidence may have been caused by her confusion of mind. Where her evidence conflicts with the Lowes' account of what she said and did in the few seconds after she commenced to run back to the tent, it may be the Lowes' recollection, not hers, that is at fault. The belief that people might unjustly accuse her of making up the dingo story might have led her, even subconsciously, to

embellish her account of what happened, and this may explain some of its improbabilities. Her failure to see Azaria in the dingo's mouth is explicable if, as is quite possible, there were two dingoes, not one. These considerations afford at least as convincing an explanation for the apparently unsatisfactory parts of her evidence as does the Crown's claim that she was lying to conceal her part in the alleged murder. Having seen Mr and Mrs Chamberlain in the witness box, I am not convinced that either of them was lying.

In reaching the conclusion that there is a reasonable doubt as to the Chamberlains' guilt, I have found it unnecessary to consider the possibility of human intervention (other than by the Chamberlains) from the time between Azaria's disappearance and the finding of her clothes. It is difficult, but not impossible, to imagine circumstances in which such intervention could have occurred. It is not inconceivable that an owner of a domestic dog intervened to cover up its involvement in the tragedy or that some tourists, acting irrationally, interfered with the clothes before they were later discovered by others. There is not the slightest evidence to support either of these hypotheses but the possibility of human intervention is another factor which must be taken into account in considering whether the evidence establishes the Chamberlains' guilt beyond reasonable doubt. It was so recognised in some of the judgments given on the appeal to the High Court.

Mr Speaker, I have not attempted anything like an exhaustive analysis of the report. It is available for the public to read. Nothing was concealed from the commissioner ...

Mr Deputy Speaker: Order! The honourable member's time has expired.

Mr HANRAHAN: Mr Speaker, I move an extension of time sufficient for the Attorney-General to complete his statement.

Motion agreed to.

Mr MANZIE: Nothing was concealed from the commissioner or the Chamberlain's advisers. Indeed, the case is conspicuous for the way in which the police carefully preserved the records of their inquiries and made available to the commission the fine details of the investigation, including many hours of tape recorded telephone conversations between police officers.

Mr Speaker, the commissioner's report will not satisfy everyone. It makes no declaration of innocence but rather points to doubts and problems in the way of proving guilt. The report stops a long way from saying that a dingo took Azaria. It says the contrary has not been proved. In a positive sense, the commissioner draws attention to mistakes made in the scientific evidence and how they might be avoided in other cases. He devotes a chapter to the standards of scientific evidence and concludes by saying:

Juries may attach great weight to the opinions of experts on matters outside the competence of the layman to understand. It is essential that everything possible be done to ensure that opinions expressed by experts, especially Crown experts, be soundly based and correct. In many cases, the opinions expressed by the Crown's experts are accepted by the defence. If they are not accepted, the resources of an accused person may well not suffice to enable him to challenge them. The risk of an injustice occurring would be diminished if an

accused person, in common with the Crown, had access to a National Forensic Science Institute and its staff of experts.

It is our intention to take up with the Commonwealth and the states, the question of creating a national forensic science institute.

The government accepts the commissioner's criticisms of much of the scientific evidence which led to the Chamberlains being convicted, seen in the light of the evidence called before the inquiry. I must also point out that it is significant that, in a case of such length and complexity, no criticism is offered of the conduct of the Crown or the police.

Mr Speaker, I would like to place on record some details about the inquiry. The inquiry has cost the Northern Territory government just over \$6m of which more than \$2.7m went on the commission itself. More than \$1.4m was spent by the Crown and nearly \$1.6m has gone to the Chamberlain party. A total of 145 witnesses were called, including 87 new witnesses and 58 witnesses who had already appeared during the earlier hearings. Of these, 10 were experts from overseas. They came from the United Kingdom, Germany, Sweden, Canada, the United States and Japan. The transcript of the hearing totalled 9450 pages and the amount of evidence, exhibits, transcript and other items which were freighted from Darwin to Sydney and back again weighed an estimated 5 t. These statistics clearly illustrate the scope of this inquiry. Every possible attempt has been made by the Northern Territory government to assist Mr Justice Morling to fully investigate all the questions arising from the case. That the government was successful in this is shown by Mr Justice Morling's comments on the last day of the inquiry's hearings when he said:

Finally, I would like to say this: that although my commission has come both from the Commonwealth government and the Northern Territory government, the whole of the responsibility for the logistical and financial support of this commission has fallen on the Northern Territory government. It would be remiss of me, I think, not to say that every request I have made or those who have been assisting me have made to the Northern Territory government has been met. Without their cooperation and assistance, the running of this commission would have been greatly frustrated and, in particular, counsel assisting's ability to put before me the material which they thought should be put would have been greatly diminished; and it's proper that I should say that I am very grateful for the Northern Territory government making it possible for counsel assisting to leave no stone unturned and ensuring that I have in front of me, as I believe I do have, all information which is available and which might assist me in making my report.

Mr Speaker, in concluding, I would like to voice the Northern Territory government's appreciation to Mr Justice Morling for the work he has done on this inquiry. He accepted an extremely difficult and complex task and carried it out with great thoroughness and efficiency. I would like to extend my thanks, and that of my colleagues, to Mr Justice Morling and the various people who assisted him in this matter.

I seek leave to continue my remarks at a later time.

Leave granted; debate adjourned.

TABLED PAPER
First Report of Subordinate Legislation and
Tabled Papers Committee

Mr SETTER (Jingili): Mr Speaker, I table the first report of the Subordinate Legislation and Tabled Papers Committee.

LEGISLATIVE ASSEMBLY (REGISTER OF MEMBERS' INTERESTS)
AMENDMENT BILL
(Serial 1)

Continued from 29 April 1987.

Mr EDE (Stuart): Mr Speaker, the amendments we have before us are entirely supportable. They will ensure that a new member of this Assembly will, within 60 days of taking his oath, submit a return to the Clerk. They will ensure that other members who are re-elected will submit an annual return within 90 days of 30 June each year. As the Chief Minister said in his second-reading speech, this will obviate the necessity for 2 returns to be made by all members, whether newly elected or re-elected, if an election is held in the early part of the year. Members should realise that section 7 of the principal act remains and requires all members, whether initially elected or re-elected, within 60 days of any change in their circumstances, to notify the Clerk of those changes and provide him with details so that the register can be amended. Those details do not have to be provided if the change in circumstances relates to any time in the year after 1 April. This is a point that was raised in the original debates on this legislation when the opposition contended that that period was too long. It means that a member does not have to notify changes in circumstances for a period of 3 months in a financial year after 1 April, plus a further period of 3 months after 30 June, when the return becomes due. That period in total is half a year, and that is one of the points that I wish to canvass during my second-reading speech.

It is interesting to review the history of this legislation before the Assembly. It was a matter of pride for parliamentarians that, immediately after the achievement of self-government, this Assembly passed a resolution which required members to register their interests. This was done by resolution of the Assembly and, while there seems to have been some debate as to whether it was a Labor or a CLP initiative, the fact is that at that stage we were right at the forefront amongst Australian parliaments in this area.

As in so many things, the early promise of self-government and the then Chief Minister declined as his political pragmatism overcame his idealism. Of course, the resolution lapsed when the Assembly was prorogued for the election. After the election, a piece of legislation was placed before the Assembly. I believe it was serial 36 of 1980 and it is essentially that legislation which we are amending today. The debates on the provisions of the legislation were quite long and, in the government's view, vitriolic. There appears to have been common agreement that the provisions of the provisional resolutions of this House were watered down when they were enshrined as an act. It is a matter of parliamentary record that serial 36 of 1980 did not have its second reading agreed to until 4 March 1981. At that stage, the then Chief Minister stated that passing legislation in May was just as good as passing it in March and it was decided that the committee stages would be taken at a later date.

It was not May 1981 when the matter again came before the parliament, but June 1982. That was after considerable pressure had been placed on the

government by the then Leader of the Opposition, Mr Collins. Following a long debate in the committee stages, the bill was read a third time on 3 June 1982 and duly passed by this parliament. Since then, the legislation has remained untouched. In the early stages, we were in the forefront of this type of parliamentary reform. However, we have gradually slipped back. Other parliaments have addressed the issue and gone much further in ensuring, for the sake of the public, that parliamentarians are not only above reproach but are seen to be above reproach.

At one stage, we considered putting forward a swag of amendments to this bill. The amendments would have expressed the changes that we feel should be made to ensure that we once again take our place in the front line of parliamentary reform in Australia. We are, however, very aware of the knee-jerk reaction that this government has taken to amendments which we have put in the past, and we have decided that the matter is too important to allow that to occur again. Rather than present a series of amendments and have the government take an early position on each of them, we will use this debate to canvass the issues that we believe are important.

We request that members of the government take their Hansards with them between now and the next sittings, go through the various points we raise and come back to us. We can then discuss a series of amendments which will ensure that parliamentarians in this place are seen to be above reproach in their financial dealings and that there can be no conflict of interest between the financial dealings of politicians and their public duty to this Assembly and to the people of the Northern Territory.

Mr Speaker, I would first like to examine the situation in the federal House of Representatives. Members of that House took the position that, rather than pass an act of parliament, they would adopt a resolution. They did that initially on 9 October 1984. They amended that resolution on 13 February 1986 and again on 22 October 1986. I have obtained a copy of that resolution and it is available to any members who would like to have a look at it. However, as I have said, I believe that the utilisation of resolutions to ensure the declaration and registration of members' interests is an inferior method to that which we have utilised. It may indeed be, as was mentioned in the debates in the federal parliament, that there were problems with the passage of the legislation through the Senate. The Labor governments of South Australia, New South Wales and Victoria all passed legislation in respect of this matter, rather than using a resolution of their respective Houses.

Mr Speaker, as you know and I know, the Senate has been a source of continual frustration of the federal government's attempts at reform. Thankfully, that is a position which will be altered on 11 July, when the Labor government will gain substantial majorities both in the House of Representatives and in the Senate. I am sure that, when that occurs, we will see the passage of legislation through both Houses of federal parliament similar to the resolution adopted in the House of Representatives on 22 October 1986 which, I believe, will lapse with the prorogation of the federal parliament.

There are a number of provisions in the resolution of the House of Representatives resolution which go substantially further than we have so far been prepared to go in this Assembly. They indicate a commitment to the substance rather than just the show of declaration and they raise a few issues which I wish to canvass here. One is an essential element of the scheme: the publication of the register. Currently, we have a situation where a register is maintained but is not published. In order to see what is in the register,

a person must first know how the system operates and identify himself. I believe that the register should be a public document and, as such, be tabled in this Assembly so that it is available for members of the public to view without the likelihood of being subjected to the type of vitriolic comment that the former Chief Minister heaped on persons who, in his view, had the cheek to look at the register.

We would like to see the maintenance of the provisions of section 9 of our legislation. This requires that a person may not publish or comment on information contained in the register unless the information published constitutes a fair and accurate summary and that the comment is fair comment, made without malice and in the public interest. I believe that the publication of the register and the continuation of the restriction of further publication would provide a balance between the rights of members to have their good names protected and the rights of the public for information.

Publication is currently a provision in New South Wales, Victoria, South Australia and the House of Representatives. In fact, I have with me the published registers of the Legislative Council of South Australia and the House of Assembly of South Australia and also the register of disclosure of members of the Legislative Assembly in the parliament of New South Wales. If members would like to examine the types of information provided, they are quite free to do so.

Some members in the federal parliament stated that the publication of the register would make it so accessible that it would pose a threat to the person or property of members and their families. The register lists only the nature of the assets and interests, not their monetary value. There is a requirement on federal ministers to stipulate the financial value of their assets in a privately-held register. There is no such requirement on members in the House of Representatives.

We believe the publication of the register is essential to the development of public confidence in the registration scheme. Only publication of the register will ensure that conflicts of interest can be avoided and can be seen to be avoided. In our legislation, the families of members are included only where they hold a beneficial interest in a trust or held one during the period for which returns are required to be submitted. As the opposition pointed out during the debate on this legislation in 1982, it makes no sense to argue that a trust providing a beneficial interest to the family of a member should be held to give rise to the possibility of a conflict of interest whereas the family's membership in a company, partnership or some other form of association is not. The same argument can be used in regard to land owned by members of the family of a member. I do not see how the government can argue in favour of disclosure of family holdings in trusts and then argue that holdings in the nature of bonds, debentures and similar investments are not in a similar category. I do not understand how the provision of gifts by an outside person to the member's spouse or dependent children can give rise to a lesser possibility of a conflict of interest than a gift to the member himself. I do not understand how sponsored travel or hospitality involving a member's children or spouse can be treated differently. If this legislation is to be a workable and practical indication of our willingness to be seen to be above reproach, it is essential that, to the extent to which the member is aware of all these matters, they should be included in his return.

Mr Speaker, another amazing omission from our legislation is the issue of members' liabilities. It has been put to me, and I agree, that a member who has incurred substantial liabilities and may be on the brink of bankruptcy may

be just as liable to be placed in a position of conflict of interest as a millionaire member who may be tempted to increase his or her holdings. It was put to me also that, rather than have a completely new registration procedure each year, it would be simpler if members made their initial registration and notified the Clerk as changes occurred. This already occurs in some parliaments: members make an initial declaration, notify changes during the year and simply place on their annual declaration changes that have occurred since the last notification. I have examples of the forms used for returns in South Australia, including the primary return and the ordinary annual return. New South Wales has the same provision and uses a primary return and an ordinary return. I have the forms available so that members can see the types of questions asked and the amounts of detail required. An amendment along those lines may relieve any additional administrative burden which honourable members may feel that they are incurring by the extension of the provisions to cover spouses and dependent children.

It was stated in the previous debate on this matter that the penalty provision of contempt of the House is such that members of the opposition would probably be treated differently to members of the government. This question was addressed in South Australia, where the matter was made an offence in the Court of Summary Jurisdiction and a financial penalty set. That state has an added provision for the House to take action on its own accord. This is another of the many excellent advances contained in the South Australian legislation, and I would request all members to get themselves a copy. I have here both a copy of the South Australian act and a copy of the second-reading speech explaining what it sets out to accomplish, clause by clause. That is also available for any member to examine. I am sure that, after reading it, members will realise that the provision of an adequate and comprehensive system of notification, registration and public disclosure will raise the status of parliamentarians in the eyes of the electors of the Northern Territory.

In New South Wales, the House may declare the member's seat vacant if he or she fails to comply with the provisions of the act. In Victoria, the House, in addition to any other punishment for contempt, may impose a fine not exceeding \$2000. If there is default on that payment within the time ordered by the House, the seat of the member becomes vacant. Legislation in the United States of America provides that the Attorney-General may bring a civil action against any individual who knowingly and wilfully fails to supply or falsifies a report required by the act. The court may assess a civil penalty not exceeding \$5000 against such an individual.

As I said earlier, it is interesting to look at the variety of methods that are used. The House of Representatives has used a resolution. In South Australia and, I believe, in Victoria, ordinary acts of parliament have been used. New South Wales went a step further and actually made an amendment to the Constitution Act necessitating a referendum to ensure that people in that state had the ability to enshrine the provisions quite strongly in their constitution.

Mr Speaker, as a final point, I would like to mention the requirement in the House of Representatives' resolution that a member must declare any interest in debate or other proceedings. This is a requirement that we as parliamentarians write into the provisions for local government bodies throughout the Northern Territory and for various other boards and authorities. But it is one which we do not abide by ourselves. The federal resolution requires that, notwithstanding the lodgment by a member of a statement of his registrable interests and those of his family, he must, when

participating in a debate in the House or any proceedings in committee, declare any relevant interest at the beginning of his speech. If the member votes in a division, a declaration of interests shall be recorded as soon as practicable after a division is called for in the House, the committee of the whole or a parliamentary committee, and the declaration is indexed in the votes and proceedings or the minutes of proceedings and in any Hansard report of those proceedings or that division. An exception is made in respect of standing orders 142 and 143 relating to questions placed on notice or without notice.

This provision seems to be eminently supportable and should be included in our legislation. As I have already pointed out, members of this House can change their financial circumstances without providing information about that change to the Clerk from 1 April to the end of September. This means that they can not only allow any change in their circumstances to go undeclared but can engage in the proceedings of this Assembly without having to advise the House of any interest they may have in its proceedings.

We are a small legislature and many of us come from backgrounds where we were deeply involved in the public life of the Territory. Many of us have continued that involvement with organisations during our parliamentary life. Many of us have family members who are in those organisations. There are members who continue their involvement in business undertakings in which they were principals prior to entering parliament and other members who engage in new areas of business activities after becoming members of parliament. I am not being critical of members for that. I believe that is a matter between them, the party that preselects them and the electorate which elects them. I am, however, fundamentally opposed to members being able to speak in a debate concerning matters which may offer them significant financial advantage, without informing this Assembly that that is a possibility and allowing it to assess the validity of their arguments in the context of their possible personal gain. Whether that gain is substantial or a vague possibility, the statement of interest should be made and recorded.

As I said at the outset, the opposition supports the bill. However, the issues that I have raised in this debate are issues that are being discussed in other parliaments around Australia. Many of them are moving to ensure that public trust and confidence in parliamentarians is enhanced. I conclude by pleading with the government to take the issues that I have raised in the spirit in which they are proposed, to look at them and to institute discussions with us on how we can amend our legislation to bring it once more into the forefront of parliamentary reform in this country.

Mr HATTON (Chief Minister): Mr Speaker, I thank the member for Stuart for the first 20 seconds of his speech when he said that the bill was fully supportable. That was the only part of his speech which had any relevance to the bill before us. The rest of what he said concerned matters that have nothing to do with this particular bill. I hope the honourable member will recognise the extreme patience this side of the Assembly exhibited during his gross digression from the matter before us. I thank him for his support of the bill and, in doing so, close the debate.

Motion agreed to; bill read a second time.

Mr HATTON (Chief Minister)(by leave): Mr Speaker, I move that the bill be now read a third time.

Mr LEO (Nhulunbuy): Mr Speaker, the member for Stuart made a number of valid points in a spirit of cooperation. I would have hoped that the Chief Minister could have indicated in his reply that he was at least prepared to look positively at the propositions put by the member for Stuart. Optimistically, we will see the government presenting relevant and appropriate legislation on this important matter, and I hope that the Chief Minister will take the opportunity now to assure the member for Stuart and, indeed, the Assembly, that he intends to continue to pursue it.

Mr HATTON (Chief Minister): Mr Speaker, in response to the member for Nhulunbuy, obviously I am quite prepared to look at any rational and considered matters associated with any legislation before the Assembly, but it is quite amateurish for any member to stand up without any warning and launch into a tirade relating to a mass of matters that are totally unrelated to the bill. Of course we will look at the Hansard and analyse what has been put forward, but to ask that any response be given to it now is totally illogical.

Had members opposite been serious about wanting some considered response to the matter, they would have advised the government in advance of the issues they wished to raise so that they could have been considered before they were raised here. Instead we have seen this grandstanding exercise.

Mr Speaker, we will look at the issues that have been raised and we will consider them. If they come before the Assembly, they will be addressed appropriately by members on this side of the Assembly, as always occurs.

Motion agreed to; bill read a third time.

ADJOURNMENT

Mr HANRAHAN (Leader of Government Business): Mr Speaker, I move that the Assembly do now adjourn.

Mr COLLINS (Sadadeen): Mr Speaker, I would like to spend a few minutes this afternoon discussing what I did on a recent holiday. That might sound like the subject of the first essay that we were given when returning to school as kids: what did you do in the holidays?

Mr Ede: You're not going to tell us, are you?

Mr COLLINS: I am indeed. You just listen. You might happen to learn something. What I did was meet a dinosaur, and that is the name of a particular mechanical device.

Mr Ede: What did he say? Good day, brother?

Mr COLLINS: No, he wasn't that shape.

Mr Speaker, this so-called dinosaur is a mechanical device and I hope the Minister for Health will be interested in it in due course because it is electronically operated. It can be used by one person to lift hospital and nursing home patients with considerable ease. I have seen it in operation at a country hospital in the state that I visited.

The machine is currently at the invention stage and there are some difficulties in getting it to the manufacturing stage. I spent some time this morning working with government officers to see whether the Territory can give appropriate assistance for the development of this particular machine. I am

sure the Minister for Health is concerned about the amount of funds required to run his many and varied programs. The machine would save on orderly staff in hospitals because a single nurse weighing 100 pounds can use it, even to pick up patients who have been badly burnt and need to be handled with great care. A 16-stone paraplegic was being handled with considerable ease in the hospital where I saw the machine. I think that is very important. When the patients are being manhandled by half a dozen people, they often feel very insecure indeed. The machine could somewhat reduce the high levels of manpower required on occasions in nursing homes and hospitals.

I was told this morning that many nurses develop bad backs at certain stages in their career. Many of them are actually forbidden to do any lifting. Workers' compensation claims are pretty expensive. The device, the dinosaur lifter, could be of great assistance in our hospitals.

Mr Smith: Yes, particularly if you were the dinosaur.

Mr COLLINS: There goes the Leader of the Opposition, out of his seat and shooting off at the mouth in his usual manner. He may well recall that I mentioned a certain airship some years ago. That particular airship now has gained \$300m worth of orders for Mr Bond, and that is just the beginning. Just settle down, fellows, and start to listen because it is important.

Not only would this device be very useful in our health system but this particular invention is looking for a home. The inventors have patents in 20 overseas countries. The Territory badly needs manufacturing industry. I believe it is something that is well and truly within the capacity and capability of the Territory to handle, and the interesting thing is that it is estimated, admittedly by 1 of the 3 in the family who have worked on and perfected it, that it has a minimum sales potential of \$500m. In anybody's language, that is not something to be sneezed at. I am prepared to put every effort into bringing it to the attention of government departments and the Minister for Industries and Development.

The government in the state where this machine was invented has not been very helpful overall. There are problems on both sides, but I believe that it is too good an invention to allow it to rot. If we played our cards right, the machine could be developed in the Territory, perhaps in the Trade Development Zone. It would give the Territory another badly-needed string to its bow in the field of manufacturing industry, and we badly need that.

I was very impressed by it. I am sure that, if honourable members could see it in operation, they would realise that it has considerable potential in the field of health. Nurses' backs could be saved a great deal of stress and strain, manpower numbers could be reduced and the taxpayer could be saved a great deal of money in compensation costs, time off and so on. It is a grand opportunity for the Territory to get in on the ground floor, look after these people and add a new industry to our small manufacturing base, one which would bring many export dollars to a country which has a great need to balance its trade position.

Mr BELL (MacDonnell): Mr Deputy Speaker, there are a couple of questions that I wish to raise briefly in the adjournment debate this evening. They relate to 2 questions that I asked in question time this morning. The first relates to the study into the pastoral industry in the Northern Territory carried out by the GRM company based, I believe, in Queensland. The second relates to a subject that may be more dear to your heart, Mr Deputy Speaker, namely traffic flows in Alice Springs and the increasing urbanisation of the environment in that particular town.

To refer to the GRM study, I was rather disappointed to hear that the Minister for Industries and Development was unable to give me any undertaking as to when this report will be presented to the Assembly or made public in whatever manner the government may choose. As a member of this Assembly who represents an extensive area of the Territory, I take a considerable interest in the pastoral industry. I do this on behalf of all of my constituents, not just the people who are resident on pastoral leases in my electorate. People in many quarters have a high degree of interest in the industry. The majority of Aboriginal people over the age of 30 or 40 have worked at some time or another on a pastoral lease. I make that as a claim and I challenge anybody to disprove it. Although there are many areas in my electorate that are not pastoral country, the high degree of involvement of Aboriginal people in the industry is well recorded and I do not need to expatiate on it.

I was concerned to hear a news item in Alice Springs about 3 weeks ago. It said that a third of the properties in the Alice Springs district and nearly half the properties in the Darwin-Gulf region have negative cash returns. In matters such as this, the importance of accurate information cannot be overemphasised. It is important not only to the pastoral industry but to the Territory community as a whole, including people involved in government and people such as myself whose electorates include pastoral properties. I was able to obtain more detail from the report and it is clear that the news item was correct. A third of the Alice Springs district properties have negative cash returns and, according to one draft of the report, negative returns for the Darwin-Gulf area are 46.3%. That is quite clearly a matter for considerable concern.

Other areas of concern to people in the industry are: general government marketing policies, taxation policies which fall within the ambit of the federal government, the brucellosis and tuberculosis eradication campaign in terms of the capacity of different properties to be able to carry the costs associated with it and the high interest rates for capital currently being experienced by enterprises throughout the country. In addition, there are social questions such as isolation and the difficulties experienced by families on remote cattle stations in terms of children's education. It is clear that this particular study will be of considerable interest to people in my electorate and to Territorians in general. I will very much look forward to further information about this report and I sincerely hope that it is forthcoming from the minister.

The other issue I wish to raise relates to traffic lights and roundabouts. I am a sedulous listener to the news in our fair town, the town which the Minister for Industries and Development so generously referred to as the capital of Centralia. I am not sure that even in my most extravagant comments I would be game to make such a claim, but perhaps it is a title worth considering and maybe a further question in the House would be in order. However, the fact of the matter is that I am deeply concerned about the ad hoc development of traffic lights in Alice Springs. I was not satisfied with the answer to my question from the Acting Minister for Transport and Works and I am not happy with the extent to which the Minister for Lands and Housing ducked the question. It is abundantly obvious that the Minister for Lands and Housing should have been able to answer that question himself. Not only does he live in the town but he is also responsible for town planning generally.

No doubt, Mr Deputy Speaker, you will recall our somewhat vituperative exchange during the last sittings about the unstructured structure plan for Alice Springs. I would have thought that the Minister for Lands and Housing would not have duckshoved the question to his colleague the Acting Minister

for Transport and Works. With all the resources available to him, with a large department and many town planning staff, I would have expected him to be able to tell me that traffic flow studies had been done and that the results indicated what measures should be taken for future traffic management. However, it is clear to me that that particular information is not available and that the Acting Minister for Transport and Works is attempting to convince you and me that decisions about whether traffic lights should be put at particular places should be taken in a completely ad hoc fashion.

Fortunately, in this day and age laissez-faire capitalism of that sort is well and truly dead. Far be it from me to suggest that we should be in the age of Big Brother with every breath we take being planned and catered for. However, I believe that I stand for the midpoint in that argument. In a rapidly growing town like ours, there is a desperate need for far greater consideration of the development of traffic lights. Like the member for Sadadeen and perhaps the member for Araluen, I am a fan of roundabouts. The member for Stuart is a fan of roundabouts, and it is to his eternal credit that the member for Sadadeen is responsible for the one roundabout we have in Alice Springs. It is in the heart of his electorate and controls a particularly difficult intersection.

Mr Deputy Speaker, I trust the member for Braitling will not accuse me of plagiarism in this regard, but ASPRO, the Alice Springs Roundabout Organisation, is likely to be a force to be reckoned with in town planning in Alice Springs. I think I see an indication that the member for Araluen is keen to be a foundation member. I will be passing around membership forms soon and I trust that all honourable members, certainly those based in the capital of Centralia, will join. I must say that I am not convinced by the arguments put forward by the acting Minister for Transport and Works to the effect that roundabouts do not work or only work up to a certain point with certain volumes of traffic. I find it very difficult to believe that there has been adequate consideration or any decent trial of roundabout arrangements. It seems to me that the one roundabout in the town works particularly well.

I would certainly like to know why a relatively recently completed stretch of highway through the town, namely Telegraph Terrace, cannot be designed in such a way that it would allow for further regulation of traffic 400 m to 500 m north of the existing set of traffic lights. I believe that a little more investigation ought to be done, not just by the Minister for Transport and Works or whoever acts for him in this Assembly, but the Minister for Lands and Housing, as minister responsible for town planning. He has a responsibility to make some decent contribution to this debate. He has not done so. He duckshoved at question time and, at this stage, unless he is prepared to put up, he should stand condemned for it.

I look forward to some sensible debate on this particular issue and to hearing some contributions from other central Australian members about the need for roundabouts. Let me be quite clear about this, Mr Deputy Speaker. I do not have a fixation with roundabouts but I have seen them work very well elsewhere in the world. I particularly recall their use in the United Kingdom, where much larger volumes of traffic ...

Mr Collins: Hear, hear! Six lanes.

Mr BELL: I hear the member for Sadadeen interjecting. It is not uncommon there to find at least 6 lanes of traffic being controlled by roundabouts. I find it very difficult to believe that a town like Alice Springs cannot

control the flow of traffic without introducing unsightly traffic lights which give an impression of urbanisation that is not desirable in the town and which, I believe, do nothing to actually enhance traffic flow around the town.

That is my position. I look forward to contributions from other central Australian members, particularly from the Minister for Lands and Housing. With the extraordinary resources available to him, I believe even he should be able to make a sensible contribution to a debate such as this.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Deputy Speaker, this morning I asked a question of the Attorney-General, who was standing in for the Minister for Transport and Works, regarding free travel on private buses in the Northern Territory. I gave him prior notification of the question because I wanted to hear his side of the story, and I did so this morning. I believe what the minister has told me is quite correct. He said that there is free bus travel for 5 or 6 categories of people, all of which he enumerated in his reply.

I was not referring primarily to private buses operating in the rural area; I was speaking about private buses operating anywhere in the Northern Territory. The situation, as it has been described to me, is that people can travel free of charge on private buses in the Northern Territory on routes that are used by private buses. No money is asked of the people who travel on these buses and, believe it or not, a couple of my constituents have come to me because they are worried about this situation. It may seem a bit strange that people want to pay money and that, when they are not asked for money for a certain service they get a bit worried, but these 2 constituents were distinctly worried. After making some inquiries, I have found that the situation is as I will now describe it.

All the Northern Territory bus drivers, Ansett Trailways and Ace buses, operate under what is called Determination 206 of 1980, which is an agreement between the Transport Workers Union and the Northern Territory government under which the bus drivers work a 40-hour week. Part of the content of that determination is that the bus drivers collect fares. We all know that the bus drivers on government buses collect fares. It is a case of user pays. You get on the bus to go somewhere along the route and you pay a certain fare which the bus driver collects.

Mr Deputy Speaker, most private bus companies work under the Transport Workers Union rules also. The Transport Workers Passenger Vehicle Award of 1984, which the minister mentioned this morning, applies to those bus drivers who work less than 40 hours a week, and this applies to the drivers of private buses. Under that award, they do not collect fares. That task is not in the award which means that, in reality, anybody can travel free of charge on those buses. The minister has said that, to overcome this problem, the government has established period ticket outlets throughout the Darwin rural area and members of the public are required to present a current period ticket to the driver upon boarding the bus. Again, I am not singling out the rural area in particular. I am talking about private buses that travel anywhere. The reality of the situation is that people do not necessarily purchase these period passes, and it certainly would not pay them to do so. I am talking about adult members of the public in this instance, not school children. If a member of the public travels by bus only once or twice a week, it certainly would not pay him to buy a weekly or monthly pass. Consequently, when such people board the bus, they are not asked for a fare and they travel free of charge.

The government is supposed to be in straitened financial circumstances and I do not think it is too much to expect anybody who travels on a bus to pay the fare. Of course if people are not asked for a fare when they board a bus, they will not pay and in fact they cannot pay because the bus driver will not accept it. If people only travel a few times a week or a month, they will not purchase a weekly pass or a monthly pass because it would be too expensive for them. Consequently, the government is losing revenue.

I would like to raise a couple of other matters connected with this whole situation. I have not had time to ask the relevant people about the questions that I will ask now. Firstly, in the event of a private bus having an unfortunate accident and passengers who have not paid a fare being injured, what is their status as regards insurance? Where does the responsibility rest? Does it rest with the driver and the injured can make a claim against him? Does it rest with the private bus company operator? I have not been able to find out whether the private bus company can insure for situations like this.

Can an injured passenger who has not paid a fare make any claim at all? If he has not paid a fare, it seems to me that he has not entered into a contract to travel on the bus and therefore would not be able to claim at all if an accident occurred. I believe that if the government lets out contracts to these bus operators, this situation should certainly be examined and, if necessary, a remedy found. I have been told that there would be difficulties with non-paying passengers claiming recompense, and I have been told there are difficulties in remedying this situation. However, I believe that, if an open-minded rather than a bloody-minded approach is taken, the government can find a solution.

Drivers who operate the Northern Territory buses and those who operate the private buses are members of the Transport Workers Union. For the sake of this argument, I am not considering those private bus companies whose drivers do not belong to the Transport Workers Union. That is another story. Where the private bus companies' drivers belong to the Transport Workers Union, I cannot see any argument. Perhaps I am rather naive about this, but I am taking the overall view. I really cannot see any argument, if all the drivers belong to the one union, with regard to changing certain situations and practices. When calling tenders for the bus runs, the government could simply specify that private bus companies have to subscribe to Determination 206 of 1980. Certain changes would have to be made because one of the conditions of Determination 206 of 1980 is that drivers should work a 40-hour week. If bus drivers in private companies do not do that, changes could be made to enable them to collect fares. There are so many little ways, as the Treasurer and others have told us, in which the government is losing money. Rectifying this situation is one way of remedying our financial problems. I believe it would make many people feel happier about travelling on buses, particularly in relation to the situation of non-paying passengers in the event of injury through accident. People are very worried about their status in that eventuality.

I would like to touch on another subject briefly this afternoon, a subject which reminds me of Alice in Wonderland's mad tea party. It is the continuous motion of the government departments. They go out of offices in Darwin to other offices, they split up and diversify and amalgamate with other departments, and they continually move to other buildings. The Chief Minister said that, in the interests of streamlining public service operations, he amalgamated 8 government departments into 3 large government departments. On the surface, I do not have any argument with that but, when it comes down to

how it is actually working, I feel that practical realities may defeat the Chief Minister's aim.

If any company is involved in office partitioning these days, it will make its fortune in Darwin. Each department which moves to a new location has its own requirements for office partitioning. Perfectly good office partitioning is taken down in one building while a new lot goes up in another. At one stage, you knew the Department of Transport and Works was over there in those 2 buildings next to the Chan Building. But, when I went there for a particular purpose a couple of months ago, I was told that the department had moved to the Beaufort Centre. However, only part of the Department of Transport and Works is in the Beaufort Centre, occupying the 4th, 5th, 6th and 7th floors. Another part is in the Gregory Building, another is in Highway House and there is a road depot in Yarrowonga Road.

The Conservation Commission was progressing quite happily at Berrimah but, because the government had given certain undertakings to a builder of an office block at Palmerston, part of the Conservation Commission was to be moved there. The nursery and associated interests were to stay at Berrimah. I have heard on the grapevine that, because of the cut in funds, it might be too expensive to move. These moves by government departments are expensive.

The former Department of Primary Production will be moving down to what I call the Milatos Building - I believe it is called Harbour View - down by V.B. Perkins. That department is now called the Department of Industries and Development and will have as its office companions, Nortrade, ADMA and Management Services. I believe that all these organisations will move down there at the end of the year. What will happen to the office now occupied by Nortrade? What will happen to the office space now occupied by ADMA and the office space now occupied by the former Department of Primary Production in the Darwin Plaza? We may have one group of buildings occupied but all of these government departments are leaving vacant offices behind them.

That is only part of the story. I have not referred to Youth, Sport and Recreation, Correctional Services or Health. We come to the Housing Commission. I find that the supervisory section of the Housing Commission has moved to the Department of Transport and Works. Lord knows where it is but it is with the Department of Transport and Works somewhere. The building maintenance, rent and home loans sections are still at Sturt House in Linton Street, Casuarina.

The Department of Lands was supposed to have a one-stop shop in the AMP building on the corner of Knuckey and Cavenagh streets. It now occupies only part of the AMP building because officers connected with pay, personnel, office management and the directorate have all moved over to Sturt House, the Housing Commission building at Casuarina. The Building Branch, Rural Land Management Branch and Planning Branch still remain in the AMP building.

It is hard enough for somebody like myself who has been in the Territory for a long time and knows her way around to find out where these departments are located now. It will be extremely difficult for the average person to keep track of their movements. I think the exercise will be counter-productive, even without taking into account all the extra expense. Before some of these changes are made, a rationalisation should be considered. The costs of the whole exercise may be such that it may be more expensive to amalgamate the 8 departments into 3 than it was to keep them separate.

Motion agreed to; the Assembly adjourned.

Mr Speaker Vale took the Chair at 10 am.

MESSAGE FROM THE ADMINISTRATOR

Mr SPEAKER: Honourable members, Message No 1 has been received from His Honour the Administrator:

I, Eric Eugene Johnston, the Administrator of the Northern Territory of Australia, in pursuance of section 11 of the Northern Territory (Self-Government) Act 1978 of the Commonwealth, recommend to the Legislative Assembly a bill for an act to make interim provision for the appropriation of money out of the Consolidated Fund for the service of the year ending 30 June 1988.

Dated 2 June 1987
E.E. JOHNSTON
Administrator.

PETITION
Bachelor of Laws Course

Mr HARRIS (Port Darwin): Mr Speaker, I present a petition from 48 citizens of the Northern Territory praying that funds be made available for the University College of the Northern Territory to institute a full Bachelor of Laws course in 1988. The petition bears the Clerk's certificate that it conforms with the requirements of standing orders. Mr Speaker, I move that the petition be read.

Motion agreed to; petition read:

To the Speaker and members of the Legislative Assembly of the Northern Territory, the humble petition of certain law students of the University College of the Northern Territory of Darwin respectfully sheweth that there is a need for funding to enable the University College of the Northern Territory to provide a full LLB course to students in the Northern Territory. This petition is so signed by present students studying law subjects at the University College of the Northern Territory who desire to continue their law studies at a standard which will enable them to use it as a profession once completed. Your petitioners therefore humbly pray that this petition will be acted upon so as to ensure that the necessary funds are made available to the University College of the Northern Territory to institute a full LLB course in time for the beginning of the University College of the Northern Territory's 1988 tertiary year, and your petitioners, as in duty bound, ever pray.

NOTICE OF MOTION

Mr SMITH (Millner): Mr Speaker, I give notice that, on the next day of sittings, I shall move that: (1) the Chief Minister be censured by this Assembly for (a) deliberately misleading the Assembly in that he stated to the Assembly on the 29 April 1987 that a Japan Australia Transport Study Group had been formed, comprising, from the Japanese side, representatives from Japan Railway Technical Services, Japan Railway and Freight Company and the Long Term Credit Bank of Japan knowing, as later public statements have shown, that this statement was false; and (b) placing future negotiations with these Japanese companies at risk; and (2) this Assembly calls upon the Chief Minister to resign forthwith.

Mr HANRAHAN (Leader of Government Business): Mr Speaker, the government accepts this motion as a motion of censure. I advise honourable members that all questions for this day should be placed on notice. Past precedent indicates that there should be 2 speakers from each side. If there is to be any departure from that precedent, perhaps the Leader of the Opposition could address it during his debate.

MOTION

Censure of the Chief Minister

Mr SMITH (Opposition Leader): Mr Speaker, I move that: (1) the Chief Minister be censured by this Assembly for (a) deliberately misleading the Assembly in that he stated to the Assembly on 29 April 1987 that a Japan Australia Transport Study group had been formed, comprising, from the Japanese side, representatives from Japan Railway Technical Services, Japan Railway and Freight Company and the Long Term Credit Bank of Japan knowing, as later public statements have shown, that this statement was false; and (b) placing future negotiations with these Japanese companies at risk; and (2) this Assembly calls upon the Chief Minister to resign forthwith.

Mr Speaker, no doubt one day there will be a railway line linking Alice Springs and Darwin. Hopefully, it will carry both freight and passengers and it will be an extremely important part of the Northern Territory economy. Because it will play such an important role in the Northern Territory's economy, the cost of putting it in place will be more than outweighed by the benefits that it will bring to the Northern Territory. But, we are all very much aware of the difficulties in having that railway line built. I do not have time to go over the history of those difficulties today. It has been, and will be a very difficult exercise to have that railway line built. It can do without major blunderings by the Chief Minister of the Northern Territory, whoever he may be.

This censure motion is about a major Chief Ministerial blunder which has involved misleading this Assembly. In that, he has been aided by the Treasurer and abetted by his interpreter or representative - call him what you like because the Chief Minister has called him many different names on different occasions - Dr Robert Ishizaki. He, of course, is now well known in the Northern Territory as a friend of the media, a real estate expert and a developer of fun railway projects.

On 29 April, the Chief Minister said, in reply to a dorothy dixer from the member for Ludmilla: 'We have formed what we have called a Japan Australia Transport Study Group. This comprises, from the Japanese side, representatives from the Japan Railway Technical Services, known as JARTS, Japan Railway and Freight Company, and the Long Term Credit Bank of Japan, and from Australia Henry and Walker, with the involvement of one of its shareholders, Kumagai Gumi'.

The opposition accepts that Henry and Walker and Kumagai Gumi are part of the study group. Mr Neville Walker from Henry and Walker and a representative of Kumagai are 2 of the study group's 4 members. The other 2 are Dr Neil Conn and Dr Robert Ishizaki. However, even now, 6 weeks later, there is no evidence that the 3 Japanese companies are part of the study group and there is no evidence that any of the companies is expressing anything more than polite interest in the railway project. They may well attend the meeting next Tuesday, but they are not members of the study group on the evidence presented by the Chief Minister, despite his statement of 29 April 1987 that they are.

It is important to note the context in which the Chief Minister's comments were made on 29 April. They were a calculated response to a set-up question. The member for Ludmilla served up a soft, friendly half-volley which the Chief Minister hit back with a well-prepared unambiguous statement. He was not acting under pressure. He had advance notice of the question and he had his response written down. That came undone on 16 May when the Tokyo correspondent for the Herald and Weekly Times group, Mr Peter Wilson, reported information that proved that the Chief Minister had misled the Legislative Assembly. Mr Wilson wrote, and I quote: 'Japanese banking and rail firms have denied claims by the NT Chief Minister, Mr Steve Hatton, that they are involved in a study group looking at an Alice Springs to Darwin rail link'. He went on to say: 'The 3 Japanese firms have publicly denied any involvement in the study group and privately rejected any great interest in the proposed rail link scheme. One of the Japanese firms said that it had not even heard of Mr Hatton's study group'. Significantly, in that same article in the NT News of 16 May, both the Chief Minister and Dr Ishizaki agreed that Mr Wilson was right. A spokesman for the Chief Minister described the affair as: 'A stuff up'.

Attempts by Mr Wilson to speak to the Chief Minister, at that particular time, were resisted. However, Mr Wilson did determine from the Chief Minister's office that study group members were Dr Ishizaki, Under Treasurer Conn, an unnamed Australian businessman and an Australian Japanese businessman. Dr Ishizaki himself, when asked by Mr Wilson about the membership said, at first, that the Japanese companies were involved and, later, when he was contacted again by Mr Wilson, changed his mind and said that the Japanese companies were not involved in the study group. All of that was reported in the NT News of 16 May, and no other conclusion can be drawn from those statements by the Chief Minister and Dr Ishizaki than that the companies were not members of the study group on 29 April when the statement was made to the Assembly by the Chief Minister that they were members of the study group.

Mr Speaker, I will go over the basic points again. The Japan Australia Transport Study Group has 4 members, as told to us by the Chief Minister on many occasions. None of them is a representative of the Japanese companies named by the Chief Minister. Then, a couple of days after 16 May, the penny dropped: the Chief Minister remembered, or was reminded of, his reply to the Dorothy Dixier of 29 April. When he checked the question and reply, he knew he was hooked. From then until now, he has been swinging wildly, ducking and weaving, hanging punch-drunk off the ropes and, in typical Country Liberal style, trying to convince us that black is white. Mr Speaker, if you want a demonstration of his hanging punch-drunk off the ropes, afterwards I will show you the 7.30 Report interview with Pamela Bornhorst.

Mr Speaker, consider some of the intricacies of the positions the Chief Minister has advanced as he has floundered around on this issue. On 29 April, the companies were members of the study group. On 16 May, they were not members of the study group. Later that week, they were variously providing technical advice to the study group, though they were not actually physical members of the study group. At another time, they were members of a floating group which would provide advice to something called the 'core group' and, at another stage, they were coming to a 9 June meeting with a view to determining whether they wanted to be part of the study group or not.

Mr Speaker, that was desperate stuff from a desperate man. Not only that, the media was abused by the Chief Minister and threatened by Dr Ishizaki who made noises about the media ruining the project. That, of course, brought

back memories for those of us who have been around for a while and can remember the Myilly Point and other similar fiascos that this government has been involved in. It is always the media which is blamed when things go wrong with this government.

Dr Ishizaki quickly moved to centre stage and the Chief Minister clutched at him like a lifeline after the initial publicity stating that Dr Ishizaki's arrival on 20 May would reveal all. We then learnt that, in fact, Dr Ishizaki is an American entrepreneur who has widespread real estate interests but, in his own words, no 'expertise in directly getting involved in the development of other types of properties'. In other words, the Chief Minister had engaged a person to represent the Territory on negotiations about the constructions of a great rail link who had no knowledge of, nor expertise in, railway development.

The raises the question of why Dr Ishizaki was chosen for this task. Here we get into an interesting sector of this saga that has not, so far, become public. When the Chief Minister and the Treasurer left for Japan, they had arranged to have talks with Kumagai Gumi and others in Tokyo who they hoped would facilitate their entree into the Japanese business world. But, after just a short time in Tokyo, it became clear that the Chief Minister was faced with an unenthusiastic response to his approaches. This was not good for a Chief Minister who was increasingly subject to criticism for governing by overseas junket, and for coming back with nothing. We need do no more than remember the great kenaf overseas junket.

At that stage, after the Chief Minister had been 2 or 3 days in Tokyo, up popped Dr Ishizaki. It is not clear who called whom in Tokyo, but he was the answer to a stricken Chief Minister's prayer. He was able to produce, in short order, brief, informal introductions to bemused representatives of 3 senior Japanese companies. The meetings were to save face - the Chief Minister's face - and they did that, temporarily. I am advised that the meetings lasted less than an hour, that they were held either on the last or the second last day of the time in Tokyo, and were typical of the kind of courtesy that a major Japanese company would show the visiting head of a provincial government. The extent of one company's commitment was outlined in the NT News of 16 May: 'During a meeting of less than 1 hour, the Northern Territory delegation had mentioned the planned study group, but the bank was not asked to join it and had no plans to do so'. The tenor of these meetings was described freely by Peter Wilson in an interview on ABC's Territory Extra. He said:

They then sat and listened to what Mr Hatton and Dr Ishizaki had to say. As is the style of Japanese companies, they said: 'Yes, we hear you'. They expressed polite interest but, at no stage, did they commit themselves. At the end of the meeting, Dr Ishizaki or Mr Hatton asked if the Northern Territory government could send further information on the project and the Japanese said: 'Yes, that would be fine'. End of meeting.

Now, that certainly does not mean they were jumping up and down about the Alice Springs to Darwin rail link. It certainly does not mean that they have joined in groups or made any form of commitment whatsoever. If you walked into the office of a large Japanese company in Tokyo with a provincial government leader from overseas, they would certainly listen to you. When you left, they would then form their own opinion on what you were saying.

That made it very clear what the attitude of the Japanese companies was to those meetings. On the same day and on the same program, the Chief Minister made very clear his understanding of what had happened at the meetings, and his panic over his statement to the Legislative Assembly. Referring to the Japanese companies, he said: 'Now what I said was that they were part of a study group. Now they are not physically sitting on the study group. We named the people on it, and they obviously did not include their names'. Let me read that again: 'Now they are not physically sitting on the study group. We named the people on it, and they obviously did not include their names'.

Mr Speaker, I do not have to do anything more than read out that statement and say that the Chief Minister has misled this Assembly, because that statement just does not sit with the statement that he made on 29 April in this Assembly. It goes on to say:

I named the particular people that were on that study group, in various statements that I have made to the media. Now, in fact, with those other companies, we were in a meeting together in one particular meeting. They made the point that, whilst they would not have somebody sitting in the study group, they would be there.

Mr Speaker, one could be forgiven for guessing that the next words from the Chief Minister might be 'Now, don't you worry about that'.

Mr Hatton: Don't worry about it.

Mr SMITH: At one stage, when the Chief Minister was very much on the defensive about his difficulties, he even complained that the businessmen he had met could not speak English, as if that was the basic problem he faced and why he kept getting it wrong. I bet the Japanese would not have been similarly handicapped by the Chief Minister's inability to speak their language. The Chief Minister went on to say that people had been beating up and twisting the entire story. I do not think even the best beat-up artists in the history of journalism could have applied the mixmaster in quite the way the Chief Minister has done on this particular story.

Mr Speaker, the meetings between the Chief Minister and senior Japanese businessmen were important. We do not deny that they were important, but they were part of the formal ritual of meeting and they were not serious negotiations. That they were not serious negotiations is evidenced by the fact that the Northern Territory government did not even bother to take minutes of the meetings. It has not been able to produce any minutes of the meetings or any written understandings of what the meetings were about. They were clearly the initial meetings of courteous Japanese business people with the Chief Minister. No record was made of what was said, but the business houses were clear about one thing, as was evidenced by both Peter Wilson and Walter Hamilton: the Chief Minister's study group did not include them.

Meanwhile, what about the Chief Minister's loyal sidekick, the Treasurer?

Mr Coulter: Here we go.

Mr SMITH: Unfortunately, the Treasurer has not been able to throw much light on what really happened. He issued what must be counted as the world's most lukewarm, backhanded statement of support for a leader since the early days of the Peacock-Howard feuding. The Treasurer was not prepared to elaborate on the statement to the media or his part in the overall trip. But, of course, at least one of his ministerial colleagues was prepared to tell the NT News that he thought the Chief Minister had misled the parliament.

Mr Hatton: Who? Who?

Mr SMITH: You had better have your own witch-hunt. We know who it is, but we are not going to help you in that witch-hunt.

Mr Hatton: Put up or shut up.

Mr SMITH: Mr Speaker, this was just a part of the overwhelming public support that the Chief Minister did not receive from his ministers or his colleagues, and it was one of the interesting omissions that week that, in fact, apart from that very lukewarm support from the Treasurer, there were no expressions of support for the Chief Minister from any of his ministerial or other parliamentary colleagues. Of course, as I have said, the Chief Minister was hoping that, when Dr Ishizaki arrived, he would solve all of his problems and reveal all. And Dr Ishizaki certainly revealed all at a news conference, which would have been hilarious if it had not involved the credibility of the Northern Territory.

One of my most graphic impressions from watching some of the TV shots of that news coverage was of the Chief Minister sitting stony-faced and somewhat embarrassed while Dr Ishizaki spelled out the difference between his version of the truth and the Chief Minister's. In his colourful way, Dr Ishizaki said that there was a study group and that 3 Japanese companies were part of it but, unfortunately, he could provide no written evidence that this was the case and would not supply the names of company executives whom Darwin journalists could contact. He went on, in a way that has become well known with this government, to attack the local media, saying - and I will not attempt the accent - 'You guys are going to blow this deal if you keep on'. Then, in another attempt to intimidate the media, he added that people in Japan could not distinguish between a palace revolt in Timbuktu and what was happening in Darwin. Mr Speaker, so much for the credibility of Dr Ishizaki.

Unfortunately for this government, senior Japanese companies can tell the difference between a palace revolt in Timbuktu and honest and credible governments elsewhere. I am surprised that the Chief Minister of the Northern Territory saw fit to engage a consultant who sees things that way and does business that way.

The problem with the joint press conference that was to resolve everything was that, within hours, ABC reporter Walter Hamilton had smashed the Hatton Ishizaki story and all its permutations of excuses about what was happening. Mr Hamilton reported simply that, while the Long Term Credit Bank was remaining neutral about involvement in the group, Mr Sugawara of Japan Railways Technical Services was expressing surprise and doubt about the 9 June meeting proposed for the group. We had a bald, joint statement from the Chief Minister and Dr Ishizaki, issued immediately before the disastrous news conference, stating that the Hatton talks with JARTS, along with the bank and the Japan Rail and Freight Company, had resulted in early involvement in the study group. The only piece of paper that the Territory public saw from the Chief Minister and Dr Ishizaki was the joint statement. Apart from that, at the end of that press conference, there was not one shred of confirmatory evidence. Remember that, although the government had 6 weeks to get that confirmatory evidence together, it had not been able to deliver.

Because it was aware of that little problem, by the end of the week the Chief Minister's office had discarded Dr Ishizaki and begun telexing Japan with some begging message to the companies referred to in the Chief Minister's original statement to this Assembly. The message was in the form of a telex

which the Chief Minister will not release, no doubt because it provides some incentives for the Japanese firms to come to the 9 June meeting. That telex shows just how much contempt there was for the parliament and its processes. Not only had the Chief Minister deceived the Assembly but he was now hoping to inveigle others into helping him perpetuate a total public relations myth that there were agreements in place on 29 April when, quite clearly, those agreements were not in place.

What was the result of these telexes sent on 20 or 21 May? The only result, as far as anyone is aware, was a rather extraordinary message from Dr Misao Sugawara of JARTS. That message did not save face for anybody, particularly the Chief Minister. It read: 'I would like to thank you for your valuable explanation concerning the Alice Springs to Darwin railway project, conducted on 14 April 1987 in Tokyo. It was very significant and also fruitful to make our relationship closer'. That is a typically polite opening to a letter of the type any business house would write after making a new contact, especially with senior people from a foreign government.

Mr Coulter: You would know, with your vast experience of Japanese negotiations.

Mr SMITH: I think my experience might be a little bit better than yours.

Dr Sugawara went on to explain his area of business as if understanding that the Chief Minister did not know his credentials or expertise. He wrote: 'We, Japan Railway Technical Services, are the technical consultants involved in railway engineering in every project. We are very interested in further development of your project in terms of technical study'. Perhaps that is as far as the Chief Minister got when reading this message, because I have to say, so far so good. There is certainly no reference to membership of the study group cited by the Chief Minister but it does not chew his head off either. It keeps the options open and is non-committal and polite, as one would expect.

But, let me continue, because here comes the first slice of the samurai blade. Dr Sugawara wrote: 'We would like to engage in any technical study as a consultant only for your group'. Dr Sugawara told the Chief Minister that he was interested in consulting and emphasised to him that it is 'your group'. He spelled out that he was a consultant only - not a participant, just a consultant. He then continued: 'Rather, we are keen to participate in the group to find out more about the project so as to be able to make an informed decision at a later date'. Dr Sugawara needed to find out more since he knew nothing about the project at that stage. He promised to send somebody to the 9 June meeting and then concluded: 'Further, more details will be provided if your administration asks our office mentioned above, and please advise us whom we should contact from now on'.

Mr Speaker, that is incredible! According to the Chief Minister, we have had a senior business meeting in Japan, and the JARTS man does not even know who his prime contact is. If he had been a member of the study group, as the Chief Minister said he was, the first thing he would have known was the name of his prime contact - the link with his client. We have a clear statement from Dr Sugawara in that telex that that is one of the questions that he wants answered. Quite clearly, Dr Sugawara does not see his company as part of the study group, neither does the Long Term Credit Bank nor the Japan Rail Freight Service. They may well be prepared to go to the 9 June meeting, not as members of the study group, but out of a sense of Japanese courtesy. Neither Dr Sugawara's message, nor Dr Ishizaki's many moods and flights of fancy, nor

any of the positions adopted by the Chief Minister, nor the fact that the Chief Minister will have the world looking in on his study group meeting next week, alter by one iota the simple fact that the Chief Minister did not tell the truth in the Legislative Assembly on 29 April.

The Chief Minister has failed signally to understand Japanese business operations. He has turned politeness into consent, preparedness to listen into action, an interest in gaining more information into a commitment to be involved and consultants into participants. In doing so, he has seriously misrepresented the positions of Japanese companies and done enormous damage to our relationship with them as a result of his failure to understand them. Damage has been done to the rail project as well. Of course, that is the bottom line and the most unfortunate thing about this whole exercise.

For those members who may have been held at arm's length during this debacle, let me run through the diary of events. There is absolutely no confusion about how the Chief Minister made his government look like a bunch of cowboys. On 13 April, the Chief Minister and his entourage flew to Tokyo for a round of unenthusiastic handshakes and then established contact with Dr Ishizaki for a round of smiling handshakes. On 26 April, through his Sunday newspaper column, the Chief Minister told the public that he had formed a study group, again mentioning Dr Ishizaki. On 29 April, the Chief Minister told the Assembly that the study group had been formed, and named 3 Japanese companies as members of that study group. On 16 May, Mr Peter Wilson reported the companies' denials, the confusion of the Chief Minister's office and the change of mind of the Chief Minister and Dr Ishizaki. On 18 May, the Chief Minister said the companies were not physically part of the study group. On 20 May, Dr Ishizaki arrived in Darwin and said the companies were members of the study group but could not produce any written evidence at all. On 21 May, begging telexes were dispatched to the 3 companies in an attempt to save face. On 21 May, JARTS responded with a non-committal, polite reply which again indicated firmly that JARTS did not believe that it was a member or ever had been a member of the study group. A meeting has been planned for next Tuesday with Japanese companies and observers.

The railway project is important and deserves the support of every member of this Assembly and the people of the Northern Territory. The opposition has consistently supported efforts to raise interest in the railway project and we support the efforts that this government has made to involve Japanese companies in further discussions on this particular matter. That is why we supported the Chief Minister's trip. The rail project is so important that it should not be denigrated by such embarrassing bungling as we have seen in this case. It is a very sensitive issue. Clearly, the project cannot afford the embarrassment of this kind of bungling by the government and the misleading of the Assembly that has resulted.

A viable railway is a worthy goal for the Territory and its government. It is a project from which all Territorians will benefit. Unfortunately, the Northern Territory government and its 2 amateurs, the Chief Minister and the Treasurer, have made that job much more difficult to achieve and, more importantly, the Chief Minister deliberately misled this Assembly on 29 April as to the extent of the involvement of Japanese companies and the level of their interest in this particular project. As a result, he deserves the full censure of this Assembly and he should resign. I point out to members opposite that the motion before the Assembly relates to such a serious matter that, if the Chief Minister avoids censure because of the loyalty of government members, then those members must face the fact that they support the idea of misleading parliament.

Mr HATTON (Chief Minister): Mr Speaker, if this were a court of law, I would simply submit to the bench that the case be dismissed because no case has been made. I am reminded of Shakespeare's play 'Much Ado About Nothing'. That is really what this whole exercise is about so far as the Leader of the Opposition is concerned. In his motion, he alleged that I deliberately misled the Assembly by making certain statements during the last sittings. Having made that allegation, the onus is quite clearly on the Leader of the Opposition to prove his case that I have misled this Assembly.

What is the Leader of the Opposition's proof? It is the reports of 2 journalists from Tokyo. We do not know what specific questions were asked by those journalists. We do not know the context in which those questions were asked, or which particular people they were asked of within the organisations or, for that matter, which specific organisations were approached. My staff, having been advised of these allegations, approached one of those journalists and asked a couple of simple questions. This did not address the issue of asking a journalist to reveal sources. I can understand the sensitivity and the ethics of journalists who would not reveal sources of information that they use in the course of reporting. They were simple questions, dealing with 3 particular companies, and my staff asked who the company spokesmen were. That was not a request to reveal some secret source of information. It would be reasonable to say which company spokesman said what so that, at least, we can follow up and check with that person or those people with whom we had spoken.

Secondly, there was an allegation that at least one of those companies had never heard of us. We asked which company ...

Mr Smith: Hadn't heard of the study group.

Mr HATTON: Hadn't heard of the study group. Had not even heard of us, I think were the words that the Leader of the Opposition used.

Mr Hanrahan: That's what he said.

Mr Smith: No.

Mr HATTON: Or had not even heard of the study group then. Again, we asked of that journalist which company said that. We were told that that was privileged information. He refused even to tell us which company said it had not even heard of the study group, making it very difficult for us to check. I can say that, on that Sunday, through Dr Ishizaki, who was our contact in Japan and the person whom all participants had agreed would be the point of contact, we confirmed that those companies were involved. On the Sunday, I issued a statement saying that but, as a matter of interest, Mr Speaker, that was never reported.

I would like to address the specifics of what, in fact, I said in answer to that question of 29 April. I said: 'Recently, I visited Japan as part of the work towards the development of a private enterprise consortium for the construction of this rail line. I know there is a degree of scepticism in the community as to whether or not this will be at all possible, and there is no doubt that it will not be an easy task to achieve a private enterprise line'. I was being very dramatic, very expansive. 'However, it is far from being an impossible task'. I said: 'I have been very heartened by the response that has arisen in the last month and I suspect that has been stimulated further by the recent re-election of a CLP government in the Northern Territory'. I went on to say: 'It was our first visit to Japan and we anticipated opening the

subject up and that, perhaps after several visits, we might arouse interest'. That is what I said in the Assembly. 'The interest was far higher than that and, as a consequence, we have formed what we called a Japan Australia Transport Study Group. This comprises, from the Japanese side, representatives from the Japan Railway Technical Services, known as JARTS, Japan Railway and Freight Company, and the Long Term Credit Bank of Japan'. The Leader of the Opposition now accepts that there is a study group and that Henry and Walker and Kumagai Gumi are part of that study group.

Mr Smith: I have never denied it.

Mr HATTON: Mr Speaker, what this comes down to in the end is whether there is a study group and whether those three companies are part of the study group ...

Mr Ede: Were they at the time you said that?

Mr HATTON ... and were they at that time?

Mr Ede: And are they still?

Mr HATTON Certainly they still are. Of course, the onus was on the Leader of the Opposition to demonstrate that, if they were not, that I knew they were not.

Mr Speaker, it has been widely reported, and can be confirmed, that all of those people who are currently in the Northern Territory of Australia, who were at that meeting - that is, myself, the Treasurer of the Northern Territory, the Under Treasurer of the Northern Territory, my senior ministerial officer, Mr Gary Young, Mr Neville Walker, and Mr Tony Mitani from Kumagai Gumi - have confirmed the accuracy of what I said. They were at those meetings.

Mr Smith: What you said when? You have said a few different things on a few different occasions.

Mr HATTON: They have confirmed the accuracy of what I said in the Assembly and that that was a faithful representation of the situation at that time. And I maintain that it is still a faithful representation of the situation. Those people have all said that what I have said is accurate and that those companies are, and were at that time, involved in the study group. I said in this Assembly yesterday that, as recently as Monday of this week, I had received reconfirmation that they would be at the first formal meeting of the study group on the Japanese side. There are a number of other organisations, which I have no intention of naming in this Assembly, simply because I do not intend to place them under the sort of media scrutiny that those other 3 Japanese companies have been subjected to.

I had confirmed the membership of the study group. I had refuted the allegation of Mr Wilson. Another journalist gave a report which varied slightly from that of Mr Wilson. I am not going to play semantic games, but certainly that report indicated a high level of interest. I advised the media of this. Yes, I was angry at being accused of lying and I did express some anger at the Monday press conference. I do not deny that I was angry at those allegations. I have never done anything but refute them. I will not even chase that rabbit into its burrow. It is not worth the effort, Mr Speaker. The real question is whether those companies are in or not.

The matter of going back to organisations and asking whether they were members of the group arose after Dr Ishizaki had come to Darwin and confirmed that particular companies were in the study group. We were placed in a situation where my words and the words of my Treasurer, my Under Treasurer, Mr Neville Walker of Henry and Walker, my senior ministerial officer and Mr Tony Mitani of Kumagai Gumi - all of whom were present at the Tokyo meeting - were being denied. Dr Ishizaki's word was being denied, and there was a demand for further proof. This came about following that famous Wednesday press conference when another article stated that those companies had denied involvement.

By this time, I was attending to government business at a police ministers conference in Hobart. As a consequence of that article, I thought I would have to finalise this matter once and for all. Despite the fact that I did not want to cause too much embarrassment by asking people to prove their word in writing, I asked my staff to put this matter to bed, once and for all, by contacting the companies and asking them to give some written confirmation because, although apparently the word of government ministers or senior businessmen from the Northern Territory of Australia could not be believed, a telex from Japan could. That was the reason, the only reason, that I asked that these companies be contacted. It was because I simply could not get people to accept the word of everybody who had attended the Tokyo meeting and was available in Australia, even though 11 of those people were saying the same thing. I presume that the only time this matter will be finally settled is next Tuesday when the study group meeting will commence and those people will be participating.

In respect of Japan Railway Technical Services and the letter that was referred to by the Leader of the Opposition, presumably he has a photocopy of it. He will notice that it has Mr Sugawara's signature on it and that, in the first paragraph, he says the meeting was very significant and fruitful to make our relationship closer. He is referring to the discussions that we had in Tokyo on 15 April. We have heard allegation after allegation about people being involved or otherwise. Honourable members will remember the TNT situation, where there was some confusion. I would use no stronger term than 'confusion'. I note that the Leader of the Opposition did not raise the TNT issue, because it had been clarified in writing. However, it was a matter of some considerable dispute in the first few days of this exercise.

Time and time again, the same thing has happened. Issues have been raised. We have refuted them, yet the interrogation has not stopped. Every time we say something, somebody in Japan is faced with a series of questions. I do not believe that the continuation of this public debate will assist the railway. If anything, it will hurt the project. My office has been advised that there is some concern in at least one of those organisations as to whether it should continue with the project because of the level of public controversy. I might say that there are a significant number of other organisations from both within Australia and Japan that are interested in this project. It will not be a matter that will be debated publicly or discussed by my government or myself as we get down to the task of working towards, and I use these words carefully, the objective of bringing a group of companies together into a consortium which will decide whether it will progress to build a railway line. The purpose of a study group is to study the project. It was not called a construction consortium. It was not called a consortium in the way that the various stages of evolution of the gas pipeline consortium were called. We have gone back even one step further and called it a study group. That is exactly what it is. It will study the project - look at financing, go over technical issues, the land issues - and the interrelationships that may

need to be involved to ensure the profitability of the project. In other words, its task is to work on the problem of how can we get this railway line built for the Northern Territory.

Mr Speaker, whilst I do not want to put too high a point on it, I repeat again that I am far more confident of progressing with this project following our trip to Japan than I was before I went there. I do not retract anything that I have said in this Assembly in respect of the railway. I refute any suggestion that I have misled this Assembly. We intend to employ our best endeavours to have that railway line built. I will not give this House a guarantee - and I have never given such a guarantee - that the companies named here during the last sittings will be involved in this project forever and a day. They may be and they may not be. I believe the member for Barkly intends to speak in this debate, and I am sure that he will confirm that bankers and companies do move in and out in the evolution and development of a project, particularly a project of this magnitude. Inevitably, that will occur in respect of the efforts to get a railway line built for the Northern Territory.

I do not apologise for the effort and time that I am putting into this project or that my government is putting into this project. There can be no more significant infrastructure development project for the Northern Territory and no more significant catalyst project that we can put in place for the Northern Territory than the long-awaited railway. The thing I find particularly disappointing in this exercise is the perpetual nitpicking, whining, politicking of people like miserable Smith opposite. Mr Speaker, I withdraw that remark.

Mr Speaker, I have learnt a lesson out of this exercise. It is a lesson that ministers of the Crown learn by rote: you do not name names, you do not name companies, you do not give details, particularly in the early stages of the development of a project. My mistake was one of being too open and honest in naming names and organisations and exposing that information to the intense, detailed interrogation which has occurred in what inevitably will be a fluid situation. I can assure honourable members that it is not a matter of my learning that by rote any more. It is a matter of gospel for me now. It is not a mistake that I will repeat in the future.

What I would love to know - and one day perhaps I will find out when I have the opportunity to meet those people in Japan, face to face - is exactly what questions were asked, under what circumstances and what the actual answers were. It is a matter of some fascination to me. I am not suggesting that either Mr Hamilton or Mr Wilson sought to mislead or confuse facts. What I do not know is exactly what questions were asked and what was in their minds. Did they believe, for example, that these people were part of a railway construction consortium? Did they ask these people: 'Are you going to build a railway line in the Northern Territory or are you involved in a railway consortium?' There are a multitude of other questions to which an organisation might well have given a negative answer. A question could have been: 'Are you interested in participating in a study group?' Innuendo can be developed in simple words or inflections of the voice.

When Dr Ishizaki explained the context within which he gave his answers at the press conference, the implications of his words were totally different from those that appeared in the newspaper. I heard what Dr Ishizaki said at the meeting. I did not hear what was said in Tokyo, but Dr Ishizaki said that that was not the intention of the questions or the nature of the discussions at that time. That placed an entirely different context on the suggestion by

the Leader of the Opposition that one moment he was saying there was a study group and, the next moment, was saying that there was not. He denied that such vacillation occurred.

I might add that my own staff member, who was accused of a similar series of statements, also categorically denied having made those statements. We anticipated that the Leader of the Opposition would raise this subject and that member of my staff suggested a few responses for this debate. They were so vitriolic I was not prepared to use them! But, fundamentally, they indicated that he totally refuted and rejected the allegations.

Mr Smith: It took him a long time to do it.

Mr HATTON: Mr Speaker, I am not in the practice of having my staff publicly refute allegations. Equally, I would like to point out that the reason why other ministers did not come out in my support was because I asked them not to. I asked specifically that the other ministers not become involved in standing up and saying: 'I support the Chief Minister'. It was appropriate that the Treasurer respond because, being the only other person in this Assembly who was actually present at the meetings, he could speak with some authority on the matter, unlike the Leader of the Opposition who is relying totally on unsubstantiated allegations from the media that have been refuted by everybody who was present at the meeting.

Mr Smith: Except the Japanese companies.

Mr HATTON: Everybody who was at the meeting ...

Mr Smith: Where is the evidence of that?

Mr HATTON: ... has refuted that allegation.

Mr Smith: Where are the statements from the Japanese companies refuting that?

Mr HATTON: Mr Speaker, listen to him prattling on over there.

Mr Smith: You cannot answer, can you?

Mr HATTON: Mr Speaker, 7 people, all of whom were in the room, have come to the Northern Territory and each one of them has said that what I said was true.

Mr Smith: What about the Japanese companies?

Mr HATTON: Mr Speaker, he says: 'Forget all that. That is irrelevant'.

Mr Smith: I do not say that.

Mr HATTON: He is asking for a letter from 3 other companies in Japan. With the telex from TNT, which has been released, and the letter from Dr Sugawara, which the Leader of the Opposition has obtained, there are nine ...

Mr Smith: You issued it! You gave it to the press.

Mr HATTON: I did not say you stole it. Calm down! I said you obtained it.

On 9 separate occasions, people have said that what the Chief Minister said was accurate or they have confirmed it. That is not enough for the Leader of the Opposition, but it is enough for any reasonable man and it would be enough for any reasonable tribunal. I made the point at the beginning that the Leader of the Opposition had presented nothing to this Assembly to support his allegation that I deliberately misled this Assembly, not one skerrick of information to support the premise that I deliberately misled this Assembly. He is faced with 9 separate pieces of information, including 7 personal confirmations ...

Mr Smith: To whom?

Mr HATTON: To the community.

Mr Smith: I have not received any.

Mr HATTON: They can be obtained. I have no doubt the Treasurer will confirm the accuracy of the comments that I have made, as will at least 2 other persons who are sitting in the public gallery. If the Leader of the Opposition would like to walk across and speak to my senior ministerial officer and the Under Treasurer, they will confirm what I say. If he would like to ring Mr Neville Walker, he will confirm it too, as will Mr Mitani, the Australian representative from Kumagai Gumi who was in Darwin.

Mr Smith: Who is the seventh?

Mr HATTON: The other person who has confirmed that these people are involved is, of course, Dr Ishizaki and that is a matter of public record also. The facsimile letter from Japan Railway Technical Services is available and, as I undertook to do, I showed the Leader of the Opposition yesterday the facsimile letter that I had reconfirming the attendance of all of those companies at the meeting next week. He watered his speech down to the point of saying that they might attend the first meeting and seems to think that that somehow proves that I misled this Assembly. What nonsense, Mr Speaker, what absolute, arrant nonsense.

The Leader of the Opposition is clutching at straws to try to save his own hide from his own party, because he has been an abject failure as a Leader of the Opposition. He has presented nothing to support his own party. He has been saved for the time being because the ALP has called off its annual conference because the Prime Minister has called an election. He is running scared and trying to con his way back into government as he did in 1984. It is just not going to work.

Mr Smith: What isn't?

Mr HATTON: The Leader of the Opposition trying to beat up some nonsensical story, as he is now, about this. It is absolute nonsense. There is not one bit of evidence. Overwhelmingly, there has been confirmation of the facts that I put to this Assembly.

I do not back off from any of the statements that I made in this Assembly. I refute any suggestion that I misled the Assembly and I certainly refute any allegation that I misled this Assembly deliberately. Even Mr Wilson suggested, on the Monday Territory Extra program, when he was interviewed directly, that it was not that I had misled people but that, at worst, maybe I had misinterpreted discussions. If I misinterpreted discussions, so did everyone else from the Australian side who was in that meeting, and so did the

2 Japanese participants, Mr Mitani and Dr Ishizaki, who were present at that meeting. Dr Ishizaki, who was acting as the interpreter, was present at that meeting. We all misinterpreted that, Mr Speaker.

Those are the facts, Mr Speaker. There is no case. The Leader of the Opposition wanted to challenge the credibility of Dr Ishizaki. Dr Ishizaki happens not to be an American. He was born in the United States.

Mr Smith: He has an American passport.

Mr HATTON: He took his first degree in the United States but he resides permanently in Japan. He is ethnically Japanese, as was quite clear to anybody who happened to be present at the negotiations. The fact that he spoke with an American accent and used very clear English does not take away from the fact that he is Japanese, that he is a senior lecturer for Osaka University in Japan or that he is a senior adviser to a company called EIE, Electrical and Industrial Enterprises. It does not take away from the fact that he recently completed negotiations, on behalf of that company, for the purchase of the Sydney Regent for \$145m. He has been part of the negotiations for \$500m worth of investment in Australia. I welcome his support and assistance in developing financing packages, introducing us to Japanese companies and bringing them together, and assisting us to bring those into contact with Australian companies to work towards developing a project. I welcome his enthusiasm for this project.

Mr SPEAKER: Order! The Chief Minister's time has expired.

Mr EDE (Stuart): Mr Speaker, the Chief Minister said that no case had been made. I do not know whether that is an example of his own inability to understand the contents of the charges against him or whether it is one more example of his attitude to parliament. He said that only journalists had disagreed with him, as though somehow that was to be discounted and that their investigations were meaningless. In fact, when the Leader of the Opposition was speaking, I heard the Chief Minister interject that maybe what he had done was mislead the journalists. If he misled the journalists, through the journalists, he misled the people of the Northern Territory.

I would like to take up the words that he used on Territory Extra. I am not relying on pieces of paper or fictitious support but on words that he stated himself on Territory Extra. He said: 'Now, they are not physically sitting on the study group'. The Territory Extra interview took place on 18 May 1987. He was being interviewed by Mr Brian Johnstone. The Chief Minister stated: 'He is not saying that I lied. He is saying that I misinterpreted what they said to me. Now, what I said was that they were part of a study group. Now, they are not physically sitting on the study group. We named the people that were on that and it obviously didn't include their names'. Mr Speaker, he made a statement like that and then expected us to accept that he could back-off from that and somehow say that it was the journalist's fault. That was broadcast live on Territory Extra. It was not edited. Those were his own words. He stands condemned by his own words.

The Chief Minister said that we have to demonstrate that, if they are not members, he knew that they were not members. He did say one true thing today. I was not in Japan at that meeting, but he was. But why was he there, Mr Speaker? Surely this government has the right to expect a little bit more nous from the Chief Minister than that we send him, at great expense, all the way over to Japan to sit in this meeting and, at the end of the meeting, not know whether the people there said yes or no. Mr Speaker, that is incredible.

He intends to rely for his defence on the incredible idea that somehow he was not intelligent enough to be able to follow what the people were saying to him. Talk about the fool's option! That is all that he has raised in his own defence so far.

The Chief Minister said that all the other people who were at the meeting have confirmed what he said. The Chief Minister is facing an extremely serious charge today. I believe it is one of the most serious charges that can be made against a minister in a parliament. I would have thought that, at least, he would have tabled letters from these people, if not statutory declarations. He gave us one instance where there was a piece of paper from Dr Sugawara. And what happened, Mr Speaker? He completely misquoted what is on that piece of paper. If he is trying to rely on that letter to say that the people are members of the study group, that is not what it says. It says that Dr Sugawara's group would be happy to be paid consultants to the group. The Chief Minister has provided absolutely nothing from the Japanese groups.

Let us have a look at next Tuesday's meeting. Many companies have been invited to attend that meeting. It is not necessary to be on the study group to go to that meeting. You do not have to have been on it before, and you do not have to make a commitment to be on it in the future. He is right in that many people will join the group and will go out of the group. But, what is essential is that, when he is asked who is on the study group at any particular time, he does not volunteer information to this Assembly which is incorrect.

The Chief Minister did not attempt to rebut the statements of the Leader of the Opposition with regard to the sequence of events when he went to Japan. I hope that the Treasurer is listening at whatever place he has gone to and that, as another participant in that jaunt, he will be able to confirm for the Leader of the Opposition whether, in fact, it is true that, when they went to Japan, they had arrangements for talks with Kumagai Gumi and others in Tokyo which they hoped would facilitate their entree into the Japanese business world. I hope he will confirm that what happened, after only a short time in Tokyo, was that the response was remarkably unenthusiastic. He might also confirm that, as a consequence, the Chief Minister, who had been receiving criticism for the jaunts that he takes all over the world, realised that he might have a serious political problem and attached himself to Dr Ishizaki who, whether he was approached by him or it was the other way around, stated that he could produce some brief, informal discussions. I want the Treasurer to advise us whether or not that is true.

We have been told by the Chief Minister that his only mistake was that he was too honest. If what he has given us is an example of his concept of honesty, it is clear that we should be worried about the future of the Territory. He named the names. He was not honest enough to say that those people were not members of the study group. It was he who named the names and he has to bear the consequences of that.

Let there be no doubt about the support on this side of the Assembly for the Alice Springs to Darwin railway. We have backed the government consistently in its attempts to get this project off the ground. We would like to see construction start tomorrow, but there are complications. No government in Australia - federal, state or territory - can fund the project at this stage. Both sides of this Assembly have made statements applauding the federal government in its attempts to reduce the budget deficit. In the Northern Territory, we are going through a most painful period. Business confidence is dropping as capital works projects are trimmed. Ordinary

workers, in both the public and private sectors, are being asked to make sacrifices or face termination. We have no fat, no hollow logs, that can be plumed to get money for a railroad. But, this does not mean that we should do nothing. Labor governments around Australia are stitching together deals with private enterprise to fund what would once have been seen to be public works - the domain of the public purse. One only needs to look at the proposed tunnel under Sydney Harbour or the \$4000m Sydney-to-Canberra high-speed railroad.

We believe there is a major role for this government to play over the rail link. The Leader of the Opposition has stated our position. We should get together a detailed description of the project and let it out internationally to seek expressions of interest. We should work with these groups to determine whether a consortium could be put together or whether it should go to international tender. This would cover financing, construction and operation of the railroad.

This government is killing the railroad project with its amateurish approach. The world of international finance is not a playground for amateurs. Mutual respect is the first step. International bankers are cautious and proper people, with a few notable exceptions. They expect people to follow established practices. As Dr Sugawara said, delicate initial approaches need planning and professionalism. There needs to be carefully considered documentation. Appointments need to be made well in advance, in writing, accompanied by outlines of requirements, aims and objectives, broad overviews and other relevant facts, on a commercial in-confidence basis if necessary, to give potential investors and project participants a feel for the concept and the security of the proposition.

You do not come blundering in on the last day of your trip on the wing of an agent who has hurriedly arranged eleventh-hour introductions. Serious bankers and international operators would not think that they were doing business. They would regard such activities simply as PR exercises or meetings with potential clients. Such people do not turn governments away from their doorsteps but, equally, off-the-cuff cosy chats do not constitute negotiations. Normally, people who understand how to manage business and international finance negotiation put in many months of planning and careful preparation, including feeling out prospective investors. Time is spent identifying corporations which match the project needs and evaluating the credentials of potential contacts. A host of other good management activities go towards ensuring successful contacts. The aim of the exercise is to establish interest, to gain respect and inspire confidence. The impact of our medicine-show approach will have been to create doubt and discount the chances of our proposition being taken seriously. To follow these antics up with telexes urgently imploring people to join our study group and requesting written acknowledgements of interest is to stretch the natural caution of good business operators.

That the Chief Minister managed one very carefully worded, non-committal, polite response from a group of consultants does not mean success. Indeed, the very act of sending such telexes would have even further damaged our position. Business well knows the danger of making commitments in writing. Business people treat with suspicion organisations that try to push them into decisions or positions. They are successful because of their caution, because they do not allow themselves to be manipulated. They protect their interests and their good names and expect their clients to understand the game and follow the same rules.

Mr Speaker, let there be no doubt that this is a most serious debate. It rests upon an extremely important point of parliamentary principle. Without the application and vigorous defence of that principle, our parliamentary system will fail. Put simply and baldly, the principle is that ministers are not to lie to the parliament.

Let us put aside the basic immorality of lies for a moment to address the issue of why this parliament has a right and, indeed, a duty to take the sternest possible action against ministers caught lying to parliament. Ministers have enormous resources at their disposal through their personal staff and their departments. The Cabinet, or the executive wing of government as it is often called, has vast resources compared to us on this side of the House. However, it is the members of this parliament who are charged by the people to maintain control, on their behalf, of the executive. If that control is not exercised, the fundamental balance of the Westminster system of government is destroyed. An executive uncontrolled is nothing short of a dictatorship, whether power is exercised through a group or an individual.

We have to rely to a large extent on the work done by the executive, transmitted to us by the linchpin of the process, the ministers. We probe, we ask questions, we try to get what information we can but, basically, we cannot match the resources of the executive. We have to rely on its truthfulness. Mr Speaker, pause for 1 minute to think what would be the result if lying to parliament were an accepted practice of ministers. What would be the situation if we did not take the most drastic action when lies by ministers were uncovered? How can we function as members of parliament if we do not insist on the basic tenets of parliamentary practice? We cannot know every time a minister lies or stretches the truth. However, we can provide a dramatic warning for any minister who may for, his own purposes, decide to take that course by ensuring that we take the most stern and drastic action when we discover a case where a politician has deliberately misled the parliament.

The great parliamentary institution, of which we are but the custodians, must be succoured if it is to survive. It relies too heavily on precedent to easily bounce back from a failure of heart by members of one Assembly. We are not completely our own masters in this case. We owe a duty to this parliament that carries forward into the future. We must believe sufficiently in our parliament to insist on basic principles. We must stand up and be counted. Can we place our political objections aside long enough to sit in judgment upon one of our members?

Mr Speaker, I have gone through Pettifer and Erskine May with a fine toothcomb to find a precedent for what we have here today. There is one precedent that stands so tall as to virtually wipe all other cases from the record. That precedent was the cause celebre which set down the basic principles in a case of deliberate misleading of the House. If members turn to page 664 of Pettifer, they will see the reference to deliberately misleading the House. They will see the inexorable parliamentary process which occurs when a minister misleads parliament, as happened in the Profumo Case that rocked the English establishment in the early 1960s. I am not going to go into all the sordid details of that case, except to say that Mr Profumo was a junior minister, the Minister for War. The issue was not associated primarily with his role in that portfolio, but with personal matters. The first point we have to decide is whether retribution served upon a junior minister should also be forced on a senior minister. Of course it must be. The second point is whether a deliberate misleading, arising from a personal imbroglio, is worse than that arising out of the performance of a

ministerial function. Of course, that would be rubbish. A minister may have an uncertain private life yet do a good job as a minister. However, a minister who deliberately misleads the parliament in his role as a minister has nowhere to hide. He stands condemned.

Mr Speaker, Mr Profumo made a statement to the House of Commons regarding certain allegations against him. That statement was found to be false and Mr Profumo resigned. The House of Commons pursued him and passed a resolution declaring him guilty of grave contempt. He met his just desserts because parliament is bigger than any man, any minister and any Chief Minister.

What happened here was that, on Wednesday 29 April 1987, the government Whip asked a dorothy dixer. He asked for a general report on developments of the Alice Springs to Darwin railway line. The Chief Minister could have given a general answer but instead, in his arrogance and contempt for this Assembly, he fed us a lie. He said that he had formed a Japan Australia Transport Study Group and nominated the Japanese representatives on that group. We then found out from a journalist in Japan that those companies were denying involvement. At that stage, we simply had a prima facie case. We were waiting to see what the Chief Minister's response would be. We found that he dug himself a deeper and deeper hole. We found that his office was saying that it was a 'stuff up'. We found that Dr Ishizaki was saying that, and I quote from the front page of the NT News, 'the Chief Minister was a little premature'. The Chief Minister was not backed by Dr Ishizaki and, in an interview on Territory Extra, he stated that they were not members of the group.

This motion must be passed. What the House of Commons demanded of a junior minister in that House, we must demand of the Chief Minister here. He must be censured. He must be removed from office. Only in that way will we, as parliamentarians, show that we have the guts to carry out our obligations and that we believe in this parliament and its processes.

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

Mr HANRAHAN (Lands and Housing): Mr Speaker, at the outset, I really must say that I believe this is much ado about nothing. In fact, the whole effort from honourable members opposite is an absolute rort on their part to take advantage of so-called political innuendo. In listening to the member for Stuart's dissertation on parliamentary ethics, I knew immediately that he was in trouble because, as will be seen from a reading of Hansard, he offered not a single skerrick of proof in support of the motion.

I agree with the member for Stuart that this is, indeed, a very important matter. Any censure motion must be treated as a serious matter. We do look for certain proof. On a previous occasion, before my time in this Assembly, after a lengthy debate, the opposition tabled so-called proof which was subsequently shown to be false. I refer to a former Leader of the Opposition in this Assembly, Mr Isaacs. Perhaps members opposite are still getting over that and that is the reason they have offered no proof.

Mr Speaker, let me say that I consider that the incident, so to speak, has been unfortunate in that, from the point of view of someone on the outside looking in, it would appear that certain divisions have been created, certainly divisions between the press and the Chief Minister. The Chief Minister has stated that certain events have taken place and has stood by his statements, and rightly so, because I happen to know that the Chief Minister is sitting on all the proof in the world. One would have to agree with the Chief Minister that one would not be tabling it at the moment or showing it

around because of the efforts of honourable members opposite who do nothing to further their cause or the cause of the Northern Territory.

I think the issue has gotten out of hand and that the facts of the matter are being overlooked. It is unfortunate that divisions occurred between the Chief Minister and the press. It would seem that it is okay for the Chief Minister's credibility to be questioned and also the credibility of the Treasurer, the Under Treasurer, senior ministerial officers, a senior businessman in Darwin and Tony Mitani from Kumagai Gumi. Looking from the outside in, it seems that, when the facts are raised and they contradict members of the press, that is not acceptable. From that point, the whole situation degenerated to a situation where the facts are no longer acceptable either to the press or the honourable members opposite.

Mr Speaker, I have travelled to Japan, as have the member for Barkly and other members of the government. Negotiations with the Japanese are always delicate. They always involve a certain amount of translation and interpretation. This government is not standing behind any walls or any excuses, neither has it said that any of the statements made by honourable members opposite are true. The Labor Party's argument is that statements have been reported in the media, but no proof has been offered in relation to those statements. The whole heart of the issue lies in whom was actually spoken to. When we conduct negotiations overseas, they are conducted with chairmen, directors, vice-presidents etc of various companies - very senior people. Not a skerrick of information has been given by members opposite as to who was asked questions by the journalist in Japan and what questions were asked. The Leader of the Opposition, who failed miserably in his address to this Assembly, did not table one skerrick of relevant information.

May I draw honourable members' attention to the actual motion before the Assembly because therein lies the lie. It says that the Chief Minister should be censured by this Assembly for deliberately misleading this Assembly. The member for Stuart actually referred to it as lying. In his reply, I challenge the Leader of the Opposition to address that word 'deliberately'. Would he attempt to show this Assembly where, how and why the Chief Minister would even consider or contemplate deliberately misleading this Assembly over the issue of the formation of a study group for a great project, a project that this Territory has been trying to achieve for a very long time? The Leader of the Opposition should address his own motion because therein lies the lie. He should at least offer some semblance of an argument as to why the Chief Minister would 'deliberately mislead' the Assembly - his words not mine.

Mr Speaker, ample evidence has been tabled from this side of the Assembly during this debate ...

Mr Ede: Where? You have tabled nothing.

Mr HANRAHAN: ... as to the second point of the motion. It talks about the non-membership, I would presume, of the study group of the 3 Japanese companies. We have that evidence. The media and honourable members opposite have been told who will be attending on behalf of these 3 Japanese companies.

Mr Ede: Rubbish? Table it.

Mr HANRAHAN: Mr Speaker, I go back to the Chief Minister's point. There are 7 people who have been named that attended meetings with those 3 Japanese companies.

Mr Ede: You have no intention of proving it.

Mr Hatton: You made the allegation. You you prove it.

Mr HANRAHAN: It goes back to the fundamental point of this argument. It is your motion.

Mr Speaker, those 3 companies have reconfirmed with this government that they are members of the study group and will be attending the meeting next Tuesday.

Mr Smith: Prove it!

Mr HANRAHAN: No. You moved the censure motion. You prove to me that the people spoken to in Japan - the directors, the chairman - said what the press has purported they have said. You prove that, because it is your censure motion and relates to 2 points that you have failed to address or even acknowledge in your argument.

Mr Ede: On Territory Extra, your Chief Minister admitted they were.

Mr SPEAKER: Order!

Mr HANRAHAN: Mr Speaker, the third point of the motion before us says: 'as later public statements have shown that this statement was false'. Would honourable members opposite stand up and prove, as I have just said ...

Mr Smith: Don't you listen? Can't you understand?

Mr HANRAHAN: You prove to me that the people that the Northern Territory government representatives spoke to have made public statements or that any public statements have been made by anyone, that show that any statements made by the 3 companies named in your censure motion prove that they are not members of ...

Mr Smith: Don't you believe direct quotes from the front page of the NT News from the companies.

Mr HANRAHAN: No.

Mr Ede: The journalists have said that they are not. The Chief Minister has said that they are not. What else do you want?

Mr HANRAHAN: This is probably an apt time to describe how confusion occurs, and the member for Barkly may like to comment on this. A similar incident was reported in the newspapers and, subsequently, through other relevant media in the Territory about the involvement of TNT. I would be very surprised if the member for Barkly could not substantiate the fact that negotiations have occurred with TNT, at a very high level indeed. Yet, we had confusing statements made in the press simply because the negotiations taking place at that time were at that very high level, and were at a very sensitive stage. I am very aware of those negotiations because I have been involved in them, albeit on the periphery, for some time. I am aware of them.

We have 3 elements in the censure motion before us that have yet to be addressed by the members opposite. I challenge the Leader of the Opposition to reply to the actual censure motion.

Let us look at the fourth element of the censure motion which really proves it be a furphy: 'placing future negotiations with these Japanese companies at risk'. I refer the Leader of the Opposition to the reply by the Chief Minister. It is no secret, nor have we attempted to make a secret of it, that next Tuesday, in Tokyo, at a place I am sure we will not be telling anyone about ...

Mr Ede: You won't tell us who is there.

Mr HANRAHAN: ... not only 3 companies, which are already the subject of rather extensive harassment by members opposite, but also several other companies will attend a meeting of a study group to investigate the possibility and the effectiveness of the formation of a group that will ultimately see the railway built in the Territory. I think that is a very credible enterprise on the part of this government, and certainly I am quite happy to stand and say before anyone that I fully respect the integrity and honesty of the Chief Minister.

Mr Ede: Why did you leak it to the newspaper?

Mr HANRAHAN: Unquestionably, the furphy of that part of the motion is there for all to see. That meeting will occur. The study group will meet. It is far more extensive than members of the opposition have even attempted - well, they wouldn't know, and I guess that is the basis of what I am saying. Next Tuesday, Wednesday or Thursday, or whenever the Chief Minister chooses to comment, all will be known. I would say to the Leader of the Opposition that he would be very surprised indeed to learn the extent of negotiations that have taken place. It is unfortunate that he continually falls for the old trap: third-hand, fourth-hand information, no proof, and what he has to wave about was printed somewhere and he would not know about it anyway.

Mr Speaker, let us deal with the fifth point that was so inadequately addressed by the member for Stuart, and that was that this Assembly call upon the Chief Minister to resign forthwith. I ask you, Mr Speaker, why? The Leader of the Opposition has not even attempted to prove or convince anybody in this Assembly why the Chief Minister should resign. We had a rather inadequate address by the member for Stuart about Pettifer and parliamentary precedents that proved absolutely nothing other than the fact that he did not have any proof, not one skerrick of evidence, to substantiate the ridiculous and stupid motion that we have before us. The credibility of honourable members opposite would be much better served by their getting behind the Territory and supporting us over the railway line. The member for Stuart had the audacity to say that the opposition has supported the government all the way along the line in relation to the building of a railway. It is true that they have done so recently because they want to jump on the bandwagon that we are attempting to create.

Mr Speaker, this railway project will cost some \$600m or 700m. I challenge the Leader of the Opposition at least to furnish this Assembly and the people of the Northern Territory with some further proof that he is prepared to take up the cudgels with his colleagues in Canberra, albeit they will only be there for a very short time ...

Mr Smith: Why don't you get a commitment out of your colleagues about it, in the wild event that they will win the election?

Mr Ede: Are you going to get anything from Howard?

Mr HANRAHAN: ... to get at least 1 component of the railway project ratified.

Mr Smith: What have you got out of your colleagues?

Mr HANRAHAN: A lot of honesty, Mr Speaker, that is what we have got out of our people. What we need is that defence component, the recognition that the railway line is an important and integral part of the development of defence in the Northern Territory. The Leader of the Opposition has made a big play about his role in relation to defence and I am asking him to put it to the test. Let us have some proof and evidence that they will stand up and support at least the defence segment of this project because that will certainly help it come to fruition.

Mr Speaker, I am happy to have said those few words and now I am going to sit down. I have drawn honourable members' attention to the fact that this censure motion is really a load of rubbish. It has not been addressed in any factual context or form by members of the opposition. I challenge the Leader of the Opposition to stand up and say something sensible or at least to prove some of the allegations contained in this censure motion. There is no way known that members on this side of the Assembly would support a call for the resignation of the Chief Minister of the Northern Territory over this issue because, undoubtedly, the integrity and honesty of the Chief Minister on this particular issue is beyond question. I support him to the fullest, as do all honourable members on this side of the Assembly.

PERSONAL EXPLANATION

Mr HATTON (Chief Minister)(by leave): Mr Speaker, I have been reminded that, towards the end of my speech in this debate, I referred to negotiations in Tokyo, either recently or in the next week. I wish to make it very clear that negotiations are not proceeding. In fact, discussions are occurring with respect to a study group. In having used that word in the heat of debate, I do not want to be accused, in any way, of misleading this Assembly. I am not suggesting that negotiations are proceeding but rather that there are discussions of a study group directed towards the tasks that I have referred to. When formal negotiations start, I will use the word 'negotiation' in its proper context. I would ask honourable members opposite not to misconstrue the implications of that word.

Mr TUXWORTH (Barkly): Mr Speaker, thank you for the call. This debate and the saga surrounding the railway events of the last several weeks are rather reminiscent of the BBC production 'Great Railway Rides of the World'. I put it to you that the Chief Minister has just taken 150 000 of us on the greatest railway ride we are likely to see this century, and we do not even have a train.

There is absolutely no doubt that the Chief Minister misled the Assembly during the last sittings. There may be some doubt about his intention in doing so, and that question has been raised several times today, but the clear fact is that, on the statements made by the Japanese and the statement made by the Chief Minister on 29 April are not reconcilable. Either the Japanese changed their minds after the Chief Minister left Japan or the Chief Minister got it wrong when he was there and gave us wrong information when he got back. Whatever the circumstances, one thing is certain: the cover-up was indefensible. I can accept that the Chief Minister may have misled the Assembly unintentionally. That is quite easy to do and I will touch on that in a minute. Nevertheless, the cover-up is indefensible. The kindest thing

that could be said about the statement the Chief Minister made on 29 April was that his mouth ran off and left him. If that was the case, it would not have been unreasonable for him to have said that he had got a bit ahead of events and to have indicated the actual situation.

The trip to Japan was pretty predictable. If you want to attract interest in a project, that is how you do it. Having come home, the wise thing for the Chief Minister to have done would have been to be a bit cautious and not say quite so much as he said. What he did was to make very definite and very important statements about who was involved in the study group. It is quite clear to the whole Territory now that, whatever the Chief Minister thought happened in Japan, he has not convinced anybody that the people referred to are members of the study group, whether they go to a meeting next Tuesday or not. This matter is particularly important because the completion of the railway project will mark the next stage of the Territory's industrial growth. We are all committed to it one way or another. While some of us might feel more strongly about it than others, we all believe that that is true. It will apply to the Territory, just as it applied to every other state during the development of this country.

Mr Speaker, we must start to be realistic about how we put this project together. We know, and the rest of Australia is ramming it down our throats, that, if it is to go ahead, it must be economic. It is a technically feasible project; there is no doubt about that. We need a technical study like we need a hole in the head. We have been studying this thing for 7 years. What we do need is tonnage. That will be the financial drive which will make the railway project come together. If we cannot get tonnage, we need cheap money or a government subsidy. I have no doubt that the members of the party went to Japan to try to get some capital into the project. When they got there, they found people were politely interested. They then came home and made statements about the establishment of the study group. It is not quite that simple, and therein lies the problem.

I was interested in the Chief Minister's reference to the pipeline and the comparison that he made. I have listened with great interest over the last 4 or 5 months to the amount of self-praise and congratulation the government has heaped on itself over the establishment of the pipeline and the things that went with it. In fact, it was almost hard to believe that anybody apart from the Chief Minister and 1 or 2 others had anything to do with the pipeline. The lessons have not been learnt. What has come out of Japan is really a disaster in terms of putting the railway project together. Our whole integrity in the project has been seriously damaged. From the time advice came from Tokyo about the Chief Minister's visit, until the time the JARTS telex was made public, showing that that organisation was only in the study group on the basis of being a consultant to it, the integrity of this project has gone downhill so badly that most Territorians now believe it to be a joke. That is very sad.

Mr Speaker, what happens next Tuesday is really irrelevant. What happens next August is irrelevant, whether there is a study group or a consortium and whether it is made up of a dozen people who are the same or different to those involved at present. What is important is what was said on 29 April. The Chief Minister quite clearly said that particular people were in the study group. I can see what has happened. The Chief Minister came home from Japan with some pretty warm feelings about expressions of support. He put out a press statement on the basis that it would sound okay and the loose ends could be tied up later when it all came together. It did not come together because the Japanese believed that their position had been prejudiced.

Much comment has been made about adverse local comment on the project and the trip to Japan and the damage that will do to the project. The local comment is chickenfeed compared to the damage that has been done by the Chief Minister's cover-up. People no longer know whether they should believe anything that he says, and that is pretty sad. The TNT involvement is a fine example of this. We saw big headlines about TNT's involvement as a result of the trip to Japan. The reality is that TNT's position is the same today as it was in 1982, 1984 and 1986. It has no capacity to be involved in the establishment of the railway but it would be interested in running it. TNT considers that it would be pretty good at running a railway and I do not doubt that it would.

The Chief Minister said that he had learnt a really serious lesson about naming names and that he will no longer provide names of people involved in projects, because they will be harassed by the press. I can say amen to that. I can name a few who have been harassed over the years for one reason or another. However, there is no problem with naming names as long as you do not misrepresent people you are naming. Clearly, in this instance, Japanese were misrepresented. When you put together a study group or a consortium, you are locking people into a commitment to work, to provide resources of manpower, expertise and knowledge and money. By implying in his statement that particular organisations were a part of the study group, the Chief Minister implied automatically that they were committed to expenditure and resourcing of the group. Quite clearly, that is not the case because we cannot get confirmation from 2 of the parties. The company that has sent a telex says that it only wants to be involved as a consultant. Getting paid for your involvement is not really making a commitment.

The commitment of members of the group and a clarification of their position in the group is absolutely essential to the group's success. Are these people participants who may have an investment role at some stage and a benefit at the end of the day? Are they people who are going to pay a share of the cost of the study group or are they people who are just in there to be advisers and be paid for a consultancy if a job comes along? If you do not sort those questions out in the very early stages and before you have your meeting, you immediately have a conflict of interest.

When the Chief Minister met with people in Japan, there should have been a discussion about the commitment and the role of the people who wanted to be involved and just how far they were prepared to go. That should have been minuted and confirmed in writing before anybody said anything to the press. If we arrive there next Tuesday and find 12 people in the room who are all looking for consultancies or to produce studies, and that is the limit of their involvement, we will look pretty silly. That is why I raised the point in public earlier. It was important for the Chief Minister to be able to produce minutes of a meeting showing where and how people had committed themselves. Such minutes and letters of confirmation would have clarified the relationship between the Japanese companies and the government, and the basis on which the group would operate.

I would be interested to know what will happen next Tuesday if the government representatives do a whip around the table and ask everyone present what they are going to put into the operation of the study group because, if they are not prepared to put in, they are not the people that we want. I am not saying they will not put in, and it will be jolly good if they do. However, I have a sneaking feeling that they have no intention of doing anything but provide a consultancy if the opportunity arises. As speakers before me have said, the Japanese are very polite. Their negotiations are

generally protracted and they do not rush into things. I thought it curious that the Chief Minister was able to come home from Japan after a fleeting visit of a couple of days and announce that there were people committed to a study group. I was happy to give him the benefit of the doubt and to believe that he had put it all together but, as it turned out, that was not the case. We now have a real problem of credibility.

The Chief Minister's credibility is a matter for the public, himself and his party. The credibility of the railway is a problem for the whole of the Northern Territory because the very people that this parliament needs to support it in the drive to get the railway, now believe that it is a joke. I do not believe it is a joke. I think it is still a very real possibility, but how we put it together and how we present it to the Territory community will be very important.

I will now return to the Chief Minister's statement to the Assembly on 29 April. There is no doubt about what he said and I will just take a moment to read it:

It was our first visit to Japan and we anticipated opening the subject up and that perhaps after several visits we might arouse interest. The interest was far higher than that and, as a consequence, we formed what we have called the Japan Australia Transport Group. This comprises, from the Japanese side, representatives from the Japan Railway Technical Services, known as JARTS, Japan Railway and Freight Company, and the Long Term Credit Bank of Japan, and from Australia Henry and Walker, with the involvement of one of its shareholders, Kumagai Gumi.

There is nothing ambiguous about that. The Chief Minister stated it as a matter of fact. Regrettably, the people that he named are saying that that is not a matter of fact and that they will have further discussions about it when the time comes.

Whether the misleading of the Assembly was intentional or not is not an issue. The fact is that he has done it and has tried to cover it up. Resignation is not an optional extra for the Chief Minister to take up at some time if it suits him; it is a convention of the Assembly that must be adhered to. If the party wishes to re-elect him after lunch that is a matter for the party, but the convention is not negotiable.

Mr COULTER (Treasurer): Mr Speaker, I rise to add a very pertinent point to this debate. So far we have not heard any such points from anybody. Today, the Leader of the Opposition has called for the Chief Minister's resignation. The Leader of the Opposition has called on 9 occasions for this Chief Minister's resignation or for him to step down. That is once every 6 weeks, and it is getting pretty monotonous. The Deputy Leader of the Opposition knows what it is like to gain a reputation for saying that the sky is falling in ...

Mr Smith: How do you arrive at 9 times?

Mr COULTER: Would you like me to read them out to you? In the past year, as Leader of the Opposition, Mr Smith has called for the Chief Minister's resignation 3 times on 3 separate issues. That is a total of 9 times that he has called for his resignation.

Mr Smith: That is pretty creative arithmetic.

Mr COULTER: Now he is using his first censure motion. It is his big chance as Leader of the Opposition, but he has failed dismally. On 21 August 1986, the Leader of the Opposition said: 'The opposition has always used censure motions sparingly'. That is a quote from page 486 of Hansard. Today he has come before us with his first censure motion.

It is interesting that the member for Barkly has left the Assembly after giving us the benefit of his knowledge in this debate. One of the things that he called for the Chief Minister to do was to produce documentation. It is interesting to note that 4 censure motions were brought against the member for Barkly when he was Chief Minister and that one of those, in March 1986, concerned the lack of documentation regarding travelling allowances received by him. Now he is prepared to get on to the news and debate this motion ...

Mr Smith: But you blokes supported him then.

Mr COULTER: ... with his new-found buddies in the opposition.

Let us hear what the member for Millner, now Leader of the Opposition, said about the previous Chief Minister, the member for Barkly, on his handling of the railway affair. He made it quite clear, on Wednesday 20 November 1985, where he stood in relation to the member for Barkly. He said that the Chief Minister - referring to the member for Barkly - normally 'adopts a statesmanlike stance and delivers a statesmanlike speech'. Once again, he proved during question time this morning that he is not even a statesman's bootlace. They were discussing the development of the Northern Territory railway. We now see them teamed up together to fight against the Chief Minister on a motion of censure. Strange bedfellows indeed!

We will all be aware that study groups have been formed from time to time. I would like to take a little of the Assembly's time to go back over the history of the Northern Territory's railway. I am ashamed that we are discussing this particular motion in this particular way because it will be detrimental to the development of a railway in the Northern Territory. I am ashamed that the Leader of the Opposition has brought it to this Assembly.

In 1878, the first sod was turned at Port Augusta to build the railway. In 1911, the Commonwealth accepted responsibility for the Northern Territory, part of which was the obligation to build the railway. In 1929, the Central Australian Railway was built from Port Augusta to Alice Springs. In 1949, the standard gauge railway was confirmed under Chifley and, in 1980, Fraser enthusiastically committed \$10m to a route survey over 4 years. In 1983, we were told that it would be completed by 1988. I will show you a study group, Mr Speaker. In 1983, there was Senator Ted Robertson, Mr Bob Hawke and Mr John Reeves. They talked about the boost to Territory development. Listen to this: 'We will build the Alice to Darwin railway. We will build the Darwin International Terminal. We will upgrade the Alice Springs Airport. We will establish jobs on road programs'. This particular railway study group went on to say that it would reduce petrol prices, remove sales tax on freight costs, cut income tax and increase the Territory zone allowance. That was the last study group.

Members interjecting.

Mr SPEAKER: Order! The honourable minister will resume his seat. The member for Stuart will cease those loud cross-Chamber interjections and, indeed, all members will maintain some dignity in the Assembly.

Mr COULTER: Let us go back to a talkback radio program involving Mr Hawke in 1983. I do not have the exact date. A caller asked Mr Hawke: 'How can we trust the ALP government, when the ALP government tells little fibs?'. Mr Hawke said: 'You name one'. The caller said: 'I cannot think of any offhand'. Mr Hawke said: 'Of course you cannot because we do not tell them'. The caller had a bit of a giggle and said: 'As far as we know, all politicians tell little fibs'. Mr Hawke said: 'I can assure you that I do not and my government does not'. The next caller pointed out that Mr Everingham had misled the public and asked Mr Hawke: 'Did you and your party do the exact same thing to us Territorians by telling us, in your campaign in March, that you would give us the railway?'. Mr Hawke replied: 'No! I would have thought that, particularly if you are interested in these things, you would have known what I said about this when I was here on my way through. Let me tell you the facts. In the election campaign, it is true that we said that we would be involved in the building of the Alice Springs to Darwin railway'. He went on to say why he should not be involved at that time. If anybody ever misled people on this issue, it was that particular study group. Nobody except the Australian Labor Party has misled Northern Territorians in particular and Australians in general.

In 1983, the ALP government said it would build the railway. In March 1983, Mr Hawke reviewed the commitment despite the election campaign promise and, in February 1984, we had David Hill saying that there would be no railway. I have brought along a small selection of reports on the railway: the Canadian Pacific Report, Financing the Alice Springs to Darwin Railway - a 3-volume submission by the Northern Territory government to the Independent Economic Inquiry into Transport Services for the Northern Territory - the Hill Report, the Department of Transport and Works' estimate of freight demand, the Alice Springs to Darwin Railway Feasibility Study, reports dealing with operational requirements and capital cost profiles for the Alice Springs to Darwin railway, detailed estimates - and it goes on and on. This railway has had more reviews than the Tivoli Theatre yet we are still arguing about how we can build the railway. Our forefathers, the visionaries who wanted to build this country, would have been ashamed of us and certainly ashamed of the opposition.

I have mentioned a Mr Cotton in this Assembly on many occasions. On 1 August 1932, he wrote in the Sydney Morning Herald: 'The unfinished railway has little or no chance of ever being completed by any government'. I believe that he was simply expressing the frustration that he was faced with in 1932. Now we have a Chief Minister who is prepared to put aside all the reports and put together a railway package. What does he get from the opposition? He is caned for his efforts by the visionaries on the benches opposite who would trip over their own bootlaces.

The cost of Mr Cotton's railway was to be \$15m which, given inflation, is considerably more than the \$610m proposal today. In those days, London was the financial capital of the world and England was in a similar predicament to that of Japan today. Japan has a \$68 000m surplus and it is looking around the world for projects to become involved in. The British developed Texas and paid for most of its railway infrastructure at that particular time. The proposal was that London interests would construct the line from Bourke to Birdum and reconstruct the line from Birdum to Darwin at an estimated cost of \$15m out of a bond issue backed by the government. That was 1932 and we are still talking about building a railway. Probably, it will be suggested that we should commission more reports.

The Chief Minister concluded his speech on the railway in this Assembly by saying: 'It is now, in a very real sense, up to the private sector, and particularly those who know more than we do about transportation, construction, financing and the running of railways, to set about building on the foundations we have established and to join us in taking the next step towards finishing the job'. That is what the Chief Minister said and his next step was to do exactly that. Negotiations have been continuing with private firms and banks. We have had banks working on this project for some 18 months now. We have negotiated with the very people the Deputy Leader of the Opposition praised for visionary projects such as tunnels underneath Sydney Harbour and a fast rail service from Melbourne to Sydney. I refer to Kumagai Gumi which is the proponent in both of those projects. We had the opportunity to sit down with principals of Kumagai Gumi in Japan and discuss this very project. This project is now in jeopardy because of the actions of the opposition which would not recognise an opportunity if it fell into one.

Mr Speaker, the Leader of the Opposition said that I made a lukewarm statement in support of the Chief Minister. However, he would not read out what I said. Yesterday I pointed out to honourable members how the Leader of the Opposition can distort the facts simply by not telling us exactly what happened. Let me read out what I said in my press release of 18 May. This is described by the Leader of the Opposition as 'lukewarm':

The Treasurer, Mr Barry Coulter, confirmed today that Japanese business houses had expressed positive interest in participating in a study into the Northern Territory railway project. He said he had attended all meetings in Japan at which the railway project was discussed, in company with the Chief Minister and Territory officials. 'My assessment of those meetings concurs with that of the Chief Minister', Mr Coulter said. 'The Chief Minister's public statements are in accord with my understanding of what took place. The level of interest in the Territory project was more than a polite audience and I can only hope that current media speculation will not prevent further discussion occurring'.

That is a lukewarm statement in the view of the Leader of the Opposition and the Deputy Leader of the Opposition. It is interesting to note also that they are the only 2 representatives of the Labor Party present in this Chamber at the moment. The rest of their colleagues have left in shame because they have backed a loser. I can sympathise with them.

The facts are very simple. There is a great deal of interest in Japan and I would like the Leader of the Opposition's background information on how to negotiate in Japan. Let me assure him that I have been to Japan before. I have been involved with some of the very big companies and trading houses of Japan and, on many occasions, I have had the opportunity to discuss matters with them. They have visited me here in Darwin and discussed proposals for the railway. These are not people whom the Chief Minister has named at this stage. I can assure the Leader of the Opposition that I am well versed in such negotiations. I understand the difference between being polite in Japanese terms and being interested and willing to sit down and discuss proposals. Indeed, we have been involved in quite a number of proposals and we have a number of proposals currently on the drawing board. I can assure him that I have had that opportunity and I speak with first-hand knowledge of what went on.

Mr Speaker, as I have said, this censure motion has been nothing but a waste of this Assembly's time. It was the Leader of the Opposition's first

censure motion and for that I give him credit but it was a very dismal performance indeed. The Deputy Leader of the Opposition tried to come to his defence. He talked to us about Profumo and a number of other people. I do not know what that had to do with this Assembly or developing a railway in the Northern Territory. He threw it in anyway because he had nothing else to talk about. That is just the usual sort of trick the opposition comes up with. The study group that has caused us most of our problems today was the one that I pointed out earlier in my speech.

The member for Barkly's contribution to this particular debate has not endeared him to this side of the Assembly. He did cover some issues that made sense in terms of negotiations and how to go about achieving the end result of building the railway. I note that the Leader of the Opposition has now found a new friend in the member for Barkly even though he has criticised him in the past.

Mr Speaker, I move that the motion be amended by omitting all words after 'that' and inserting 'this Assembly applauds the efforts of the Chief Minister and the government to promote the construction of the Darwin to Alice Springs railway and his continuing efforts to keep this Assembly informed of progress which has been made'.

Amendment agreed to.

Mr SMITH: (Opposition Leader): Mr Speaker, I must say I was taken by some surprise as I thought I had an understanding with you as to how the remainder of this debate would be handled.

Mr SPEAKER: The Leader of the Opposition is speaking to the motion, as amended, and in reply closing debate.

Mr SMITH: Thank you, Mr Speaker. Obviously my task now is to oppose the motion as it has been amended.

The key question of course, right through this debate, has been the credibility of the Chief Minister. That question was expressed in the original motion which talked about the Chief Minister having deliberately misled the Assembly. There can be no doubt that the Chief Minister deliberately misled the Assembly. No one has denied the accuracy of his comments recorded in the Hansard of 29 April. I want to take you back over that because it is extremely important. He said: 'The interest was far higher than that and, as a consequence, we have formed what we have called a Japan Australia Transport Study Group. This comprises, from the Japanese side, representatives of the 3 companies'. The Chief Minister said that the study group 'comprises' those 3 Japanese companies on the Japanese side, plus Henry and Walker and Kumagai Gumi. Any logical use of the English language and the word 'comprise' would mean that, if those 3 companies were taken out of the study group, because they comprise it, there would be no study group. Without them, there would be no study group. That is the only logical explanation of that particular statement made by the Chief Minister in this Assembly. We have a very clear statement that there is a study group and that it comprises the 3 Japanese companies.

However, when the Chief Minister was placed under pressure in an interview on Territory Extra on 18 May 1987, he said that they were not physically sitting on the study group. He said: 'We named the people that were on it and it obviously did not include their names. I named the particular people who were on that study group in various statements I made to the media'.

Mr Speaker, there is a complete and utter contradiction between the statement of 29 April and that of 18 May this year. And I put it to you that the only possible conclusion one could come to, in view of the Chief Minister's statement of 18 May that they are not physically on the study group, is that he deliberately misled this Assembly on 29 April of this year. He cannot have it both ways. If he says that the study group comprises those 3 Japanese companies, as he did on 29 April, he cannot say at a later date that the study group is there but it does not comprise those companies, and expect to be believed by this Assembly or by the people of the Northern Territory. Simple use of and respect for the English language makes that very clear. I submit, Mr Speaker, that the case has been proved beyond doubt. The Chief Minister deliberately misled this Assembly on 29 April. The evidence is the statement he made on Territory Extra on 18 May 1987. That statement contains his words, not the words of a journalist who may possibly have misinterpreted him. It contains his words and his words alone.

The amended motion reads: '...this Assembly applauds the efforts of the Chief Minister and the government to promote the construction of a Darwin to Alice Springs railway and his continuing efforts to keep this Assembly informed of progress which has been made'. There are 2 main parts. The first, that the Assembly should applaud the efforts of the Chief Minister and the government to promote the construction of a Darwin to Alice Springs railway, points up the main problem. This is that the efforts of the Chief Minister on his recent visit to Japan have had the unfortunate effect of making the job of getting the railway line, a job that we all recognise is difficult, a much harder task than it might otherwise have been. We have the unfortunate position where the Chief Minister came back from Japan and deliberately misled this Assembly, on 29 April and, in doing so, did considerable damage to our prospects of doing business with the Japanese firms that he had met. That is the unfortunate fact of the matter. The interesting feature of it is that, 6 weeks down the track, we still do not have any statements from the Japanese firms indicating that they see themselves as being members of the study group and are prepared, as the honourable member for Barkly said, to be members of the study group. Of course, that does not mean acting in a consultancy role, but acting as members of a study group and being prepared to invest funds, if necessary, to further the joint aims of that study group.

We do not have any evidence of that. What we are asked to rely on is new information given by the Chief Minister this morning that there are 9 pieces of evidence that that is the case. There is one bit of evidence in writing that I know of and, of course, that is from the JARTS organisation and that has the reverse effect, I would have thought. It does not prove that the Chief Minister has received the full cooperation of that particular organisation. It proves the point that that particular organisation is prepared to assist as long as it is on the basis of a consultancy to the Northern Territory government. It is prepared to go the next meeting of the study group, provided that it can be furnished with the name of a contact person so that its representatives know whom to approach, and it is prepared to have an ongoing commitment on a paid consultancy basis but it certainly is not prepared to be a member of the study group.

The Chief Minister said that 6 or 7 other people who were at that meeting are all of the same view as himself but, again, we do not have any evidence. Where is the written evidence? Where are the statutory declarations? Where are the other sorts of written evidence, that should be very easy to supply, from the people present at that meeting indicating that they are of a similar mind to the Chief Minister as to what had happened at the meeting. I would

have thought that it would have been in the Chief Minister's interests, and it certainly would have enhanced his credibility quite considerably, if he had been able to produce that evidence. But no, he was unable to produce any evidence, in writing, to confirm the view that he put today, which I certainly had not heard before, that everybody from the Australian side who was at those meetings was of a like mind.

Mr Hatton: So we are all lying?

Mr SMITH: No, I am not suggesting that at all, but I am suggesting the Chief Minister had adequate opportunity to present that evidence in writing, but he has not taken that opportunity. Of course, the people who have had the opportunity to be questioned over what exactly happened have been persistently changing their minds. I remind you, Mr Speaker, that the Chief Minister has been through a number of changes of mind about what happened at that meeting or, at least, what his recollections were of what happened.

First of all, when he came back, he said in this Assembly that there was a study group and that 3 Japanese companies were involved. On 18 May, on Territory Extra, he said they were not physically involved in the study group. Another time he said that these companies were interested in providing information to the study group, and on yet another occasion he said that they would be prepared to attend the meeting on 9 June, and make up their minds after that. That is one example of a participant of that meeting who has changed his mind on a number of occasions.

The Treasurer managed to put out a lukewarm press release, as I said, which did not even mention the words 'study group' once. If that is not a lukewarm endorsement of what happened in Tokyo, and a lukewarm endorsement of what the Chief Minister was up to in Tokyo, I do not know what else ...

Mr Coulter: Let's just stick with the word 'endorsement'. Is it or isn't it an endorsement?

Mr SMITH: The words 'study group' were not mentioned in the Treasurer's statement once.

Mr Coulter: Neither was my Aunt Sally in Brisbane. Do you want to put that in?

Mr SMITH: Mr Speaker, Dr Ishizaki, the third member of this group of 7, who has been under some pressure from the media, has also changed his mind significantly on a number of occasions. On 16 May, he was quoted in the NT News as saying that those 3 Japanese companies were not involved in the study group. In fact, at his press conference, he said that the study group may not be a formal group, it may be a floating group and may change from time to time; it had no formal shape or formal structure. The Chief Minister nods his head, and I infer from that that he supports Dr Ishizaki's statement of 18 November.

Mr Hanrahan: Terry, please!

Mr Hatton: Oh, very cute. I'm just falling asleep, that is all.

Mr SMITH: Right, if he doesn't support it, he doesn't.

I want to take the Chief Minister right back to 29 April and the key words that the study group 'comprises, from the Japanese side' representatives from those 3 organisations.

Mr Hatton: More semantics.

Mr SMITH: Now he says it is semantics. To a large extent, this debate is centred around the question of what is semantic and what is not. But, Mr speaker, I put it to you that no rational person, with a sound knowledge of the English language, could come to any other conclusion if he read the Hansard of 29 April than that there was a study group and that, on the Japanese side, it comprised those 3 Japanese companies. To take the reverse of that, if those 3 Japanese companies were not there, the only conclusion available is that there was no study group or, at least, no representatives from Japanese companies on such a group. The Chief Minister does not have the option, after this statement, of saying that the 3 Japanese companies may have some connection with the study group other than being members of it. He has tied himself very firmly indeed to the mast that they are quite clearly on the study group, and indeed comprise the study group so that, without them, it simply does not exist. Mr Speaker, he cannot get away from that basic position and that basic proposition.

Mr Speaker, let us have a look at the second part of the amended motion that we now have before us: 'and his continuing efforts to keep this Assembly informed of progress which has been made'. We have done really well there, haven't we! We know now that, on the most generous interpretation, he misled the Assembly on 29 April. He stated a position that was not true. We all know the damage that that has caused to our relations with those Japanese companies. We heard from the mouth of the Chief Minister himself that one of those 3 companies has been seriously concerned about the controversy over here and is having second thoughts about participating in the study group. I put it to the Chief Minister that this is his own fault. If, for his own political purposes, he wants to go around misstating the position of those companies, as he did on 29 April ...

Mr Hatton: I did not.

Mr SMITH: You did not? You did it on Territory Extra. Despite sending begging telexes to Japan in late May, you have not been able to get any confirmation from any of the companies that they see themselves as being part of the study group.

Mr Coulter: Says who?

Mr SMITH: Says me, and says the Chief Minister by his inability to produce any evidence. If he has received telex messages from the Japanese companies, and that would have to be a highly unlikely occurrence, he has failed to do what the second part of the amended motion invites us to support: to keep this Assembly informed of progress which has been made. I would have thought that, if there were telexes around - and I bet there are not - that as part of this continued effort to keep the Assembly informed of progress which has been made, we would have been advised of them today. It is quite clear that no telexes exist and that the Chief Minister, despite sending off his own begging telex, which I understand is some 24 pages long, has not been able to obtain any confirmation from the 3 Japanese companies that they are prepared to be members of the study group.

The amended motion says that 'this Assembly applauds the efforts of the Chief Minister and the government to promote the construction of a Darwin to Alice Springs railway and its continuing efforts to keep this Assembly informed of progress which has been made'. Quite clearly, this whole exercise has had the reverse effect. Looking at the matter objectively, this Assembly

could not possibly applaud the efforts of the Chief Minister and the government. Their activities have had the reverse effect. They have made the job of getting the railway harder. They have lost the confidence of the people of the Northern Territory who no longer believe that it is possible to build the railway. The railway has become a joke to many people and the actions of this government in the last few weeks have reinforced that view.

Of course, the ramifications of the government's attitude are not restricted to the Northern Territory; they are international. This government has made it more difficult for itself and for other governments that will follow it to undertake discussions and negotiations with overseas companies. That is because this government has shown that it does not have even a basic understanding of how to conduct sensitive negotiations without embarrassing the people with whom it is negotiating. That is one of the worst and the most embarrassing features that has come out of this episode. Respective Northern Territory governments since 1978 have embarrassed us in a number of quarters. At least before now basically we have been able to confine the damage to the Northern Territory. This particular episode has spread our unwanted reputation as cowboys in the negotiating field beyond our shores and into the international arena. Unfortunately, that will have a dramatic effect in the future and, as I said, it will make the railway a much harder task to achieve. Mr Speaker, the opposition is definitely not going to support this amended motion.

The Assembly divided:

Ayes 16	Noes 8
Mr Collins	Mr Bell
Mr Coulter	Mr Ede
Mr Dale	Mr Lanhupuy
Mr Dondas	Mr Leo
Mr Firmin	Mrs Padgham-Purich
Mr Hanrahan	Mr Smith
Mr Harris	Mr Tipiloura
Mr Hatton	Mr Tuxworth
Mr McCarthy	
Mr Manzie	
Mr Palmer	
Mr Perron	
Mr Poole	
Mr Reed	
Mr Setter	
Mr Vale	

TABLED PAPERS
First and Second Reports of Publications Committee

Mr SETTER (Jingili): Mr Speaker, I table the first and second reports of the Publications Committee and move that the reports be adopted.

Motion agreed to.

HOUSING AMENDMENT BILL
(Serial 14)

Continued from 29 April 1987.

Mr BELL (MacDonnell): Mr Speaker, there are various points that I would like to make on this bill. At the outset, I am happy to report that the opposition quite happily supports what are essentially non-contentious amendments in the bill. I note the amendment schedule that has been circulated and I will place on record at this stage my appreciation to the Minister for Lands and Housing for having made officers of his department available to explain the force of this particular amendment. I trust that this process will continue with all the business that comes before this Assembly, particularly with the less contentious legislation. I suggest that, even with the more contentious legislation, the government would do well to provide to shadow ministers a full and adequate explanation of the intention. It is my experience that the best that a second-reading speech does is to adumbrate the situation that a bill seeks to achieve and, only when such a briefing is available, does the full force of legislation become obvious.

I note that the bill has 2 purposes. The first is consequent upon the reorganisation of the Housing Commission and the reorganisation of government departments generally. We note that, by this bill, the Housing Commission will be created as a body corporate sole and the commission will be reduced to a membership of 1. As I recall it, the minister mentioned in his second-reading speech that this is deemed to have been the most expeditious way of reorganising the Housing Commission. Were the commission to be dissolved, there would be considerable problems with the reregistration of the large number of properties registered in its name. The opposition accepts the reasons put forward by the government for this.

However, we have at least one reservation about the creation of the Housing Commission as a body corporate sole. In order to explain the reservation that the opposition has, I draw the minister's attention and that of honourable members to section 7 of the Housing Act which refers to the composition of the old commission. The old commission had 5 members - a chairman, a deputy chairman, a tenant representative and 2 members who were ministerial appointees. Quite obviously, with the commission being reorganised in this way, it will no longer have a tenant representative. In this debate, I do not intend to fulminate on all the difficulties that arise from time to time in the relationship generally between tenants and landlords, nor do I intend to fulminate on the difficulties that I encounter in terms of relations between Housing Commission tenants and the commission itself. I am quite sure that all honourable members will agree that a fair percentage of representations made to them are from Housing Commission tenants or prospective tenants.

Mr Dondas: I did not hear too many, 'Hear, hears'.

Mr BELL: No. That is probably because there is rather more discipline on the government benches today than is usually the case.

Quite seriously, I would like to note the fact that there will no longer be a tenants' representative on the commission. Frankly, I do not know how well that has worked in the history of the Housing Commission since self-government. I do not know to what extent the tenants' representative has been able to put tenants' viewpoints to the commission. As I have said, Housing Commission tenants frequently make representations to me and perhaps

it is the case that members of the Legislative Assembly are de facto tenants' representatives on the Housing Commission. Be that as it may, I would appreciate some statement from the minister about the status of the tenants' representative, the activities of that representative, and how he intends to compensate for the fact that there will be no tenants' representative on the commission as it is to be reconstituted by this particular bill.

The second purpose of this bill is to allow for the determination of rents and sale prices. I am aware that there has been interest in the capacity to determine prices and rental scales according, for example, to the age of commission properties. Obviously, somebody who is living in a commission property that is 30 years old should not be paying the same rent as somebody who is living next door in a commission property that was built yesterday, assuming that the properties themselves are essentially comparable in terms of facilities.

Once again, I would like to draw the attention of the Minister for Lands and Housing and government members that this was one more Labor Party initiative. Unlike our colleagues in government, the Labor Party presented a comprehensive policy with respect to housing initiatives in the Territory at the last election. Unfortunately, other nonsense managed to obfuscate the initiatives put forward by the opposition in this regard. However, I do congratulate the minister for the celerity with which he has decided to amend the Housing Act to introduce the initiative that we put on the public record some 6 months ago.

That brings me to the schedule of amendments and the repeal of section 29. As I have said, I do appreciate the spirit with which the minister made available to me officers of his department to explain the purpose of the repeal of part VI. Honourable members who were members of this Assembly in 1981 or 1982 will recall that, in a rising market, it was possible for people to take advantage of privileged interest rates available through the Public Service Home Loans Scheme and to profiteer on properties when prices were rising as rapidly as they were at that stage. Mr Speaker, you will recall that prices in Darwin, at the stage, were rivalled only by those of Sydney.

Mr Manzie: They were exceeded by them.

Mr BELL: They may have been, to pick up the interjection from the member for Sanderson. I challenge him on that. He might like to comment on that in this debate, but I would have thought that, back in 1981 or 1982, and certainly we drew it to the attention of the Assembly on numerous occasions, comparable dwellings in Sydney were going for the same prices that they were in Darwin and Alice Springs. In fact, average prices for properties, particularly in towns like Hobart, Adelaide and Perth were, I think, about half what they were in the Territory. The criticisms of government action in the marketplace that we made at the time were, at least to some degree, responsible for the enactment of sections such as this and it was certainly necessary, as I recall.

I appreciate that, with the slow down in commencements which has been affected, in turn, by the relatively large number of properties on the market, there is no need for this particular section. That is one reason why this amendment has been introduced, also the privileged interest rates that were available under the scheme have been curtailed, I believe. It is for those reasons that this particular schedule of amendments has been introduced and because the cumbersome administrative process of applying for exemption from the operation of that particular section is something that is chewing up bits

of paper and pencils. Of course, the opposition is always a fulsome supporter of administrative ease in that regard. It is the particularly meaty bits of this schedule of amendments that the opposition is more than happy to support.

Since the reorganisation of the Housing Commission is the subject of this particular bill, I think it is appropriate that another matter concerning the administration of the Housing Commission be brought to the attention of the Assembly. I refer particularly to sections of the Auditor-General's Report that was tabled in April last year. I am hoping that, in his summing up, the Minister for Lands and Housing will either respond to the concerns I have expressed publicly in this regard or will give an undertaking to make a statement to the Assembly with respect to the shortcomings that the Auditor-General discovered and reported on.

I refer honourable members to page 20 of the Auditor-General's Report which contains section 2.12, concerning the Northern Territory Housing Commission. I refer particularly to subsection 2.12.4, the documentation systems phase of the interim audit. The Auditor-General has this to say: 'The chairman was advised of slippage in the completion of critical control functions and reconciliations and the need to achieve early consensus between us on revisions to the form and content of the forthcoming 1985-1986 financial statements'. He went on to say that he had agreed to the commission's proposal for regular meetings between audit and commission staff 'to avoid the problems and resultant delays experienced by audit in the examination of the 1984-1985 financial statements'. In subsection 2.12.5, which concerns the testing phase of the interim audit, the Auditor-General mentions that 'the Chairman was advised in September 1986 that, notwithstanding an overall improvement in the maintenance of critical internal control procedures, significant weaknesses remained'. He went on to say that 'advice of corrective action appeared to be satisfactory'. Mr Speaker, quite clearly, I would not be doing my job if I were not to draw these particular qualifications to the attention of the minister and the Assembly.

In subsection 2.12.6, which concerns the final audit, the Auditor-General stated: 'The section 67 report to the minister noted a continuing lack of proper attention to a number of critical areas of control, inadequate investigation, reconciliation and clearance of account balances, departures from procedures and a lack of familiarity with the intricacies of quite complex and significant issues, a number of which had remained from prior years'. He went on to say: 'Supporting schedules and ledger reconciliations were not made available by the dates agreed'. I am not alleging rampant corruption in the Housing Commission, but I do draw the shortcomings alluded to in the Auditor-General's Report to the attention of the minister and the Assembly. The reason that documents such as the Auditor-General's Report are tabled is so that the attention of honourable members can be drawn to issues such as that. I trust that the honourable minister, in his response to the second-reading debate on this particular bill or by way of a ministerial statement later, will respond to concerns in that regard.

Mr POOLE (Araluen): Mr Speaker, I do not intend to take as much time as the member for MacDonnell has in talking ...

Mr Bell: That is because you do not have much to say, Eric.

Mr POOLE: I intend to stick to the amendments in the bill.

In these harsh economic times, any action by government to save money on administration costs is certainly to be commended. The amalgamation of the

Department of Lands and the housing policy area of the Housing Commission is a very positive move. This move will be welcomed by all politicians because, out in the field, so to speak, we spend considerable time in contact with these 2 areas of government. Now, at least in Alice Springs, we can deal with the one area so that, at the least, it is a time-saving exercise.

As a former head of a statutory authority, I can well understand the reasoning behind the reduction in numbers of members of the Housing Commission Board to 1 commissioner. But, there are still obviously great difficulties relating to legal, financial and property aspects which prevent government from abolishing the body corporate. There are still problems relating to the Housing Commission that need to be addressed and the amendments in clauses 7 and 10 of the bill will make it clear that rents and sale prices of commission houses can be determined either on an individual basis or as a group after considering the location or style of the buildings.

I feel the commission should be commended on the variety and style of houses that have now been built, especially those in the Alice Springs area. I acknowledge that some styles are obviously more popular as demonstrated by the number of residents that are currently purchasing them. I do not really share the member for MacDonnell's concern over the lack of a Housing Commission tenants' representative as I feel that, given the time that all members of the Assembly spend looking after their residents' interests, in effect, they have a tenants' representative. In the short 14 or 15 months that I have been assisting people with problems relating to the Housing Commission, I must say that the resolution of those problems has been very quick and of a very high standard.

There are still problems in the building areas of the Housing Commission. In my own electorate, we have had a number of fences with driveway entrances that do not have the pavement sufficiently reduced in height to allow vehicles to drive in. There are still some fairly basic problems that need to be resolved. Another area that has come to the forefront in the past few weeks, and I think the member for MacDonnell addressed this matter in an adjournment debate during the last sittings, is the problem between the Valuer-General's valuation and the cost price of houses. It is quite obvious that, in a depressed market, we will run into problems in that area because there are not many people who want to buy a house at a cost price of \$80 000 when the Valuer-General's valuation is only \$70 000. These are problem areas that I am sure this government will continue to look at.

The changes that have taken place within the Housing Commission over the past few years have been very positive. These amendments will continue this direction. I commend the bill to honourable members.

Mr SETTER (Jingili): Mr Speaker, I am very pleased today to address the Housing Amendment Bill. In so doing, I would like to take up a couple of points made by the member for MacDonnell. He made the comment that the cost of housing here was twice that of Sydney.

Mr Bell: I did not. I said it was comparable and that it might be higher in some parts. It is twice as high as Adelaide and ...

Mr SETTER: You see how he confused me, Mr Speaker. It was one of the problems I had in listening to his speech. We are all aware that he is a professional linguist, but half the time I cannot understand what he is saying. I noticed he was studying the dictionary earlier. He was probably plucking out some words to slip into his speech to confuse us all.

Nevertheless, there are obvious reasons why the cost of housing is much higher here in Darwin than some other places in Australia. First of all, we are building to a cyclone code which is of a much higher standard than applies in most other places. That in itself necessitates increased costs. We then have the freight factor. Many products including timber, clay bricks in earlier days, and all fittings are freighted in. That represents a considerable inbuilt add-on cost factor.

One of the things that I would like to see in respect of Housing Commission construction is the utilisation of designs more in line with tropical conditions. I really do not think that is the case at the moment. Let me just refer to the old Queensland-style home. That style has been in vogue over there in the tropical areas for many years. The house was built on blocks or stilts with high ceilings. It made the most of the breezes and it was quite a cool home whereas, at the moment, our Darwin houses sit on concrete slabs and are made of cavity brick. They are not designed for suitable ventilation. This situation has been compounded by the cyclone code which reduced window size and so on. Regrettably, we have a problem with designs which are not suitable for tropical conditions. I hope that our architects will address themselves to that particular issue in future.

What we are really doing today is putting in place the initiatives set in motion by the Chief Minister when he rearranged and rationalised administrative procedures several months ago. As honourable members are aware, on 19 March 1987, the Chief Minister announced that the Housing Commission would be amalgamated with the Department of Lands and Housing and that the design and construction section of the Housing Commission would be incorporated into the Department of Transport and Works. That makes very good sense to me because design and construction fits very neatly with Transport and Works. We are all aware that, for many years, the Housing Commission has had its own architect and its own structure for calling and assessing tenders, letting and supervising contracts and so on. That has been a duplication of what has been occurring within the Department of Transport and Works. In rationalising that area of the Housing Commission, in time we will make considerable savings. The government has rationalised and reduced costs, duplication and parallel systems right throughout the public service. In a few days time, we will hear that, once again, it will be necessary to assess the whole cost structure of government and government departments.

Let us look at the Housing Commission as it was previously constituted. First of all, it was a body corporate. The administrative level had 5 members, including a chairman. Let me just run through the functions of that board and the Housing Commission. The first function was to design and construct houses for accommodation of members of the public and private sectors. It has been doing that very successfully for many years. A very important role of the Housing Commission has been to provide accommodation for those masses of people who have been flooding into Darwin over the last 10 years or so. It has provided a very important service, but I hope that, as time goes by, more and more of that responsibility will be taken up by the private sector. Whilst the government certainly has a responsibility to provide welfare housing and to look after those in need, the private sector also has a responsibility in this area. It is my wish and desire that it will recognise that need and take up the challenge.

Apart from providing accommodation, the Housing Commission has also provided finance for the sale of Housing Commission property. As we are all aware, the policy has been for the commission to design, construct and provide accommodation and then, as time went by and the demand was identified, to sell

those properties to tenants. We went through a phase of people, particularly young people, going into their Housing Commission homes, paying rent for a few years, accumulating some financial resources, putting down a deposit and purchasing the home, and this occurred year by year. Over the past 15 years or so, the Housing Commission would have built many thousands of homes, most of which have been sold and the residents are now permanently ensconced in the various urban areas of the Northern Territory. However, I believe the Housing Commission should have promoted more strongly its policy of selling off its housing resources, particularly those older houses. I know for a fact that, in my electorate in the northern suburbs of Darwin, there are many hundreds of older-style Housing Commission homes which belong to the government and the taxpayer. I think we should develop a policy of selling off those older homes as quickly as possible.

Another responsibility of the Housing Commission has been to supervise its tenants and to check, maintain and repair the various properties that it has. That, in itself, is an enormous task because these houses exist throughout the urban areas of the Northern Territory and there are many thousands of them. It is a very difficult and time-consuming task to inspect each one of those to ensure that the tenants are looking after those properties and maintaining them. Indeed, when a tenant moves out, it is quite expensive to identify damage and have it repaired. That is an ongoing process and I see it in my electorate every week. Not only is it an ongoing process, but it is a very expensive process, the cost of which is borne by the taxpayer. This goes back to the point I made earlier that the more quickly the Housing Commission can sell off its older properties, the more resources it will have to feed into building new properties and, at the same time, it will remove its obligation to maintain those older properties.

As part of this bill, it is necessary for the Housing Commission to be maintained as a body corporate. I note that the number of members on the Housing Commission Board will be reduced from 5 to 1, and that person will be the chairman. There is a very good reason for that because, as I have explained, the Housing Commission is involved in a whole range of activities: the ownership of property, the rental of property and the financing of various transactions. It holds thousands of mortgages throughout the Northern Territory. It would be a massive task to do away completely with the body corporate and devolve those responsibilities on other areas within government. It is a much wiser course of action to retain the body corporate with the chairman. The body corporate will then retain responsibility for and control over all of these functions: financing, control of mortgages, repairs and maintenance, and so on.

The bill also contains provisions to correct an irregularity in the Housing Act which refers to the determination of rents and sale prices of Housing Commission property. There is a whole range of Housing Commission property from rental homes, to bedsitters, to flats, to strata titles and so on. It is very important to define clearly that the Housing Commission should be able to set various rentals and sale prices according to the quality, standard and type of property which it is handling at the time. They should not be classed into 1 group such as a 3-bedroom home. Properties must be classified within each particular group in terms of their age, style and the repairs and maintenance that may be required. These things should be considered when assessing the rental or the sale price.

I think that this particular bill is a step in the right direction. It devolves responsibility from the Housing Commission Board to the Department of Lands and Housing and the design and construction section in the Department of

Transport and Works. It is simply part of the ongoing government policy of rationalising the provision of its services to the public through various government departments.

Mr EDE (Stuart): Mr Speaker, I rise briefly to speak to this bill. Members may recall a matter of public importance discussion that I raised in this Assembly in which I had cause to speak about the problem the Housing Commission has had over a number of years in terms of reorganisations and shuffling of people from one end of the corridor to the other and upstairs and downstairs. That was all done in the name of efficiency. Unfortunately, it is quite evident from the Auditor-General's Report that those efforts have not been successful. All we can do, given the limited resources available to us, is to hope that this time it will work out okay. It seems to me that we are always saying that we hope the government has it right at last. We can only echo that hope once again. However, I would like to point out to the honourable minister that our patience is wearing thin.

With the reorganisation, I am advised that there are some problems with the very substantial amount of work which this organisation does with the Aboriginal Development Commission. Apparently, this had been operating very effectively for some years and the relationship had developed to a point where work was occurring out bush in a cooperative way between the federal and Territory governments. I am told that there are organisational problems which have something to do with the break up between the Housing Commission and the Department of Transport and Works and the lack of clear lines of authority. I hope the minister will take that on board.

I am also advised that the ADC is now asking housing associations to ensure that they take on consultants to handle design, planning, construction, overview etc. What was happening was that officers of the Housing Commission went along to those same communities and asked why they were paying money to a consultant when the commission would do the work for free. Of course, the communities told the ADC they would use the Housing Commission, but my further investigations show that it was not quite the same. I am advised that the Housing Commission was taking the total amount for the consultancy work it was doing straight off the top of the Commonwealth States Housing Agreement allocation and utilising the rest of the funds for the programs. Seemingly, it was making quite a good fellow of itself but, in fact, the amount that was being reduced out of the pool was substantially above the amount that was used, given that, under the new program, a large proportion of the work would not be done by the Housing Commission but by the Public Works Department, which was much more generous and was charging its own consultancy vote.

Mr Speaker, the member for MacDonnell talked about the unfortunate lack of representation of the tenants of Housing Commission flats and houses under the new arrangements. I would hope that somehow the minister could see that an arrangement could be made to ensure that there was a process for people to be able to put their problems. These tenants should be able to talk about the their problems at the grassroots level, at the coalface, as it were, to assist the Housing Commission to ensure that it reflects community ideals and works effectively with its tenants.

The member for Jingili talked about selling off Housing Commission stock and that suggestion is eminently supportable in my view. However, I have heard of a case recently where originally the purchase was made under the scheme by which the interest varied with the income of the particular person involved. At that stage, the person was on a fairly low salary but, because of the variation in interest, was able to pay mortgage instalments. Now that

his salary has risen, the interest has moved up so fast that the purchaser has to sell off the property which does seem to be rather ...

Mr Setter: Who controls interest rates?

Mr EDE: The interest rates are controlled by the Housing Commission, for the member for Jingili's information ...

Mr Setter: Not for the second mortgage though.

Mr EDE: ... in this particular case. That would seem to be contrary to the original purpose of that particular scheme.

I would like to finish by saying that I am happy to see that the power to set rents on various bases has been provided, and to give a plug for cost rents versus market rents. This has been a part of Labor Party philosophy in our platforms in the states for a number of years. We believe that there is an essential philosophy behind public housing, whether it is provided through the Housing Commission or whether the Housing Commission, in its new home, is more closely aligned to the department or whether it is brought within the ministry. The primary aim is to house the needy and the poverty-stricken and, as such, not to compete on a rental basis with market rents. We believe it should set its rents on a cost basis which relates, basically, to the total cost of the property and what is an economic return. I hope that that is the basis on which the Housing Commission will work out its rents after this legislation is enacted.

Mr HANRAHAN (Lands and Housing): Mr Speaker, may I commence by placing on record my compliments for a job well done to all former members of the Northern Territory Housing Commission Board. Their efforts over previous years have added much to a dynamic housing industry in the Territory. Recently, we had an election in the Territory and a housing plan was announced loud and clear by the Chief Minister.

Part of that housing plan was the formation of a housing advisory committee, one member of which is a tenants' representative. I cannot recall the name of the person who has been appointed to that committee but the committee is expected to meet for the first time next week. The committee has representatives from real estate, architecture, engineering, and finance as well as a tenants' representative and the Secretary of the Department of Lands and Housing. Several other initiatives relating to the CLP government's housing plan will be the subject of a major statement in this Assembly, hopefully in the August sittings. I hope that satisfies the members for MacDonnell and Stuart. The make-up of the committee gives the tenants virtually the same representation on the committee as they had on the board.

The Auditor-General's Report certainly was of some concern to me. I am able to advise honourable members that the Housing Commission reacted rather swiftly to that report. I am aware of some major changes that have occurred in the accounting systems of the Housing Commission. I am advised that the Public Accounts Committee has taken up as one of its terms of reference an investigation of the Auditor-General's Report. Hopefully, the matter is well in hand. However, if the member for MacDonnell, who raised it in the first instance, wishes to write to me I will reply to him in detail.

Mr Speaker, just to make sure that there is no misunderstanding as to the policy relating to the sale of existing Housing Commission dwellings, it is based on market value or replacement cost, whichever is the highest. I make

no bones about that because, in recent times, there has been some concern expressed by members of the community who have received an offer to purchase their home at replacement cost where market value, particularly in areas such as Palmerston, has been below the replacement cost. There is one very significant reason for that. Usually, when assessing market value, a valuer does not take into account some of the additional factors relative to Housing Commission homes when comparing them to homes that may have been built by a speculator.

Mr Bell: Relevant.

Mr HANRAHAN: I am sorry. I am very correct.

The Housing Commission constructs its homes under various schemes, including the design and construct scheme, but one of the elements of construction of a Housing Commission home is to ensure that, over a longer period of time, there exist lower maintenance costs. In certain instances, that does add to the cost of a home. Conversely, when market values are high and the market is buoyant, I am not prepared to suggest to the community that I would influence the market by selling Housing Commission homes at below market value costs or replacement cost. I hope that clears that issue. I know it was of some concern to the Leader of the Opposition.

Mr Smith: It still is.

Mr HANRAHAN: Undoubtedly.

The other issues raised by the member for Stuart relative to second mortgage interest rates, rising interest rates and various other aspects of home purchase are being fully addressed by the government at the moment. In fact, it is one of the first terms of reference to the Housing Advisory Committee and, as I said, major initiatives are expected to be announced subject to the necessary legal requirements being met and the introduction of legislation in the August sittings. I think those initiatives will be of great significance to the housing industry in the Northern Territory.

In conclusion, I would reiterate my compliments to the former members of the Northern Territory Housing Commission Board without whose assistance over recent years I am sure the housing industry in the Territory would not have progressed so far, so rapidly.

Motion agreed to; bill read a second time.

See minutes for new clause agreed to in committee without debate.

Bill passed remaining stages without debate.

SALE OF GOODS (VIENNA CONVENTION) BILL
(Serial 9)

Continued from 29 April 1987.

Mr BELL (MacDonnell): Mr Speaker, this particular bill is obviously the fruit of a great deal of time, thought and travel on the part of a large number of people because, as the minister advised in his second-reading speech, this is model legislation which is being enacted in all states as a result of the Vienna Convention. There was a particular need for new contract arrangements concerning the sale of goods between different countries which were signatories to the convention.

I understand the basic principles of the bill. Obviously it is not possible, within the context of a debate like this, to come to terms with all the ramifications of such a bill. I must admit, having read the minister's second-reading speech and discussed the bill briefly with a couple of people, that I do not understand much beyond the very broad intent of it. I am curious, however, to find out what the impetus behind such legislation was. For example, what sort of problems in international trade gave rise to the Vienna Convention?

I notice that the minister referred in his second-reading speech to contractual difficulties between 2 countries when one is a common-law country and the other is a civil-law country. I am not quite sure what he meant there, and I have no doubt that the Attorney-General's encyclopaedic knowledge of the bill itself, contract law and the problems that arise from sale of goods will enable him to fill out the full hour he has by way of right of reply in educating not only myself, but all other honourable members.

However, as I say, I am interested in the principles involved in the bill. The opposition accepts the purposes for which the legislation is to be enacted and we trust that, unlike the case of the Trespass Bill, the government's intention in introducing this legislation is pure and unalloyed, and that it is not attempting to pull the wool over the eyes of the opposition or the members of the Assembly. We are prepared to accept it on that basis.

Mr SETTER (Jingili): Mr Speaker, once again, I have listened with great interest to the contribution from the member for MacDonnell. Fancy him suggesting that we would try to pull the wool over his eyes. That would be a very difficult thing to do indeed.

He alluded to the sort of problems that exist between trading countries. Regardless of what the Attorney-General may contribute later, the sort of difficulties that would arise between trading countries are quite obvious because, naturally, the laws in different countries differ. Therefore, when you are drawing up a contract of sale in, for example, Singapore, it will be different to a contract of sale in Australia. The whole purpose of this bill is to rationalise the principles of contracts of sale for those countries which are signatories to this particular agreement. There have been ongoing difficulties between trading nations in this sphere and I hope that, in time, more than 20 nations will become signatories to this convention.

This bill relates to the United Nations Convention on Contracts for the International Sale of Goods. Within this particular schedule there are 101 sections. It is indeed a very complex piece of legislation and doubtless one that covers all aspects involved in conducting the many and varied transactions. If the honourable member would care to read through the convention, it would clarify the matter for him. Previously, the states of Australia and the Commonwealth had different approaches when trading with overseas countries. This will rationalise the approach by the states and the Commonwealth with regard to this matter. We will all have the one approach.

Mr Bell: That is exactly what I said. I want to know what the problems were?

Mr SETTER: We are agreeing with each other for a change.

Mr Bell: You were not a minute ago.

Mr SETTER: I was disagreeing with a couple of other points that you made, not that particular one.

I am just confirming, Mr Speaker, that all of the states and the Commonwealth have rationalised their approach to the matter and agreed to support this particular convention. What we are doing at the moment is bringing the Northern Territory into line with this agreement.

As I have explained, many problems existed in the past with regard to the variation in laws. I have done some research into the possibility of developing trading relationships with Indonesia. I am reasonably aware of what our laws are with regard to import export in this country but I am not sure whether Indonesia is one of the signatories to this agreement. Regrettably, the minister did not mention the particular countries involved. When one goes to a country like Indonesia, one learns that there is indeed a very complex means of trading in terms of all the various requirements that have to be met and the laws that have to be acknowledged. It is extremely difficult for somebody in this country to go over to Indonesia to trade. At least, with the signing of this convention, it will be much easier for us to trade with the other signatories. Our real aim is to develop trade and not become bogged down in bureaucratic red tape as can so easily happen.

It must be noted that the Vienna Convention applies a uniform law for the sale of goods for commercial use, not personal use. We are talking about commercial transactions. In his second-reading speech, the minister said: 'There will be no private use, subject to the exception in article 2 that the seller did not know at any time that it was for private use between a party in Australia and a party in another convention country'. It is not designed to cover any personal transactions at all.

The other important point is that this bill will override any other Northern Territory law that has previously pertained to matters relating to the sale and or the purchase. There is no point in passing this bill if other legislation still pertains to the transaction. With those few words, I support the bill and commend it to honourable members.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Speaker, in rising to support this legislation today, I will not deliver an admonition to the government. Rather, I offer advice or friendly encouragement. In view of our growing activity on the international trading scene with our northern neighbours, particularly in respect of primary produce, it is increasingly important that the groundwork for full acceptance of sale conditions from country to country be laid down by the passage of this legislation. More than any of the states of Australia, the Northern Territory is actively looking for markets to our north, not only for primary produce but also for manufactured goods. It is imperative that both buyers and sellers are protected in the Northern Territory and in the foreign country by this legislation in the unfortunate occurrence of a dispute.

It would be advantageous to any Northern Territory exporters for them to know if the country that is importing their goods is party to this convention. It behoves the Northern Territory government to make every effort to acquaint such exporters with this knowledge and to act as a double security for traders. I would go further and say that I believe it is incumbent on the Northern Territory government to make sure that, if a country with whom we have active trade is not a party to this United Nations convention on contract for the international sale of goods, it initiates discussions with that country to encourage its participation in the convention. I believe it is

incumbent on the minister to actively prosecute such discussion with the other country. I support this legislation.

Motion agreed to; bill read a second time.

Mr MANZIE (Attorney-General)(by leave): Mr Speaker, I move that the bill be now read a third time.

This bill provides the ability for the Territory to formalise its trading relations with a number of countries to our north. Obviously, as the world grows smaller, due to transport improvements, and our ability to trade becomes greater, there is a need to standardise the rules of trade. This bill relates to trading between parties of different countries.

The member for MacDonnell was not too sure what some of the problems were. I cannot actually give him specific instances of problems, but I think that he would understand that a country operating under common law for its contracts and enforcement of contracts would have different rules to those of a country operating under civil or statute law where the law is actually written down and there is no notice taken of precedents. Rules on enforcement of contracts differ between common-law and civil-law countries. The intention of this bill is to ensure that countries which are operating under this Vienna Convention have the same rules and that contracts are interpreted by their courts in the same manner. This means that any attempts by a party in one country to be unscrupulous can be corrected by courts of law in the other. Obviously, as the world becomes smaller due to transport and communication improvements, there will be much more trading between individuals in different countries. Hopefully, the countries that are not already party to this convention will become so in the near future. Australia is a party to the Vienna Convention and, as legislation and controls relating to trade are vested in the states, each state has made agreements to enact this legislation.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Deputy Speaker, I would like to ask the minister if he would mind addressing the question that I asked of him: is the Northern Territory government actively pursuing the question of encouraging other nations to our north, who may not be parties to this convention, to become parties to it? I refer especially to those countries with whom we are trading now and intend trading with more in the future.

Mr MANZIE (Attorney-General): Mr Deputy Speaker, as an individual I am certainly not travelling to the north and making personal representation regarding this matter. However, I think it is important and possibly, with the support of the Treasurer, I might be able to get away and do that in the near future. Australia, as a signatory to this convention, and a number of other United Nations countries have agreed with the concept and will be moving this way. There will not be direct pressure, but it will become a fact of life that, if countries wish to become involved in trade, they may have to become party to this agreement. I think that the fact that the United States of America, Singapore and other countries are signatories and operating under this convention will in itself increase the number of countries that legislate to operate under these rules. It is something that Australia as a nation will be pursuing even though the states have legal jurisdiction. Legislation is being passed in all states; it is complementary legislation and Australia as a whole will be pursuing this particular concept.

Motion agreed to; bill read a third time.

WILLS AMENDMENT BILL
(Serial 10)
PUBLIC TRUSTEE AMENDMENT BILL
(Serial 11)

Continued from 29 April 1987.

Mr BELL (MacDonnell): Mr Deputy Speaker, I note the purpose of these cognate bills which amend the Wills Act and the Public Trustee Act so that there is no longer a requirement that wills be deposited with the Registrar of Probate, only that such wills be deposited with the Public Trustee.

The opposition is happy to support these bills and accepts that they have been presented to the Assembly on the basis that they will do away with unnecessary administrative duplication. We note that sections 38, 39, 40 and 41 of the current Wills Act provide for the deposit of wills with the Registrar of Probate, and these are to be repealed by clause 2 of the Wills Amendment Bill. We note that clause 3 provides for the Registrar of Probate to deposit wills under his control with the Public Trustee, and essentially these provisions are supported by the opposition.

While we accept this legislation, I will be interested to hear from the Attorney-General why this particular change in practice is necessary to remove unnecessary administrative duplication. I am interested in how this compares with practice in other states of the Commonwealth, and I hope he will enlighten me in that regard in his contribution to the debate.

Mr MANZIE (Attorney-General): Mr Deputy Speaker, I thank the member for MacDonnell for his comments and his support for the bill. Unfortunately, I am not in a position to be able to comment on procedures in other states. Most members would appreciate that, in a place such as the Territory, it does not really make sense to have separate places where wills are kept. The Territory's population is small. Certainly, it causes problems for people who are making inquiries in relation to wills. We have the Registrar of Probate, who has roughly 500 wills, and the Public Trustee holds approximately 4000. I think it makes sense. The numbers are not great, but certainly it will allow for far more efficient searches if the wills are located in one place.

I cannot answer for what happens in other states, but I think that that really is irrelevant in terms of what we are trying to do here, which is to make it easier for Territorians to be able to make these inquiries without going to 2 places. Also, obviously, it will contain costs somewhat because the amount of administration involved with 2 places against 1 has to be greater, and we are trying to do things more efficiently for less money. I think that that makes some sense.

Mr Speaker, I am sorry I cannot supply the other information.

Motion agreed to; bills read a second time.

Mr MANZIE (Attorney-General)(by leave): Mr Speaker, I move that the bills be now read a third time.

Motion agreed to; bills read a third time.

VALUATION OF LAND AMENDMENT BILL
(Serial 17)

Continued from 30 April 1987.

Mr BELL (MacDonnell): Mr Deputy Speaker, in fact the honourable Minister for Lands and Housing is not in the Assembly, but I presume he will hear my pearls of wisdom over the public address system in some part of the precincts.

Honourable members will be aware that this is a fairly important piece of legislation. Certainly, any member who owns a house in the Northern Territory and, more particularly, who pays rates thereon, will be aware of the importance of the Valuation of Land Act as it has already been mentioned in other debates today. I think there has been reference to the activities of the Valuer-General and the way his valuations interact with the valuations evolving through the inexorable laws of supply and demand that operate on the real estate market in the Northern Territory. Basically, under the Valuation of Land Act, valuations are made on properties and those valuations are used for various purposes, not the least of which is for the purpose of rating. Under the new Local Government Act that came into force on 1 July 1986, local government councils were given the power to introduce various rating systems. The rating system in many parts of Australia, and certainly within the Territory, has been based on unimproved capital value, the so-called UCV. Elsewhere in the country, there are other standards for levying rates in local government areas, net annual value and improved capital value ...

Mrs Padgham-Purich: Flat rating in the Litchfield Shire.

Mr Collins: Flat tax.

Mr BELL: I hear some comments from the troglodytes on the crossbench that I really feel obliged to incorporate in Hansard. I notice that the flat taxers, the people who advocate flat tax, have taken a little bit of a bump in the last couple of days with the demise of the honourable - goodness me, I don't think I even have to refer to him as honourable do I - the Premier of Queensland, Joh Bjelke-Petersen.

Mr Manzie: Come on.

Mr BELL: Anyway, in another place should I say, to be more respectful. I note with interest that the government leapt to his defence most readily. I thought he would have been regarded as the worst in the world.

Mr Dale: Why? We have no trouble with him.

Mr BELL: I am interested that the member for Wanguri has no trouble with the Premier of Queensland. He had better have a word with his boss because my recollection is that his boss had considerable trouble with him. But then, I only read the newspapers. He would know far more than I. Perhaps he has something to tell us about a bit later in the debate that nobody else knows.

Anyway, I do not recommend flat tax for local government rates or for income tax, but that is a digression of course. When you think about it, rates on properties are a flat tax, aren't they? Once a local government authority strikes a rate in the dollar, that is a flat tax. Having raised the spectre, I suppose he should be deeply concerned that the socialists are going to demand differential rates in the dollar on the basis of income or something like that. In fact, they probably better shut up about flat rating systems.

The bill has 3 purposes: it establishes a valuation board of review, provides a specific power for the Valuer-General to obtain information and provides for the recoupment by the Territory government of the costs of the Valuer-General's services. I note the importance of the establishment of the valuation board of review. My recollection is that, at the moment, if a particular householder has his premises valued and he believes that they have been over-valued or under-valued, he is able to appeal to the Valuer-General but, should his appeal to the Valuer-General be unsuccessful, he is forced to undertake rather expensive litigation in the Supreme Court. I appreciate that, to this extent, the government is now democratising that process and making it more accessible to the people to register objections. An appeal to the Valuer-General, of course, may be construed by some as appealing to Caesar against Caesar's decision. The opposition supports the bill.

Mr POOLE (Araluen): Mr Speaker, the main purpose of this bill is to introduce additional methods of valuation of property to determine rates. The bill will establish a valuation board of review so that valuations that have been decided by the Valuer-General can be subject to appeal by objectors. The bill will also allow the Valuer-General to obtain details of any valuation methods adopted and will allow the government to recoup the costs of providing valuation services by the Valuer-General to and for the public and municipal rating authorities and local governments.

It is obvious that the unimproved capital value method of valuation as the only method of valuation has passed into history. This system has been superseded all over Australia by new systems based on improved capital value and annual valuation based on rental returns or combinations of both of these which can be suited to an area or district. In the Northern Territory, the town and city councils, the Grants Commission and the Valuer-General have all expressed their concern over the past few years on this matter.

The new provisions will give those bodies a more equitable method of dividing the rate burden amongst their municipalities. The review board will provide a forum for those dissatisfied with the decision of the Valuer-General to be heard by an independent body and to present their objections. The members of this review board will be professional people, not simply people off the street. They will have either legal or real estate qualifications. This appeal provision is similar to those provided in all the states. Obviously, the Valuer-General needs to ensure that he can obtain any information he needs to examine methods of valuation and this bill provides for the extension of his powers.

In the Northern Territory, we make considerable use of computers and, in some areas, we lead the rest of Australia. It is interesting to note that the Valuer-General is being assisted by computer valuation techniques. In fact the Alice Springs Town Council has achieved considerable savings by using these techniques. No doubt, as these amendments come into force, we will see even more savings over the years. I support this bill and commend it to honourable members.

Mr COLLINS (Sadadeen): Mr Speaker, I welcome the choice that is being given to local councils in respect of valuation methods. There is no doubt that there will be arguments among ratepayers in any district no matter what method the council decides to adopt. Nevertheless, I believe the choice is very welcome.

I am concerned about a statement in the minister's second-reading speech in respect of the board to which people can appeal if they do not agree with

the Valuer-General's valuation. The fact that they will be able to appeal to a board at a cost of a mere \$20 instead of having to go to a judge of the Supreme Court is a good thing. By the same token, I am concerned about the composition of the board. The minister spoke of 'a qualified, independent body'. I dare say that it is pretty important that people have some qualifications but I question the independence of the people who are to be on the board. The 9 members have variously to be suitably qualified as a valuer, a legal practitioner or a member of the Real Estate Institute of Australia. Legal practitioners are the only people who can charge in the Territory for conveyancing and their conveyancing charges are tied to the value of the property involved. Likewise, the fees of members of the Real Estate Institute are also tied to the value of the property.

I would suggest that, if this 9-member board is made up of such people, there is likely to be a bias towards a higher valuation. That diffuse group of people who are not easily organised, the consumers, are the ones who will have to pay. That is my concern. I cannot say that I have all the answers as to how it should be done. Obviously, you must have people who have a fair idea of what is required in terms of valuing property because that is a specialist field but, at the same time, I point out that this board has among its members people who have a vested interest to see valuations higher rather than lower because that is where they make their bread and butter. Mr Speaker, you have raised objections in the media to certain people in Alice Springs suddenly trying to increase rentals by 50% and, in some instances, up to 87%. I think it stinks. They were only doing that on the basis that they figured ...

Mr Bell: It is free market forces.

Mr COLLINS: I do not think it results from free market forces in Alice Springs. When all the other buildings and offices are opened, free market forces will operate and those tenants will be able to find themselves newer premises at a much cheaper rental because there will be an oversupply. I certainly hope that is the way it will be. I would like to see the tenants get a rather better deal on this matter.

Mr Bell: Intervention in the marketplace, Denis. This is unusual.

Mr COLLINS: No, it is not. Intervention in the marketplace is somebody barefacedly saying, right your rent is going to go up by 50% and yours is going up by 87% without ...

Mr Bell: If you can get it, why not? Now, come on.

Mr COLLINS: It is fine if you can get away with it but I do not believe in it in the long term. I don't believe that rentals will be sustained at those levels in Alice Springs in the long term.

Mr Bell: You should recognise the lack of logic there, Denis.

Mr COLLINS: There is no lack of logic.

Mr Bell: You can't have your cake and eat it. Free marketeers can't be partial free marketeers; that is like being partially pregnant.

Mr COLLINS: You just listen to what I am saying.

Mr Speaker, that is the point that I would make. My concern is that the body to which one appeals if one wants to object to a valuation, in my view, has an in-built bias towards higher valuations, and I think the consumer will be the person who will suffer, as is almost always the case.

Mr HARRIS (Port Darwin): Mr Speaker, I rise to speak in support of this bill. First, I declare my interest, as the member for Stuart mentioned yesterday, in speaking to a matter that directly affects me.

On a number of occasions, I have stated that I support the principle that the responsibility for decision-making should rest fairly and squarely with those people who are affected by any decisions that are taken. Despite the fact that I am nervous of councils generally, and I think there are many other people who are nervous to the same degree that I am, I still stand by those statements that I have made, particularly in relation to the devolution of powers. There are very good reasons why this particular bill is before us today. The general principle that local responsibility should rest with local people is very real in the Territory. This is a huge Territory and there are many differences of opinion in different centres throughout the Territory. One of the main points, of course, is that councillors and aldermen are responsible and accountable to the people who elect them. They have to contest elections every so often, and I think that is a point that they need to bear in mind.

The other point that the minister mentioned in his second-reading speech and which other honourable members have commented on is that there needed to be an additional method on which to base rates. All of us can recall situations where people have not been contributing fairly to the rating system, and I refer specifically to those who live in units or flats, and the minimum rate that was set previously went some way to addressing that particular situation. I believe the councils need to have that flexibility and the bill before us provides that.

I emphasise that it is very important that, before they look at changing existing rating systems, the rating authorities make the public very much aware of what they intend doing. I was very pleased to note that, recently, the Darwin City Council rejected moves to pass the rate burden on to businesses. It realised that it was too much to ask businesses to carry extra rates and that it would create a problem in relation to development generally. I was very pleased to see that the council had taken that decision. It does relieve my mind a little. I believe some members of the council may have seen this as providing an answer to many of the council's problems in relation to raising finances generally. I am very pleased to see that the council has taken a responsible approach to the matter.

However, let us not beat about the bush, Mr Speaker. There is no doubt that this bill has the potential to cause major concern to business people, property owners and developers generally. It is easy to understand their concern when there is a move from a straightforward base on which to set rates to the options that are available here, particularly when there are options which can be seen as a disincentive to development. The more effort and money a person puts into a development, the more he has to pay, and that is a principle that I oppose. I am not opposed to paying a fair share, but I believe that, where effort and time is put into a development and the developer is penalised for that, it is wrong.

The same applies in the case of private dwellings. It is totally unfair, in my view, that a person who works towards making his or her home comfortable

is penalised for that work. It may have been carried out because of health considerations or other factors relating to comfort. If the councils do the right thing, which I believe they will, they will indicate to the public that changes are being considered. Provided that councils look at the implications of those changes for the community generally, I can see no particular problem.

In relation to the concerns of the member for Sadadeen, there is a third area for appeal. Clause 17, which amends section 25, provides that an objector, who is dissatisfied with a decision of the board concerning a valuation, may request the board to refer the decision to the Land and Valuation Review Tribunal which consists of a judge of the Supreme Court. That is a third tier of appeal and I believe it covers the concerns expressed by the member for Sadadeen.

As I said, initially I was frightened, as are many other people, about what councils could do with the powers provided to them under this legislation. I reiterate that I support the devolution of powers and I think that, if the councils take on board the concerns of the community in relation to setting rates, there should not be any problem. The Valuer-General will provide figures on which to base decisions. I believe that councils will need to look very carefully before they announce any changes which will affect development or people generally.

With those few words, I wish the councils well in their deliberations. I can assure them that there will be many people, not only the members of this Assembly but also business people, who will be keeping a watchful eye on councils' efforts in relation to trying to recoup more through the rating systems that are available to them.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Speaker, in reading the amendments to the Valuation of Land Act before us, I noted the new provision that is to be inserted into the act. It concerns valuations based on ICV whilst still maintaining use of valuations based on UCV. Another new provision relates to the use of annual value based on the annual rent that a property attracts, coupled with consideration of ICV and UCV and annual value of units under strata title. I know that the Lord Mayor of Darwin has been interested in discussing an ICV form of rating for Darwin and probably it would also be of interest to other mayors in centres in other parts of the Northern Territory. It certainly is not of interest to the President of Litchfield Shire.

In some respects, I believe ICV is a fairer basis for assessing rates. Nevertheless, it can present an anomaly where people build a bigger house than usual in a suburb and maintain it beautifully, compared with neighbours who may have a slum mentality and find a pig sty too grand to live in. The resident of the bigger house will be slugged with higher rates because he is a better citizen and the slob living in worthless abandon will pay little. I find this a completely unfair application of a socialistic principle.

On the other hand, there are considerations in favour of an ICV form of rating. If, in her declining years, the little old widow Jones is living alone in the house which she has occupied for many years, perhaps on a main street, and she has to pay the same rates as the proprietors of a 7-storey, 5-star hotel next door, we can all see the unfairness of that situation. I believe ICV rating should apply in such a case.

One form of rating not mentioned in this bill is one with which very few of the people concerned have any argument. These people do not want to pay rates: no how, no way, nowhere. Of course, I am referring to the Litchfield Shire system of flat rating.

Mr Ede: You want your bitumen roads though.

Mrs PADGHAM-PURICH: We do not want bitumen roads.

Whilst I am talking about this, I must say that I found the member for MacDonnell's use of the term 'troglodyte', in relation to myself and other members on the crossbenches, very unimaginative. I believe it is rather a heavy and unimaginative term to describe our physiognomies. I would refer to him by a good Australian term coined by C.J. Dennis. He is something like a triantiwontigongalope. This is a mythical Australian creature which has no form or substance but inhabits imaginary places. We do not come across too many now because they are of neither use nor ornament. Their reproductive rate is low due to grossly recessive gene makeup.

To return to our Litchfield Shire flat rating system, all honourable members heard last year about this form of rating and my support of it. I would hazard a guess that representing my constituents' views on that subject was the start of my fall from grace with the Country Liberal Party. I said very definitely that I would support this legislation and this form of rating all the way, come what might, and the CLP could do its worst. I did and it did, but the last word was said by the people of Litchfield Shire, the boundaries of which roughly approximate those of the Koolpinyah electorate. The result is that I am here and the CLP person is not.

Out our way, the general opinion is that a flat rate is the fairest form of rating. It allows you to do what you like on your land, to build what you want and to carry on business. Within the general guidelines of a particular zone, whether it is RL1 or RL2, everyone pays the same rate. People of different political parties and persuasions, small people and big people, agreed that the size of our blocks and what we built on them had no relation at all to the way we used the amenities provided by the local government. I usually win the fights that I go into even if I have to wait a long time. I believe there is still time for the minister and the government to come around to our way of thinking in the Litchfield Shire and to take positive steps regarding flat rates. I would say that the people of Litchfield Shire know more about rating systems than people in any other local government area in the Northern Territory. Rating systems were discussed in detail before the flat-rate legislation applying to us was passed, but the matter is still important. After the expiry of the sunset provisions in the current legislation concerning our flat rate, I would like to think that the government will still be amenable to local wishes and will enact similar legislation once more. I support the legislation before the Assembly.

Mr SETTER (Jingili): Mr Speaker, in rising to speak very briefly to this bill, I would like to support almost everything that the member for Koolpinyah said except when she became politically personal. I do not agree with some of her comments.

Mrs Padgham-Purich: But they were true, whether you agree or not.

Mr SETTER: I do agree with your comments regarding the little old lady sitting between those high-rise buildings.

Mrs Padgham-Purich: What about my description of the member for MacDonnell?

Mr Collins: I loved that.

Mr Hatton: I support that comment.

Mr SETTER: Did I miss that point in your speech? My apologies, but I probably would have supported it anyway.

In most states of Australia where shires exist in great numbers, those shires rate pastoral properties, be they just outside the urban areas or large pastoral properties further out.

Mrs Padgham-Purich: The Litchfield Shire rates pastoral properties these days.

Mr SETTER: Sure, but only very recently.

Mr SPEAKER: Order! When both honourable members have finished their cross-Chamber chat, would they mind addressing all remarks through the Chair.

Mr SETTER: Mr Speaker, I thank you for your tolerance.

I would like to take up a point made by the member for Port Darwin who, of course, has some degree of experience both as a former alderman on the Darwin City Council and as a commercial property owner in the CBD. I was very appreciative of his wise counsel in this particular matter. I can understand how difficult it would be if a city council, similar to the Darwin City Council, lost sight of the need to contain rates within a reasonable level, and went rushing off using this new power to rate commercial operators or owners of commercial property out of existence. It would be very simple for councils to do that because local government is a very costly affair and has come under increasing financial restraint over the last several years, as have we all. It would be very simple for councils to seize upon this legislation as a means of raising as much revenue as they need. But, in doing that, they would cripple the entrepreneurs and the property owners, particularly in the areas of higher value, and that is just not on. Of course, as the member for Port Darwin indicated earlier, if they chose to do that, they would pay the price in the ballot box next time around, because we all have to live within the system.

It is an accepted fact that, based on the triennial assessment by the Valuer-General of the value of properties in the community, under the existing act, the councils use the unimproved capital value as a basis for rating. That has been the system almost right throughout Australia for a long time now, and it has worked quite well. Unfortunately, it does have the effect of disadvantaging some people - for example, a person who has a residence on a property as opposed to a commercial operator who is adjacent. There is this iniquitous situation and, hopefully, we will be able to overcome that in future.

The new bill provides for this range of options using the unimproved capital value, the improved capital value or the annual value. I thought that was an interesting one, Mr Speaker. I had not heard of using the annual value before, and I thought it might be worth reading proposed new section 8A(1) regarding annual value. 'For the purpose of this act, the annual value of land (other than stratum) is (a) the gross annual rental of the property; or (b) 5% of the improved capital value of the land, whichever is the greater'. That is interesting. I certainly learnt something when I acquainted myself with that provision. It is one of the new bases under which councils can strike rates. They have these various options. However, the councils will have to continue to assess their rates under the Valuation of Lands Act and these amendments will be incorporated into that act.

One of the provisions of the bill is to establish a valuation board of qualified people who will be responsible for assessing values and hearing any objections. On the payment of a fee of \$20, persons can lodge objections to an assessed valuation. As was mentioned earlier, I think by the member for Sadadeen, the board itself will consist of people with professional qualifications; for example, people who are qualified valuers, legal practitioners or members of Real Estate Institutes. Of course, it is in their interests to ensure that the valuations are fair and reasonable, using their expertise ...

Mr Bell: Why?

Mr SETTER: Why? At the risk of indulging in cross-Chamber chatter again, Mr Speaker, it is very important because, if the values of properties are over-assessed or become too high relative to others in a particular area, it will place great difficulty on the operation of businesses, particularly those within the real estate area.

The bill provides the opportunity to recoup the costs of valuations. Clause 13 provides for the insertion of proposed new section 17A which will oblige users of the service to pay for the cost of valuation of a property. The minister has the option to exempt people from all or part of the cost of such a valuation, and that is a very important factor because there will be some disadvantaged people who just cannot afford to cover the cost of a valuation. With those few words I indicate that I support the bill.

Motion agreed; bill read a second time.

Mr HANRAHAN (Lands and Housing)(by leave): Mr Speaker I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

ADJOURNMENT

Mr HANRAHAN (Lands and Housing): Mr Speaker, I move that the Assembly do now adjourn.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Speaker, in the adjournment debate this afternoon, I would like to comment on an answer to a question given to me yesterday by the Minister for Conservation. In reply to my question, he said that he would like more detail. He wanted me to be more specific about my concerns. Mr Speaker, he should know that standing orders say that questions have to be short, sharp and to the point, which mine was. Nevertheless, we are still on friendly terms. His office contacted me and I indicated the nature of my concerns verbally.

My concerns are that a 30-page proposition was put to the Conservation Commission in 1980 by the Northern Territory Avicultural Society in relation to this very subject. No acknowledgment of this proposition has ever been received by the society. My information on this was brought up to date this morning. I find it very unusual that the society did not even receive an acknowledgment. When we consider that the proposition was put forward in 1980, and it is now 1987, 7 years later, it is rather like the gestation of an elephant, and I have said this before in relation to workings within the Conservation Commission.

Mr Speaker, for 3 years, I have been asking for some sort of program to be implemented by the Conservation Commission in this regard and I was very pleased when the minister told me yesterday, privately, that he will be introducing legislation regarding this very subject. I look forward with great interest to seeing that.

In asking for some sort of a program to be introduced for the catching, keeping, breeding and sale of protected and other fauna from the Northern Territory, I am not alone. There are people who keep reptiles who are interested in this, people who keep birds who are interested in this and people who keep mammals who are interested in this. The Northern Territory Avicultural Society representatives and myself went along to the previous Minister for Conservation last year to discuss the matter with him, but nothing has resulted from that interview.

One of my constituents is a member of the NT Avicultural Society and also is a commercial breeder. He has a commercial aviary. He was interested in applying for a permit to catch 20 head of magpie geese to breed in his chook yard or his aviary in the interests of conservation and perhaps, at a later date, to sell. His request was not refused, but the reaction was rather as if he had asked for the crown jewels or for something undesirable. I believe his request was looked at very askance by certain officers in the Conservation Commission because to some of them - no names mentioned, of course - it would have meant a bit of work to get this program ready. In the true interests of conservation, I believe that the proposition put forward by my constituent - and, I must say, heartily supported by myself and other practical conservationists - is of more value than giving somebody a licence to go out and shoot 20 head of magpie geese to put in his freezer. At least this proposal observes the conservation value of breeding the 20 head caught in the wild.

When I have contacted different people in the Conservation Commission from time to time about what has happened to this program, I have been told that it is very involved and they have to consult with other states. Without putting too fine a point on it, I believe that is a lot of rubbish. By ringing the equivalent bodies in the states, I gained a fair idea in a single afternoon about what the various states do in respect of the keeping and disposing of protected and other native fauna. I believe that the Conservation Commission has at least one Nervous Nellie. It took me some time to find this Nervous Nellie whom I believe is the cork in the bottle of progress. I know who he is now. In the true interests of conservation, the government must state its views on these matters and not wait until the 'greenies', environmentalists and others of similar ilk put forward their ratbag ideas and the government tags along behind like a poor relation. If we believe in what we are doing, we should present our views openly and firmly to the public. These other people can tag along behind or clear out of the Northern Territory if they do not like the situation here.

I know that what I and others have been asking for is right and proper conservation. I believe my qualifications, including my practical qualifications, are superior to those of the person who has stoppered this legislation to date. I understand submissions have been put to Cabinet, but I am not privy to that. I shall look forward to the legislation and the regulations that the honourable minister will be introducing and so will many other people. It is time that Conservation Commission officers got on with doing what the Conservation Commission has been set up to do instead of eternally making those ticky-tacky little gardens all around the northern suburbs in order to get votes for the Country Liberal Party. The people

should get together and make such gardens themselves instead of using the Conservation Commission as some sort of gardening department.

Any practical conservationist will know that a system whereby permits are given to certain people under certain conditions in respect of certain types of fauna will add more eyes and ears in the community to assist Conservation Commission officers. If somebody is interested in keeping, breeding, catching or selling particular types of fauna, he will be looking out for his opposition. In this way, these members of the community will act as unpaid helpers to the Conservation Commission if this permit system is introduced.

I believe that certain insidious changes in the Conservation Commission in respect of staffing are not all to its good. I do not make this statement without knowing what I am talking about. I have spoken to several people from the various ranks in the Conservation Commission and the views I am expressing now stem from a collection of ideas that have been presented to me by different people who work in the commission. It is a shame that, in many ways, the commission is getting away from its policy of trying to tell ordinary people what it is doing. I am a graduate myself, but I would like to think that I am a practical graduate. My information is that the Conservation Commission is relying far too much on academic knowledge in relation to the appointment of its officers and is not paying enough attention to practical experience. I am not against graduates and people with academic qualifications being appointed to positions but, in this organisation more than any other, practical experience is of the greatest importance.

Unless we try to take our conservation message to everybody in the community - not only those people with whom we can converse on the same academic level but everybody, especially schoolchildren - and explain our values in respect of the conservation of our native fauna in the Northern Territory, we are not doing our job. I am talking about the excellent work that has been done and is still being done by the rangers on the ground. I am talking about the rangers who actually mix with the public more than the officers at higher levels. It is by the work of these people and their presentation that the general community judges the work of the Conservation Commission. Whilst they may be on the lower salary range, they are very important cogs in the wheel of conservation. I look forward to the legislation that the honourable minister will introduce.

Very recently, a new building was opened at the police complex to house the Police and Citizens Youth Club. I was not aware that this club was to be opened until after the event had occurred. I go to the police complex from time to time, but I do not haunt it. I used to be a member of the Police and Citizens Youth Club when it was in Darwin and I have always been interested in the work that it does. Mr Deputy Speaker, I noted with regret that I did not receive an invitation to this opening and, on making inquiries from your good self, the shadow spokesman on police matters and backbenchers from the Country Liberal Party, it appears to me that invitations were not extended to any MLAs. Of course, I cannot speak for the minister responsible for police. I think that this was very remiss of the ...

Mr Manzie: I went along.

Mrs PADGHAM-PURICH: I said I was excluding you mob.

Mr Dale: Given us the big A, is it?

Mrs PADGHAM-PURICH: Mr Deputy Speaker, I think this was very remiss of the organisation of this structure at the police complex because, if the members of the public relations section of the police department wish to further their work in an amicable way in the community, what better way would they have than by showing the elected representatives of the people exactly what they are doing?

Mr Manzie: The department isn't the police.

Mrs PADGHAM-PURICH: I am talking about the Police and Citizens Youth Club.

Mr Manzie: Well, that's all right. You just said the police.

Mrs PADGHAM-PURICH: I am talking about the Police and Citizens Youth Club, and there is a public relations unit within the Police Force of the Northern Territory which handles these sorts of matters.

Mr Deputy Speaker, I think it was very remiss. Now that the building is open, I will make it my business to visit it to see exactly what is going on, but it might have been more fitting if invitations to this opening had been extended to the elected representatives of the people. I feel all honourable members would have been very interested to check the situation out for themselves, and to act as public relations people for their constituents.

Mr LANHUPUY (Arnhem): Mr Deputy Speaker, I rise to pay tribute to a long-term friend of mine who recently left the department that he worked with. I believe most members of the government would know him. He had been in the Northern Territory for quite some time and assisted in many commissions that have been established by the Northern Territory government. Of course, I am speaking about Mr Gatjil Djerrkura.

I met Gatjil a long time ago when he was Field Officer with the Uniting Church, then the Methodist Overseas Mission Board in the Northern Territory. He worked his way up through that organisation, obtaining recognition from the federal Department of Aboriginal Affairs and then the Northern Territory government. At one stage, I believe he worked with the Department of the Chief Minister and on various commissions throughout the Northern Territory. He was a Deputy Chairman of the Aboriginal Development Commission, working under the present Secretary of the Department of Aboriginal Affairs, Mr Charlie Perkins.

I have had great admiration for Gatjil Djerrkura during the time of his administration, understanding and trying to work amongst the white community in the Northern Territory and, of course, his own people. As the Minister for Education has advised me, he was also the CLP candidate in the seat of Arnhem in the 1980 elections where he was defeated by the former Leader of the Opposition, Bob Collins. However, that did not deter Gatjil from the types of responsibilities that he wanted to take on board as a person.

As I said, I have known him for some time. I regret that he has left the Department of Aboriginal Affairs in the Nhulunbuy region. I remember when he first went out there. The regional office operated with a budget of about \$1.4m at that time. That was after Mr Barry Lanchard had left. I understand that turnover now is about \$4m. Gatjil has seen many developments in this area, especially in the field of outstation work which, along with other people in the Northern Territory, he has assisted and worked with very well. Gatjil has now turned his expertise towards assisting the Aboriginal

organisation known as Yirrkala Business Enterprises. Most people who visit that area would be aware of that organisation which undertakes contract work for Nabalco in Nhulunbuy. I am sure that he will be as successful in that as he has been in other fields, and I wish him and his family all the best.

Members: Hear, hear!

Mr REED (Katherine): Mr Deputy Speaker, in my speech to the Address-in-Reply on 30 April, I made brief reference to developments at the Tindal RAAF Base and indicated that I would speak further on the matter at a later date. It is that subject that I would like to pursue tonight in the adjournment. I will commence by giving a bit of background information on the development of the base, for the benefit of honourable members, and then provide a summary of details of the establishment of the base.

Work to build the new permanent air force base at Tindal began in September 1984. Phase 1 is to provide facilities for one RAAF fighter squadron and that work should be completed early in 1989. Originally, the cost of the capital works for phase 1 of this development at Tindal was \$169m, and this is now estimated to be \$217m on May 1987 prices. Contracts to build the various facilities and housing at Tindal have been handled by the federal Department of Housing and Construction. These facilities will be concentrated mainly on the RAAF base itself which comprises an area of approximately 122 km². Some personnel housing will be established in Katherine itself.

The area provides for further expansion to phase 2, and the total size of the base is something in the order of 11 times the size of the RAAF's current bomber base at Amberley in Queensland, which is presently Australia's biggest RAAF base. From the defence point of view, the facilities are established in accordance with what are called NATO standards, and these require dispersion of aircraft, fuel storage, armaments and buildings over a wide area and well separated in order to counter the effects of any possible future enemy raids. There is provision for quarters for 170 married personnel in houses at the base and a further 200 married quarters will provide housing for RAAF families at a new subdivision in Katherine East. A survey has shown that about 50% of RAAF personnel prefer to live with the civilian community, and the remaining 50% are either required or prefer to live on the base, for obvious reasons, in the event that they may be needed in an emergency.

Currently, 3 RAAF personnel are at Tindal, a flight lieutenant, a senior NCO and an airman. They are preparing to receive equipment into stores and are arranging for local purchases. By July, RAAF strength will grow to 16 officers. Presently, a RAAF liaison officer is also based at Tindal. The Wing Commander of the base is scheduled to take up duty in December 1987 and the Group Captain will move in in June 1988. RAAF FA18 Hornet Squadron No 75 is due to begin operations at Tindal on 1 October 1988 and the strength of the squadron will be about 240. Another 400 personnel will be assigned to the base as time proceeds. There will be a total of 62 civilian posts. The total number of RAAF personnel, with wives and families, is estimated to reach approximately 1300 by 1989. However, depending on the ratio of single to married personnel, which is expected to be determined shortly, this figure could increase to over 2000.

I raise these points as a matter of interest, in particularly in response to comments made by the Leader of the Opposition in this Assembly on Wednesday 29 April, when he waxed lyrical about certain deficiencies of the present and previous CLP governments in terms of problems that would arise because of their inactivity. He stated that these matters should be of

concern to the member for Katherine and that, because the Northern Territory government had been inactive, it was now too late to rectify them. He said that early and detailed planning at Tindal would have ensured that much more of the work went to local firms, instead of that being left to chance.

It is interesting to note that there have been considerable opportunities for local contractors and subcontractors at Tindal. It is also interesting to note that it was necessary for the Leader of the Opposition to rush off to Townsville to find out all these weird and wonderful requirements in relation to the establishment of defence bases in small communities. It is a pity that the Leader of the Opposition did not go to Katherine and get his facts straight before he went to Townsville because he might have saved himself a trip. I would venture to say that the Leader of the Opposition clearly is not very familiar with the situation in Katherine. For example, when referring to housing requirements at Tindal, he said, and I quote Hansard of 29 April: 'We must avoid the problems of having large, recently-arrived groups living together, the problems of a huge increase in the number of single young men, and the problems of lonely army and airforce wives stranded in suburbs where there are no other people during the day apart from other lonely army and airforce wives'.

As far back as 1981, when the environmental impact statement for the Tindal RAAF base was prepared, the Department of Defence clearly indicated that this was a problem that was to be addressed. I will quote from section 225 of the draft environmental impact statement for the development of the RAAF base at Tindal. The section concerns off-base housing.

It is currently planned to locate a substantial proportion of the housing for married RAAF personnel off the base in the Katherine East subdivision. This area is presently being developed by the Northern Territory government to accommodate the future growth of Katherine. Based on preliminary evaluations, the number of houses to be located off-base will be 280 in stage 1 and an additional 160 in stage 2 of the development.

It is clear that the Leader of the Opposition has not even gone as far as reading the draft environmental impact statement. As he is not here, I will put it on the record that those houses are peppered throughout the Katherine East subdivision. They are not clustered together, and the purpose of that is to avoid the situation to which he pointed so clearly in his statement of Wednesday 29 April.

Another point that the Leader of the Opposition was at pains to make related to opportunities for local contractors to obtain contracts and take part in the construction phase. It is very interesting to look at some of the figures on that subject. As I indicated, the total cost of the base is something in excess of \$200m in May 1987 terms. I will refer now to a publication dated May 1987, entitled 'RAAF Base Tindal, Information Brochure No 6'. It was produced by the Department of Housing and Construction, which is the agent for the Department of Defence in relation to the construction of the base. The document lists major contracts let to date.

There are quite a number of them and, for the benefit of the Leader of the Opposition, I will put on record some of the contractors who have been successful in tendering and gaining work at Tindal. These are individual contracts. Some companies have more than 1 contract, but I will just give a few as examples: Steelcon \$4.273m; Quarry Industries, a locally-based company, \$2.72m and \$3.35m respectively; Barclay Brothers \$3.804m; Wolpers and

Flowers \$0.861m; Thiess Contractors \$7.605m; Abcon \$1.44m; Diamond and Watts \$0.587m. On page 4 of today's edition of the Katherine Advertiser, there is an article headed '\$8.2m contract Let to Local Firm'. It says: 'The big news this fortnight is the award of the \$8.2m contract for construction of the last 97 on-base RAAF married quarters to the Darwin firm, Skonis Housing and Development (NT) Pty Ltd. The homes will be completed by this time next year'. All of those companies have substantial operations based in the Northern Territory and it is clear from this that the Leader of the Opposition doesn't have a clue about what is going on at Tindal. He could well have spent his time there instead of going to Townsville.

I want to discuss briefly the consultative process which has been put in place by the Northern Territory government in conjunction with the Commonwealth Department of Housing and Construction in relation to the development of Tindal RAAF Base. Formal consultative processes were initiated by the Northern Territory government in 1983, when joint consultative committees were formed by key Northern Territory and Commonwealth departments, the RAAF, the Katherine Town Council and local Aboriginal people. The prime objective was to develop an authoritative liaison between the involved parties to forward plan, formulate policy and identify and resolve potential problems prior to the start of base construction in late 1984. I have considerable detail here in relation to this matter but I will not have time to place it on the record. However, it is clear that the processes employed by the Northern Territory government in this matter have been exhaustive and very effective and, in fact, the areas of joint participation have been considerable.

The Leader of the Opposition's comments on the Northern Territory government's inactivity in forward planning and liaison in these areas is an insult to all of those people who have been involved in this consultative process. They include the Aboriginal people, the Katherine Council, the RAAF and members of the Northern Territory Public Service. I would like to put on record the fact that some of these people have been involved in this process since 1984 and have expressed concern about the comments made by the Leader of the Opposition in relation to this matter.

I would like to conclude my comments by mentioning one of the companies that has been successful in gaining a contract at Tindal. Abcon is a Katherine company whose employees are all Aboriginal. It was formed substantially through the activities of some people in the Northern Territory Public Service. They provided considerable assistance to get the company up and running and to enable it to apply for contracts and win them. The company have been performing very well and, as I understand it, to the satisfaction of the Department of Housing and Construction. It has successfully gained several contracts in excess of \$1m.

My comments clearly indicate that the Northern Territory government has performed effectively in relation to the Tindal exercise, and that the Leader of the Opposition is not aware of the facts.

Mr COLLINS (Sadadeen): Mr Deputy Speaker, yesterday I asked a question about whether injections for hepatitis B were available to members of the NT Police Force. I was pleased to hear the Chief Minister reply that all public servants who felt themselves to be at risk could apply for immunisation against hepatitis B.

Some time ago, the police in Alice Springs approached me with their concern about this particular disease and the fact that it is possible to catch hepatitis B if blood or other body fluids from an infected person get

into one's bloodstream. I spoke yesterday with an officer in the field of health about how this might happen. One possibility is a situation where a police officer is trying to arrest a person who happens to suffer from this disease and is bitten by that person. The saliva could transmit the disease to the police officer. Another possibility is where a policeman has an open wound and, in the course of a fracas or an arrest, has that wound infected by blood from an infected person.

Last week in South Australia, police and prison officers planned to go on strike because, at that stage, they were not being offered immunisation to protect them from hepatitis B. A couple of officers objected and refused to transport a prisoner suffering from hepatitis B. They were hauled over the coals but, fortunately, the matter was settled when immunisation was offered. Immunisation is not cheap. I understand it is not simply a matter of applying for immunisation. A person is tested before being immunised. This is because some people seem to have a natural immunity. If a person does not have that immunity, the injection can be provided.

Something that startled me in my conversation yesterday with the medical officer was the fact that approximately 10% of those people who contract hepatitis B remain carriers for life. They themselves do not suffer the effects of the disease but they carry the virus and are capable of infecting the rest of the community. He pointed out one particularly sensitive difficulty. If a person in the medical field, such as a doctor, were tested and found to be one of the 10% who carry the virus without suffering its effects, that person would be precluded from his profession because of the likelihood of transmitting the disease to his patients. It is a difficult problem and, certainly, a very sensitive one. I do not know exactly what the answer is.

In the Territory, there are a large number of people with hepatitis B. Although it is generally not so well known, I understand from talking to medical people in the bush areas that hepatitis B is pretty rife in the Aboriginal communities. Yesterday, the medical officer I spoke with confirmed what I had been told by bush nursing staff and said that the means by which hepatitis B tends to be spread within a community are similar to those by which AIDS is spread. This is a matter of some concern. Infection rates of 60% to 70% are quite common in some of these communities. In view of this, I would urge people involved with Aboriginal people, particularly members of the police force, to have themselves checked and immunised. Other people at risk, no doubt, are those working in jails. We all know that the number of Aboriginal prisoners in our jails is rather high. Regrettable though this is, it is a fact of life. That is all I have to say about hepatitis B, except that I can well understand the concern of those prison and police officers in South Australia who forced the issue. It is pleasing to note that the Territory does offer those of its public servants who feel themselves to be at risk, first the testing and then, if they do not have a natural immunity, the injection to protect their health.

A memorial service was held yesterday in Alice Springs for the Reverend Harry Griffiths and his wife, Dorothy. It was held at the memorial on Anzac Hill and the ashes of these 2 people, who contributed much to Territory life in the Centre, were interred.

The Reverend Harry Griffiths was born in England on 10 February 1897. In World War 1 he served as an engineer and as a first aid officer with the Royal Army Medical Corps. He received a head wound in France and suffered gassing. In 1921, he married Dorothy Knight and, in 1925, on medical advice, moved to

Australia to a warmer and drier climate. It was a little ironic perhaps that the very first job that he was able to obtain, and that was when Australia was heading towards the depression, was milking cows. In my book that does not have much to do with a warm, dry climate. Generally, it is the other way round.

Harry Griffiths became involved in lay preaching with the Methodist Church, the Methodist Home Mission in Victoria, and eventually was persuaded to become an ordained minister with that particular church. His first appointment was to Katherine in 1930, with the Australian Inland Mission, where he was particularly involved in the teaching of the children in the area. In 1932, he came to Alice Springs where he spent some 20 years, interrupted by World War 2, during which he served as an army chaplain in the Northern Territory and Victoria and also in Palestine.

My information about his achievements is a little scanty but, in Alice Springs, they were many. When I came to Alice Springs in 1970, the name Griffiths was associated with Griffiths House which had been a home for children from the stations during the school year. It was later superseded by St Phillips College. Apparently, Harry Griffiths established scouting in the Centre. He set up the RSL Alice Springs sub-branch and was president of that organisation for some 8 years. He determined the road up to Anzac Hill in such a manner that only 3 large rocks needed to be removed. He drove his old vehicle up there and that is the route which the road to Anzac Hill follows today. He designed the memorial on top of Anzac Hill and he dedicated it in the opening service. It was his wish that, when he died, his ashes should be interred there and that ceremony occurred yesterday.

He was involved with the Red Cross, the Progress Association and Rotary. He had an interest in freemasonry down south and, when he came to Alice Springs, he was instrumental in setting up the Alice Springs lodge. He was not the first master of the lodge but he was the second master. He was instrumental in building the Methodist Church on Bath Street which was bulldozed recently to make way for the big development occurring on the block between Bath and Hartley Streets. The Methodist Church was also the meeting place of the Freemasons.

No doubt his medical experience was helpful with another of his interests: the treatment of eye diseases, particularly among Aboriginal groups. He administered medicines to many people in the Centre. He was very fond of children. He and his wife did not have any children themselves but they ran Griffiths House. I believe he was instrumental in having it built. Because it was completed in World War 2, first of all it served as a meeting place for military personnel. After the war, it became a home for the children from the stations who came into Alice Springs to attend school. No doubt, they attended the Hartley Street School which has been restored and was opened last week.

As a result of his work at Griffiths House, he was desirous of including an educational component in the Australian Inland Mission's work and he worked towards the establishment of St Phillips College. It was originally planned as a school in its own right but that did not work out and it became a residential college. However, I believe there are plans afoot for the college to become a private school.

It is an impressive record. I had the pleasure of meeting Harry Griffiths on a couple of occasions a few years ago. He was an old man then, and one could only be impressed by the genuineness of the man. I am sure that those

who gathered yesterday on Anzac Hill to remember Harry and Dorothy Griffiths would have done so with some very fond memories. Because it is in the nature of Alice Springs for many new people to come and stay only for a short time, we do not really get to know and understand them and obtain a real appreciation of what some of these people have done in the past. However, I have been pleased to say a few words here and put on the record an appreciation of a man and a woman who contributed very much indeed to central Australia.

Motion agreed to; the Assembly adjourned.

Mr Speaker Vale took the Chair at 10 am.

SUPPLY BILL
(Serial 29)

Bill presented and read a first time.

Mr COULTER (Treasurer): Mr Speaker, I move that the bill be now read a second time.

Mr Speaker, authority to spend money under the Appropriation Act 1986-87 lapses on 30 June 1987. Therefore, legislation is necessary before that date to provide for expenditure between then and the passage of the Appropriation Bill 1987-88. The Supply Bill provides for expenditure during the first 5 months of the financial year, with sufficient funds being provided to ensure the continuation of capital works programs, roadworks and normal services of government. It does not foreshadow the budget for 1987-88, although the manner of calculation of the provisions made in the Supply Bill must have regard to the estimated cost of ongoing services in the first 5 months.

The bill provides for a total expenditure of \$600.939m allocated by division and subdivision to the various departments and authorities. The significant items include capital works sponsored by departments: some \$76.2m for repairs and maintenance, including roads, highways and buildings at \$17m; the construction and loan programs of the Housing Commission at \$36m; education, including colleges, at \$111.1m; and health and community services at \$90.8m. In addition, the bill contains an appropriation of \$40m entitled Advance to the Treasurer from which the Treasurer may allocate funds for the purposes specified in the bill, including provision for inflation costs.

Mr Speaker, I commend the bill to honourable members.

Debate adjourned.

MOTION

Report of Commission of Inquiry into Chamberlain Convictions

Continued from 2 June 1987.

Mr MANZIE (Attorney-General): Mr Speaker, since the tabling of the report of the Morling Inquiry and issuing pardons to both Mr and Mrs Chamberlain, a number of statements and requests have been made relating to pardons and quashing of convictions. Some of these issues break new ground in both the Australian and British judicial systems. While not expressing any opinion one way or the other, obviously such issues must be approached with great caution and following careful research and advice. I shall adopt this approach in responding to any application made by the Chamberlains.

Mr BELL (MacDonnell): Mr Speaker, in making what I hope will be a constructive response to the tabling of the report of the Morling Inquiry and the statement of the Attorney-General on it, I think it is necessary to look both backwards and forwards. Looking forwards, we must consider what further legal and judicial processes may be necessary. We need to consider the implications for the use of forensic evidence in future court cases that this raises, and we need to consider the future for Lindy and Michael Chamberlain and their family. Looking backwards, we must reflect and learn, hopefully, from the waste of time, the waste of money and the unnecessary anguish that has been expended and might have been avoided. Let us bear in mind, that it

is almost 7 years since August 1980 and the more than \$20m that has been spent would represent at least half of a new Darwin Airport and it would provide about 10 upgradings of the Tennant Creek Airport.

In my contribution to the debate on this statement there are 4 broad areas that I wish to comment upon. The first of those is the forensic evidence, and the government's support for the need for a national forensic science institute. The second area, which has already been referred to by the Attorney-General this morning, is the concern about the government's pardon which, eventually, does not return to the Chamberlains the status of a presumption of innocence before the law for the crimes of which they were accused, and I will return to that area at some greater length. The third area is the question of compensation or an ex gratia payment, particularly since it was raised in an NT News editorial yesterday. The fourth area is that the public is entitled to some explanation of why so many million dollars of public money has been expended essentially to go in a full circle. I will return to that point later too.

The first point is that there is absolute unanimity between the government and the opposition with respect to the need for a national forensic science institute. The Morling Inquiry report is studded with examples of problems that occurred in this particular case because of the use of forensic evidence, scientific evidence, in court and there can be little doubt that canons need to be established, not just for the Northern Territory but for Australia as a whole. Of course, as scientific methods develop - and research is going on continually - new information is available to police forces and law enforcement agencies to combat crime. We have here the downside of that particular knowledge explosion, if you like, and that is that there can be considerable disagreement and, where justice is not done because of that disagreement, legislatures must take due cognisance of that. As I say, the opposition is in complete unanimity with the government in that regard.

However, I want to mention 2 people who contributed signally with their scientific evidence and who are deserving of special comment. I refer particularly to the English scientist, Professor David Cameron, and to the New South Wales forensic scientist, Mrs Joy Kuhl. With respect to Professor Cameron, I think that, of all the now-debunked scientific evidence, his must be singled out for special comment. Who can forget the enormous impact on the public mind of those newspaper headlines that said that there definitely was a bloody handprint consistent with that of a small adult, a young woman's hand? Who can ever forget that? Who can ever forget the impact that that made on the mind of the public and on the fundamental direction that this case took? That particular evidence has been, in considerable part, responsible for the unnecessary anguish of the accused and the huge expenditure of public money that I have already referred to. Professor Cameron's evidence was dismissed by the Attorney-General in 3 lines on page 20 of his statement but, as I say, the impact of that evidence in building up in the public mind the impression of guilt, in my view, cannot be underestimated.

Of Professor Cameron's evidence, as the Attorney-General noted, the commissioner said at page 326 of the report:

Further, Professor Cameron's evidence that there was an imprint of a hand in blood on the back of the jumpsuit has been weakened, if not totally destroyed, by new evidence that a great deal of what he thought was blood on the back of the jumpsuit was, in fact, red sand.

I do not think I can emphasise enough the extraordinary damage that that particular claim did and the extraordinary coverage that the claim received at the time. It was not even blood yet it is that bloke's job to know.

The second person who gave scientific evidence and who probably was responsible for the bulk of the evidence put forward at the trial was Mrs Joy Kuhl. This report is studded with rejections of Mrs Kuhl's evidence and, since that evidence was so crucial at the trial, what the commissioner says of her must be pointed out. Allowing for the cautious and judicial language of Judge Morling, one can only consider, with the same grave concern he expressed, the incident outlined on page 103 of the inquiry report concerning the first alleged discovery that the spray on the dashboard was not only blood but that it contained that magic ingredient, foetal haemoglobin. The judge noted Mrs Kuhl's evidence that she did not examine the testing plates immediately after running the electric current through them and that she - and I am quoting again from the report - 'always allowed them to be washed for 24 hours before reading them'. She agreed with the judge that it would have been improper for her not to have done so because she could not have been scientifically satisfied with such a result.

However, when we look at Senior Constable Metcalfe's testimony, we see that he gave evidence, which was corroborated by written evidence in official police records, that he delivered the material to Mrs Kuhl at 9.30 am on 12 November 1981, and that he pressed Mrs Kuhl for the results during a telephone call. At 3.45 pm on the same day, barely 6 hours later, he was informed by her that she confirmed the presence of foetal blood. I ask you to contemplate, Mr Deputy Speaker, that 24 hours were required for washing these plates yet, barely 6 hours later, she was able to confirm results. On page 104 of his report, the commissioner says of this: 'The fact that Mrs Kuhl was prepared to do this in response to requests by the police is a matter of concern'.

The Attorney-General was very careful in his reference to Mrs Kuhl, saying that the commissioner pointed to the difficulties facing Mrs Kuhl when she undertook the testing process. I am not satisfied that a reading of the report justifies such gentle treatment of Mrs Kuhl. Later, the Attorney-General said, and I think he was quoting the commissioner, that Mrs Kuhl 'was breaking new ground when she was asked to test such old blood and it is unfortunate that she was not given more support in the work she was doing at the time the tests were undertaken'.

What the Attorney-General and the commissioner have said is that she needed more support. Let us consider this, Mr Deputy Speaker. I suspect that, if Mrs Kuhl were not a female, she might have had a little more trouble getting away with this. Mrs Kuhl was not a laboratory assistant. Mrs Kuhl had a Master of Science degree. That means that she had studied science for about as long as it takes for a person to qualify as a medical doctor. If she has a Master of Science degree, she spent 4 years obtaining an honours degree - I understand at the University of Sydney, one of Australia's prestigious universities which does not hand out degrees lightly. I would expect that she spent 2 years in post-graduate study after obtaining her honours degree. The question that begs to be asked is why somebody with such qualifications was not able to ask for support herself if she needed it. I simply raise the question.

The second area is the question of whether the Chamberlains now. What is the fate of the government's pardon? What questions surround the government's pardon that the Attorney-General referred to? I preface my comments by saying

that I am very appreciative of the constructive attitude that the Attorney-General has adopted in this regard in the hope that the most just outcome can be obtained. As the Attorney-General pointed out in his statement, on the basis of the commissioner's findings, there can be no doubt that the Chamberlains are entitled to regain the status of being not guilty. The Chamberlains are entitled to a presumption of innocence. The question that faces this legislature and raises itself in respect of the administration of justice in the Northern Territory is how we can achieve that end.

The commissioner said: 'In my opinion, if the evidence before the commission had been given at the trial, the trial judge would have been obliged to direct the jury to acquit the Chamberlains on the ground that the evidence could not justify their conviction'. This is a very strong finding and the natural conclusion that flows from it is that we must find some way of quashing these convictions. Because the appeal process has been exhausted, at this stage there appears to be no legal means of doing so. In fact, it is a moot point whether legal means have been exhausted. I will be making further comments on this aspect.

The possibilities that are being considered at the moment include the pardon that the Attorney-General referred to. I appreciate his comments at that stage that that was the only course available to the government. Things have moved on a little since then. Mr and Mrs Chamberlain have indicated clearly their concern that a pardon does not in fact quash the convictions and does not allow them to return to that status before the law of being considered not guilty of those particular charges.

Mr Deputy Speaker, because there was concern about exactly this issue, the opposition has been able to obtain an opinion from Mr Michael Abbott QC and from Mr Colin McDonald of the Northern Territory bar and I would seek to table that. Before I do so, I will make a couple of comments on the opinion. There has been some doubt as to whether a pardon quashes convictions, and the opinion clearly establishes that a pardon does not do so. There are also a couple of ancillary matters that I should point out. In the penultimate paragraph of their opinion, Messrs Abbott and McDonald say: 'Alternatively, parliament could pass an act referring to the matters contained in this opinion and providing for an acquittal for Alice Lynne Chamberlain and Michael Leigh Chamberlain'. I table this opinion with the caveat that we have reservations about such a course of action, and I will refer to these in due course.

The other caveat I would place on the tabling of this particular opinion is with respect to appendix A in which several points are made about the possible use of a Court of Criminal Appeal. I hope that this will be grist to the mill of the Attorney-General. It certainly appears that it will, from the comments he made earlier in debate today.

Mr Deputy Speaker, I seek leave to table this document.

Leave granted.

Mr BELL: I have covered the question of the pardon and want now to return to the possibility, which has been touted in various quarters, of quashing the convictions. Members of the opposition have considered that proposal and I understand it has been drawn to the attention of the Attorney-General. I have become aware of some of the problems associated with such a course of action. Although it has been touted by editorial writers around the country, it needs to be placed on record that there are serious bars to legislating in this way.

First, it would create a dangerous precedent. One need only pause for a moment to consider the breadth of issues that members of this Assembly receive representations about, and to consider the horrific prospect of having to endure representations in the expectation that one could be persuaded to push in this Assembly for legislation to quash convictions.

Mr Manzie: And the converse too.

Mr BELL: I am not quite sure what the Attorney-General is referring to, but he might want to clarify it later.

Mr Perron: You might have representations to legislate that someone is guilty. You can legislate both ways.

Mr BELL: Indeed. I take the point of both the member for Fannie Bay and the Attorney-General in that regard. It would create a dangerous precedent.

A second problem is that such legislation may very well be unconstitutional. My understanding is that the constitutions of the states would prevent them from legislating in this way. Because of its peculiar constitutional position, the Northern Territory is perhaps the only jurisdiction which would be capable of enacting such legislation, and this raises the question of its possible impact on the push for statehood. I simply adumbrate those 2 points and suggest that, in order to answer those questions satisfactorily, far more research will have to be done.

I now turn to what I consider the more fruitful courses of action. One possibility - indeed, it may be a necessity - is to amend the Criminal Code to allow appeal under these circumstances. I understand that the New South Wales Criminal Code allows for such appeals. It may even be possible to amend the Commission of Inquiry Act to allow some appeal process therein. The Northern Territory government may consider amending legislation to provide that the Northern Territory Court of Appeal can consider the evidence presented to the inquiry and the conclusions that Mr Justice Morling drew from it. It will be necessary perhaps to restrict the matters the court could consider to the evidence presented to the inquiry and the findings of the judge alone, to avoid the possibility of further evidence being heard.

I am sure that I do not need to re-emphasise the need to ensure that we do not go through another mammoth hearing of this case. The Chamberlains could perhaps make an appeal to this court for the quashing of their convictions and, if it saw fit, the court could quash the convictions and order a judgment that a verdict of acquittal be entered. The Northern Territory government may consider extending this somewhat to provide an omnibus provision that would not simply deal with the Chamberlain case, but would provide for future contingencies. This would be landmark legislation which, I am assured, would be a desirable reform to the law throughout Australia.

Ironically, there are a few positive outcomes that could flow from the trauma that Michael and Lindy Chamberlain and their family have been put through. Without doubt, one is the spotlight that has been placed on forensic science. Another is proposals for constructive law reform or extension of the law. I understand that the former Leader of the Opposition, Mr Bob Collins, has met this morning with the Attorney-General, and that a further possibility has been proposed: to use sections 410 and 417 of the Criminal Code so that the matter can come before the court. This would avoid, firstly, the case being re-opened and re-heard completely and, secondly, it would have the desired effect of quashing the convictions. I would like to think that this

application would be made by the Attorney-General himself, or at least that he would join with the Chamberlains in making such an application. I understand that Mr Collins and the Attorney-General both agree that, if the government is of a mind to proceed, it should be done with care and without undue haste. I heartily endorse the comments of the Attorney-General in this regard. I firmly believe that full consideration needs to be given to all the legal options, and all the implications that may flow from them.

While I am speaking of the erstwhile Leader of the Opposition, Mr Bob Collins, I think it is worth placing on record that credit must be given to him for his dogged pursuit of this issue. I do not want to re-open old wounds, but I would remind honourable members of the Martin Report, and the earnest advocacy of Bob Collins in the debate which followed its release. I would remind honourable members that, on the same evidence that was available to Mr Justice Morling, the Martin Report found that there was no need for an inquiry. Having sat and listened to Bob Collins enumerating the numerous deficiencies of the Martin Report and having heard the savage criticism that was heaped upon him by the then Attorney-General, I think that it needs to be placed on the record of this Assembly that this very inquiry vindicates the actions of the former Leader of the Opposition in that regard. I hope that he will be congratulated by all members of this Assembly for his activities on this matter and I am sure that anybody who has an interest in the administration of justice and people in the Northern Territory receiving just settlements from the courts will believe that that process has been enhanced by his activities.

Mr Deputy Speaker, I will comment on the third area briefly because I am well aware that, like the previous issue, it is in the lap of the gods. I refer to the question of compensation or an ex gratia payment. I note that no mention of it was made by the Attorney-General in his statement, but I understand that the government is prepared to consider an application for compensation or perhaps an application for an ex gratia payment of some sort. There are recent precedents for that: the Ananda Marga case and the Splatt case in South Australia are clear precedents in that regard. I simply place on record my satisfaction that active consideration is being given by the government to some appropriate settlement in this regard.

The fourth area I wish to refer to is the broad issue of the administration of justice in this context, and the right the public has to some explanation of why so many millions of dollars of public money have been expended essentially to go in a full circle. In terms of the overall state of the case and the overall process of this matter, the situation is exactly as it was after the first inquest, with the exception of the fact that, at this stage, the Chamberlains have been pardoned only. But, we know no more about this matter than we knew after the first inquest and the public deserves some explanation.

There can be no doubt that the person who came closest to the truth in this matter is the Alice Springs magistrate, Mr Denis Barritt. After 7 years and the expenditure of more than \$20m of public money, the decision of Magistrate Barritt has been totally and completely vindicated. The public of the Northern Territory and honourable members are entitled to ask why the second inquest did not come to the same conclusions that Magistrate Barritt and Mr Justice Morling came to.

I am not going to make extensive criticisms of Crown counsel in this regard but, as a working hypothesis, can I suggest that Crown counsel in the second inquiry - and this is not an original point of view, I hasten to add,

but it needs to be placed on record in the context of this debate - were thinking teleologically; they had an end in mind. They wanted to get somewhere. I do not believe they were seeking objectively and unemotionally to uncover as many of the relevant facts as possible. Unlike Magistrate Barritt and Mr Justice Morling, they had an end in view. That is my fundamental belief, and it is a matter of concern.

The statement by the Attorney-General that no criticism is offered of the conduct of the Crown or the police is certainly justified in so far as consideration of the actions of the Northern Territory police is concerned and, for the most part, it is justified with respect to the Crown's actions. However, as I mentioned before, not all of the Crown's actions can be justified. I firmly believe that what was not presented at the second inquest and what happened and did not happen at the second inquest deserve some further consideration. I am not in a position to make it, but I am quite prepared to accept that it is possible that such an assessment may find no fault with Crown counsel but, certainly, there has been widespread public criticism in that regard that needs to be placed on the record of this Assembly.

Mr SPEAKER: Order! the honourable member's time has expired.

Mr SMITH (Opposition Leader): Mr Speaker, I move that an extension of time be granted to the honourable member.

Motion agreed to.

Mr BELL: Mr Speaker, the fact is that the inquiry whose report is before us made no assessment of the second inquest; it assessed the trial and what happened at the trial. At the very least, the question needs to be asked why the second inquest did not come to the same conclusion as the Morling Inquiry did.

Mr Speaker, one final issue I wish to raise has been the treatment of this particular matter by the local press. I see that, unfortunately, the journalists are not present to hear what I have to say in this regard, but I trust it will be drawn to their attention. Unfortunately, once again, we have the NT News in step. It just happens that everywhere else around the country is out of step, at least that is what its editorial writer would have us understand. The tone of the NT News editorial yesterday was quite different from those anywhere else around the country. That editorial did 3 things: first, it sought to qualify the findings of the inquiry; secondly, it is evidently opening a campaign against the grant of any compensation or ex gratia payment to the Chamberlains; and, thirdly, it leapt to the defence of the Northern Territory justice system.

Let me take each of those points in turn and let me read the third paragraph. The editorial writer says: 'The stark fact remains that nothing has been solved. The dingo theory remains just that - a theory'. That is high-sounding prose, but it is really irrelevant because - and I hope whoever is writing for the NT News today will pick this up and pass it on to whoever wrote this - that is exactly the finding of Mr Justice Morling. That was all he had to prove. The plain fact of the matter is that, at the trial, the Crown had to debunk the dingo theory completely in order to establish its case. What Mr Justice Morling does is say that 'the dingo theory is a possibility'. That is all he has to prove and that has demolished one half of the Crown case. The tone with which that statement is quoted is basically flying in the face of the facts.

To turn to the second point, the editorial writer says that 'quashing the convictions would also open the gates for huge compensation claims'. In my experience, the NT News has never been known for temperate language and, in this case, it did not disappoint us. I have not been able to give any consideration to the precedents for compensation claims or how much might be involved. I heard the comments from Mr Malcolm Brown, the journalist from the Sydney Morning Herald. I do not know how that squares up with practice elsewhere, but I must admit I am surprised that our worthy journalist is deciding, at this stage, to conduct a campaign against any possibility of such compensation.

The third point that is raised in that editorial is essentially otiose. It reminds me of the sort of cultural cringe that used to characterise Australian life: 'How dare you criticise Australia. We can do anything'. I would have thought that that sort of concern about people criticising the Northern Territory justice system was unreasonable. I do not believe that those criticisms are being made. If they have been made, they certainly have not come to my ears. I have not attempted to say that there is a degree of immaturity in the Northern Territory justice system. Justice systems around the country are subject to a continual process of criticism, review and improvement. That is the way the law works. We have had an example today that consideration needs to be given to innovation with respect to the current status of the Chamberlains before the law. I am a little bit concerned about what I can lightly term a cultural cringe.

In conclusion, let me recapitulate and say that I think the comments I have made with respect to those 4 areas are quite appropriate. We support wholeheartedly the government's concern about the need for a national forensic science institute and we recognise the concerns about the use of scientific evidence in court cases that have been highlighted by the inquiry. Secondly, we are concerned that some just arrangement be made for the Chamberlains with respect to their status before the law beyond the pardon that has been proffered by the government. Thirdly, we believe that some consideration needs to be given to the question of compensation and ex gratia payments within the context of Australian precedent. Fourthly, the public is entitled to a decent explanation of why this amount of money has been spent to return to the point where the first inquest left us. I hope that, finally, the judicial process, the deliberations of this Assembly and this inquiry will enhance the status of the Northern Territory judicial system and the perception of our capacity in the Territory to deal justly with the people who live in the Territory and the people who visit it.

Mr TUXWORTH (Barkly): Mr Speaker, there would not be another issue in the last 30 years that has inflamed the passion of Territorians the way the Lindy Chamberlain case has. One of the things that comes out of any discussion that people have on the Lindy Chamberlain case is that what Territorians expect of their government, their legal system and their courts system is that they all get a fair go and that they are treated equally and well. That is about as much as we can expect to obtain as citizens.

I believe that Mr and Mrs Chamberlain were convicted as a result of one of the most exhaustive legal processes that we have ever seen in the Northern Territory and possibly Australia. I have always believed that, during its 7 years of involvement in the case, the government, its officers and, in particular, the police and the judiciary have handled the case with an objectivity, impartiality and fairness of which Territorians can be proud.

Despite this process - and we all believe it has been thorough and fair - the hype, the media attention and the discussion level in the Australian community has not decreased one bit since the case first started 7 years ago. The media pressure is still there. The personal representation that is made by the community to members of government is still there. When I was Minister for Community Development, I used to answer about 1400 letters a month from people in other parts of Australia who wrote to say what they thought should happen in the Lindy Chamberlain case. There are still people today who write to members of this Assembly and parliamentarians all over Australia expressing their views. The public debate certainly has not gone away and the concern that some people have is as high as it was 7 years ago. The confusion that exists in the community is still there because we have never really known what happened.

When I was Chief Minister, I was under endless pressure to re-open the Chamberlain case, to grant them a pardon or just to let them out. That pressure never stopped. It came formally from other governments, it came from people in the street and it came in editorials. I do not doubt that it would have gone on for 20 years if events had not changed the way they did.

While Mrs Chamberlain was in jail, I always held the view that political intervention in the case was inappropriate. I believe it is inappropriate for politicians to become involved in influencing the legal process, and that was an extension of it. Any review of the Chamberlain case had to come as a result of new evidence being found or extraordinary circumstances arising that would give people cause to review the case.

Out of the blue, new evidence was found in the most unexpected way. I do not have to remind members that the finding of the jacket at Ayers Rock in February 1½ years ago was probably one of the most extraordinary events that we have seen in the Northern Territory. This occurred 5 or 6 years after the original events at Ayers Rock. I was stunned when the Commissioner of Police came to me and said that it was substantial new evidence and that it was his view that steps should be taken to re-open the case. I wrote to the then Attorney-General passing on to him the views of the Commissioner of Police and the information about the new evidence and asked him to take appropriate steps to set the wheels in motion to re-open the case. That was done by the Attorney-General.

At the time, I made my views known in closed circles and I feel they are still valid today. I expressed the view that the inquiry should be as comprehensive and as thorough as we could possibly manage and that we should endeavour to lay to rest all the questions that arose continually in relation to the Chamberlain affair. I believed that the inquiry should have the complete cooperation of the Northern Territory government. It was an exercise on which we should spare no expense, and I understand that that has incurred the wrath of the member for MacDonnell. But, the case was just so extraordinary that we should not let the expense of solving the issues get in our way. I believed that the commission should be able to go anywhere and sit anywhere, and I was of the view that we should do the job so thoroughly that, whatever the findings of the commission, they should be contained in the last report or finding in the Lindy Chamberlain affair.

I even held another view that perhaps 1 commissioner was not enough and we should try to get 3 and take them from separate courts in Australia to ensure absolutely that we had impartiality and objectivity in the commission, but advisers said that if we had 3 lawyers, we would get 3 opinions and end up where we were. The Attorney-General went off and, with the assistance of the

Commonwealth, recruited a very capable person, a legal man, a judge who is held in the highest esteem in the Australian court system. Justice Morling made his report and people know what happened there and the findings have been tabled.

Mr Speaker, it would seem to me that Justice Morling's findings are reasonable and the conclusion that he arrived at is pretty clear and unambiguous. I would like to read it into Hansard to ensure that we are all talking about the same paragraph. I take it from the statement the Attorney-General made to the Assembly yesterday. The commissioner concluded his report by saying:

It follows from what I have written that there are serious doubts and questions as to the Chamberlains' guilt and as to the evidence in the trial leading to their conviction. In my opinion, if the evidence before the Commission had been given at the trial, the trial judge would have been obliged to direct the jury to acquit the Chamberlains on the ground that the evidence could not justify their conviction.

That is pretty plain and unequivocal, Mr Speaker. There is no bob each way with that statement.

Mr Speaker, I am prepared to accept what Mr Justice Morling has said in his report. Like every other Territorian, I have pretty strong views on the whole range of circumstances, and they are not important. We have placed ourselves in the hands of the legal system and I think we are bound to try to uphold that system whatever our personal passions and preferences may be. I think the job for this Assembly now is to see that the report by Justice Morling is handled and reviewed in such a way that subsequent legal action by the Chamberlains can be taken, if they so wish, and I believe they have started that process.

The question that comes to my mind, as a layman, and I think it is one that most citizens would ask themselves is: if the commissioner is saying that convictions should not have been recorded against the Chamberlains, should they remain against the Chamberlains in the days ahead? If Mrs Chamberlain was not responsible for the death of her baby, should she be pardoned for a death for which she was not responsible? I do not know about the rest of the people in this Assembly, but my view is that, if I go to court, am charged and acquitted or it is felt that I am not guilty of the offences with which I have been charged, then I would regard myself as innocent, and I do not doubt that Mrs Chamberlain would see herself in much the same light. According to the finding of Justice Morling, possibly Mrs Chamberlain would not have been convicted on the evidence that he had before him. If we are to be fair and gracious in the way we handle this, then I think it is only reasonable that the government consider joining with the Chamberlains in quashing the convictions to put the situation back as it was before the trials took place.

In the sense that I believe that the Chamberlains should have the right to appeal and have their convictions quashed by the legal system, I do not believe it is appropriate for politicians to be legislating for the quashing of convictions. Truly, that is a matter for the courts. The courts find people guilty and, if there is to be any change to that, the courts should reverse those decisions and quash the convictions. It is not the work of politicians. And properly, the right people to apply for the quashing of the convictions are the Chamberlains, not the Attorney-General or other well-wishing people in the community.

The fact remains that the Chamberlains were convicted in the Northern Territory Supreme Court and that those convictions were confirmed in the High Court of Australia. It has been put to me by people in the legal profession that Mr and Mrs Chamberlain should have the capacity to apply to an appellate court of the Northern Territory - and they have suggested the Northern Territory Criminal Court of Appeal - to have their applications for the quashing of the convictions heard. To me, it would seem to be eminently reasonable, under the circumstances, for people to be able to do that.

One of the difficulties that will arise from that is that the basis on which the appeals will be made for quashing will be taken from a report by a justice who is not of our court system. It is possible that that report may not be admissible in a Northern Territory court of appeal. If that is the case, it would then be incumbent on us to change such legislation as is necessary to enable Justice Morling's report to be used by the appellants to apply to have their appeals heard. I have been told that that may involve amendments to the Criminal Code and amendments to the Commission of Inquiry (Chamberlain Convictions) Act which we passed through this Assembly.

It has also been brought to my attention that there is another possibility for the consideration of Mr and Mrs Chamberlain's appeals, and I would just like to read that into Hansard for the benefit of honourable members. It will only take a minute. It is section 431 of the Criminal Code which says:

Nothing in the foregoing provisions of this division shall affect the prerogative of mercy, and a Crown Law Officer, on the consideration of any petition for the exercise of the prerogative of mercy, having reference to the conviction of any person or to any sentence passed on a convicted person may: (a) refer the whole case to the court, whereupon the case shall be heard and determined by the court as in the case of an appeal by a person convicted; or (b) if he desires the assistance of the court on any point arising in the case with a view to the determination of the petition, refer that point to the court for its opinion. Thereupon the court shall consider the points referred and furnish the Crown Law Officer with its opinion thereon.

It has been put to me that that section of the Criminal Code may by itself allow an officer of the government to put forward for consideration a petition by Mr and Mrs Chamberlain for the quashing of their convictions. I accept that it is a matter of law which great legal minds will cogitate over and decide upon. However, we cannot leave the issue simply to lie. It would be unreasonable and unfair to have a situation where a government-appointed commissioner stated that the evidence could not justify the conviction of the persons involved yet to have the defendants unable to completely clear their names.

I would like to finish by saying that I was involved in government for about 6 years while this case was proceeding and that I believe that every officer of the government and every person involved in the conduct of the case carried out his or her duties in the most honourable way, with the highest level of integrity and with a deal of impartiality and objectivity. To my knowledge, no person in the Northern Territory has ever used any unreasonable influence that would be prejudicial to the Chamberlains and I am quite clear in my mind about that.

I must say to the Attorney-General that this matter is a serious one for him and for the people of the Northern Territory. It could be that we have to pioneer new legal avenues. It would not be the first time that the members of

this Assembly have pioneered legislation and processes that have stood both the Northern Territory and other parts of Australia in good stead. It is not time to let our passions overtake us. It is time for us to support the legal and the judicial system in the Northern Territory, and I believe that it is time to act.

Debate adjourned.

TRAFFIC AMENDMENT BILL
(Serial 5)

Continued from 5 May 1987.

Mr MANZIE: Mr Speaker, there was some discussion during the second-reading debate and the member for Ludmilla brought some problems to the attention of the Assembly. He informs me that he has had discussions with the minister and the department and has resolved all his problems so that he is now reasonably satisfied with the contents of the bill. I commend the bill.

Motion agreed to; bill read a second time.

Mr MANZIE (Attorney-General)(by leave): Mr Speaker, I move that the bill be now read a third time.

Mr COLLINS (Sadadeen): Mr Speaker, I must confess that I have been caught unawares because I expected that the Assembly would be rising. Apparently everyone else was aware that we would continue through the normal lunch break.

Having listened to the speeches of all members on this bill, I note that virtually no mention has been made of drugs other than intoxicating liquor. Members of this Assembly must realise that there are other drugs which affect driving and the safety of the people on the roads. We have to start thinking about this. I have spoken on previous occasions about my information on such activities as marijuana smoking and pointed out that, if we test people for blood alcohol content, we ought to do the same - when the technology becomes available - for people driving under the influence of illicit drugs. We should be looking at scientific discoveries in the area of drug testing for people involved in traffic accidents.

Mr MANZIE (Attorney-General): Mr Speaker, the matter raised by the member for Sadadeen is of concern to members of this Assembly, to people who reside in the Territory and to all Australians. There is an increase in the use of drugs of all sorts, whether they be legal drugs such as tranquillisers and certain cough potions, or illegal drugs such as marijuana, heroin and so forth. People who are abusing these substances are also driving motor vehicles on public streets.

For the benefit of the member for Sadadeen, I would like to point out that section 8 of the Traffic Act contains a provision which makes it an offence for a person to 'drive a motor vehicle, start the engine of a motor vehicle or put a motor vehicle into motion' when that person is under the influence of a drug. We have the ability to measure the quantity of alcohol in a person's blood extremely accurately. The procedure is quite simple and a layman with appropriate training can carry it out at such a level of proficiency that a prosecution can be based on the result. However, measuring the quantity of drugs consumed by a person is extremely difficult and there has been considerable work done on it in the United States and Europe. The range of drugs, the different types of tests, and the great sophistication of some

tests makes it extremely difficult to come up with a convenient method. When a method is found which can be used quickly and accurately without inconveniencing members of the public, and which will enable appropriate action to be taken against people who are under the influence of drugs which cannot easily be detected by non-scientific means, we will adopt it. Unfortunately, until that situation arises we have to rely on observations of arresting officers to establish the facts in relation to a person being under the influence of drugs.

Those facts can be obtained in a number of ways. Obviously, they include the demeanour of the person, admissions he makes, admissions or evidence given by other witnesses, his general behaviour and his manner of driving. I will not go into how all these matters have to be presented in a court of law but, at this stage, we do not have any reliable and simple scientific methods for establishing the misuse of drugs by drivers. It is a matter which certainly concerns me a great deal because I believe that a number of accidents on public streets occur because people are either under the influence of drugs or of a mixture of alcohol and drugs.

Motion agreed to; bill read a third time.

ADJOURNMENT

Mr PERRON (Industries and Development): Mr Deputy Speaker, I move that the Assembly do now adjourn.

Mr LEO (Nhulunbuy): Mr Deputy Speaker, I appreciate the desire of many members to attend a function this afternoon. I am among them myself. One of the graduates whom we will see this afternoon is a constituent of mine, one Bakamana Yunupingu who is not only a constituent but a very close personal friend too. For the education of those members who are going to Batchelor, Bakamana has worked for a very long period of time, as I am sure former Ministers for Education on the government benches will know. He has worked extremely hard to attain his degree and it is a matter of quite some pride to many of my constituents that he has achieved the distinction which is to be conferred upon him this afternoon. I hope to see many members of this Assembly at Batchelor this afternoon because it is not only a benchmark for a member of my constituency, but a benchmark in Aboriginal education in the Northern Territory generally.

Mr Speaker, I asked the Minister for Health and Community Development 2 questions this morning relating to health services in my community. I appreciate that, in these very tight and trying times, with the constraints that the federal government has placed upon the states and the Territory, it will be necessary for government departments to curtail their expenditure by various means. It is my hope that, when curtailing expenditure, their efforts will be directed towards administrative efficiency vis-a-vis service delivery. Like a number of other remote communities, Nhulunbuy is a service centre for a very much wider population than its own immediate community. The health service, for instance, provides not only for the immediate community of Nhulunbuy but for the extended area of east Arnhem. That goes right through the services that the Department of Health provides there, the dental service and various other health and community services.

Those services are not provided only to a very small community, such as Nhulunbuy, but to a much larger regional area. I am sure any member on this side of the Assembly will concede that it is necessary that the government look at curtailing expenditure. However, the axe must fall on administrative

excess as opposed to service delivery. I am not talking about the luxury health areas, but there are many people within my Aboriginal constituency who still require the extensive services which are provided by the Department of Health in the Northern Territory.

There are also a number of programs which are developed specifically around the European segment of our population. I refer to various children's health clinics and school health programs or whatever. Those services are very valuable to our very young population. In demographic terms, the Northern Territory would have the youngest population in Australia and, if service delivery to this section of our population is to be curtailed, it will result in very serious consequences further down the line for the Northern Territory's population. I would hope that the honourable Minister for Health and other ministers who have responsibility for delivery of services in the Northern Territory will take those words on board. It is no secret that I have been a member of the Public Accounts Committee for quite some time. I believe that there are areas in which the Northern Territory government can take action to deliver services more efficiently and I hope that steps are taken to achieve that efficiency rather than to cut the services.

Mr COLLINS (Sadadeen): Mr Deputy Speaker, I would like to report to the Assembly that Sadadeen Secondary College gained 168 lockers yesterday. I thank the minister and I am sure the matriculation students ...

Mrs Padgham-Purich: They got their lockers? Thank goodness.

Mr Smith: Is this a result of the division yesterday?

Mrs Padgham-Purich: It paid off, didn't it?

Mr Smith: Yes, it paid off.

Mr COLLINS: I would not have thought my vote yesterday really carried much weight.

Mr Coulter: Katherine races on Monday?

Mr COLLINS: Katherine races on Monday? No, I thank the minister for the accolade there. I must drop down to Katherine to see the racecourse. I have no doubt whatsoever that, if I spoke to the people of Katherine and put the true case before them, they too would agree that schoolchildren are somewhat more important than racecourses and pork-barrelling at election time.

Mrs Padgham-Purich: You don't know the end of it.

Mr Coulter: You can't bet on kids.

Mr COLLINS: You can bet on anything, even 2 flies on a wall, and the honourable member should know that.

Mr Deputy Speaker, I wish to raise a serious matter this afternoon which relates to the resignation of Mr Roger Watters, uranium adviser from the Department of Mines and Energy. I first met Mr Watters through my duties as Chairman and member of the Sessional Committee on the Environment during the Fourth Assembly. I found a very ready empathy with Mr Watters. In my book, he has an amazing sense of humour. Some might even say it is slightly warped, but it is brilliant. Some members were talking this morning about Mr Watters' business card which depicts 2 crocodiles and a Latin inscription which may be

politely translated as 'knowing and caring'. If any members wish to know a more direct translation, I would be happy to tell them afterwards, but it is certainly not a matter for Hansard ...

Mrs Padgham-Purich: Children's ears.

Mr COLLINS: ... nor children's ears.

Besides his sense of humour, I found Mr Watters to be absolutely top class in his field and his expertise in the matters of uranium, its mining, safety, the environment and so on. Physics was a major subject in my degree and I also taught it for 13 years. I have a continuing interest in the subject and I found that Mr Watters was always able to provide me with a satisfactory answer to any question that I asked. I was in a position to be able to question him very carefully and clearly on matters either raised in committee or privately. I do not believe that members of this Assembly have to know everything but it is very handy to have a background which helps you to ask questions. I found that Roger Watters' expertise was trumps. He also has a fine ability to explain things very clearly. He is an excellent teacher. I think that the members of the committee would agree that he could explain matters clearly to any depth that we required.

The capacity of Roger Watters to explain the technical aspects of uranium and its effect upon the environment were nowhere better demonstrated than in the Milton Report which was tabled in federal parliament on 15 October 1986. Hon Peter Milton is a member of the leftwing faction of the Labor Party. He was the chairman of the committee that came to the Territory breathing hellfire and brimstone. I heard him being interviewed on the radio and shook my head in wonder at his utterances. Judging by the way he came here with his committee, one could have believed he was going to have Ranger Uranium Mine for breakfast.

After studying factual material, most of it from Roger Watters, and talking with Roger, the committee reported to the federal parliament that uranium mining in the Territory was being carried out in an environmentally sound manner and that Ranger Uranium Mine was doing its job very well in the main. Importantly, it gave the anti-uranium, greenie environmentalists a well-deserved blast for misleading the Australian people by their utterances on uranium mining in the Territory. That was a turnaround of 180°. The committee came here breathing hellfire and brimstone and then reported to the federal parliament that uranium mining was being undertaken in a responsible way in the Territory and that the environment was being protected.

It is significant that many of the comments in the Milton Report are taken directly from material given and explained by Roger Watters. It is a real pity that members of our media, who were very keen to have this mob come up here and stir, did not give much publicity to the findings of the Milton Report. The report vindicated what I have said time and time again in this Assembly: that uranium mining is being undertaken in a responsible manner. One gains the opinion sometimes that the media has an unfortunate bias. I think the Milton Report is a case in point. I hope there is a media person in the press gallery who might like to read the Milton Report and tell the people of the Northern Territory the gist of it. That would be a pleasant and refreshing change.

I would also remind members of the booklet written by Mr Roger Watters, 'The Nuclear Power Industry - A Responsible Approach', wherein he advocates that Australia and the Territory should become involved in the further

processing of uranium oxide to make fuel rods and the bringing back of the rods, removal of the highly radio-active materials and its safe storage in synroc. It is a billion dollar industry. I am not interested in it simply for the money. As the member for Karama said in the last Assembly, it would be a great gift by Australia to give synroc to the world as a method for safe disposal of highly radioactive material. He was not original in that. I mentioned it a couple of years ago when talking about bicentenary events.

Mr Palmer: I did not say that either.

Mr COLLINS: That was the general gist of his comments, and I hope that the honourable member was not trying to be flippant about such a serious topic. It is an excellent idea and I will give him the credit for it if it happens. I do not care, as long as it happens.

Roger Watters has done a great deal through that booklet to persuade members of the Labor Party in particular. I recall an incident that happened in this Assembly when I was talking about the processing of uranium and the storage of waste products. I mentioned Roger Watters and that booklet and the then Minister for Lands, the member for Casuarina, said, 'He is a good rugby player'. However, there was also another comment which, unfortunately, does not appear in Hansard. It came from the Minister for Mines and Energy: 'It is a pity about his politics'. I do not know why it was not picked up by Hansard because I did reply to it. I said that, because Roger Watters happens to be a member of the Labor Party, he has been able to do something which none of us on the conservative side in this Assembly, or out of it, could have done with Labor Party people: he brought them to see some sense and reason, as he did with Peter Milton and his crowd, about the fact that uranium is being mined here safely and that we should go down the road ...

Mr Hatton: You believe in miracles, do you?

Mr COLLINS: He has been able to do it. It is something that neither you nor I can do.

I felt that the minister's comment was most unfortunate at the time and I know that Mr Watters has taken it somewhat to heart that the minister has held his membership of the Labor Party against him. He is a very professional person and those who know him will take on anybody who questions his understanding and knowledge of the uranium industry.

I raised a question this morning about an item in 'Bushranger'. It said that a difference of opinion was believed to have occurred between the minister and Mr Watters over travel to France. An application was made by Mr Watters to attend the 12th International Geochemical Exploration Symposium, a two-yearly event, which was held in December 1986 in Orleans in France. Mr Watters had submitted a paper to that symposium and I have a copy of it here. The gist of it is that mining can be undertaken in national parks in a 'knowing and caring manner'.

Mr Poole: They will kick him out of the Labor Party then.

Mr COLLINS: That is the whole point of the matter. He is one person in the Labor Party who is making sense to some of its members in respect of some of the things which we want them to do. It is a matter of regret that the gentleman should not have been supported to attend the international conference. He put on a demonstration over there with his usual good humour. He wore an akubra hat, Crocodile Dundee shirt and shorts and, no doubt, rugby

boots and socks. He would not like to call them Aussie Rules socks. He made a lasting impression on the people over there. I can assure you that 400 of the world's top explorers and geo-chemists now have Kakadu and the Northern Territory clearly fixed in their minds. What he said had a big impact. I have been told that the head of the Australian Industry Mining and Metallurgy group, Mr Don Zimmerman, was overheard to say that he should be given a medal by the Tourism Minister because of the way he put the Territory on the map.

I am not going to reveal my sources, but I believe that Mr Watters was supported by the Department of Mines and Energy in his request to attend the symposium in France. Once he had accepted his invitation, he felt it would be a cardinal insult if he did not attend. He spent something like \$5000 of his own money. Initially, he asked the government to refund this and, when it would not, he used the proper channels to ask for a lesser amount. He paid the air fare himself, but he still sought support. He was forced to take holiday leave to attend the symposium; it was not even treated as part of his duty. I regret that the matter was handled in this way. Mr Watters feels that the minister's off-the-cuff remarks about his politics had a deeper meaning. He feels that the minister had it in for him and there was no way he would receive support from the government.

I believe that the minister has done the Territory a grave disservice. We need friends. We need people who support our point of view, no matter what their politics might be. I think it is time we grew up a little and appreciated the people who are pushing for the same things as ourselves and recognised that the colour of their politics has very little to do with it. I am very disappointed. Mr Watters will be returning to a consultancy business. It is not a new one; he has had it for a long time. His wife is not going to work in Queensland; she is simply going back to set up the family home. Maybe the Chief Minister was right. Maybe, Mr Watters was intending to go back to Queensland later on, but I think it would have been very nice if Mr Watters could have done so as a friend. He should have been able to feel that the Territory was a place where he was appreciated. It certainly should appreciate him! The events surrounding Mr Watters' departure are very unfortunate and if the minister can do something to rectify the situation, I would be most appreciative.

Mr EDE (Stuart): Mr Speaker, I wish to comment briefly on an answer which the Treasurer gave to a question this morning. It concerned restricted areas and the impounding of vehicles. I attempted, by way of interjection, to spur him on to answer a question that has been in my mind for some time. It concerns the current state of the D'Abbs Report. Honourable members will remember the last 2 occasions when the opposition introduced legislation amending the Liquor Act so that the power to seize vehicles would again reside with the court. On those occasions, the then minister, now the Treasurer, stated that it was his intention to obtain a report on the operation of the act in restricted areas. On the second occasion, he stated that Mr D'Abbs was to compile the report.

Over the ensuing months, in answer to subsequent questions, we were told that the report was beginning, that it was halted, that it had been recommenced and so on. It is now a matter of years since that report was first mooted and I know that Mr D'Abbs has carried out some inquiries. I would hope that the minister now responsible for this area, instead of making off-the-cuff decisions about the operation of the act, will allow Mr D'Abbs to complete the inquiry and that the minister will table the report in this Assembly so that we can peruse its recommendations and so that those of us who have restricted areas within our electorates can give the minister the benefit

of our advice. We are able to get a much closer view of the intricacies of the situation than he has been able to gain on his flying visits.

Different opinions on the subject of vehicle seizure arise from time to time. One community I visited a fortnight ago had not changed its view that the prerogative of seizing vehicles should rest with the court rather than being automatic. In addition, it felt that it would be a good idea if the proceeds of the sale of confiscated vehicles were returned to the community government body in the area where the vehicle was seized with the instruction that they be spent on facilities in the community. Such facilities would enhance the standard of living and possibly reduce the demand for people to consume large amounts of alcohol. Of course, some seized vehicles come from outstations and, in those cases, the outstations resource centre may be the appropriate body for the proceeds to go to. This would return us to an old concept of crime and punishment. The crime against the community would be balanced by the community inflicting the punishment and having the benefit of compensation from the offending party which could then be used on efforts to remove the root cause of the problem.

Mr Speaker, I want to raise the problem of the water supply at Anningie once again. This is another matter that I keep bringing up, month after month. I am continuously frustrated because whenever the problem seems to be almost solved, the government wanders off at a tangent, having discovered yet another expert who has been able to confound all the other experts by giving a opinion different to that of the preceding 6.

Mr Speaker, Anningie community has been operating on 2 spear pumps in the creek for many years now. By hand-pumping, the spear pumps are able to deliver something like 20 L of water per hour, if a person has the energy to pump for that long. But, whilst those pumps are an efficient method of delivering water, that community is one where you will find people going blind from trachoma and children being evacuated to hospital, time and time again. You will find the hepatitis B that the member for Sadadeen spoke so well about and that is just one of the problems which are related to the lack of water in that community.

Mr Coulter: That is true.

Mr EDE: There is underground water at Anningie. Unfortunately, the quality of the water is not such that it could be delivered in its current state for human consumption.

Mr Coulter: That is true.

Mr EDE: However, it is quite usable for washing. It is capable of use for the growing of gardens and trees around the community. However, what the people need is a top-up water supply for drinking and cooking. That could be made available, according to all the experts that I have been able to talk to, through the construction of a Mexican dam in the creek, with a solar pump which would take the water out of the sand and provide a secondary supply which would give the people drinking water.

Mr Speaker, we came to a full stop when the Minister for Health and Community Services baldly stated that he had an expert who said that it was not feasible. This information ran counter to all the statements that had been made to me previously by engineers who have practical understanding of the process and of the water supply problems at Anningie. I have asked before and I ask again that he let me have a look at this report so that we can

discuss it with the engineers who know about delivering water supplies to these communities. It is all very well to send away to a crowd in Sydney and say, 'Okay, what about a Mexican dam?' They are people whose expertise lies in reticulating water to places the size of Darwin. For them, delivering water to Alice Springs would be a small project. I believe that they do not have the particular expertise needed for the delivery of water to a small community like Anningie.

I believe that the alternative that the honourable minister continues to raise, which is that the whole community should be uprooted lock, stock and barrel and moved somewhere else, is not a practical alternative. Certainly, it has not been discussed with the community by members of his department, as far as I can determine. I have talked to them a number of times and they have told me that they are very unhappy with that proposal and that they believe that the delivery of water from the creek would be the way to solve their problem.

Mr Speaker, this morning, also in reply to a question, the Minister for Education took the opportunity to undertake a general slamming of myself and some of the issues that I have raised in this Assembly. I am not a man who is easily cut to the quick, but I thought that I would briefly mention 2 of the issues to which he referred. He ran through a few, but I could not catch them all because I was so absorbed in his histrionic performance, the hand waving and so on. The 2 issues were the gas pipeline and the cyanide spill and, for the sake of Hansard, I would like to reiterate the problems connected with those.

As you would know, Mr Speaker, the gas pipeline through Alice Springs is the only one in the Northern Territory where a town gate has not been used to reduce the pressure to a low delivery level for transit through the town.

Mr Coulter: If you turned it any lower you would have to suck it through the pipe.

Mr EDE: The gas is moved through at the same pressure at which it leaves Palm Valley. We are told that this pipeline was built to Australian standard specifications and I have no reason to doubt that - in fact, I am quite certain that it was. The doubt related to whether any pitting of the pipe had occurred as a result of the method of storage. I am told that, very correctly, the Department of Mines and Energy, after conducting an initial examination of the case, spoke of developing a draft evacuation plan for that area with the Emergency Service people. I commend the officers of the department for that because, after an enormous amount of pressure from myself, eventually the government did get the intelligent pig to go through.

Mr Coulter: They were going to do it anyway. It was part of the contract.

Mr EDE: The results came through months after the end of the contract period for putting through the intelligent pig. As a result, a number of sections of the pipe were dug up and replaced. I think that bears out the arguments that I put forward at the time about the need to check out the gas pipeline.

The other matter, the major one that really amazed me, was the cyanide spill. For the information of honourable members, I will quote the Minister for Mines and Energy speaking about the number of times that cyanide has been spilled in our areas in central Australia. He recalled that, in 1976, a full

trailer of sodium cyanide drums overturned near Barrow Creek; in 1980, about 6 t were spilled at Orange Creek; in 1982, 200 L of diluted cyanide were spilled 18 km north of Alice Springs; in 1984, 100 kg of sodium cyanide were spilled, and 2 drums were dropped from a truck at Alice Springs test station. He spoke about 2 incidents involving 2 drums being lost from a trailer near Ti Tree Gap. In his speech, he stated that all of those were successfully recovered. However, a history has been built up which makes it clear that it is necessary not to rely simply on the self-regulation principle which the minister espouses so often. Certainly, the worst of these spills was that at Barrow Creek where a road train carrying 454 drums of sodium cyanide overturned and about 50 drums split causing cyanide pellets to be spread over the ground.

When a history of that type of accident occurring builds up, I will not resile from my duty to bring it before the Assembly, to give it publicity and to endeavour to get people to recognise that this is something that needs to be examined and something we have to ensure does not continue to occur. I am currently researching a number of matters, which I will certainly be raising, in relation to the operation of fast transport, the number of hours which drivers spend on the road, short rest breaks and things like that. These are factors which affect the road toll in the Territory very substantially. This morning, a piece of legislation was passed in an attempt to come to grips with the problem. Road train drivers becoming overtired and being overtaxed in their work is another problem area.

As I said, I will not resile from my duty to continue to discuss things such as cyanide spills etc as they relate to my area. However, I will put the minister on notice that, at the moment, I am examining the disposal facilities at the Warrego Mine. This will give him the opportunity to examine the situation and, hopefully, do something about it. When I was driving out that way a couple of weeks ago, I noticed one of the dumps for used drums that, I am told, had been used to contain cyanide. These are in a built up area about 50 m wide where a hole has been bulldozed. A large bund had been placed around it and around that was a 6-foot high chainwire fence. It was quite obvious that the need for security of this area was seen by the company.

However, on my last 2 trips out there, I have noticed that the gate is not only open but is actually broken and lying on the ground. I noticed that cattle had been walking in there. Obviously, after rain, water builds up in that bund and the cattle drink from the water. I have no knowledge of what happens to the particular cattle concerned, whether they are slaughtered in the abattoirs or whether they simply die in the bush or, indeed, whether the amount that they ingest is enough to have any effect on them. However, I put the minister on notice that it is a matter that I will be chasing up. Possibly he will do my work for me and tell me that he has solved the problem.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Deputy Speaker, if I had been able to catch the Speaker's eye this morning, without having to do a song and dance on my desk to get the call, I would have asked a question of the Minister for Lands and Housing. I believe there is a particular deficiency in the Planning Act which must be remedied in the interests of fairness. I have seen the application of sections in the Planning Act which have operated to the detriment of fair play in the rural area.

Mr Coulter: I hope it is not on my side of the road.

Mrs PADGHAM-PURICH: One of them was, but we will not talk about that today.

Mr Deputy Speaker, I am talking about the composition of the Appeals Committee. The Appeals Committee is set up under the Planning Act to consider appeals against decisions of the Planning Authority. At the moment, the committee consists of 3 people who must be a legal practitioner, a chartered engineer, a chartered architect, a member of the Royal Australian Planning Institute or a licensed surveyor. The person with the legal qualifications is usually the chairman. One might ask what is wrong with the other 2 members being an engineer, an architect, a planner or a surveyor? On the surface, there is nothing wrong with that. Legislation needs to be in operation for some time before deficiencies become apparent. Good legislation moves with the times and the legislators should listen to the requests of the people and try to remedy any deficiencies.

The provision that members of the Appeals Committee should come from the professions stipulated is okay as far as it goes. However, as is often the case, the engineers, architects, planners and surveyors also have other business interests. It is those other business interests that I query in terms of their membership of the Appeals Committee.

I do not have any objection to a person with legal knowledge being the chairman. I do not have any objection to an engineer, architect, planner or surveyor being a second person but I believe that a third person on the committee should be a local person appointed by the local government authority. I say this for 3 reasons really. The first is that it is very important that local wishes be known to any Appeals Committee. Secondly, I was interested in a particular development application for which consent had to be given. Thirdly, the local people objected to this particular subdivisional development and the matter went to the Appeals Committee.

The Appeals Committee consisted of 3 people: the chairman and 2 others. However, what was not said was that the chairman had legal training and the 2 other people were developers. To me, that is loading the Appeals Committee in a most undesirable way. The outcome of this case, after the original subdivision consent was refused, was that the developer won the appeal. I believe that this happened because of the composition of the Appeals Committee. I suppose you could say this is how appeals are won or lost generally. Afterwards, the chairman's written report contained about 26 pages of reasons why he voted to support local people opposing the subdivision. I cannot remember whether the 2 developers were architects or planners but, in the eyes of people out our way, they were developers. They provided only a couple of pages of reasons why they thought the development should go ahead.

I do not think it is good enough for the government, through the Appeals Committee, to ride roughshod over the wishes of local people. There are 3 reasons why the legislation relating to the composition of the Appeals Committee should be changed. The first is the importance of local representation. The committee should include a local person nominated by the local government authority. In the case of the rural planning authority, it would be somebody nominated by the Litchfield Shire.

Secondly, I believe other interests of members of the Appeals Committee should be investigated. For example, if the local person were a developer, like one of the nominees of the government, the situation would still be unfair. I believe there should be equal representation on the Appeals Committee for all interests. It should not be overloaded with developers.

The third reason for changing the legislation - and it is a very important reason - is that it is an initiative of the Litchfield Shire Council which has

raised the matter at meetings of the Local Government Association. The Local Government Association has either met recently or is currently meeting in Darwin at present, and I believe it has given this initiative a very favourable hearing. I believe the Local Government Association is also in favour of changes to the Planning Act in relation to the Appeals Committee.

While I am on the subject of the Planning Act - and, unfortunately, I only have an old copy of it in front of me - I believe the whole of it needs to be reviewed and upgraded, especially the appeal provisions. My information is that, as the legislation currently stands, only the proponent of a development or subdivision can appeal. This needs to be remedied. The example I have used is a good one: the proposed development in the rural area was strongly objected to by local people, including the local progress association, myself and others but, because we were not the proponents of the subdivision application, we could not appeal. That problem needs to be addressed as does the subject of vacancies on the Appeals Committee. The occupations of people appointed to those vacancies must be considered and not only their professional qualifications but their business interests, especially if they are developers, taken into account.

Mr Deputy Speaker, I do not want you to get the idea that I am anti-development. I am not. I believe there is a time and a place for development, but development should not go on just for the sake of development. I believe the wishes of the local people have to be considered. If it is the wish and the general consensus of opinion of local people that they do not want a particular development, I believe they should be listened to. I do not have any objection to appeals. Outside areas covered by planning authorities, the minister is the consent authority and there is no provision for appeals. That may seem a bit hard on the surface, but I believe the minister could make a considered opinion for or against a particular proposal in the light of full and frank discussion so that an appeal would not be necessary.

Another change which should be made to the Planning Act relates to the boundaries of the planning authorities, particularly the Darwin Planning Authority and the Rural Planning Authority. We have the most unusual situation of the Darwin City boundaries ending at McMillans Road but the jurisdiction of the Darwin Planning Authority extending into Berrimah, which is part of the Litchfield Shire. In effect, this means that the Darwin Planning Authority is making decisions about areas about which it knows nothing at all and with which it has no connection. The Darwin City Council has said that it does not want to grab part of the Litchfield Shire and there would be great opposition if it tried to do so.

This problem may not affect a large area, but the principle is that the people who make planning decisions about an area should be those who know most about it. The 4 local people on the Rural Planning Authority, together with its 3 core members, should be the people making decisions about this area, not members of a planning authority for an adjoining area. If this situation is not remedied shortly, we could have more problems like the one which has already arisen. If my memory serves me correctly, a subdivision was planned, or may even have been approved, on the Stuart Highway boundary of the Berrimah Farm. Perhaps the Treasurer may know the current status of this proposal.

Mr Coulter: It has been withdrawn. It was for the front paddock of Berrimah Farm.

Mrs PADGHAM-PURICH: That removes some of my worries because I was concerned that that subdivision would be less than 5 acres. The Treasurer, along with all other honourable members, knows that subdivisions of less than 5 acres are not allowed in RL1 areas.

Mr Coulter: I do not think that it is RL1 on that side of the road.

Mrs PADGHAM-PURICH: If it is not, it should be, and that merely underlines what I have said - that the Darwin Planning Authority is making decisions about rural living areas about which it knows nothing. I believe the legislation should be altered to provide new boundaries which would allow the Rural Planning Authority to be responsible for planning decisions in the whole of the Darwin rural area.

Mr SETTER (Jingili): Mr Deputy Speaker, I was concerned yesterday when I read the NT News and observed a report headed, 'Snowdon Hits at Rival's Wealth'. Of course, we are all aware that Mr Snowdon is the ALP candidate for the House of Representatives. The article went on to say: 'Labor's House of Representatives candidate, Mr Warren Snowdon, is continuing his campaign to make the personal wealth of his CLP opponent, Mr Peter Paroulakis, an issue in the federal election'. I wonder if Mr Snowdon has considered the wealth of some of his own colleagues, for example Mr John Waters who, I am told, is one of the leading lights in the Labor Party and a very wealthy man in his own right. Because of the change in the structure of the ALP in the last few years - and I refer to the way that the academics and the intelligentsia have taken over the Labor Party, though I hardly include the member for MacDonnell in that - I am quite sure there are very many wealthy people within the Labor Party's ranks. The item continued: 'Mr Snowdon branded Mr Paroulakis as a millionaire businessman intent on serving the interests of the rich, and chastised him for owning a gold Rolls Royce motor car'.

Mr Deputy Speaker, that is typical of the position of members of the Labor Party in all of this. What I am referring to is the fact that they eternally criticise anybody who wants to get off his backside, go out into the world, develop his career and have a go. If, of course, the accumulation of wealth is something that flows from that, then so be it and we are all in the same boat. The majority of us have started off with the seat torn out of our pants and, through hard work and dedication, have worked our way up to wherever we might be. There is nothing wrong with that. In fact, that is one of the great aspects of the free enterprise society in this country, and I hope and pray that we can continue to preserve that. However, it is not so for Mr Snowdon and his colleagues, who should be sitting over on the opposition benches but have disappeared. Of course, the socialist system wants to bring everybody back to an equal level - right at the bottom. I totally support anyone's right to accumulate wealth through his own efforts. I really mean that and it is very important. I do not support comments made by Mr Snowdon or his colleagues in that regard.

In this article, he is reported to have said that the National Farmers' Federation policy to introduce a \$5000 tertiary education fee would be a disaster for the Territory, and that is a fair comment. But he tried to link Mr Paroulakis to that comment and, as was pointed out earlier today by one of my frontbench colleagues, that is not what Mr Paroulakis said at all. That was the opinion of the President of the National Farmers' Federation, Mr McLachlan, and certainly not the opinion of Mr Paroulakis. Mr Snowdon was being very mischievous indeed in trying to link him to those comments.

Let us have a look at the history of one Warren Snowdon as I know it.

Mr Coulter: A political adviser.

Mr SETTER: Ah, yes, I shall come to that. But before I proceed down that path, let us have a look at the NT News of Wednesday 12 November 1986. An article by journalist David Nason says: 'Activist Likely to Win ALP Vote. Land rights and peace activist, Mr Warren Snowdon, is likely to win ALP preselection for the Territory seat'. I hear he is quite often seen at the gates of Pine Gap. The article went on to say: 'Mr Snowdon was a former school teacher who is now a senior project officer with the Central Land Council in Alice Springs. Mr Snowdon has sent a circular to Territory ALP members seeking their support. It says the ALP can regain the federal seat from the sitting CLP member, Mr Paul Everingham, by building on the party's traditional support areas, Aborigines and workers'.

In the previous Assembly, I expressed my concern about politicisation of the Aboriginal movement by the Labor Party, and I spoke at length on that issue at the time. It is something that continues to concern me because the Labor Party has undertaken a deliberate campaign to influence the Aboriginal movement and that is continuing.

Let us have a look at Mr Snowdon's history. As the acknowledged leader of the Marxist loony left faction within the Labor Party in the Northern Territory, he is without a doubt, as the article said, a left-wing activist. As far as I am aware, he started off in Darwin as a member of the Northern Territory Teachers Federation and we all know how, unfortunately, the Teachers Federation has been infiltrated by the left wing of the Labor Party over the last decade or so. I am very aware of that because the current President of the Teachers Federation, Mr Bob Wharton, stood against me during the last Northern Territory election. Mr Wharton is also a member of the loony left. I believe Mr Snowdon was transferred to Alice Springs by the Department of Education and took up a teaching position in that fair city. It was not very long before he left the employment of the Department of Education and joined the Central Land Council as an adviser. We read comments in that article about his activities there. That is where he is and it confirms the point I made a moment ago about the deliberate campaign by the ALP to influence the Aboriginal movement. Here we see this left-wing activist, Warren Snowdon, right in the middle of the Central Land Council advising people like Mr Pat Dodson.

Let us move to another point. A few weeks ago, indeed during the previous sittings, there was a great furore about comments made by and activities of Michael Mansell, again a left-wing activist who happens to be a legal adviser with the Aboriginal Legal Aid Office in Tasmania. Mansell came under a considerable amount of criticism for his trip to Libya and the comments that he made at that time. Indeed, he even locked horns with the Minister for Aboriginal Affairs, Mr Holding. I recall hearing Mr Holding speaking to the Press Club in Canberra, and Mansell was there. They had quite an exchange of views and, clearly, Mr Holding does not support Mansell's position. But it was very interesting that, at that time, when even some of his ALP colleagues from the other side of the House disassociated themselves from Mansell's position, we heard nothing from Mr Snowdon. Not a word. Mr Snowdon was very careful not to make any derogatory comment regarding Mansell's activities.

Mr Deputy Speaker, let me refer you to comments that were made on Territory Extra on Friday 29 May 1987. An interviewer called Marius asked: 'Could I bring up an issue that is generally held to have counted against you in the past? Your expressions on Michael Mansell's views on Libyan support for Aboriginal activities in Australia. You initially did not associate

yourself with Mr Mansell and you have since, is that correct?' Mr Snowdon replied: 'What I have said previously and what I will continue to say is that it is not an issue. I haven't yet heard what Mr Mansell said nor the context in which it was said'.

That is an absolute load of nonsense because Mr Mansell's comments were spread across this country by the media at the time. I do not know whether Mr Snowdon had his head in the sand of central Australia or not but he could not possibly have been in a position where he did not know what Mansell was saying. The truth of the matter is that he did not want to comment and associate himself with or dissociate himself from Mansell's comments. He was in a catch 22 situation. On the one hand, Mansell's comments were embarrassing to him and to the Labor Party. As I pointed out, members opposite dissociated themselves from Mr Mansell's comments, as did Mr Holding. The catch 22 is that his master in the Central Land Council is none other than Mr Pat Dodson. He is the fellow who signs the cheque at the end of the week. As a result, Mr Snowdon was unable to criticise Mr Mansell because Mr Dodson had come out in support of Mr Mansell. He could not really go against his employer in the Central Land Council but he did not want to come out in opposition to Mr Mansell as well. You can see the position that he was in. He did not dissociate himself.

All we have heard from Mr Snowdon over the last several months has been a continual carping - criticism and knocking. Knock, knock, knock. In fact, I have read his press releases for that period and I cannot find anywhere where Mr Snowdon has promoted ALP policies. Not once has he said anything publicly about ALP policies, the policies that he represents. All he has done is knock, knock, knock. I would suggest that, either he does not understand ALP policies or, alternatively, he is so disappointed with them that he is not prepared to come out and promote them. Let me quote a couple of ALP policies - the policies that he represents. I have a newspaper that was issued by the ALP in March 1983, before the last NT election. It says:

What the NT gets under Labor. The Northern Territory will receive special development assistance from the Labor government after 5 March. Labor leader, Mr Hawke, says the Territory will receive special consideration because of its unique situation.

Special consideration from the Hawke government! Over the last 3 years, we must have lost over \$200m and \$104m this year.

The Whitlam government gave the Territory a fully-elected Legislative Assembly and made the first step towards the construction of the north-south rail line. 'We intend to do more', says Mr Hawke. In short, Mr Hawke said not enough had been done in the last 7 years to develop the north, to tap its resources and help to achieve its true potential.

Specifically, the Labor government will construct the Darwin to Alice Springs rail line by 1988. The Labor Party, which started the north-south line by funding the Tarcoola-Alice Springs link during the Whitlam years, is firmly committed to ending what it started.

It is all there in black and white. I am sure that the upgrading of the Alice Springs Airport is a project that is dear to your heart, Mr Speaker.

The Labor Party will upgrade Alice Springs Airport during its first term of office, and accelerate the work on the south road. In a

special telegram to the ALP's Territory House of Representatives candidate, Mr Reeves, on Thursday 1 March, Labor leader, Mr Hawke, gave a firm commitment that the federal Labor Party would fund these works.

He then went on to say that it would remove the sales tax on the freight component on goods - another broken promise as that has not occurred. It would introduce 'a no-frills air fare to provide a cheap, safe and efficient alternative to the present up-market, 2-line service linking the states with the Territory'. Another broken promise. It would index zone allowances.

Those are the sorts of policies that the Hawke Labor government had back in 1983. I would like to hear about the policies that it has today because Mr Snowdon represents those policies and not once in the last several months has he promoted or espoused any of those policies. I am asking Mr Snowdon to come forward and promote those policies.

Mr BELL (MacDonnell): Mr Speaker, I want to make a few comments in the adjournment debate this afternoon about the questions I asked of the honourable Treasurer. However, before I do that I really think that some of the diatribe from the member for Jingili needs a response.

Mr Setter: I thought you would be interested.

Mr BELL: I suppose I was fortunate in that I did not have to sit through the whole quarter of an hour of it, but I was able to hear enough to wish to put forward a challenge to the member for Jingili. In fact, I would like to hear him repeat some of that outside because it is fairly clear to me that some of the arrant nonsense that he was peddling might not do so well if it were not protected by the privilege of this Assembly. The fact is that the nonsense the member for Jingili was talking about the record of the Hawke Labor government was rather extraordinary; it was very selective.

I appreciate that the member for Jingili may have a view of history that enables him to blank out certain parts of it. The member for Jingili came into this Assembly as the result of a by-election at the end of 1984. In fact, he replaced in this Assembly Hon Paul Who? I think the demonstration of a selective memory on his part is fairly extraordinary because we do not hear too much of Paul Everingham these days. However, since he has raised the matter of the railway line from Alice Springs to Darwin there are a couple of things I would like to point out to him. I appreciate he was not here, but I think it is probably appropriate that he check back in Hansard, because he will find that exactly the fellow he replaced, the fellow who represents the interests of the Northern Territory in the federal parliament at the moment, was the person who knocked back a very generous offer from the federal Minister for Transport to construct that railway. I will remind you, Mr Speaker, that the clowns on the government benches who can do nothing but ...

Mr SPEAKER: Order!

Mr BELL: I withdraw that unreservedly, Mr Speaker. They are not funny enough to be clowns.

Mr SPEAKER: Order! The honourable member will unreservedly withdraw that remark, without further comment.

Mr BELL: Mr Speaker, I unreservedly withdraw without further comment.

Mr Dale: Now sit down.

Mr SPEAKER: The honourable minister will cease being provocative.

Mr BELL: As I said, quite obviously the member for Jingili has been very selective in that regard, and I will remind him of one other thing. I appreciate the accolade that he conferred on the Whitlam Labor government for its creation of this very Assembly that employs him as well as the rest of us, and I remind him of the Whitlam government decision to build the all-weather railway from Tarcoola to Alice Springs. In contrast, I will remind the member for Jingili that, if this extraordinary hybrid Liberal National Party which is all the Country Liberal Party has as far as national colleagues go, and all we know about them is that they do not like Joh or that Joh does not like them ...

Mr Dale: Tell us about the railway.

Mr BELL: ... let me just remind him about somebody that they would have regarded as a colleague before, Malcolm Fraser. It was the Fraser government that ripped up the Northern Australian Railway line. They should not get too excited when they talk about the shortcomings of the Hawke government. Like most things, and I appreciate that it is a shortcoming of the member for Jingili, when they are viewed in historical perspective, the sort of hysterical perspective that the honourable member insists on peddling in this Assembly proves to be fairly threadbare.

Mr Dale: Get back to your mad lefty mates. Go on. Come on, let's get back to the gates of Pine Gap.

Mr BELL: Mr Speaker, I will dignify the rantings of the Minister for Health and Community Services by responding to that interjection because it will read well in Hansard. It is the sort of idiot contribution, in this regard, that we have come to expect from the government.

As I started out by saying, I challenge the member for Jingili to repeat what he had to say outside the Assembly. He is most welcome to try. The plain fact of the matter is that the Country Liberal Party ...

Mr Coulter: He spoke about how you supported Warren Snowdon during the last sittings.

Mr BELL: I will pick up the interjection from the Treasurer because I hope he intends to get to his feet at the end of this and tell me exactly what he is talking about. The fact is that Australian Labor Party candidates will win this election. Not only will we have a place in the Senate but the Country Liberal Party will not have a representative in the House of Representatives any longer. An appalling job has been done by their current incumbent, goodness me, the erstwhile king of the kids, and notice how they shut up when you start talking about him. What an appalling job he has done! There is no doubt that, when Mr Snowdon wins this election, we will get quality representation.

Mr Dale: The member for Pine Gap!

Mr BELL: Pine Gap is in my electorate, Don, and I appreciate that you are prepared to discuss it. When candidates discuss issues of principle, this should be welcomed by members on the government benches who are interested in public life and the discussion of issues which affect the Territory.

Be that as it may, Mr Speaker, I would like to return to the Treasurer and my comments in respect of his performance in question time this morning.

Mr Palmer: Oh, come on.

Mr BELL: It made about as much sense as most of these interjections do.

I asked a question about the policy the Treasurer will adopt in relation to a particular problem. Let me just explain it in quiet, simple terms. A vehicle was forfeited in the dry area at Santa Teresa. Under the Liquor Act, its forfeiture and its auction are compulsory. The Chairman of the Racing, Gaming and Liquor Commission - a horrendous collocation which was opposed by the opposition - decided that the auction should go ahead.

Mr Dale: You look like ET! Put your finger down.

Mr BELL: I do apologise.

The chairman made a decision that the auction should take place. And what happened? There was a flurry of publicity. People said, quite rightly, that the forfeiture was unjust. The fact is that, when a vehicle like that is forfeited, effectively it represents a fine of \$30 000 to the community. Frequently, the very person who commits the offence ...

Mr Coulter: I hope he is not living there now.

Mr BELL: That is dead right. I will pick up the Treasurer's comment. He is not living there. The person who committed the offence is not penalised at all. It costs the people who live there \$30 000 and they end up with no means of public transport. The law is unjust.

Mr Poole: That is why they have got it back.

Mr BELL: That is very good except that, in question time today, the Treasurer told us he would never allow that to happen again. He said there were extenuating circumstances and large numbers of representations. Members will recall that I got him to tell us what the extenuating circumstances were. All he said was that loads of cans were thrown out of the bus. Does that mean that, if you throw enough cans out of a bus, there are extenuating circumstances? The other reason he gave was the number of representations. Does that mean that next time somebody in a community in my electorate asks me to help them out with a motor car ...

Mr Coulter: No you have got it wrong. I said it will never happen again.

Mr BELL: ... I can say that the Treasurer told me to keep writing in. Write 50, 60 or 70 letters; the more you write the better it is. That is an absurd approach but it is exactly what he said this morning. It is an absurd approach to any aspect of public administration in any regard. The government should return to the policy it had prior to 1981 whereby the courts determined whether or not a forfeiture would occur. We should not have this sort of behind-the-door approach. This is the worst example I have seen. There cannot be a stronger argument for returning that power to the courts. I appreciate that some government members find the matter risible because they represent pocket-handkerchief electorates in suburban Alice Springs or Darwin. However, with the vast distances that have to be covered in my electorate, those vehicles are frequently the only means of transport available.

Mr Coulter: And are driven by people under the influence of alcohol that kill other people.

Mr BELL: I will pick up the Treasurer's interjection. I am not defending people who drive motor cars when they are drunk. About once a month I attend funerals of people who have suffered the consequences of that and I would be the last person to support it. But the first principle is that the punishment must fit the crime. The second principle is that decisions made about those vehicles should be public decisions. That is why we have courts and it is why they are open to the public. It is so that people can be satisfied that they are getting a fair go. These should not be anonymous bureaucratic decisions and they certainly should not be anonymous bureaucratic decisions that are overturned by a minister of the Crown.

Motion agreed to; the Assembly adjourned.

Mr Speaker Vale took the Chair at 10 am.

DISTINGUISHED VISITORS
Miss D. Ross and Dame R. Roe

Mr SPEAKER: Honourable members, I draw your attention to the presence in the Speakers' Gallery of Miss Dorothy Ross, national President of the Country Women's Association, and Dame Rae Roe, a previous national President of the Country Women's Association. On behalf of all honourable members, I extend a warm welcome to them both and hope that their stay in the Territory will be a pleasant one.

Members: Hear, hear!

TABLED PAPER
Subordinate Legislation and Tabled Papers Committee
Second Report

Mr SETTER (Jingili): Mr Speaker, I table the second report of the Subordinate Legislation and Tabled Papers Committee.

DISCUSSION OF MATTER OF PUBLIC IMPORTANCE
Prison Accommodation in Northern Territory

Mr SPEAKER: Honourable members, I have received the following letter from the member for Arnhem.

Dear Mr Speaker,

Pursuant to standing order 94, I propose for discussion as a definite matter of public importance this morning the following matter: the failure of the government to adequately plan for and provide sufficient and appropriate prison accommodation.

Yours sincerely,
Wes Lanhupuy
Member for Arnhem

Is the proposed discussion supported. It is supported.

Mr LANHUPUY (Arnhem): Mr Speaker, last month I had the opportunity to tour the Darwin Prison and to make a visit to Beatrice Hill. Visiting these 2 establishments on the same day highlighted the stark contrast between them. The visit to the Darwin Prison was an unnerving experience. It is a particularly unpleasant place for both inmates and staff. Stress was evident everywhere.

Mr Speaker, the minister answered a question put to him during the last sittings of this Assembly by reading from prepared notes. He assured us that the government had no intention of increasing prison facilities in the Northern Territory. He gave us a dazzling array of statistics demonstrating the state of affairs in our prisons. When I visited Darwin Prison, I did not see statistics. I saw people. I personally witnessed the overcrowding; I did not just read about it. The prison was designed to accommodate 148 persons. When I made my visit, there were 260 prisoners there. According to the Australian Institute of Criminology, the desirable occupancy rate for prisons is 85%. The minister proudly boasts about the crisis in our prisons. Occupancy is 75% over the maximum available accommodation and this does not even give any credence to the desirable occupancy rate.

In 1973, Hawkins and Misner, in their report 'Framework for Change - Second Report on the Criminal Justice System in the Northern Territory', said: 'If one were merely to take the present number of convicted prisoners per 10 000 of population and project that figure for 1980, one would conclude that the new Darwin jail should be able to accommodate approximately 250'. It cannot, therefore, be argued that this crisis, as the minister so blandly calls it, is a surprise. In 1973, Hawkins and Misner were predicting a potential prison population of about 250. In that report, the writers noted that we in the Northern Territory had the highest prison population ratio in Australia. Thus, we cannot say this so-called crisis was not foreseen.

Mr Speaker, for those members who have not been to Darwin Prison, let me describe what I saw that day and share with them my observations. When you put human beings in a restricted and constrained environment where there is no personal space, when you rob them of their dignity and force them into close contact with other people, there will be tension. Put those conditions inside the walls of a prison and you have a critical situation. Ask anyone who knows about prisons and you will be told that overcrowding creates unrest. You have only to look at prisons such as Goulburn, Bathurst and Boggo Road to see what effect overcrowding has on prisons and prison management.

In C block, there are 40 cells. These are allocated so that 36 are for everyday use and 4 are kept for emergencies. C block had 73 inmates. The overflow were being housed in dormitory-style accommodation in space that had been used for recreation. In B block, which is the maximum security block, there were 48 prisoners in a block designed for 20 people. H and G blocks, which are designed to hold 24 people each, housed an extra 10 prisoners. Blocks L and K each had 28 people instead of the acceptable 20 per block. The 33 extra people in C block were sleeping on mattresses on the floor. If prison staff had put beds in the recreation area, they could not have fitted them all in. Those 33 prisoners were sharing 2 toilets. In the maximum security sports room, 18 prisoners share 1 toilet. Open-air areas had to be turned into sleeping areas. Anyone would have preferred to sleep outside with the mosquitoes, sharing 2 porta potties, rather than being crammed into one of the makeshift dormitories inside.

The women's section, which was designed for day release prisoners, had 15 people in accommodation designed for 10. One prisoner in maximum security had been confined in her cell for 3 weeks. Exercise for this woman could be arranged only if all the other prisoners were locked in their cells. There is no exercise yard and, indeed, no maximum security facility in the women's section. They had tried to place her with the male maximum security prisoners but this had been too much of a problem.

The medical centre at the prison has a space for temporary hospitalisation but the designers omitted to include a toilet in their plans. Prisoners requiring hospital treatment or medical attention out of hours have to be taken into the Royal Darwin Hospital. The result of this overcrowding has been to put a strain on other aspects of the running of the jail. There is a need to prepare meals for extra people in a kitchen designed to cater for 150. That involves over 400 extra meals a day.

The recreational facilities have all but disappeared. Other facilities within the precincts will be converted into dormitories and open areas will be roofed in. Prisoners have been unable to tend the garden where they grow vegetables because of the difficulties of supervision. While I was there, the majority of prisoners were inside. The tension was not something that I imagined. I could feel it. There is an old saying that the devil makes work

for idle hands. The devil would have had a field day at Darwin Prison on the day that I was there.

There are acceptable minimum standards for the protection and the rights of prisoners. They include very basic things such as nutrition, adequate food, medical care, acceptable levels of sanitation, ventilation and light and reasonable opportunities for physical exercise and recreation. The 2 features which disturb me most relate to space and care. Prisoners are entitled to not less than 50 square feet of floor space in any confined sleeping area. Occupants of cells are fortunate indeed compared to those who have to sleep in rooms crowded with mattresses. Prisoners are also entitled to protection against any physical or psychological abuse or unnecessary indignity. In such cramped conditions, this protection is impossible. Many of these prisoners are on remand. Hawkins and Misner stated:

Over 1000 years of legal tradition has taught us that the fairest system of law is one that assumes the innocence of a man until he is proven guilty. By placing unconvicted persons in prison pending trial we are, in effect, violating our first principle and punishing the accused before his guilt is established.

The Prisoners (Professional Services) Act states that prisoners not yet sentenced and prisoners on remand shall be kept separate and apart from prisoners under sentence unless the minister otherwise directs. I would not like to have that responsibility at Darwin Prison.

The holding of psychiatrically-disturbed individuals in Darwin Prison is an issue which we have raised very regularly in this Assembly. The prison and its administration are not equipped to cope with these unfortunate individuals. I ask the minister: what correction can be given to the sick but medical attention? Prison is not an appropriate place for the severely mentally-handicapped or ill.

While I was visiting the prison, I saw cells that had been destroyed out of frustration or sheer wilful behaviour. That day someone had been cutting the sleeves of issued T-shirts. There were 2 small workshops where the privileged were engaged in honest labour. There was a marked contrast in terms of productivity in this area, where people were outside using their skills, and the areas behind locked doors.

The prisoners are not the only people living in this charged atmosphere. The prison officers, whose job it is to supervise the institution and the inmates, were noticeably under pressure. It takes a brave man to walk into a small room of 14 sleeping men at 2 am in the morning, and yet it is done at Darwin Prison. 'Waiting to be ambushed,' was the term I heard used to describe that experience. It is inviting trouble to keep prisoners and prison officers in this confined space. The congestion and overriding need for control of the situation is creating stress in the prison officials. This is evidenced by broken marriages, stress-related illnesses, frequent absences and a general air of apprehension. The officers are not jailers, they are custodians. Yet, because of the situation they have to manage, they are having to operate on constant red alert. These people are in an intolerable situation. Every function they perform is burdened by this overcrowding. They have more prisoners to watch over and care for so there are more people to take to hospital, more visits to supervise, more sittings at meals and so the list goes on. The day the court sits is a particular problem. Every available officer is on escort duty. This so depletes resources that prisoners stay locked up, which further builds up resentment and anger. The whole situation is intolerable and it is placing people at risk.

Mr Deputy Speaker, the Beatrice Hill establishment is like another world. There is open space, fresh air, dignity and purpose. It reflects a unique and a refreshing approach. I saw immediately that such an establishment brings with it a measure of self-respect and a chance to accept responsibility. The government will have my support for the extension of this concept to other parts of the Northern Territory. As the minister pointed out, 34% of the prisoners are there because of unpaid fines or estreatment of bail. They average 7 days imprisonment, and 64% of inmates serve less than 3 months.

We know that there is no money in the public purse. The minister even had to abandon his \$6m football stadium project at Marrara. But we also know that projections show that the prison population will continue to increase. Minimum to medium security prisoners constitute the major proportion of the present prison population. Community service orders were a necessity in the current climate, but they are only one of the initiatives we need. Prisoners on remand need a separate facility. They need different management and different rights and status in the system. The government cannot duck this responsibility. Also, we urgently need a special unit to care for the criminally-insane and for mentally-disturbed persons. People who default or who are in prison for civil debt could be subject to weekend detention if an appropriate venue could be found.

The danger in all this is that the statistics indicate that the proportion of long-term prisoners is increasing. The national figure is about 40%. If that trend continues, the resources of Darwin Prison will be taxed to the limit even without having to cope with minor offenders and short-term prisoners.

There is further temptation in this sort of situation to classify prisoners as minimum or medium security simply to relieve the pressure. Prison officials should not be subject to this sort of pressure. The public has the right to expect that appropriate standards and judgments will apply and, as Gilbert and Sullivan said, that the punishment will fit the crime. It is not a light or frivolous matter. People must be managed with proper account for the security of the prison and the security of the public. Make no mistake, Mr Deputy Speaker, we must deal with our shameful prison rate now. It is 4 times higher than the Australian average and is the highest in Australia. If we had heeded the recommendations of earlier reports and acted on them, if there had been proper planning and social study, we could have avoided this so-called crisis or had programs in place to avoid it.

Figures show that 74% of prisoners were unemployed at the time of their offence. I can only presume that, in these times of economic hardship and under the mismanagement of this Country Liberal Party government, unemployment will continue to feed our prisons. We should also note that 45% of prisoners have very limited education. We know that our juvenile crime rate is frightening and I can only assume that we have plenty of young people heading for Berrimah. If the Alice Springs magistrate follows through his threat, we will have even more juveniles in Berrimah to swell its seams and create yet another range of problems for our prison officers.

In 1973, it was recommended that it would better to house prisoners in 2 institutions of 100 or 3 of 65 each, as opposed to 1 large institution. We took no notice in 1973. Now we have to deal with a problem that need not have become a crisis, because it was anticipated. The government has ignored the situation but it will not improve. I urge the government to consider the concern we have brought to public notice in the interests of the people of the Northern Territory.

Mr DALE (Health and Community Services): Mr Speaker, members of the opposition continue to talk about gloom and doom in the prison system of the Northern Territory. One wonders whether they ever think about why we actually have prisons. After listening to opposition members interjecting during question time this morning about the government's support of hotels, one would imagine that they would like the government to build further hotels for inmates of our correctional services system. It is a fact of life that we need to imprison some people. That is accepted, but it does not mean that we have to provide them with facilities that will give the member for Arnhem pleasure when he goes to inspect them.

It is true that a prison is a very gloomy place to visit. Since becoming Minister for Correctional Services over 12 months ago, I have visited prisons in every state of Australia except Tasmania which, incidentally, is the only state where prisons are not overcrowded. Prisons are horrible places and I can assure all honourable members that I was shocked despite the fact that, during 12 years' experience in police forces, I had to deal with some of the characters who inhabit them.

I have considerable statistical data to present, more as a ministerial statement than as a response to another feeble attempt by the opposition to raise a matter of public importance. I do not know why the opposition is trying to chastise the government in this particular area. Mr Speaker, you may recall that I was interrupted during question time when I was trying to answer a question on this subject. The opposition did not want the details. However, so that I do not repeat precisely what I said in question time, I have had some other statistical data drafted. I will run through it so that the opposition can get some idea of what has been done.

At self-government in July 1978, the daily average number of prisoners was 176. Subsequent movements have been as follows: July 1979 - 259, July 1980 - 274, July 1985 - 318 and July 1986 - 401. The monthly average for May in 1987 is 487, so our old mate Blind Freddie can see that there has been an increase in the number of inmates in our prison system over the years. In 1978, the design capacity of the system was 280 beds. The new Berrimah Prison, commissioned in May 1979, was increased by another 40 beds in 1980, a total system capacity of 320 for the Territory. The system capacity was again increased by another 50 beds when Beatrice Hill came on stream in August 1986. For a great deal of the time over the last 8 years, prisoner numbers and bed capacity have been reasonably closely aligned. In fact, for a great percentage of the time there has been surplus capacity. Until July 1985, with our daily occupancy average of 318, we were marginally within the bed capacity of 320.

Numbers started to creep up from August 1985 when there were 353 prisoners. That rose to 385 in November of that year, then sank back to 357 in February 1986, and down to 379 in September 1986. At that time, with Beatrice Hill on stream, our system capacity was rated at 370. In other words, we were in fairly good shape. Between September 1986 and now, numbers have skyrocketed from 379 to a peak of 500 in May 1987. No system can tolerate fluctuations of this magnitude, unless it has costly vacant prison space available on standby, which would be absolutely ludicrous to contemplate.

Overcrowding is endemic Australia-wide. A recent bed survey conducted by the prestigious Institute of Criminology shows the following occupancy rates during the January-March period of 1987: New South Wales - 106%, Victoria - 97%, Queensland - 108%, Western Australia - 94%, South

Australia - 99%, ACT - 111%, Tasmania - 61% and, unfortunately in this case, the Northern Territory leading the way with 127%. The institute confirms that nearly all Australian prison systems are severely overcrowded. The conclusion drawn from the survey is that, apart from Tasmania, all Australian prison systems are currently facing a crisis of serious proportions. The institute says that immediate action is needed to reduce prisoner numbers, either by reducing the duration of sentences or by providing more viable alternatives to imprisonment. However, in the longer term it is clear that more prison accommodation must be provided.

The Correctional Services Ministers' conference was held in Melbourne during May to develop a national strategy on prison overcrowding. That was also the subject of the National Prison Officers' Association meeting in Darwin, just a week or so before the ministers' conference. I will read from the draft strategy which won support at the ministers' meeting:

It is further recommended that ministers endorse the following aspects of such a strategy:

- (A) that in each jurisdiction, a review and rationalisation of sentencing legislation, policies and practices should promote diversion from imprisonment and should reduce the maximum and average sentence lengths of imprisonment;
- (B) that such a review and rationalisation should ensure remand in custody is ordered only where total deprivation of liberty is required;
- (C) (i) that optimum imprisonment limits and community correction usage rates should be set and regularly reviewed, and that these limits should be comparable with other countries with similar crime rates; and
 - (ii) that where these optimum usage rates are reached, specific decisions, based in legislation, should be taken to bring the population back to a manageable level;
- (D) (i) that a range of effective and credible community correction programs for the more serious offender be developed and operate in all jurisdictions; and
 - (ii) that a comprehensive integrated court advice function be developed in each jurisdiction which provides information on the total range of appropriate dispositions;
- (E) (i) that services and facilities for the substance abuser and the mentally impaired should be provided outside the community based corrections system, and the responsibility of community-based correction for such offenders should solely be to supervise the conformity of the offenders to the orders imposed on them, and to liaise with the community bodies responsible for services to such offenders;
 - (ii) that incarceration of intellectually-disabled and or substance-abusing offenders should only be for such period as is justified by their offences, and that the problems of intellectual disability and or substance abuse should be dealt with primarily by the the appropriate agencies;

- (F) that education and publicity are critical determinants of sentencing practices, and an effective national public relations and community awareness campaign should be developed and introduced to inform both the judiciary and the wider community on diversionary programs and the appropriate use of imprisonment;
- (G) that a national data base should be established which will enable the monitoring of court dispositions and the analysis of such data across jurisdictions.

It is further recommended that correctional ministers consult with other ministers involved in the criminal justice system regarding this national strategy in order to achieve acceptance by all areas.

It is the professional judgment of correctional administrators that there is likely to be a 50% increase in the national prison population over the next 10 years. Based on 1986 costs, it is estimated that this will result in at least \$75m capital expenditure and a subsequent increase of at least \$300m in recurrent costs.

I want now to talk about the alternatives to imprisonment. This is something on which I cannot educate members of the opposition; they want to build some contingent liabilities for the Northern Territory. We have the most progressive program of alternatives to actual imprisonment possible. We have a fine-default program which enables prisoners to be released to carry out community work which pays off their fines at the rate of \$100 per day. We have a system which enables fine defaulters who cannot pay their fines to do the same thing, instead of going to prison. We have a home detention program which, when legislatively strengthened, will help significantly. Currently, there are over 1000 adult offenders on conditional liberty programs: 564 are on probation, 140 are on parole and 311 are on some type of community service program.

There has been a dramatic increase in the use of alternatives to imprisonment. Over the last 2 years, there has been an 80% increase in the use of community service orders. Whichever way we care to look at the problem we find that, in every 85 people - men, women and children - in the Northern Territory, 1 is currently under some form of correctional program. We cannot afford to go on building new conventional prisons. It is lunacy to contemplate building conventional jails, which cost between \$100 000 and \$150 000 per prisoner in capital costs plus crippling manning costs. Our rural venues are low-cost, hard-labour work locations in the bush. They rehabilitate the country and develop our conservation parks. Prisoners learn the value of work and the disadvantages of breaking the law. They do their time in a way that is humane whilst actively discouraging a repeat dose.

Consultations are occurring with staff associations, although I am disappointed that there seems to be reluctance on the part of some union officials to accept the rural prisoner work concept. I dare say that is why the barrow is being pushed by the opposition. Some support seems to be emerging for the strategy of building more bricks and mortar facilities. The Prison Officers' Association has expressed the view that the only long-term answer to prison overcrowding is bricks and mortar. They do not see rural venues as a realistic option as far as their members are concerned. However, I will be meeting with them at 2 pm on 15 June to discuss the issue. I hope to be able to persuade them that rural ventures are the answer and to remind them that they were very supportive of them not so very long ago.

I want to touch on the Apsey Report because a lot of people have been quoting its recommendations and because the member for Arnhem has accused me and this Northern Territory government of not taking any notice of them. In 1984, the government commissioned an independent report into the correctional system. This was known as the Apsey Report. It was completed in December 1984 and contained 215 recommendations. Even with the best possible information data on prison numbers, it indicated that, for 1990, we should plan for 330 beds in our prison system. I will repeat that. The Apsey Report recommended that we should plan for 330 beds in our prison system by 1990. For the year 2000, it stated that we should plan for 420 beds. Without disparaging the report in any way, the fact that we had a demand for 500 beds on 16 May this year shows how difficult, if not impossible, it is to design a system that will cater for the needs.

From talking to ministers in the states, I know that the Northern Territory government is definitely leading the way in its approach to correctional services. We will not build hotel-type facilities which will cost \$150 000 per cell unit and \$92 per day per inmate, just so that the member for Arnhem can feel that they are aesthetically pleasing and comfortable when he goes to inspect them.

It is certainly true that there are some people who should be in maximum security institutions. There is no denying that. However, we must take cognisance of the fact that a very large percentage of people imprisoned are there for a very short time and are imprisoned for very minor offences including fine default and estreatment of bail. The Northern Territory government has taken a very realistic approach in these instances and has implemented the community care programs, community service orders and our Beatrice Hill rehabilitation project. We have further rural ventures in mind for juveniles. Our wilderness camp is working very well indeed and is an innovation in Australia. Our home detention program is a first in Australia and I hope to present legislation in respect of it at the August sittings.

It must be remembered that 70% of inmates in Northern Territory institutions are Aborigines. That has been of major concern to us now for quite some time. The costs in the correctional services area are very interesting to note in the context of the relative costs of provision of services to Aboriginal people in the Territory. The revised correctional services budget for 1986-87 was \$17.4m. Of that amount, it is estimated that \$14.05m was spent in providing correctional services to Aborigines. That works out at \$396.33 per head. That leaves \$3.35m being spent on the non-Aboriginal population in our present system. If the \$14.05m is cut back to \$3.35m, the per capita figure, as against \$396, is \$29. This is one of the significant factors that this government must consider when planning institutions and correctional services programs throughout the Northern Territory.

Of course, we have been looking to our Aboriginal communities. Correctional officers are trying to liaise with the communities and we have a number of plans in place. For the opposition to put forward, as a matter of public importance, the failure of the Northern Territory government to adequately plan for and provide sufficient and appropriate prison accommodation, is nothing short of ludicrous. If only opposition members would put their minds to talking to their leaders in Canberra about the funding of the Northern Territory and, in particular, the noticeable withdrawal of the federal government from its responsibilities in looking after Aboriginal communities, perhaps we could address the basic issue here, which is how to keep people out of prison and out of the court system.

Mr Speaker, you heard me challenge the members of the opposition, who are largely responsible for servicing the rural and, therefore, Aboriginal communities in the Northern Territory. Not one of them has raised a finger towards going to those communities and trying to put in place, or assisting me to put in place, various preventative measures.

As the Chief Minister has already stated here today, the federal government has been cutting back funding to the Northern Territory for some years now, applauded by our opposition members. They agree that we have been overspending in the Northern Territory. I would suggest that we have overspent in the area of correctional services to the tune of \$17.4m in 1986-87 and of that figure, which was supplied by the Grants Commission, \$14.05 was spent on Aboriginal people within the system.

Mr Speaker, once again I challenge members of the opposition to get out into their electorates and to come and get a briefing from my department. I am only too happy to give any member of the opposition a full and comprehensive briefing on what our plans are for the future in the area of correctional services. Perhaps, then, the member for Arafura could get out amongst people in his electorate and advise them on how they can assist in various programs.

This is yet another frivolous matter of so-called public importance raised by the opposition and it does nothing to enhance its standing in the community and certainly not in the rural areas of the Northern Territory.

Mr SMITH (Opposition Leader): Mr Speaker, the first 2 or 3 minutes of every government reply in a discussion of a matter of public importance are spent saying the opposition never raises matters of genuine public importance. According to the government, the issues we raise are always issues that the general public is not interested in. I thought that the minister shot himself in the foot rather successfully. In fact, he probably shot himself in both feet in the opening 5 to 6 minutes of his speech when he quoted, with some alacrity, a comment from the Australian Institute of Criminology, which said that the Australian penal system was facing a crisis of serious proportions. He went on to say that the Northern Territory was included in that crisis and then admitted that, on prison population figures, we have the worst situation of all. The bed-occupancy rate in our prisons is 127%. According to the Australian Institute of Criminology's figures, accepted by the minister responsible for correctional services, we have 27% more people in our prisons than we can successfully and properly accommodate.

Mr Dale: I did not say that. I did not say that at all.

Mr SMITH: Mr Speaker, the minister himself quotes the national body which he approves of, and which we approve of, as showing that we have the worst situation in Australia. If that is not a legitimate basis for raising it as a genuine matter of public importance for the Northern Territory, I do not know what is. When that follows a personal inspection of the prison at Berrimah by the shadow minister, the member for Arnhem, as a result of which he is quite clearly able to reveal the extent and the seriousness of overcrowding at that facility, whether the minister likes it or not, we have an extremely serious problem in the Northern Territory prison system.

Mr Dale: You have heard me say that before.

Mr SMITH: It is not a problem that is restricted to prisoners, and some people may well say that prisoners do not have basic rights. The minister

responsible for correctional services indicated at one stage that prisoners cannot expect to live in hotels, and we would agree with that. But the problem is not experienced only by prisoners. It goes right through the prison system and has a particularly severe effect on staff working within the system. If the minister does not have any regard for the prisoners under his control, he ought to have regard for the staff under his control, because there are some very serious problems amongst staff at Darwin Prison and, to a lesser extent, at the Beatrice Hill facility. Those problems result directly from the stress that those officers are forced to operate under due to the current conditions at Darwin Prison.

I will go over some of the figures that the shadow minister put forward and which the minister did not even attempt to contradict. In C block, there are 40 cells and 73 inmates. In B block, maximum security, there are 40 prisoners where there is room for 20. There are 48 maximum security prisoners in that block. No wonder those prison officers are suffering stress. One story that I remember from the shadow minister's visit to the jail is a prisoner officer telling him of prison officers' fears of having to make 2-hourly inspections in the middle of the night on their own and having to walk into a cell of 22 people which is designed for about 10. They have to do it because it is part of the security arrangements. Mr Speaker, how would you feel if you were a prison officer and had to undertake that task in the middle of the night on your own? There are 22 people there - mattress to mattress. That is a recipe for disaster and it is the reason why we have raised this discussion today. If that situation is not improved quickly, we will have a major conflagration in our prison system.

Mr Dale: Would you stop talking about fires in prisons, Terry? That is irresponsible. It is a Tullgren line.

Mr SMITH: If you talked to the people for whom you are supposedly responsible, if you had a look at your prisons, if you went out and talked to your people who have to manage ...

Mr Dale: I bet I have been there a few more times than you have.

Mr SMITH: ... you would get a similar view.

Let me go back to what this matter of public importance is about: 'The failure of the government to adequately plan for and provide sufficient and appropriate prison accommodation'.

Mr Dale: What is appropriate, Terry?

Mr SMITH: Mr Speaker, that is the problem.

Mr Dale: The Sheraton? Tell us what you want?

Mr SMITH: Mr Speaker, this man has an amazing ability to put his foot in it. He has now shot himself in the kneecaps. He is asking me what is appropriate. The very reason we brought on this debate is because he does not know what is appropriate and because the government has done nothing during the last 4 or 5 years when it could have been working to ensure that the problem did not exist today. The debate continues because the government is still asking the basic question that it should have asked a number of years ago.

Mr Dale: What would you do?

Mr SMITH: We should not be asking the questions now. We should be fixing the problems. All that the minister can tell us today is that he is addressing the problems and that he intends to talk to the prison officers about the problems next week.

Mr Dale: You do not want me to talk to them?

Mr SMITH: In your situation, yes. The real position is that talk about the problems should have been completed some time ago ...

Mr Dale: All you have done is talk about fires out there.

Mr SMITH: ... and action towards resolving the problems should have started some time ago. Because the minister has been put under pressure by both the unions involved and the opposition in this Assembly, he is somewhat belatedly starting to address the problems that he has out at Darwin Prison and, to a lesser extent, at Beatrice Hill and to a considerable extent at Alice Springs. Too often, we forget the problems at Alice Springs which are as severe as those at Darwin Prison.

The out that the minister uses is that basically we have this problem because we have a very high Aboriginal component in our prison system. I accept that we do have a very high Aboriginal component in our prison system, but it is equally true that we have a much higher per capita white component in our prison system than other states of Australia. The point is that, overall, the imprisonment rate in the Northern Territory is 4 times the Australian average. That is not news to anyone except, apparently, the minister. It was recognised in 1973 by the Hawkins Inquiry, which said that the government of the day needed to start planning for a prison population of 250 by 1980. Nothing happened and that is the problem. It is time that things did start to happen to clear up the problems.

Mr Dale: I am dying to hear some alternatives.

Mr SMITH: I am about to come to the alternatives because the minister obviously is incapable of doing anything more than talk about alternatives. I must say that I congratulate the government for some of the steps it has taken. I think its extension of community service orders and its attempts to keep fine defaulters out of jail where possible are positive steps. I am pleased that the figures indicate that over 1000 people in that category are now serving sentences outside the institutional system. However, that does not solve the serious problem of overcrowding in our jails. In fact, it was only when the present system was overflowing that we discovered community service orders.

Mr Dale: Rubbish!

Mr SMITH: The minister announced that innovation in January of this year.

Mr Dale: I am sorry. I announced it at the Ministerial Council in April last year and your mates in South Australia have used it since.

Mr SMITH: You have had your go.

We have seen the principle of home detention introduced in recent times. Wildlife camps and Beatrice Hill have been heralded as reforms, but what really is happening is damage control. We hear again and again about the cost of the penal system. We also hear from the minister of substantial renovation

to the system aimed at keeping people out of prison. That is laudable if it is being done for the right reasons and not in desperation to relieve the stress at Darwin Prison.

Quite clearly, the system needs rearrangement. We need to allocate resources on a proper basis. This government has underspent on correctional services in successive years.

Mr Coulter: Can you name them?

Mr SMITH: In 1984-85, according to the Grants Commission figures, we underspent by \$1.78m. To exacerbate this, we overspent in administration of justice by \$1.32m. That is \$3m that could have been applied for proper solutions with good management.

Mr Coulter: On what basis were those figures arrived at?

Mr SMITH: That is a typical question from the Treasurer. He has no understanding of the financial arrangements of the Northern Territory. He does not understand why the negative special grant was imposed on us by the Commonwealth.

Mr Dale: No, but you do, and you applaud it.

Mr SMITH: I do not support it but I certainly understand why it was imposed. Quite clearly, the reason is bad economic management by this government in 1983-84 and 1984-85. Unfortunately, we are paying the price for the inability of this government in those years to manage the affairs of the Northern Territory properly. The previous Treasurer has some basic understanding of how the economy operates in the Northern Territory and I am sure he would agree with me.

The point is that the Grants Commission recognised that we underspent quite significantly on the administration of the penal system in 1983-84 and 1984-85. That money has gone. It is money that could have been spent, for example, on building a remand centre. I would submit that a remand centre should be a high priority. It is a disgraceful situation when our remand prisoners cannot be separated from other prisoners. If we had been able to establish a remand centre, it would have gone a long way to relieving the stress on the prison officers who are manning our prison system under very difficult conditions.

What we have is a management problem. This government is unable to determine its priorities in respect of correctional services and to ensure that those priorities are implemented. We have a very real crisis in the Northern Territory. It has arisen because of this government's inability to look beyond its nose and plan for its prison needs. If something is not done very quickly, we will have a major problem at the Darwin Prison.

The matter under discussion is the failure of this government to adequately plan for and provide sufficient and appropriate prison accommodation.

Mr Dale: What is appropriate prison accommodation?

Mr SMITH: Mr Speaker, that is for the minister's government to determine.

Mr Dale: Well, sit down and let us get on with it.

Mr SMITH: The point of this exercise is that it should have been determined a number of years ago. Had that occurred, we would not now be placing the lives of prisoners and prison officers at risk. This is happening because of the government's incompetence and its failure to plan adequately for prison needs in the rest of this century.

Mr SETTER (Jingili): Mr Speaker, today we have seen the opposition raise another matter of public importance. We have seen many of these in the last couple of parliaments. Apart from the day last week when there was a censure motion, we have had a frivolous MPI almost every day. Today's MPI is no different from the others.

About 4 or 5 weeks ago, the member for Arnhem visited the Berrimah and Beatrice Hill prisons. I stand to be corrected on the exact number of weeks. Yet we find that only today has he raised this matter of public importance. He was aware weeks ago of his concerns about the prison system. Why did he not raise them last week? He has left it all this time. That is probably because today was the day the opposition told him to slot it into its system. As far as he is concerned, it is not a matter of real public importance at all. He is just doing what he has been told to do.

We heard the Leader of the Opposition in his usual form. All he did during his 20-minute speech was knock, knock, knock. I cannot recall one recommendation. The matter of public importance refers to the failure of the government to adequately plan for and provide sufficient and appropriate prison accommodation. However, the opposition makes no recommendations I would like to hear what the Leader of the Opposition believes should be done.

Mr Smith: I told you.

Mr SETTER: He said that the government had undertaken some positive initiatives in this area and I was very pleased to hear that. He also made comment on the per capita rate of white imprisonment in our system compared to other states. What he said may well be true, but I am sure there are very good reasons for it and I want to outline some of them.

First of all, we have a very young community. I think it would be true to say that, in young communities, the crime rate would be higher than in more stable, older communities. Generally speaking, it is not older people who offend; it is younger people. We also have a transient population. Many offenders are people who are here only for a short time seeking work. We also have people who are escaping from problems down south. Where do they want to go? To the farthest place in Australia - to the Northern Territory. We have many people coming here who perhaps have criminal records or a history of social problems. Because of our highly transient population, we have quite a number of social problems in our urban areas. Associated with all this is our excessively high rate of alcohol consumption. Taking all these factors together accounts for a higher percentage of white imprisonment per capita in the Northern Territory than in the states.

The government is fully aware of the pressure on the prison system. Over the past several years, it has been developing policies designed to cope with this situation. Indeed, in a previous question time, the minister covered this issue in detail and he referred to that this morning. I ask the Leader of the Opposition what he is suggesting. Is it that we should build more prisons? If so, let him say so. I refer him to the Labor Party policy on this matter:

The Australian Labor Party in the Northern Territory believes that the essence of the punishment by imprisonment is the deprivation of personal liberty and that this should not carry with it any of the indignities which appear to have become accepted as inherent in the prison system. The Australian Labor Party in the Northern Territory sees imprisonment as a last resort and intends to implement programs which will provide alternatives to imprisonment.

Mr Speaker, we did not hear any suggestions from the Leader of the Opposition today with regard to how his party would cope with the situation. All we heard was knock, knock, knock. It goes on and on.

Building new prisons is not the best option. That is widely realised and it is recognised by this government. We are facing funding cuts in all portfolio areas. Everybody is aware of the agonies that this government is presently going through in attempting to address the problem of the \$104m cut foisted on us at the Premiers Conference several weeks ago. Nobody is trying to hide the fact that some very sour medicine will be needed, and we will all learn about that in a couple of days. It is not going to be easy, but the problem is not of our making. This \$104m cut comes on top of a \$70m plus reduction in funding last year, another \$70m plus reduction the year before and the reduction of the NTEC subsidy. The list goes on and on. It is a result of the continual carping and knocking by the Leader of the Opposition and his Canberra clones who have been saying for the last several years that the Northern Territory has been overfunded. His mates in Canberra have taken his advice and the Northern Territory and its citizens are now suffering from the carping remarks that we have all had to put up with. Everybody will suffer.

Mr Speaker, of course the programs that have been introduced by the Northern Territory government have been limited by the availability of funds. But let us have a look at some of those. First of all, it is recognised that detention in a formal prison environment is not necessarily the best way to go. It is certainly the highest cost option. The cost of incarcerating people in our prison system is something like \$90 a day. I forget the exact figure the minister mentioned earlier on, but our prisons are holding 300 to 400 people at \$90 a day each. If the Leader of the Opposition is suggesting that we increase our prison accommodation, and I gather that that was what he was implying, just think of the capital costs involved over and above the ongoing cost of accommodating those people. Then think about the cost of the families of those people who are in prison. The families will immediately go onto the welfare system, Mr Speaker. There have to be better options. Whilst I would be the first to accept that some people must be imprisoned, we need to minimise those numbers by developing programs to accommodate those people who, whilst they have offended, need not necessarily serve their penalty in prison. I believe there are better options.

The government's policy is to provide for essential prison accommodation, as I mentioned a moment ago, whilst maintaining community security through other options. Let us have a look at some of the programs that have already been introduced. For a start, we have introduced the system of community service orders and, in this city alone, 40 or 50 people are working out community service orders at this very moment. That system has been working very effectively. In fact, I believe it was an initiative of the previous Minister for Correctional Services. I applaud his work in that area.

We are also looking at the system of home detention. It is an innovative initiative and a great deal of work is being done on it. I understand that

the prison farm system is a much better option than putting people into institutions like Alice Springs Prison and Darwin Prison. I believe that the Northern Territory leads the way in this matter and that other states have been following. The current minister should also be complimented for his work in the last year or so at the various ministerial conferences held to discuss this matter.

Let us have a look at other initiatives. There is the Beatrice Hill Prison Farm. The Wildman River Wilderness Camp is now operating very successfully in spite of the union opposition we experienced 12 months ago when we were trying to get it up and running. Young offenders have been made to work, in an outdoor environment, at constructive activities, particularly those related to tourism. That is a very good program because what we should be doing is to provide these young people with skills that will serve them in good stead when they return to society.

Our system is quite unique because of its composition. The minister mentioned this morning that about 70% of our prisoners were Aboriginal. That is a separate issue in itself and there have been several inquiries into this matter. A number of soft crimes occur in the community and the result is that our prison system is being clogged with people who commit these so-called soft crimes - for example, fine defaulters, drink drivers and so on. There has to be a better option for those people. Certainly, people who commit capital crimes must be incarcerated in prisons but we are developing programs to address those issues.

I have also visited Darwin and Alice Springs Prisons and I am well aware that both of those institutions are very well run indeed. In fact, when I visited them I did not see any of the problems that the member for Arnhem complained about this morning, none at all. I have only praise and admiration for the way prison officers carry out their duties there.

Mr Smith: So have we.

Mr SETTER: Let us have a look at our institutions. At Berrimah, the cells do not close until 11 pm. I do not believe that that happens anywhere else in Australia. Certainly, the facilities provided there would have to be amongst the best in Australia. I understand that the bed capacity of 370 is based on an ideal of 1 bed per cell. As far as I am aware, that does not happen in any other place in Australia. Through its Department of Correctional Services, the Northern Territory government has been extremely innovative and worked very hard to address the issues that are causing concern within the community and within the prison system. It is a very complex and difficult situation, but I can assure the Assembly that we will not be deterred from our aim of providing the best system available under the circumstances.

SUSPENSION OF STANDING ORDERS

Mr COULTER (Treasurer): Mr Speaker, I move that so much of standing orders be suspended as would prevent the Supply Bill 1987-88 (Serial 29) passing through all stages at these sittings.

Motion agreed to.

SUPPLY BILL
(Serial 29)

Continued from 4 June 1987.

Mr SMITH (Opposition Leader): Mr Speaker, as we all know, the Supply Bill is a procedural bill which is designed to provide money for the government during the first few months of the next financial year. Normally the opposition supports this bill without comment. Although we will be supporting its passage, on this occasion we cannot refrain from making comment. As we all know, this Supply Bill is delivered at a time when, over the next 12 months, the Northern Territory will face a very difficult period indeed. If I might be so bold as to say so, if by some mischance the federal Liberal Party becomes the next government of Australia, these hard times will be even harder.

For evidence of that we need go no further than what the Leader of the Liberal Party, John Howard, said last night when he finally gave a more detailed explanation of what a Howard government's spending plans would be. He made a very clear statement that one of his high priorities would be to slash the amount of Commonwealth money given to the states even further than was done by the present federal government in its May budget and Premiers Conference statements. He also went on to say that he expects to make substantial savings in the Commonwealth's own expenditure and, of course, if his tax cuts are to work - and we will hear more about those tax cuts tomorrow - he has to slash the Commonwealth budget significantly as well. So, we are faced with a double whammy from a Howard Liberal government if, by some accident, it attains office. Such a double whammy has to be a matter of concern to all Territory people because it is quite clear that the Howard programs, as they would apply to the Northern Territory, would decimate the Northern Territory and its economy.

It was quite clear from John Howard's remarks last night that even less money would be given to us both for capital and current expenditures than we will get this year under the federal Labor government, and that has to be a matter of great concern. At some time during the course of this campaign, I would like to see a commitment from the Liberals that they will build the Darwin Airport terminal and the Alice Springs Airport terminal. I will bet you \$10 now, Mr Speaker, that we do not get that commitment. The whole tenor of remarks made by Liberal and National Party spokesmen is that, if they are elected to government, they will cut back as severely as possible. In the words of Ian Cameron, who is a prominent National Party member, they will 'cut until the pips squeak'. That is the prospect that we are looking at if a Liberal or a National Party government is elected. If the situation is bad now, it will be much, much worse in that eventuality.

The other basic point that I want to make in this debate is that, even without federal government cutbacks - and I accept that there have been significant federal government cutbacks which will make life difficult in the Northern Territory - this government faces its own severe budgetary problems. For evidence of that, all you need do is look at the path of government expenditure over the last 2 or 3 years. Unfortunately, I must now bore this Assembly with some figures. This is an economic argument and the only way to support it is with facts and figures.

For the 9 months to 31 March in this financial year, the government projected it would raise \$192m. In fact, it raised \$125m. In other words, it had a shortfall of \$67m from its own revenue sources. I accept that the

figures that the government provides are on a 12-month basis and there may be some variation over the 9-month period. However, I cannot accept that over a 9-month period we can fall \$67m short. There is a severe problem in our own projections and that is shown by the fact that, in the 9 months to 31 March this year, we raised exactly \$1m more of our own revenue than in the same period last year. At a time when our budget projections were for a substantial increase in revenue-raising, we raised only \$1m more than in the same period in 1985-86. That is a pretty simple figure and it demonstrates that what the opposition and the press told the government when it delivered its budget was correct: its revenue estimates were rubbery in the extreme.

Mr Speaker, let me draw attention to another figure. In the 9 months to 31 January 1987, government expenditure increased by \$125m; that is, the expenditure in the first 9 months, to 31 March 1987, was \$125m more than the expenditure in the first 9 months of the previous financial year, to 31 March 1986. Total revenue - that is, Territory revenue plus Commonwealth revenue - increased by only \$39m. Again, we had a significant difference between the amount of money we spent and the amount of money we raised. We spent \$125m extra and we raised \$39m extra. I want to go back a step to make that point very clear. When I talk about only \$1m extra over those 2 financial years, that refers to the Territory's own revenue-raising sources. When I talk about the \$39m increase in revenue, I mean the total revenue from both Territory and Commonwealth sources. Quite clearly, in those 2 nine-month periods, we spent \$70m more than we raised.

It is clear that the Northern Territory has been living beyond its means. It is equally clear that we have had to raid the piggy bank to pay for it. I accept the point that we will get a series of figures at the end of the 12-month period which will show that the Consolidated Fund has balanced. But what those figures will also show is that the Consolidated Fund has only been balanced by raiding the piggy bank. The piggy bank, of course, is our current account, the money that we have had set aside in cash balances and other accounts outside the Consolidated Fund.

The last page of the quarterly accounts contains what is probably the most interesting of all the figures and that is the statement of the public balances. I want to compare the statement of the public balances on 31 March 1985 with those of 31 March 1986, and 31 March 1987. Members will see that there has been a serious rundown in the amount of money that this government holds. The only way that we will be able to balance our budget is by the exhaustion of our cash reserves.

Before I go on to those figures, I want to make the point that you can do that once. You can spend your cash reserves to balance your budget once but, certainly, you cannot do it the next financial year because there are no cash reserves left. That is the situation that we are faced with and that is the reason why this government will find it so difficult to find the money to balance its budget in 1987-88.

Let us look at the Consolidated Fund, which is the operating account of the government. On 31 March 1985 it had \$37m in it. In other words, we showed a \$37m profit three-quarters of the way through the year. On 31 March 1986, we showed a \$57m profit three-quarters of the way through the year. In other words, our revenue was \$57m more than our expenditure. As we all know, on 31 March 1987 we had a deficit of \$22m. In simple language that means we spent more than we earned in those 9 months.

Now let us turn to our trust funds, which contain money put aside in separate accounts for various specific purposes such as operational funds for NTEC and direct Commonwealth assistance for specific programs. The summary of the current accounts - in other words the trust funds - stood at \$115m on 31 March 1985. On 31 March 1986, it was still healthy at \$97m but, on 31 March 1987, our current accounts - our trust funds - are in deficit to the tune of \$3.9m.

Mr Coulter: Rise and fall.

Mr SMITH: Rise and fall, the Treasurer says.

Mr Coulter: You know that it can be up or down over any 12-month period.

Mr SMITH: The problem is that it has not gone up. It has just gone down on a one-way trip into what seems to be a bottomless abyss.

Let us now turn to the most important figure of them all, the total of the public balances. That figure is arrived at by working out what is in the Consolidated Fund and what is in the trust funds and taking it from there. That figure tells exactly how much money the Territory has at the end of a quarter. On 31 March 1985, it was \$117m. On 31 March 1986, it was \$144. On 31 March 1987, it was \$65m.

Mr Coulter: Minus \$25m.

Mr SMITH: The Treasurer does not even know his own accounts. 'Minus 25m', he says. It is bad enough without him making the situation worse.

Mr Coulter: \$87m, was it?

Mr SMITH: It was \$65m. The worrying thing is that between 31 March 1986 and 31 March 1987 we have shed \$77m from our total public balance. That is how the government has been able to put out the fiction that we are going to balance the budget at the end of this financial year.

Mr Coulter: Are you saying we are not going to balance it now?

Mr SMITH: You are going to be able to balance the Consolidated Fund; I do not disagree with that. But that will be effected at the expense of our total public balances. We are going to balance the Consolidated Fund by exhausting the amount of money that we have set aside for a rainy day.

Mr Palmer: Might it not be raining now?

Mr SMITH: Of course it is raining now, but we are not in a position to put up the umbrella. The umbrella has been sold off and the money has been squandered in the first 9 months of this financial year because of this government's inability to put up a set of figures in the August budget which adequately reflected its capacity to raise its own revenue. There is no umbrella to put up and the gumboots are pretty leaky as well. That is the real problem.

We do not deny that we have been cut by the federal government. However, the problem has been exacerbated by the financial stupidity of the people opposite and we are not in a position to cope with that in a sensible economic manner, as state governments throughout the rest of Australia will be able to.

We have exhausted all our cash balances in making sure that this year's budget balances. We do not have those funds any more. I do not think the member for Barkly was too far off the mark when he said that we will have to pick up close to \$200m in the next financial year.

That poses some very difficult choices to this government in terms of its financial statement on Friday. It has 2 broad choices. It can increase taxes and charges and it can cut back the services it offers to the public. Concurrently, it can cut back the conditions of its employees, its public servants. There are dangers in both strategies. In the taxes and charges area, the danger is represented by taxes that will fuel inflation. I must say that I am horrified by the prospect that this government may well introduce a petrol tax in its financial statement on Thursday. I have not yet had the opportunity to dig out statements from government members on the horrible effects of petrol taxes.

Mr Perron: The horrible effects we are feeling come from the federal government.

Mr SMITH: The Minister for Industries and Development has been well to the fore in months and years past in commenting on the dreadful effects of a fuel tax on the Northern Territory economy and how it would fuel inflation. That was because, to give him his due, he knew what he was talking about when he was Treasurer, unlike the present incumbent of that office.

Mr Perron: We had federal governments who were committed to stand by their word.

Mr SMITH: I am sure that when I drag those comments out and run them in the debate that will follow the Treasurer's financial statement, the member for Fannie Bay will have the grace to blush, because the comments he made in the past were correct. Particularly in remote and widely scattered communities like those in the Northern Territory, this is an iniquitous tax. There is no more efficient way of fuelling the inflation cycle than by the introduction of a petrol tax. The effect of a petrol tax is that people not only pay it at the bowser but also when it is added on - as it quite legitimately should be - to the cost of goods supplied by manufacturers, retailers and wholesalers in the Northern Territory. There is no more efficient way of contributing to the inflationary spiral in Australia than by introducing a petrol tax and that is what this Northern Territory government is about to do. It is in marked contrast to what Paul Keating and the federal government are about to do, which is to deregulate the industry. If one can believe the press reports, that will lead to a reduction in the price of petrol in Australia by at least 2¢. If that is the case, once more we may have a situation where the Northern Territory government has been saved from its own excesses through the benevolence of the federal government.

Mr Coulter: Even you wouldn't believe that.

Mr SMITH: I do tend to believe John Howard though, when he says he will cut grants to the states. What he said originally, towards the end of last year, was that funding to the states and the Territory would not increase in real terms in the first 3 years of the Howard government. Of course, that is not tough enough now for tough John. He is looking now at cutting dramatically the amount of money that the states and the Territory will get and the Commonwealth's programs. As I have said, that would be a double whammy for the Northern Territory because not only will we have less of our own discretionary income to spend, we will also have a dramatic reduction in

the amount of Commonwealth moneys spent in the Northern Territory through specific purpose payments and others. That is what we have to look forward to. I must admit that the only cheerful comment that I can make on this is that it is very unlikely that a Howard government will be elected.

Mr Coulter: Stick around.

Mr SMITH: If we do stick around for a few weeks and John Howard gets in, there will not be too many people sticking around in the Territory. You will see a mass exodus such as you have never seen in all your life.

The other problem with the imposition of extra taxes and charges in this economic climate is that the ability of people to pay additional taxes and charges has already been strained to the limit by the irresponsible government opposite. In the last 12 months, we have had extremely significant increases in electricity, water and sewerage charges. We will all be pleased to know that the temporary freeze imposed on electricity charges is due to end this month and, no doubt, we will see electricity charges continue to go through the roof early in the new financial year.

Of course, the prospect that taxes and charges which are already high will increase quite dramatically in the next financial year will pose a real quandary for people who want to live in the Northern Territory but find it very difficult to afford to do so. We have to accept the fact that the Northern Territory is a high-cost area to live in. Even without taxes and charges, it is expensive to live in the Northern Territory. The fact is that the Northern Territory government sees the ordinary consumer as the milking cow to cover for its excesses in providing funds for the Sheraton Hotels in Darwin and Alice Springs and at Yulara and in contributing, without any thought whatsoever, over \$1m to Hungerford Refrigeration. Those are just a few examples. It is no wonder that consumers in the Northern Territory are starting to think about voting with their feet and leaving.

Mr Perron: You are the one driving them out, pal.

Mr Coulter: Remember back a couple of months. We just had that voting, remember.

Mr SMITH: Yes, that is right. Before the election we said that there would be a mini budget before the end of June and, with his normal pre-election candour, the Treasurer said 'no way'. Now it is only the first week in June and we are to have a mini budget at the end of this week.

Mr Coulter: We did not know what your mob was going to do.

Mr SMITH: Mr Speaker, the second major area of concern, when looking at reducing government expenditure or increasing taxes, is the effect reducing government expenditure will have on the operations of government. I am concerned about the obvious election propaganda the Treasurer spouted in relation to potential cuts in public service terms and conditions. I am particularly concerned because that would be a means of last resort to any sensible person. If you are going to interfere with the terms and conditions of your own employees, it has to be because you have exhausted all other possible avenues of saving money. I do not deny that we are in a position where we do have to save money. I have outlined some of the reasons why we have to do that and most of them can be sheeted home to this government's inability last August to plan its own budget for the 1986-87 financial year.

I want to make one brief point. I will be brief because we have listed this matter for debate in tomorrow's general business day. This has been a most unusual sittings because members on this side of the Assembly have been on their feet more often than members of the government which is supposed to be running the Northern Territory. The absence of government action in the 4 days of sittings to date has been quite remarkable. We have not yet had one notice of a bill to be introduced. We have had no ministerial statements. It is almost as if the government has decided that it is all too hard and is about to go home. The only 2 exceptions will be on Thursday when we will be given 2 doses of bad news: one will be the economic statement and the other will relate to the Cole Report into the power situation.

In terms of the point I will make now and follow through in more detail in tomorrow's debate, it is possible to cut existing operations in a number of areas within the public service. That is unfortunately something that this government does not have the will or the foresight to do.

Mr Hanrahan: What are they?

Mr SMITH: I am not going to spell them out today. We will spell them out tomorrow.

I just want to make the general point here that the present morale problems in the Northern Territory public service will worsen if the government's financial statement hops into public service terms and conditions without having thoroughly pruned the excesses which exist in the service - and there are such excesses.

Mr Coulter: Where?

Mr SMITH: I will tell you tomorrow. You should have thought of them yourselves, but obviously you have not.

Let there be no doubt that there is a very serious morale problem in the Northern Territory Public Service at present. Mr Speaker, it is the worst morale problem that I have seen in all the time I have been connected with the public service in the Northern Territory.

Mr Perron: It is the worst financial problem we have ever faced and the worst federal government we have ever had.

Mr Ede: Blame everybody but yourself, Marshall. You have been doing it for donkey's years.

Mr SMITH: That is the problem. They blame everyone but themselves. All of the states are facing similar problems and cutbacks but the morale in their public services is good because they are being provided with leadership from the political end. Here, there is no political leadership and people simply wallow around. If you want a reflection of the absence of political leadership here, just go back to the comments I made 5 minutes ago. Where is the new legislation to be presented to this Assembly for action? Where are the ministerial statements outlining the government's programs during the next 2 years, 12 months or 3 months? I would even settle for 1 month at this stage. Public servants are desperate for some information and guidance on where they should be going and what the broad philosophy of the government is. There is nothing there except a big, black hole. The government expects public servants to operate within that big, black hole and to go round in ever-decreasing circles because it has neither the wit nor the will to provide

clear guidance and instructions to its public servants and, through them, to the people of the Northern Territory, about what it wants to occur here.

As one of my colleagues says, we have a tiny, precariously-based economy, and much of its well-being depends on the government of the day making things happen. Judged by that yardstick, this government has to be seen as an abject failure. When you talk to members of the public service, and when you see what is coming from the government in terms of announcements and pronouncements, it is clear that nothing is happening. We in the Northern Territory are presently in a big, black hole.

Mr Speaker, I have drifted a long way from the Supply Bill but it was important to make those remarks because, quite clearly, although it is a technical piece of legislation aimed at keeping the money going, the Supply Bill has an important place to play in the financial operations of the Northern Territory. The broad point that I wanted to make is that the financial operations of this government are in a real mess.

Mr Palmer: You have been saying that for the last half hour.

Mr SMITH: I have said it a number of times and I will keep on saying it in the hope that the members opposite will pick up the message. This mess has been created because the government got its sums so wrong last August. I will just repeat the figures. At the 9 month mark, we are at least \$60 to \$70m short of our revenue projections and, in those 9 months, we raised exactly \$1m more of our own revenue than we raised in the same 9 months of the previous financial year.

Mr Coulter: That does not mean anything. We deal in financial years, not periods of 9 months.

Mr SMITH: You cannot get away with that. It means an awful lot. When the Treasurer gets his opportunity to reply, I would like him to attempt to explain why the increase in revenue over 2 years is only \$1m. It is an indication that this government got its sums badly wrong, as we told members opposite at the time. They were not prepared to listen. They have gone on spending at the levels they planned for in the budget, but their revenue has not caught up. It has fallen far short of estimates. That is why the government is raiding the piggy bank to balance the budget this financial year. It can do that once, but it cannot do it more than once. We have a very severe problem that we will obviously hear a great deal more about in the financial statement and the August budget.

Mr COULTER (Treasurer): Mr Speaker, I would like to thank the Leader of the Opposition for supporting the Supply Bill. I would not like to think what he would be like if he were against it.

Honourable members have often heard the Leader of the Opposition carping about doom and gloom. I don't know how many times he has stood up since becoming the opposition's economic spokesman and told us that the budget would not balance. I understand that, under standing order 67, he is able to digress when speaking on an Appropriation Bill or Supply Bill and to talk on any matter he believes to be of public importance. He used that latitude very well and I want to address a few things that he said.

I note that the opposition intends tomorrow to talk about the policies of the Liberal Party. The Leader of the Opposition carps about how Mr Howard will be severe on the Territory. In fact, Mr Howard has said that he will

remove some of the federal government restraints which have slowed down this country and put us into a situation where we have a debt of \$102 000m to deal with. He will do that by removing a few simple things like the fringe benefits tax. He will do away with the cost burden that tax places on the Northern Territory, particularly on remote communities and remote mining communities. He will do away with that.

It is interesting to note that, in Japan, people can spend 2% of their salaries on entertainment. That has created a considerable entertainment and restaurant industry. In Australia, the federal Labor government, which the Leader of the Opposition represents, has imposed a fringe benefits tax that has killed off an industry.

Mr Smith: Rubbish!

Mr COULTER: He talks about our revenue being down. The fringe benefits tax is the type of policy that has put motor vehicle sales down by 30% in the Northern Territory. You do not have to be real smart to assess the effect that would have on revenue from motor vehicle registrations and stamp duty. We can start to see the impact that the federal government has had on the Northern Territory, particularly on motor vehicle sales. They are down by about 28%. I do not know whether that has occurred over a 9-month period or 8 months and 32 days or whatever period the Leader of the Opposition would choose. However, it is one result of the Australian Labor Party's fringe benefits tax, a tax which has also had a big effect on the entertainment industry and housing provided by mining companies. Those companies are now considering fly-in fly-out operations rather than supplying housing for their employees, and that is a disgrace. It has slowed down the development of Australia, not just the Northern Territory.

Getting rid of the capital gains tax would be one of Mr Howard's simplest tasks in terms of getting Australia going again. All he has to do is lift the federal government's foot off the neck of the workers, the people that are trying to get Australia going, and there is no problem. He can then look at funding. For example, we would be quite happy with mining. The federal government will not allow us to proceed with uranium mining or gold mining in the Northern Territory.

Mr Smith: What is this about gold mining?

Mr COULTER: I am talking about gold mining in particular areas, such as Coronation Hill. Let us be more specific. It is one of the richest gold mines in the world. Certainly, it is one of the richest platinum mines available in Australia today. All that Mr Howard has to do is to give the okay for it to be mined. He could simply return to us the \$1200m revenue which Ranger has earned in terms of export earnings. All of the royalties are paid direct to the federal government. All that he has to do is to allow that to happen and the Northern Territory would go ahead immediately.

It would be a very simple process to get Australia up and running again. All we have to do is stop this socialist government imposing additional tax burdens on the people of the Northern Territory. We would be the richest 150 000 people in the world if we were allowed to realise our potential. Members of the opposition have never thought of that because they are too busy with their negative attitudes.

The Leader of the Opposition talked about ministerial statements. At the last sittings of this Assembly I presented an energy statement indicating

exactly where we were going in terms of energy and outlining some of the very bright prospects that are available to the Northern Territory in respect of oil and gas production. There is no exploration occurring anywhere in Australia. Bass Strait is 50% down and looking at depletion in the very near future. How many drilling rigs do you see on the horizon, Mr Speaker? The most prospective hydrocarbon area in Australia today happens to be west of Darwin in the Bonaparte Gulf and the Ashmore Cartier Reef. Mr Speaker, with your previous experience in the oil industry, you would be well aware that the tax imposed on those companies is a disincentive to exploration. Because of the federal government's exploration taxes, nobody will bring a rig in at a cost of \$140 000 a day.

The Leader of the Opposition tells us that the federal government will deregulate the industry and fuel will be 2¢ a litre cheaper. There was a report in yesterday's NT News and we are having it checked out. Let us not forget that there is an election ahead and we could be promised anything by this federal government during the next 4 weeks. Remember how only a Hawke government could be trusted to build the railway? That was a promise given in an pre-election period. It would not surprise me if the federal government said that it would not sell any more petrol in Australia but give it away. We have heard it all before. It will have to be very innovative this year to come up with election promises that will capture the imagination of the Australian people because they have had enough. We have had enough of the taxes and disincentives to industry that have been forced upon us by the federal government.

I suggest to the Leader of the Opposition that Mr Howard's task is a simple one indeed. It will not be difficult to get Australia going again and then he can afford to take money off the states. We would be prepared to enter into a negotiation right now to have mining brought back under our jurisdiction in the Northern Territory. The recognition of a mining regime that operates under the elected government of the Territory would do us tomorrow. If we had that going, we would be in business.

The Leader of the Opposition has told us about cuts in the public service and the removal of services. What is he really saying? The opposition says that we can't raise taxes and charges. On the other hand, it says that it is unthinkable even to contemplate cutting government services. Decrease services to remote communities? The opposition says that would be deplorable and discriminatory. Cut employment conditions for public servants? 'No', says the opposition, 'there will be blood in the streets'. The opposition's only answer is to sell off 2 of the greatest assets that we ever had in the Northern Territory: the Yulara and Alice Springs Sheratons.

Let us come back to his new accounting technique of measuring financial years in 9-month periods. Perhaps he has arrived at that because it is the gestation period of human beings. If he is to give birth to anything as a result of any formulae he has presented to us today, we are all in a lot of trouble. We should consult the adoption list straight away at the arrival of his brainchild because it has no place in the Northern Territory. He has not offered any insight into basic accounting principles. He would know that the \$8m that is available to us from the Liquor Commission becomes available at certain times of the year. I wait for the interjection, but I do not think he is going to shoot himself in the foot.

Land sales are another revenue source. In fact, in our original budget strategy, we indicated that we wanted to raise about \$27m through land sales. We set about immediately developing a strategy to put properties on the

market. We will not realise that \$27m because times are tough and the money is not out there as it was 12 months ago, mainly due to the federal Labor government, its policies and its capital gains tax. Who would buy a property, take the risk and pay 22% interest on his borrowings, put all his life savings into a project and work 24 hours a day to pay fringe benefits tax on a property development these days? People have gone back to sleep. They have said: 'Call us when little Johnny Howard gets up, because we are not interested in this Hawke government'. I guess we underestimated just how far the Labor government could stall development in Australia and, in particular, in the Northern Territory. We never believed that it could do it, that it could grind the Northern Territory to a halt. In fact, it will not do that. As my statement on next Thursday will clearly lay out to members, the federal government will not stop the Northern Territory. We will develop and prosper in spite of the federal Labor government that is in power at the moment and for the next couple of weeks.

The 9-month proposition that the Leader of the Opposition put to us is just nonsense. It really does not mean anything at all. Mr Keating is on record as saying that he believed in South Australia they probably had as much as \$1000m squirrelled away, hollow-logged or held in cash balances, and the reason our cash balances have run down is precisely that. We were being criticised, as all the states were, of having too much money in cash balances and told that we should expend those cash balances. That was virtually a direction from the federal Treasurer, and the Leader of the Opposition finds it amazing that we have even gone to that extent to reduce it.

Of course our revenue is down. It is down considerably on last year and the reason for that, as I have pointed out to honourable members, is the policies of the federal ...

Mr Ede: We told you it would be down. We told you your figures were hopeless.

Mr COULTER: In answer to the Deputy Leader of the Opposition who has now joined this debate, he must have had forewarning from his federal colleagues and brethren in Canberra. He must have known that this collapse of Australia's economy was about to happen and that, in fact, it was a strategy planned by the Labor Party. That gets back to our mini budget or economic statement or whatever you want to call it. The Leader of the Opposition says that he told us that we would have one and I can understand now how he knew that: people in Canberra had been in touch with him. The opposition probably has very good communications with Canberra because its representative, Mr Reeves, spent some time there saying that the party was over and too much money was being spent in the Territory. Well, the opposition has finally become effective. It has been able to convince people like the Minister for Finance, Senator Peter Walsh, and the rest of their colleagues in Canberra, that we are being over-funded in the Territory.

Mr Ede: You convinced them by spending the money on the Sheratons and other projects.

Mr COULTER: It is interesting that in 1985 South Australia was over-funded, along with Tasmania, to the tune of some \$35m. This was mainly because of the Medicare subsidies. This year, I did not see the Prime Minister or the federal Treasurer ask for any of that money back in a negative special grant, which in itself is a nonsense. How can you have a negative special grant? It appears that there is no problem in South Australia's case, just as there was no problem for that state to open a new uranium mine. The

South Australian members of the Labor Party are able to get their federal representatives to allow their state to develop, prosper and go ahead, whilst in the Territory all that we have had is the continuing negative attitude of the Labor Party. That message has been sent down to Canberra via its Senate representative, Senator Ted Robertson, and Mr John Reeves during his time in the House of Representatives.

Mr Ede: What about Everingham? He has been there for years now.

Mr COULTER: The Deputy Leader of the Opposition interjected that the present member of the House of Representatives, Hon Paul Everingham, has been down there for years. If the Deputy Leader of the Opposition took the time to read an excellent speech delivered recently in the House of Representatives by the member for the Northern Territory, Hon Paul Everingham, he would know what the Hon Paul Everingham has been trying to do in Canberra for the last 2 or 3 years. If he compares that performance with the performance of the previous member of the House of Representatives, Mr Reeves, he will realise why it is certain that a Country Liberal Party representative will be returned on 11 July. Nobody will vote for a Labor representative who travels out of the Northern Territory and will not stand up for Northern Territorians. That will never ever happen again in the Territory. Mr Snowdon might as well stay at home because he has not got a chance, and the members of the opposition know it. They know that he does not stand a chance because Territorians will no longer accept someone who travels to Canberra and does not stick up for them.

The Leader of the Opposition talked about making things happen. A great many things are happening in the Northern Territory and they are happening precisely because this government is making them happen. I will talk at some length about these things on Thursday when I deliver my economic statement to the Assembly. I will talk about the Northern Territory's growth and development and the sectors that offer and provide that development. I have now been to both Alice Springs and Darwin to speak to industry leaders and umbrella organisations representing various industry groups. These people realise the potential of the Northern Territory. They are not knockers. They understand that times are tough and that we will have to lock arms around one another and get through these hard times together, but we will do it. We will do precisely that. We will do it, as I said before, in spite of the federal government's current attitude towards us and in spite of the opposition's continual knocking of the efforts of the Northern Territory government. Those areas that provide great wealth and potential for us in the Northern Territory will, in fact, be realised.

Mr Speaker, this bill is simply a means of providing the supply that is necessary to allow us to operate until the bringing down of the Territory budget. On that particular issue, I would like to say that all is not over yet. If Mr Hawke were - and I say 'were' in inverted commas because it is a pretty remote likelihood - but if he were to be returned to government, we would still have to go through his August budget. In that August budget, he could do quite a number of things to the Northern Territory, in particular, or Australia in general. Nobody is going to trust him. Nobody will trust him and put him back into power to allow him to bring down a budget in August which could see the removal of the NTEC subsidy and any other other schemes he wants to introduce. People simply will not trust the man any further.

We have seen the impact of the Hawke government on interest rates and inflation which is now running at almost 10%, while our OECD trading partners have around 2%. We have seen just what can happen with interest rates under the Hawke leadership. We have seen what can happen when there are known

markets which are denied by federal government policy, and I refer to some of the opportunities available to the mining industry that are being ignored and lost through the policies of the federal government. I have said that Mr Howard's job of getting Australia going will be a very easy one. All he has to do is remove most of the things which the Hawke government has imposed upon us and the country will get itself going within days.

Motion agreed to; bill read a second time.

Mr COULTER (Treasurer)(by leave): Mr Speaker, I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

MINERAL ROYALTY AMENDMENT BILL
(Serial 18)

Continued from 5 May 1987.

Mr LEO (Nhulunbuy): Mr Speaker, the bill allows a greater number of expenditure items to be deducted from royalty payments. The principal provision is allowance for deductions for exploration costs to be increased to 150% which would allow a deduction of some 35% per annum as opposed to the present 25%. There are other deductions that will be allowable under the legislation, not including royalty payments to landowners. I would ask the minister if there has been any estimate of the likely royalty equivalents allowed to be deducted by mining companies. I would also like an indication of the number of companies in the Northern Territory which are likely to take up these new royalty options. I should imagine he has had some correspondence from them. I would certainly like to know how many existing companies in the Territory are likely to take up these new royalty options.

Mr Speaker, I would ask the minister to take a broader view of the term 'compensation'. After reading his second-reading speech, it is clear that he is vehemently opposed to allowing deductibility of royalty payments to private landowners. There is a view that matters involving compensation payments to landowners should be able to be deducted from royalty payments. I do not think that I would have any disagreement from the minister on that score. However, I would like to hear his view of what would constitute a payment in compensation. Obviously, the term 'compensation' has different meanings throughout the world and, I suppose, throughout Australia.

Mr Coulter: Soil disturbance.

Mr LEO: The minister has a view that it is soil disturbance. If you disturbed the soil under St Peter's Cathedral, there would be considerably more compensation payable than if you destroyed the soil in the Tanami Desert. I am speaking about Aboriginal people and their need to be compensated for disturbance to their homes and their land. I would ask the minister if he could perhaps give a broader definition than the definition that exists in his mind as to what constitutes a payment in compensation for mining activities.

With those few comments, I would like to indicate that the opposition certainly does support the bill. We supported the passage of the principal legislation some 4 years ago when it went through the Assembly. I have been reassured by people within the industry that this bill has been the result of consultation between the government and the mining industry. I hope that, as the minister indicated in his second-reading speech, it will lead to more exploration activity in the Northern Territory.

Mr SETTER (Jingili): Mr Speaker, I would like to draw the attention of the Assembly to the fact that the bill represents recommendations from a review. When the original act was passed in 1982, it was promised that this review would be carried out. With this particular industry it is very important to continually keep matters like this under consideration. I am very pleased to see that, as a result of the review, we have these amendments brought before us.

The mineral royalty is profits-based. That means that the royalty is assessed on the profitability of the particular mining operation. It is not based on the total turnover or any other criterion. The profit is determined by taking the total income of the operation and deducting operating costs, including taxes. I think that is a fair and reasonable way of assessing the royalty.

A number of issues were reviewed. The first was whether the profits-based system was suitable. Another was whether the royalty should be lowered in order to encourage exploration and development. The industry could easily say: 'We are being overtaxed and therefore we do not make sufficient profit in this sort of operation. There is no point in our exploring and developing when, at the end of the day, we will not make sufficient profit'. I think that is fair and reasonable.

However, the review confirmed that a profits-based royalty of 18%, which is what it has been for the last 5 years or so, was fair and reasonable under the circumstances. The information paper on Northern Territory government proposals to amend the Mineral Royalty Act gives a number of recommendations which confirm the government's position. That position was arrived at after considerable consultation and discussion with industry. It is not a decision that has been made arbitrarily by a review board. The industry has had a considerable amount of input. There has been a fair amount of thrust and parry and compromise in reaching this position. I can recall industry representatives expressing their concerns over the years about the percentage of the royalty payment. In fact, I can recall concerns expressed by the industry when the act was first passed that it would not be able to operate profitably. Of course, in the intervening 5 years those concerns have been shown to have little substance at all.

Nevertheless, some major concessions have been made and these are reflected, for example, in changes to a range of items of deductible expenditure. The industry has been able to convince government that the range of deductible expenditure that previously applied was too restrictive. The government has been prepared to review the situation and now to allow a further range of items as deductible expenditure. For example, it has introduced a CRD, which is a capital recognition deduction. It has allowed these deductions to be considered on a 6-monthly basis. That is very important, because it does not apply too much stress to the accounting functions of industry. I suspect it would be too much to ask for reports on such deductions on a monthly basis, whilst a 12-month period would be too long; 6 months seems to quite fair and reasonable to me.

As a result of concerns expressed by industry, there is reduced ministerial discretion in the assessment of deductible items. That is a considerable concession to industry. Prior to a project's commencement, the royalty payer will be able to obtain a written and binding assessment of how allowable deductions will be interpreted. That is a very important and major concession. When a potential developer is assessing the viability of a project and he is doing his sums and putting it all together, he really needs

to know the deductibility of the various items of expenditure which will be allowed by government. There is no point in going down a line, making decisions about how to assess the deductibility, only to find at the end of the day that you were wrong. By advising the department about the way your project is being put together, you will be given an assessment of which items are deductible and be able to balance your books and decide whether your operation is viable.

There is also the introduction of an anti-avoidance provision which means that, if developers attempt to avoid paying their royalties, they will be dealt with in the appropriate manner. During the review, the industry requested that the royalty paid to others should also be recognised as a deductible item. For example, royalties are currently paid to Aboriginal organisations for mining on Aboriginal land, and also to the Commonwealth, particularly with regard to uranium mining. This was not acceptable to this government which felt that these royalties were deducted as a result of Commonwealth legislation and were a Commonwealth responsibility. It is not the Northern Territory's responsibility, and it would be unreasonable for us not to take that into consideration when accessing deductions from royalties. Let us talk about that, Mr Speaker; it is particularly relevant because of the comments we have just heard in the debate on the Supply Bill.

The control of uranium mining, particularly in Aboriginal areas, comes under the Commonwealth government and royalties are paid directly to the Commonwealth. As we all know, because we are a territory as opposed to a state, we still do not have control over all of the normal state-type functions. These include Aboriginal land and, of course, uranium mining. On the achievement of statehood, mining in those areas could be the source of considerable revenue for the Northern Territory. We now have to go cap-in-hand to Canberra, as do the states, except that we do not have the same constitutional rights as the states. This means that if the Commonwealth chooses to kick us in the shins, as it has done over the last 3 years, it will do so. We really haven't a leg to stand on because they have been kicked out from under us.

Now that it has been acknowledged by the federal Treasurer that the Northern Territory will be funded on the same basis as the states, there is a wonderful opportunity for the Northern Territory to increase its revenue-raising by way of royalties on mining companies. That is why we should be proceeding down the road towards statehood as quickly as we possibly can. The federal government cannot have it both ways. If it wants to fund us on the same basis as the states, then we want control of all state-type functions. The Commonwealth government wants to have 2 bob each way and it can't do that.

Returning to this bill, the government wishes to work with the mining industry to facilitate continued exploration and development and I can assure the industry that we will continue to keep the matter under review and to consult with it. Mr Speaker, I commend the bill.

Mr POOLE (Araluen): Mr Speaker, this amendment bill responds to calls from the mining industry. The major concessions provided by government through changes in items of expenditure eligible for deduction within the royalty right and other changes will, in effect, create a saving for companies in the Northern Territory. The changes in the accounting areas of the act allow royalties to be calculated on either a paid or incurred basis, as long as the basis remains consistent from year to year. The government has altered the definition of profit so that it accords with generally accepted accounting

principles which permit industry to use project and income tax accounts for royalty purposes.

The industry will obviously welcome the provisions which allow rehabilitation and employee benefits expenses to be treated as deductible costs on the finish of the life of the mine, leading to the repayment of any excess royalties paid. I note that the amended act includes a provision which removes the possibility of double claiming of expenditure.

I think the major item of note about this amendment bill is the fact that it has been 2 years in the making. It is the result of discussions and, no doubt, arguments between government and the mining industry. A review at departmental level was commissioned in December 1984 to assist the industry to reduce the red tape and make the administration of the existing system easier. This resulted in a discussion paper in June 1985. This paper reflected industry's concern that the royalty rate was far too high and, whilst the rate has not been changed, these new deductible costs and the streamlining of administrative systems should certainly help the profit situation of NT mines.

The government has acknowledged and accepted that exploration needs a greater boost or incentive for companies to continue to work and explore in the NT. This bill addresses that need by providing weight exploration expenditure certificates for exploration expenditure incurred at 150%, by increasing the allowances for that expenditure, and by reducing royalties payable from 25% to 35% in any one year.

This act will be effective from 1 July 1986 so that royalty payments can be accounted for a full financial year. All new mines, and existing mines at the renewal of their tenements, will come under these new provisions. As I said, this amendment will assist the industry and should be welcomed as a development of both government and industry viewpoints. Mr Speaker, I commend the bill to the Assembly.

Mr TUXWORTH (Barkly): Mr Speaker, I rise to place on record this afternoon some comments that I made to the Minister for Mines and Energy some 6 or 9 months ago when he sought the views of his parliamentary colleagues as to what should happen to the royalty rate as a result of the review undertaken by the government. As I recall, my remarks were pretty succinct because I think that the problem with the Mineral Royalty Bill is not with the principle of the bill and is not with the concessions, deductions and allowances it allows for. Very simply, the problem is with the mental approach of investors to our level of royalty at 18%. Over 6 or 7 years, there has been great discussion about the merit of a royalty level of 18%, irrespective of the concessions embodied in the bill.

Several members have just reflected on the revision that has taken place and the new concessions that are available to the industry. Any reasonable man would say that it is a pretty fair piece of legislation and that the industry should be happy with it. Regrettably, I think it is still doing us a great deal of damage, not because of the fine detail of the legislation, but simply because of the 18% level. That is not a problem that we have, because we believe that the royalty is appropriate and just and, in our view, it compares favourably with royalties in other states. However, in the industry, amongst people who commit funds for exploration and capital development, there is a perception that an 18% royalty level, whatever the conditions, is an outrage which their companies will not be party to nor will they participate in the industry in the Northern Territory. Other people might say: 'So what? We have a lot of companies which are willing to participate, so what the hell?'

In the mining industry, I think the reality is that anybody is capable of finding an ore body. It is where it happens to be and the only thing that counts is who happens to find it. You do not have to be a big name to find an ore body and you do not have to be a lucky fellow. It is not important if you are small and lucky. It is geological interpretation and practice on the ground that counts. In the Northern Territory, we want as many companies as we can physically get over the border to come and look at prospects, not once or twice, but dozens of times. Mr Speaker, you would be aware of this because of your own association with the areas. The Granites goldmine was first worked over 25 or 30 years ago.

Mr Coulter: 1898.

Mr TUXWORTH: Right. It was seriously explored by Peko and Mt Isa Mines in the 1950s, and they walked away from it. Another firm came along, found an ore body which is very commendable by any standards, and is doing very well out of it.

The point I am making is that it is nice to have the big names - and we appreciate their investment capital - but we need as many companies as possible to continue looking over areas, no matter how many times they have been explored. The only way that we can get as many companies as possible to come is by creating an exploration and investment environment that makes them feel that this is a good place to be. Unfortunately, and I say this with some regret, there are many companies in Australia which will not invest or explore in the Northern Territory because they believe that an 18% royalty is just not on.

Mr Coulter: Who are they?

Mr TUXWORTH: The Minister for Mines asks who they are. Having been in the job for as long as he has, he should know them, but if he does not I am happy to take him aside quietly and tell him who they are. They are out there. They are good people and they ought to be in the Northern Territory. It would be to our advantage to have them here.

Mr Speaker, what I am saying is that, at some time, we are going to have to come to grips with the fact that the 18% royalty level, irrespective of the terms and conditions we are offering with it, is not acceptable to many people in the industry. It is very hard to gauge how much we miss out on because we have such a high level. You cannot put a figure on it, but the reality is that there are people out there who will not come. At some stage, we need to make a conscious decision as to whether we are going to adhere to the 18% royalty because it was something that we decided upon once and is therefore to be justified at all costs, even though we are willing to make other concessions in order to make it more acceptable to the industry, or whether at some stage we should just come to the conclusion that 18% is not acceptable to the industry and that we need a royalty level that the industry understands and is happy to work with. That conclusion is one which would greatly benefit exploration and the industry as a whole.

I expressed this view in a very short letter to the Minister for Mines and Energy at the time when he was seeking his colleagues' views and I felt that I should express it again in the context of this bill because it is still valid and we need as many companies as we can get. If an 18% royalty level is keeping people out of the Territory, we ought to rethink it at some time.

Mr COLLINS (Sadadeen): Mr Speaker, I well recall a discussion I had with Richard Koerner, who was the Energy Adviser to the government several years ago. This was at a time when we were first discussing bringing in a royalty. He had a very strong belief that if we really wanted to look to the long term and the total development of the Territory, not only in mining but in all the other things that go with it, the royalty would be zero. I believe it comes down to the simple economic fact of the multiplier effect of getting these extra mines going. Let us face it, the royalty must be a disincentive in boardrooms around the country. We have plenty of other disincentives such as distance, costs, and the lack of railways to facilitate the cheap transportation of equipment for new mines. He believed that the removal of royalties would have a very positive effect. We know how much pressure the Commonwealth has put on our funding through the Grants Commission. If the royalty were zero, I believe that we would have much greater mining activity in the Territory.

Mr Coulter: What about on Aboriginal land? Would that have helped?

Mr COLLINS: The minister knows my opinion about that and his comment is stupid. If the minister would listen, my point is that there are some things that you can do and some things that you cannot do. At this stage of the game there is nothing we can do about the Land Rights Act. We have a Labor government in Canberra and, let's face it, the situation in relation to land rights was no better under the federal Liberal government. Land rights is a disincentive to mining in the Territory but there is nothing much that we can do about it. If the minister would listen he would find that I am not really against his point of view.

We do not have control over mining in Kakadu National Park, more is the pity, and I support the member for Jingili in his belief that that is another reason why we want statehood and full control over our land. We do, however, have control over royalties, and that is where we could make a significant contribution. I appreciate that, because of the way profits are defined in this particular bill, there are some small savings to companies. That is a step in the right direction, but let us keep in mind also that we have a 4.5% payroll tax and the more people that we have employed, the more revenue that tax generates. The Granites is an example of a magnificent project which has created further wealth and jobs. It will have a flow-on effect in terms of creating jobs and each of these will contribute to revenue by way of payroll tax. If, for example, we lowered the royalty from 18% to 10%, revenue would not drop by 8%. Payroll tax could have a balancing effect.

I know that much of this is crystal-ball gazing, but I have talked to people in the industry who feel that the 18% royalty, coming on top of geographical isolation and the other disincentives we can do nothing about, is the straw which breaks the camel's back and ensures that many enterprises do not get started, even on non-Aboriginal land. It would be nice if we could run a trial comparing a nil royalty, a 10% royalty and an 18% royalty. Of course that is just not physically possible. We cannot test such things in the manner of scientific experiments. That is just not acceptable to the community. In conclusion, I believe the Territory would develop more quickly if the royalty rate were lower than at present.

Mr COULTER (Treasurer): Mr Speaker, I thank honourable members for their contributions to the debate on the Mineral Royalty Amendment Bill. The opposition spokesman on mines and energy asked a number of questions. I can answer some in detail but, in relation to others, information is still not known at this stage.

He asked how many companies have given notice of intention to operate under the new legislation. Mining companies have 2 months to decide whether or not they will operate under it, but we are aware of 3 companies which have done so. These are those at The Granites, the Tanami and Pine Creek. There have been discussions with a number of other mining companies throughout the Territory, but I cannot say at this stage how many intend to take up the new option. However, if the degree of interest is any indicator at all, I believe that many new mines will be operated under the new system. I am talking now about mines that are already in production or nearly so, such as Cosmo Howley, Chinese Howley, and a number of others.

The member for Nhulunbuy mentioned compensation for soil disturbance. He suggested that compensation for disturbing the dirt underneath St Peter's might be greater than in the Tanami Desert. I can assure him that people in the Tanami Desert have probably never heard of St Peter's and, to them, the soil in the Tanami is of equal importance to that around St Peter's. My point is that, when we talk about compensation, we are talking basically about soil disturbance: the disturbance of the ground around the mine. There may be some other payments that need to be made but, basically, we are talking about soil disturbance.

We should not lose sight of just what the word 'royalty' means in terms of what is imposed upon companies. The member for Sadadeen said virtually that we should pay many of these companies to come here rather than charge them for the privilege of exploiting a resource that belongs to the Crown.

Mr Collins: I did not say that. You are misrepresenting me.

Mr COULTER: For the privilege of exploiting a resource that belongs to all Australians, the mining companies pay a premium. We on this side of the Assembly have that proposition firmly implanted in our heads. Minerals are the property of the Crown and belong to everybody. If people want to exploit them, they have to pay for the privilege. That is all we are talking about in respect of royalties. It is as simple as that.

What was lacking from the opposition, the member for Sadadeen and the member for Barkly was an indication of what is a fair thing. Think of a number, double it, multiply it by 3. Is 14% all right? Is 10% or 7%?

Mr Collins: 10% will do.

Mr COULTER: 10% based on what? It is extremely difficult. I have 15% from the member for Casuarina. The point is that the Northern Territory government entered into a great deal of discussion and we tried to undertake a comparative analysis of the ad valorem royalties that are available throughout Australia. When we came back to the drawing board, we believed that, with the CRD proposals and the new exploration reductions available to miners, the 18% royalty was fair and equitable across the board. We decided that after a great deal of research. It was not a number that we plucked out of the air. Since the introduction of the Mineral Royalty Act in 1982, expenditure on exploration for gold in the Northern Territory has more than trebled. Companies are coming into the Territory. Western Mining is about to open operations at Goodall Mine.

The problem that miners face in the Northern Territory is not a lack of exploration activity as a result of the Mineral Royalty Act. It is simply access to mineralised zones and being able to prospect and develop mines in those areas. I have pointed out to honourable members the difficulties that

mining companies are having in gaining access to those areas of land. Honourable members will remember the map that I brought into the Assembly recently. I demonstrated that, since the introduction of the Aboriginal Land Rights Act in 1976, there had been only 1 successful negotiation for an exploration licence in the top end of the Northern Territory. I think that was for an area under the jurisdiction of the Northern Land Council. In the case of the Central Land Council, there has not been a single one. Access to land is the big hold-up in the Northern Territory. About 90% of the mineral wealth of the Northern Territory comes from Aboriginal land. All that exploration activity was completed before the introduction of the Aboriginal Land Rights Act. That is the big hold-up, not the Mineral Royalty Act.

The idea of the exploration incentive came from Charles Copeman himself who believed that, if we wanted more exploration activity, we should offer more incentive for miners to get out on the ground. I refer to areas that are not frustrated by the Aboriginal Land Rights Act. We have simply said to the companies that they can claim 150% of their exploration costs against 35% of their mineral royalty payments. I thank Charles Copeman for his efforts. I thank the officers of the Department of Mines and Energy who worked hard on this particular exercise to come up with the proposals that we have before us today. I thank the previous Minister for Mines and Energy, the member for Fannie Bay, who also spent many hours in developing this proposal. We have been talking about it now for some 4 years. We have consulted with the industry and all interested parties. We consulted with everybody we saw with a pick in his hand. In fact, I think a few council employees were asked a couple of questions about mining. The product of that consultation is here before us today.

It would not matter what the figure was. If it was 17%, 16%, 15% or 7%, people would still say it was too high. We are told that there are mining companies which will not come to the Northern Territory because they say that the mining royalty is too high, but there are mining companies in Australia which are going broke today because they are making royalty payments on mines that are no longer profitable. Indeed, this is an example, once again, of the Northern Territory government setting the lead for Australia by introducing this profit-based royalty. We were congratulated by many people for the development of such a policy.

As I said, some of the other royalty regimes which are in place throughout Australia are sending companies broke because they are not profit-based. As honourable members would be aware, minerals come in and out of vogue, depending on the market windows that are available from time to time. Paramount to those windows, of course, is the pricing structure. Whether a mineral is exportable or saleable depends upon the price at the time and the markets available.

With this type of royalty regime we can introduce a scheme whereby, once a company starts to make a profit, royalties will be paid. The CRD proposal recognises the resources which companies put in to the exploitation of particular reserves. There is a considerable cost involved in the provision of materials and infrastructure. The Australian Mining Industry Council has just put out a pamphlet and I will bring copies tomorrow for all members. It illustrates capital expenditure by the mining industry in Australia. We are often told that mining is capital intensive, that mega-dollars are spent on plant and equipment and that it does not create jobs. That is a myth. The truth is that employment is created in the construction and development of such infrastructure as well as in the ongoing operations of the mine.

I quote the example of capital investment on gold mining. Remember that I believe that gold mining will add some \$192m to this year's mineral wealth in the Northern Territory. That is in new production. We have just heard that The Granites' profit for this year will exceed \$12m. Just up the road, the Tanami Mine, is getting together now and it will add to that. The Cosmo Howley, Western Mining at Goodall, the Chinese Howley, the Northern Star, Fountainhead, White Devil and TC8 are all mines that have come on-stream recently. As I said, we have an additional 26 mines on the drawing board dealing with gold and other minerals. Capital investment exceeding \$80m has been expended on or committed to gold mining since 1985.

A further 4 new projects are likely to be brought on-stream this year or by early 1988, increasing capital expenditure by a further \$40m. If we are to believe the member for Barkly, these people will not come up here and the 18% royalty means gloom and doom. Yet the record between 1985 and today shows differently. Exploration expenditure for gold in the Northern Territory has more than trebled since the introduction of the Mineral Royalty Act in 1982. All the projects which have commenced or are about to be commenced have come about notwithstanding the royalty payments under the Mineral Royalty Act.

In considering the revision of arrangements regarding exploration expenditure deductions, the government looked at a number of possible options. A series of calculations on Territory mineral production was undertaken and it was determined that the scheme provided for in the bill was the most beneficial for encouraging exploration while maintaining an acceptable level of royalty revenue. The revenue costs of implementing the revised exploration deductions - and the member for Nhulunbuy asked this question as well - are estimated at \$200 000 in 1987-88, and \$300 000 in 1988-89 escalating to \$1.6m in 1989-90.

Mr Tuxworth: Will that affect us with the Grants Commission?

Mr COULTER: The honourable member asks if that will affect us with the Grants Commission. In fact, it may, but what we are talking about here is the risk element involved in getting greater exploration activity. It is possible that people will not take up the opportunity but I believe that not only will they take it up, but a broking service for the sale of exploration certificates will be set up in the Northern Territory within 12 months. People will go out and explore, develop exploration fields at a cost and then on-sell exploration activity to mines that are running at a profit so that they can obtain relief from their royalty payments. I believe that we will set up a whole secondary industry. However, I take the honourable member's point: there is a risk involved. We have to take risks. That is what life is all about: taking risks and hoping that they do not prove detrimental to development and the financial position and well-being of the people which the government is set up to serve.

I do not often get the opportunity to speak about the virtues of Treasury, but it is prepared to forgo royalty payments in an attempt to develop activity. I sincerely hope that a secondary industry for exploration certificates becomes established in the Northern Territory so that people will explore and prove up areas of land. I think that will happen.

On that note, I recently had the opportunity to host a dinner for a group of mainland Chinese delegates from Shandong province. Their company employs some 10 000 geologists and is bigger than BHP. One mine it developed started operation in the year 1010, 56 years before the Battle of Hastings took place in 1066. They are still mining there 800 years later. They have 60 t of gold

reserves left to mine. My point concerns the company's exploration activity. It has 10 000 geologists working for it.

That is what the Northern Territory needs right now: 10 000 geologists lined up on the South Australian border ready to walk through to Melville Island. If we were able to do that, we could come up with an inventory of the mineral wealth of the Territory which, as I have said on many occasions, is Australia's Alaska. Perhaps, if we could second some of those 10 000 geologists to make that long march through the Northern Territory, they might build a wall around our borders as they go, to ensure that we don't get raided by the federal government. I believe that would be the way to unlock some of the secrets of the Northern Territory and, through that exploration activity, boost mining development here.

Mr Speaker, I commend the bill and thank honourable members for their contributions to today's debate. In closing, I would like particularly to thank the officers and staff of the Department of Mines and Energy who have spent countless hours, far above and beyond the duty that would normally be expected of them, on this particular piece of legislation. I would also like to pay tribute to the Legislative Draftsmen who have worked extremely hard on this bill. I commend the bill to honourable members.

Motion agreed to; bill read a second time.

Mr COULTER (Treasurer)(by leave): Mr Speaker, I move that the bill be now read a third time.

Mr LEO (Nhulunbuy): Mr Speaker, there is something that I would like to pursue with the Treasurer because it is a matter of some concern. I refer to the drop in the Territory's revenue-raising effort which the passage of this legislation will bring about and its effects in relation to the Grants Commission. I ask the Treasurer if his Treasury officers have done any calculations on the likely effect that it will have upon submissions to the Grants Commission.

Mr EDE (Stuart): Mr Speaker, I have a question that the minister may be able to answer, given that he talked at such length about exploration licences on Aboriginal land. I am hoping that he will be able to confirm or deny that, in the last couple of months, no exploration licences have been granted on or off Aboriginal land in the Northern Territory. If that is incorrect, I would be very interested to know.

Mr COULTER (Treasurer): Mr Speaker, I can assure the member for Nhulunbuy that Treasury officers have indeed looked at the proposal in detail. Current indications of the number of mines that are developing and the extremely profitable nature of some of the goldmines, on current market trends, suggest that there will be no impact. The number of inquiries that I am receiving in relation to development of mines on known exploration areas indicates that the future of mining in the Northern Territory is still bright and will continue to be for some time.

Honourable members will be aware that amendments to the Aboriginal Land Rights Act went through the federal parliament last week. One exploration agreement on Aboriginal land that I believe will be announced very soon is the Queensland Mines' proposal for EL 2508. This has been negotiated over some 7 years. The new amendment gives us an opportunity to become involved in some of those areas that have been stalled for some time. I can also inform honourable members that there are a number of other mining companies in town

today who will be seeking similar exploration licences on Aboriginal land in the very near future. That is probably one of the brightest lights that the Northern Territory has seen in terms of that activity.

In terms of the exploration licences being issued on land other than Aboriginal land, I suggest to the Deputy Leader of the Opposition that he come to my office during any lunch break, or this evening if he so wishes. I will show him how much space there is for exploration licences on areas of known mineralisation. I can assure members that it is a nightmare to sort out exploration licences that have been issued for areas of land and to deal with the interaction as people vie for various areas. We have a lot of sorting out to do with exploration licences that already exist. That is the big problem that we have at the moment, particularly in respect of areas around Tennant Creek and Pine Creek. Most of the areas of land were applied for many years ago.

Motion agreed to; bill read a third time.

PLANNING AMENDMENT BILL
(Serial 20)

Continued from 7 May 1987.

Mr BELL (MacDonnell): Mr Speaker, there are a couple points that I want to make in relation to the Planning Amendment Bill. Some of them relate to the specific provisions of the bill and some to the wider implications of the legislation. Broadly speaking, the bill has 2 purposes. First, it gives the minister the power to act as a consent authority for development outside planning areas and, secondly, it provides for newspaper advertisements to be placed specifically while the draft planning instrument is on exhibition.

The planning requirements on property outside the gazetted planning area are of some concern to the opposition and we have given considerable consideration to them. In the minister's second-reading speech he pointed out that he becomes the consent authority for the purpose of subdividing land outside planning areas. We note that he also mentioned that the definition of the 'consent authority' in relation to subdivisions under the Planning Act was unclear. The broader question of the role of the minister as a consent authority for these sorts of subdivisions is not entirely non-contentious.

Although the opposition is essentially quite happy to support what is proposed in this particular amendment, I wish to refer to some particular examples where these subdivisions outside gazetted planning areas tend to be contentious. I refer to an example that I raised in a debate in the Assembly during the last sittings - the Finnis River Station development. I do not believe I would be doing my job if, in the context of a debate such as this, I were not to reiterate the questions that I raised during that particular debate.

As you will recall, Mr Speaker, the attention of the Northern Territory public, including myself, was drawn to the question of the subdivision of the former Finnis River Station by an article which appeared in the NT News on Saturday 6 December. The article on page 2 of that edition of the paper was cheerfully emblazoned with the headline 'Dondas Reveals Secret NT Deal'. As I mentioned then, being a conscientious shadow minister for lands and housing, I took the issue up with the office of the then minister. Much was my surprise when, in seeking an explanation of this particular issue, I was not given a briefing by departmental officers as is usual practice in these matters. I

was ushered into no lesser presence than that of the minister himself. The explanation I received from the then minister, the member for Casuarina, was less than satisfactory. I listened patiently while he attempted to make explanations.

I had some subsequent questions that I wanted to clear through the minister's officers. The fact of the matter is that the then minister went to ground. In spite of my repeated requests to him and his office, he told me to put them on notice. It was a somewhat less than enthusiastic performance. I left those questions with the member back in January, when he was still the minister. I raised them again in debate with the Minister for Lands and Housing and I believe that it is about time that a decent response was given to these questions, which relate to the sort of subdivisional approval that this bill deals with. For the benefit of the honourable minister, I will place them on record once more.

Mr Hanrahan: Don't repeat them. The reply is on its way.

Mr BELL: The reply is on its way.

Mr Hatton: The cheque is in the mail.

Mr BELL: The cheque is in the mail. I presume those 2 interjections have the customary veracity one associates with those words. I will accept that perhaps the former is more likely to be the truth. Regardless of the fact that the answers are in the mail, I would very much like the minister to give some decent responses in this debate to those questions that I raised. I will place them once more on record here, Mr Speaker.

My first question was: on what basis did the minister decide that block H of the Finnis River Station subdivision was required for buffalo development, as he suggested was the case? Secondly, on what basis did the minister commission T.C. Waters Pepper to buy block H on the government's behalf? Thirdly, what offers did the minister make to the receiver for block H prior to the auction on 3 September 1986? Fourthly, when was the Valuer-General's valuation of either part or all of block H sought? Fifthly, what were those valuations? Sixthly, will the minister reveal, on a confidential basis or otherwise, the correspondence relating to the negotiations between himself and T.C. Waters Pepper in relation to the subdivision of block H? That is an interesting question and I will be interested to hear the minister's response. The seventh question deals with the personal financial relationship between the minister and Mr John Anictomatis of T.C. Waters Pepper. I want to know whether there was such a personal financial relationship and, if so, the nature of that personal financial relationship.

Mr Speaker, I have little confidence that the responses to the questions on notice will be adequate. I have an obligation to place this matter on record here. I believe that the government is seriously embarrassed by this negotiation and the way it has dealt with the subdivision and the purchase of this particular station, particularly the purchase of the homestead block. I do not believe that those answers will be given to me fulsomely. Since the minister is aware of the answers, I presume he will be quite happy to provide them so that they can be the subject of debate in the context of this bill. I presume the minister is able to provide some sort of response and I look forward to hearing it.

Mr Speaker, with those comments, let me turn more particularly to the bill itself. I have a couple of questions in relation to specific parts of the

bill. Clause 3 of the bill, which amends section 4 of the principal act, deletes paragraph (b) of subsection 4(1). It is somewhat less than clear which particular classes of land are in fact described in subsection 4(1)(b) in the principal act, as opposed to those classes of land which are described in the proposed amendment. I refer to the minister to the definition of 'consent authority'. As he will no doubt be aware, there is a part of the definition which deals with the consent authority in relation to a development application and a part which deals with the consent authority in relation to a subdivision application. The paragraphs (b)(i), (b)(ii) and (b)(iii) do not relate clearly to each other. In fact, the issue of the classes of land that are implied in the 3 paragraphs in the principal act as it now stands, and in the amendment as it is proposed, are not easily able to be related to each other. I trust that the minister will be able to give me some explanation of how those 2 particular paragraphs relate to each other.

Finally, I wish to seek some explanation of the particular planning instruments that are affected by these amendments. In his second-reading speech, the minister said that it had become necessary and expedient to place land-use controls over certain land outside planning areas to ensure orderly and proper development. He gave as examples the Highways Control Plan, the Borroloola Town Plan and the Alice Springs Rural Area Plan. Perhaps there is a transcription error here, but my version of the second-reading speech of the minister refers to Aboriginal control plans. That has a desperate South African ring to it, and I think there is probably a mild error. Perhaps it refers to some sort of town plans for Aboriginal communities. I would be interested to hear exactly what is involved.

Mrs Padgham-Purich: Put 'town' in there - Aboriginal town control plans.

Mr BELL: That has an odd ring to it as well.

Mr Speaker, I hope that in his response the minister will pick up the issues I have raised.

Mr POOLE (Araluen): Mr Speaker, obviously this amendment is intended to correct technical points which are deficient in the current Planning Act. Land-use controls over certain areas outside land planning areas, such as the Alice Springs Rural Area Plan and the Highways Control Plan, have highlighted the problem with the lack of definition of 'consent authority'. The Planning Act gives the minister power to act as the consent authority in the case of subdivisions within planning areas. Outside those areas where the minister was the consent authority for subdivision, by lack of definition he is no longer able to act. Obviously, this situation has to be rectified.

Clauses 4 and 5 simply effect validation of instruments issued to date for subdivisions outside a planning area, and address problems arising with regard to the principal act concerning newspaper advertising and the public exhibition of draft planning instruments. In short, the amendments covered by these clauses remove any uncertainty as to who is the consent authority for the subdivision of land outside planning areas.

The existing legislation requires 2 newspaper notices and a notice in the gazette. This new subsection does not alter the requirement, but merely states that the gazette notice and the second of the 2 mandatory newspaper notices shall be published during the exhibition period. The requirement for a notice to be erected on the subject land is unchanged from that in the existing legislation. I trust this clears up uncertainties with this act and I commend the bill to honourable members.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Deputy Speaker, in addressing this amendment I have no basic argument with the 2 main amendments to the Planning Act. The first relates to subdivisions outside planning areas, where the minister will now be the consent authority. Also, there is an amendment to validate previous decisions in this sphere. I believe that that was the only course that could have been adopted in the interests of avoiding confusion. I have no argument with the timing of gazette notices and newspaper advertisements and the placing of draft planning instruments in the area concerned.

In his second-reading speech the minister said: 'Clause 5 of the bill has been drafted to validate all instruments issued today for subdivisions outside a planning area'. I believe this would have been more correctly expressed as: 'Clause 5 of the bill has been drafted to validate all instruments issued until today for subdivisions outside a planning area'.

Mr Deputy Speaker, the whole Planning Act needs updating, especially the part dealing with the definition of consent authorities. I thought I was the full quid on the Planning Act, but the more you read it the more concerned you become and imagine you are going around in circles. I can read the current legislation quite adequately and it appears okay to me. However, because the Department of Law is worried about confusion over the definition of 'consent authority', we have this bandaid amendment before us today. I believe we are correcting the symptoms and not the disease. The whole Planning Act needs to be updated and I would like to suggest to the minister that a clearly written update is long overdue.

When people cannot clearly understand a legal situation expressed in legislation and it is necessary to employ legal representatives to interpret it, that is very unfair. Why should people have to pay a legal representative to explain our laws to them? Planning is a more intricate subject than any other but it could be made considerably easier if the intent of the legislation was made plainer.

Mr Deputy Speaker, planning decisions, especially in the Darwin Rural area, are of paramount importance. I believe that is more the case in the Darwin rural area than it is in your electorate, or in the rural areas of Katherine and Alice Springs. Residents in the rural area of Darwin will not be put upon by the planners' decisions just because they have been made. We try to make our own planning decisions despite, on some occasions, being grossly and unfairly prevented from doing so by legislation.

The Darwin Rural Area Development Plan is on display in the rural area now. It is a very important document. We have waited several years for this and I must give the planners their due. They have come up with a very comprehensive plan after a lot of work and it is something that merits considerable thought. Different constituents have drawn my attention to recommendations for the plan which they consider will restrict their interests and inhibit their lifestyles. When these sittings are over, I will have to follow these inquiries through because, as I have said before, I believe that planners should exist for the people and not the people for the planners.

A basic thrust of any legislation put forward for people in the rural area should be to maintain our Rural Living 1 and Rural Living 2 areas. In the former, we want a minimum of 5 acres in a block and in the latter we want a minimum of 20 acres. This is despite what the Chief Minister said in an adjournment debate when, in replying to my remarks about the Litchfield Golf Club, he recommended that the club subdivide its 160 acres of leasehold land

into 1 acre or 1 ha blocks and sell them. The club is in an RL2 area where there is a minimum block size of 5 acres. Having previously been Minister for Lands, he should have known that such an idea would be like a red rag to a bull to people out there and it could not be implemented legally. His recommendation of such a course of action was extremely unusual.

Whilst I disagree with parts of the current Planning Act, I have cordial relations with the planners who are responsible for the rural area. They have gone out of their way many times to accommodate requests I have made on behalf of constituents. Whilst I have had a few arguments with them from time to time, nevertheless I thank them for the time and effort they have put into my queries on behalf of constituents.

The second main thrust of the legislation is the amendment dealing with the times and the places at which planning instruments shall be displayed. I do not have any argument with this amendment, which says that the authority will display any draft planning instrument at such places in the area to which the instrument relates as it thinks fit, in the office of the local authority, twice in a newspaper, in the NT Government Gazette and, where necessary, affixed to the land to which it relates. As well as sending instruments for display at the Litchfield Shire Office, the planners always send copies for display in my office. This is not only because I am always very interested in planning developments on behalf of my constituents, but because many of my constituents are themselves very interested and want to know what is going on. Out our way, it is a case of the price of freedom being eternal vigilance. If you want to have freedom to do what you want to do, you always have to be awake to what the planners think you should be doing. The amendment sets out clearly the order in which draft planning instruments must be displayed in various places. I hope that it will be sufficient to display an instrument twice in a newspaper. I suppose if people are concerned, they will look in the paper on Wednesdays, which is when such notices appear.

According to current planning legislation, there are no appeals if the minister is the consent authority. I suppose one has to accept that the minister must be the supreme authority on any planning application. I would expect, however, that the minister would show goodwill and only give consent when the full facts of both sides of any development application are considered.

I would like to suggest some changes to the Planning Act. I will be commenting about these further and I will also be writing to the minister because I believe certain amendments are still necessary. One concerns the fact that only a proponent of a development application can appeal against a decision of a consent authority. I would like to see objectors also being able to appeal when the consent authority goes against the wishes of the majority of the people. Unless you had experience of something like this, you might wonder when the objection and appeal processes would finish. We had a situation in the rural area where a development application was put forward and objected to by the local progress association, many local residents and myself. The consent authority was the Rural Planning Authority. It agreed with our objections and the development application was given the chop. The developers then appealed. They won the appeal and the objectors, the local people, had no power under the Planning Act to appeal. In a similar case in the future, consideration should be given to allowing objectors to appeal.

The legislation says that the minister is only the consent authority in relation to freehold land. I ask the minister whether the consent authority for subdivisions on leasehold land is still the Planning Authority. If it is not, who is?

Mr Collins: He was not listening. Repeat it.

Mrs PADGHAM-PURICH: I was not expecting him to.

I support the legislation, Mr Deputy Speaker, but I would like to bring to the minister's attention my point that other amendments should be considered. These revolve around the composition of the Planning Authority and the Appeals Committee, responsibilities of nominators of members of planning authorities, and the need to review the heavy hand of secrecy which surrounds the deliberations of planning authorities under present legislation.

Mr COLLINS (Sadadeen): Mr Deputy Speaker, the bill is pretty straightforward. I would just like to comment on the fifth clause, Validation of Consent to Subdivide. It seems that until the bill is passed, consent to subdivide is not valid. This concerns me greatly, being the owner of a couple of pieces of dirt on the Stuart Highway at Ti-Tree South. One would assume that, if the subdivision was invalid, the titles would be invalid and maybe I do not own those 2 pieces of land after all.

However, because this legislation is retrospective, I do not really have to worry about that. Retrospectivity in legislation is often condemned but, as far as I am concerned, this is a case where it is to be heartily commended although I am sure the original mistake was unintentional. Having a vested interest, I am pleased to support the passage of this bill.

Mr HANRAHAN (Lands and Housing): Mr Speaker, in answer to the member for MacDonnell, I do not intend to deal with the government's purchase of land at Finnis River whilst debating this bill. His questions are on notice and, as I advised him, replies are in hand. I will endeavour to make sure that he has them tomorrow, so that if he wishes to take the matter further he will certainly have the opportunity to do so.

The amendment to subsection 4(1) of the principal act does no more than state the previous intention in a more positive sense. Let me put it this way. The Darwin Planning Authority is the consent authority for anything that happens within the Darwin plan area but, where an area is outside a planning precinct, as in the case of the Alice Springs Rural Area Plan, the consent authority is the minister. The amendment says that where there is a planning instrument over a particular area, that planning instrument states who is the consent authority. It is really just restating the obvious in a very positive sense.

Mrs Padgham-Purich: Is the minister still the consent authority for leasehold land?

Mr HANRAHAN: Most leasehold land, other than pastoral leases and so on, is confined within a plan boundary.

The member for Koolpinyah made comment about aspects of the Darwin Rural Strategy Plan presently on display, in relation to certain proposed areas and zoning. The very reason that the plan is presently on public display and was displayed at the Darwin and Fred's Pass Shows, is so that the department can receive comment, evaluate it and possibly incorporate it into the plan. I thank the member for her comments, and I thank all honourable members for their support of the legislation.

Motion agreed to; bill read a second time.

Mr HANRAHAN: Mr Speaker, I seek leave to move a motion that the bill be read a third time forthwith.

Leave refused.

SUSPENSION OF STANDING ORDERS

Mr HANRAHAN (Lands and Housing): Mr Speaker, I move that so much of standing orders be suspended as would prevent me from moving a motion regarding the third reading of this bill forthwith.

Mr BELL (MacDonnell): Mr Speaker, I move a division. Bugger you.

Mr SPEAKER: Order! The member for MacDonnell will withdraw that remark.

Mr BELL: I withdraw the remark, Mr Speaker. Gee whiz, that is one of the most gutless efforts I have heard of.

Mr SPEAKER: Order! The honourable member for MacDonnell will withdraw that last remark.

Mr BELL: I withdraw that remark too, Mr Speaker, unreservedly.

The Assembly divided:

Ayes 13

Noes 4

Mr Collins

Mr Coulter

Mr Dale

Mr Firmin

Mr Hanrahan

Mr Harris

Mr Manzie

Mr Palmer

Mr Perron

Mr Poole

Mr Reed

Mr Setter

Mr Vale

Mr Bell

Mr Ede

Mr Lanhupuy

Mrs Padgham-Purich

Motion agreed to.

Mr HANRAHAN (Lands and Housing): Mr Speaker, I move that the bill be now read a third time.

Mr BELL (MacDonnell): Mr Speaker, there are a few comments I want to make. The first concerns the spineless refusal of the minister to make any sensible contribution to the debate over the subdivision carried out by his mate, who is not with us today. I am quite happy to ...

Mr SPEAKER: Order! The honourable member will please withdraw that last remark relating to the minister.

Mr BELL: The minister's backbone?

Mr SPEAKER: Or lack of.

Mr BELL: I am quite satisfied that the minister's spine is in good condition and I withdraw unreservedly.

Mr Speaker, I appreciate that the minister is somewhat reluctant to discuss this issue. It is a source of embarrassment to him and his Cabinet colleagues. I am fairly satisfied that it is one of the reasons why the member for Casuarina is on the backbench these days. However, I believe that the truth will out. I am quite happy to wait for that, whether it is in debate tomorrow or whenever. Quite clearly, it would have been appropriate to bring the matter up in a general discussion of the policy of the government in relation to subdivisions, but the honourable minister squibbed it. So be it.

The particular reason I sought to have this bill discussed in committee relates to the concern I raised during my second-reading speech about the changed wording in clause 3. It is quite a complicated clause. The sections of land referred to in the definition of consent authority in the principal act are markedly different from those classes of land referred to in the proposed amendment. In spite of some work I put into it myself on Friday afternoon, it is not abundantly clear. The minister attempted to suggest that I had somehow missed something or that I could bring it up in the context of this third-reading speech. That is quite true. However, for the benefit of some of the lads opposite who have not been here too long, let me just point out that the committee stage exists specifically to enable members to come to grips with the exact purposes of a bill, clause by clause.

I am going to go into this at length because, whatever the minister may say, it is not going to be possible for me to have some sort of dialogue with him about what it means and what it does not mean. The minister got up here to sum up the second-reading debate and tried to tell me, in an extraordinarily patronising tone I might say ...

Mr Collins: He can be more patronising.

Mr BELL: I suppose the member for Sadadeen would have had rather more experience of the minister's patronising manner than I have.

It suffices to say that for the minister to point out to me that I should be satisfied with his explanation that the Planning Authority is the consent authority for gazetted planning precincts - and I think he meant planning areas, which is the term by which the act refers to them as they are declared under its section 10 - while for areas outside those planning areas the minister can be regarded as the consent authority, is rather like him trying to teach his grandmother to suck eggs. I am well aware of that particular distinction, Mr Speaker.

However, let me once more refer the minister to the particular point. It is not a major point. A great deal does not hang on it, and I was not suggesting that it was a matter of great import when I brought it up in the context of the ...

Members interjecting.

Mr BELL: Really, Mr Speaker, may I have a little protection from these people who have not contributed to the debate. I suggest that they go out and have a rum or a coffee or whatever and, if they have not been sufficiently interested to have contributed during the second-reading debate or elsewhere, that they might just maintain a respectful silence.

For the benefit of the minister, the 3 paragraphs referred to in the principal act do not draw a distinction between planning areas, gazetted planning areas and non-gazetted planning areas, as he seemed to suggest was the case. The first paragraph refers to subdivisions granted under part V, the subdivision section of the act. The second refers to subdivisions of freehold land, other than freehold land referred to in section 81(2)(a) or 81(3)(a). However, in the amending bill, there is no reference to freehold land referred to in 81(2)(a) or 81(3)(a). I dare say that it is a small point.

Mr Hanrahan interjecting.

Mr BELL: It is not the sort of thing that removes governments from office but, let me say, the sort of contempt for the parliamentary process that the minister displays is what governments do get tossed out for. I have no doubt that, when he responds to my third-reading speech, he will come up with equally dismissive comments which will not facilitate dialogue. I had no intention of making this a particularly ...

Mr Hanrahan: Sit down and shut up!

Mr BELL: I will place that interjection on record, Mr Speaker. The Minister for Lands and Housing just said: 'Sit down and shut up'. That is exactly the sort of contempt for the proceedings of this Assembly ...

Mr Hanrahan: No, your intelligence.

Mr BELL: ... that we have become used to from the Minister for Lands and Housing and a few of his colleagues. I think it is about time that this sort of appalling disregard for the traditions and purposes of this Assembly ...

Mr Dale: You have 4 minutes, Neil.

Mr BELL: I will place that interjection on record too. I trust the Minister for Health and Community Services will contribute to this debate to explain his deep regard for satisfactory parliamentary conduct. The plain fact of the matter is that this Assembly has been prevented from sensible debate and elucidation of specific references in the legislation, both for my understanding and for that of some other members who might be interested.

Mr HANRAHAN (Lands and Housing): I reiterate what I said in the first instance. I do not intend to address issues relating to Finnis River just to appease the member for MacDonnell. Accusations that this government is concerned over dealings at Finnis River and unprepared to debate them in the public forum are ridiculous. I advise the member for MacDonnell that his questions have been placed on notice and are being answered. I will say that I hope the member for MacDonnell does not display a gutless endeavour in taking up this challenge.

Mr SPEAKER: Order! The minister will withdraw that remark.

Mr HANRAHAN: I withdraw it unreservedly.

The member for MacDonnell suggested that there had been financial dealings between the member for Casuarina and a certain gentleman by the name of Mr Anictomatis.

Mr Bell: It was a question that I asked, Ray.

Mr HANRAHAN: It was a question, he says. I refer the member for MacDonnell back to every single word that he has said here today, including his closing remarks when he actually asked the original question which was placed on notice.

Mr Speaker, on this side of this Assembly we are expected constantly to sit and take that sort of drivel and accusation from the member for MacDonnell. He stands before us and displays his total ignorance of the meaning of the amendments before the Assembly.

Mr BELL: It is a rather different issue, Ray.

Mr HANRAHAN: Mr Speaker, I apologise if he feels that he has been treated with contempt but sometimes it is just a little difficult. The amendments to subsection 4(1) of the act do no more than state, in a positive sense, what is already there.

Mr Bell: That really is absurd.

Mr SPEAKER: Order! The member for MacDonnell will cease interjecting.

Motion agreed to; bill read a third time.

ADJOURNMENT

Mr HANRAHAN (Leader of Government Business): Mr Speaker, I move that the Assembly do now adjourn.

Mr EDE (Stuart): Mr Speaker, in tonight's adjournment debate I wish to point to an area where there is a very real chance that the Northern Territory may lose an opportunity to gain overseas expertise to train Territorians and expand our industrial base.

In question time this morning I asked the Minister for Education a question regarding the abuse of the trade symbol owned by a company called the Swedish Geological Company. The minister's answer was full of personal denigration, as we have come to expect, and reflected no credit on him. He made remarks about a Territorian of long standing, Mr Speaker. I am sure that he would not repeat those remarks outside the Assembly, even though he has possibly ruined this person's livelihood and made it impossible for him to operate in the Northern Territory. The minister has taken the coward's way out and denigrated him here in the Assembly.

Mr Speaker, the Swedish Geological Company is quite an interesting organisation. Originally, it formed part of the Swedish equivalent of our Department of Mines and Energy. It was hived off some years ago when a large number of public servants put it to the Swedish government that they could operate more effectively as a subsidiary of the Swedish government rather than as a department, and could move into broader areas of technology, training and manufacturing. The company currently runs programs in Indonesia, where it is involved in experimental bio-chemical exploration; in Nicaragua, where it is involved in exploration and the development of a gold mine; in Sweden itself, where there are extensive projects finding basic information on the mineral potential of areas to the north of the country; in Tanzania, where it is involved in a program called Health Through Sanitation and Water; in Nigeria, where it works with the government in the training and supervision of water-prospecting teams and where its sling-ram equipment is being used to develop a program for extending ground water potential; and in Botswana where, once more, it is involved in ground water projects.

Since the 1920s, when the Swedes first developed the concept of electro-magnetic mapping of sub-surface structures, they have been at the forefront in developing and using technology in this field. This particular company is slightly different from the average multi-national in terms of the concepts it has retained from its time as a public service entity. These include an overriding commitment to the training of indigenous peoples in the areas of the company's expertise and in utilising its equipment. The company takes the long view. It does not simply sell high technology to third world countries and then sit back and complain when the equipment is not utilised to its full potential or breaks down and becomes inoperable. A fundamental part of its method of operation is to train indigenous people in all facets of the equipment which it sells to them.

I do not want honourable members to get the idea that this is mickey-mouse equipment or some form of untested appropriate technology. The company's field computers are currently in operation with British exploration teams in the Antarctic. Its electro-magnetic unit is widely used for mineral exploration, water exploration and ground surveys. Its new bore-hole radar system has the ability to see through granite, as it were, to a distance of 100 m, which is far beyond anything else in the field. The company operates in many countries right around the world and it regards its philosophy of training indigenous people as an essential adjunct to its other operations.

Some time ago, the Swedish Geological Company decided that there were opportunities in Australia. It was persuaded that possibilities existed in the Northern Territory and it is not hard to see why. Like everyone else, it had seen the Northern Territory Land Rights Act and realised that it created a particular set of circumstances. Unlike many companies, which use their political weight to attempt to wipe out the powers of traditional owners, it knew it could work within the act. It saw that, if it could train Aboriginal people in the use of sophisticated electro-magnetic and other exploration techniques in their own country, this would provide many traditional owners with the ability to take up exploration licences and, given the solid information base they would gain through their own exploration, be in a position to negotiate arrangements with exploration or mining groups.

I believe that that is an exciting concept. It means that Aboriginal people will be involved, in a very direct sense, with mining on their own land and not simply as the passive recipients of negotiated royalties or compensation. It means that, in the very early stage of exploration, they can be directly involved in the project.

Mr Speaker, there were 2 developments as a result of the Swedish Geological Company's interest in the Territory. The first was that the company, through its local agent, Radar Mapping Systems, attempted to get a group of Aboriginal people to Sweden to undertake the training program. The idea was to find 6 participants for the first course, who would go to Sweden and undertake a 15-week course in geology, geophysics, management, field work, gravimetry, electro-magnetic methods, interpretation of field works, seismic and bore-hole geophysics, instrumentation services and so on. This is an expensive program. For 6 people, the cost is some \$4000 a week, which includes field training, rental costs, consultant fees, literature, field-work expenses and instrument rentals. That cost must be compared to the cost of bringing the professors and lecturers who have had experience in providing this type of course all around the world, across to Darwin to conduct the course here. The proposal was that, given the experience gained in this first course, the Swedish Geological Company would tailor the course to our needs and set up a training program here in the Northern Territory, to allow many more people from Aboriginal communities to gain these skills.

The second development came about because the Swedish Geological Company had been looking at fairly rapid expansion in this part of the world and saw the Trade Development Zone as being a very real possibility in terms of a location for a significant proportion of the manufacture, assembly and re-export of a number of its newer instruments. One of these is the sling-ram electro-magnetic unit which retails at around \$23 000. Another is the field computer which, as I said, is now being used by the British exploration teams in Antarctica, and another is a further upgrade of the bore-hole radar technology unit, which currently retails for something between \$350 000 and \$400 000. In other words, we are talking about the possibility of real hi-tech manufacturing in the Trade Development Zone.

This very real opportunity has been placed in jeopardy because of an argument over the use of the company's name and logo. In the past, we have complained loud and long over this government's tendency to get itself locked into situations with companies of very doubtful history and even more doubtful future, but this is an example of a very solid company, with a world-wide reputation, attempting to become involved in the Northern Territory. Its local agent contacted the Trade Development Zone Authority and explained the company's interest. On behalf of the company, he also made initial proposals through the Small Business Advisory Service to government for funding of the initial training program.

Late last year, the Trade Development Zone was informed that one Professor Bengt Fridh would come out to Darwin to have a look at the Trade Development Zone to assess the possibilities of further development of the project and to finalise the courses in Sweden. Mr Fridh is an Assistant Professor of Geophysics and the director of training for Swedish Geological. Over several months, attempts were made to get a detailed itinerary for Professor Fridh's trip and, although the company was advised that a full day would be needed for him to see the Trade Development Zone, I am advised that when he arrived there on 16 February, after travelling half way round the world to assess the possibilities, after 40 minutes he ended up back with Radar Mapping Systems.

This is an example of very poor behaviour by the Northern Territory government. If this is the way that it handles the development of the Trade Development Zone, it is no wonder that it is having problems. A professor travelled halfway around the world to visit Darwin on behalf of a major company and, after 40 minutes with the Trade Development Zone Authority, he was told it had nothing more for him. Professor Fridh left Darwin with a fairly poor impression of the Trade Development Zone but he still believed that there were possibilities in the Northern Territory if the training program went ahead.

Swedish Geological then started requesting that somebody who was senior enough to carry out negotiations go to Sweden and have discussions with the government and the company. It was strange that, in a letter of which I have a copy, dated 13 May 1987, the Chairman of the Trade Development Zone stated that he would be happy to consider the possibility but he wanted a group of people from the company in Sweden to have another look at Darwin. The company had already sent a person across the world for a 40-minute briefing. The chairman of the zone then suggested that 6 more people be sent over for a briefing.

In response to a facsimile copy of Mr McHenry's letter, the Swedish Geological Company advised the Trade Development Zone Authority that its establishment in the Trade Development Zone was connected with the company's

activities in the Northern Territory and with the program concerning the education of the Aborigines. At that stage, the company expressed its dismay that its proposal to run a course had not been approved, and said it was beginning to feel very pessimistic about the possibility of running the education programs which were planned to follow in Darwin. The company advised that, as that education program in Darwin was to be the base for its business in Australia, it could not proceed with its plans to establish in the Trade Development Zone. However, the company stated that if and when the education program commenced, it would reconsider the position. It is disappointing to reflect that at that stage the view was gaining currency that the government wished to cut out the Swedish Geological Company and attempt to run, with no expertise, a similar type of course here in the Northern Territory.

The Swedish Geological Company also obtained the impression that part of its program had been taken up by the Open College and was being run by it. I am told that this apparent gross breach of faith by the government did not, in fact, take place. I am assured by the honourable minister that the course referred to was, in fact, run previously at the Lae Technical College in Papua-New Guinea. It is a shame that such an easily provable fact as that has not been expressed to give the company some comfort. The amazing row erupted over the submission cover which actually used the words 'joint training venture' when no such joint venture existed. In the eyes of the Swedish Geological Company, a gross breach of faith had occurred.

We are talking about a company which deals in knowledge. It is essential that companies like this one, which are in the forefront of technological development, can have faith in the groups that they are working with and be absolutely certain that their major asset, their knowledge, is not stolen from them and used without their authority. Because of the company's worries about the good faith of the Northern Territory government, it sent a telex stating that it intended to institute legal proceedings against the Northern Territory government.

There is a very strong possibility of obtaining the transfer of a large amount of knowledge to the Northern Territory, and we must have that knowledge, both as a means of assuring the development of land held under the Aboriginal Land Rights Act and for a substantial manufacturing industry to get off the ground. We need to demonstrate this government's complete competence and ability to deal with those genuine overseas companies who wish to assist us in our development drive. I believe that the Minister for Education, the Minister for Industries and Development and the Minister for Mines and Energy should undertake a thorough review of how such a ridiculous situation was allowed to develop.

There has been what could only be described as a comedy of errors, a massive breakdown in communication and a tremendous misunderstanding, which is putting the whole project at grave risk. The government should contact the Swedish Geological Company and explain the position in respect of both the course which was transferred from the Lae Technical College and the use of the logo. It should get this project back on the rails so that it can take advantage, not only of the people who will be trained under the program, but of the development of hi-tech industrial systems in the Trade Development Zone for the benefit of all Territorians.

Mr PERRON (Industries and Development): Mr Speaker, I rise in the adjournment debate today to respond to a few of the points made by the member for Stuart. It would be interesting to hear what he would have said today if

I had done what the company's local representatives suggested I should do: get on a plane, presumably with officials of the Trade Development Zone Authority, and go to Sweden to discuss this interest in the Trade Development Zone. I point out that, when officers of the Trade Development Zone travel overseas, which is fairly regularly, it is not to discuss any one application with any one applicant. The target is certainly much broader than that.

I would like to begin by referring to the allegedly insufficient treatment of the gentleman who came from Sweden earlier this year and expressed some interest in setting up in the Trade Development Zone. We are indeed very interested in anyone who expresses an interest in knowing what the Trade Development Zone is about, particularly those who present brochures detailing their products and want to know more about the zone with a view to possibly establishing there. We certainly take such people seriously. However, it has been said here and in the media that this gentleman travelled from Sweden to talk to our Trade Development Zone Authority people and all he got was a 40-minute interview. The facts are a little different.

I am advised that the representative of the Swedish company had been in Australia for 6 to 8 weeks on a tour of all states. A detailed briefing was provided to the gentleman at the Trade Development Zone Authority, including details of costings, rental costs and other feasibility matters relating to the Trade Development Zone. For some reason, the local representative, a Mr Lear, did not stay at that meeting. I do not know the reason, but he left his Swedish contact at the Trade Development Zone by himself. The gentleman from Sweden indicated that manufacturing was outside his area of responsibility and that he would put the information to his colleagues. He stated that he required no further information at that stage. I am not sure what we were supposed to do with the gentleman after he had obtained all the information that he required. As honourable members will realise, one can gain considerable information about the Trade Development Zone Authority in 40 minutes and one can obtain documentation detailing what the authority is about. No doubt that was made available to him.

That occurred in February this year. In April this year, Mr Lear, the Darwin representative, contacted the authority and advised that the Swedish company wished to participate in further discussions. The Marketing Manager of the Trade Development Zone Authority visited Mr Lear in his office in town on the day the request was made. You cannot complain about that sort of treatment.

This company appears to make a range of very hi-tech equipment including bore-hole radar and similar products. I am sure that it will be able to interest a number of people in this country in such equipment. I hope that is the case because, if it works as claimed, it will save millions of dollars in exploration. However, that is a matter for commercial enterprise. We indicated to the company that, in welcoming it to the Trade Development Zone, we would require certain levels of information as a preliminary exercise. We would need to know what it would propose to manufacture in the zone, the amount of space it would require, the number of personnel that would be involved, the levels of expertise of such personnel, the level of funding and so on. These are normal details that we need to obtain from any such firms. We have treated all firms equally to date.

In May this year, Mr Lear wrote to the authority indicating that the Swedish company would like to pursue further discussions with the authority provided that a confidentiality undertaking was forwarded. We did that. That, and my government's policy on these matters, will preclude me from

releasing details about what the company did or did not provide in respect of the information that we sought from it. The company said that it could not provide detailed information and it was assured that confidentiality would apply. I am sure that the company would want that to include confidentiality in terms of my tabling documents or speaking in this Assembly today.

Mr Ede: You can understand how it feels about the logo.

Mr PERRON: I can understand its concern if it has seen any of the matters that this opposition has raised about participants in the Trade Development Zone over the past few months. Members opposite do their best to destroy anyone who has the misfortune to become publicly associated with the zone. Sadly, they cannot do anything but knock, knock, knock. They are dead scared that the project might be a success.

In May this year, the chairman of the authority wrote directly to the Swedish company providing the requested confidentiality undertaking. The letter also indicated that the authority would be pleased to consider the possibility of a meeting in Sweden but pointed out that there might be advantages if a team from the company visited Darwin to see the zone first-hand. Remember that manufacturing was not really the field of the first gentleman. The chairman was suggesting that others might come to look at what we might have to offer. The letter also requested that the Swedish company commence the preparation of a business plan relating to its proposal in the zone.

That was in May this year - not so long ago. During this period, the local representative had a meeting with me. He phoned my office on a number of occasions and phoned people at the Trade Development Zone, persistently making the point that we were not treating the Swedish company with due respect. He said that we should get on a plane and go to Sweden. I spent considerable time with this gentleman myself and it was impossible to convince him that his request was somewhat out of order in the chain of events that should take place. We were seeking some additional information. He felt that we were being quite unrealistic.

Tied in with this proposal with the Trade Development Zone Authority - and we are not completely clear as to exactly what the proposal is, but we are working on it - was a proposal that the company take a group of Aboriginals from the Northern Territory across to Sweden, at government expense I understand, to undertake a course on the use of the company's equipment and on geology and prospecting generally. I think it had almost got to the stage of selecting a group of Aboriginals. Some were from Borroloola and places like that. The company wanted to teach them basic geology, geophysics, management and geodesy.

Mr Ede: You can't even spell it, let alone pronounce it.

Mr PERRON: No, I cannot pronounce it myself. Other things the company wanted to teach these people were planning and field work, gravimetry and magnetometry, electromagnetic methods both ground and airborne, interpretation of field work, seismic methods and bore-hole geophysics, instrumentation and services.

Mr Speaker, I have to confess that I think that geologists in the Department of Mines and Energy would have their work cut out coming to grips with some of these subjects. There was some scepticism and a feeling that the proposal to spend \$84 000 to send these Aboriginals to Sweden to learn about

this company's equipment and methods needed some careful consideration. There were discussions between the Department of Education and the Department of Employment and Industrial Relations and some suggestions that the Aboriginal Development Commission or other funding groups might become involved. I am not very familiar with that side of it.

Eventually and very recently, the Northern Territory Open College did something which obviously infuriated the company's local representative. My colleague, the Minister for Education, attempted to explain that action this morning. The outcome was that the government received a letter from the company in Sweden. The member for Stuart referred to this letter. It is addressed to the General Manager of the Trade Development Zone and it says:

Our possible establishment in the Trade Development Zone is connected with the other SGAB activities in the Northern Territory, namely a program concerning the education of Aborigines. Unfortunately, Australian authorities have not supported the initial stage of this program, i.e. a 3-month course in Sweden. We therefore feel very pessimistic regarding the possibility for us to run the education program planned to follow in Darwin. As the education program in Darwin was supposed to be the base for our business in Australia, we cannot proceed with our plans to establish in the Trade Development Zone at the moment. If or when the education program will commence, we will of course reconsider, and then I will be more than happy to contact you again through our representative Mr Lear.

The house of cards appears to have crumbled because Mr Lear has reported to his principals in Sweden that, as a result of something that the Department of Education is alleged to have done, the company can no longer come to the Northern Territory and participate in the Trade Development Zone. For some reason, an action of the Department of Education has completely ruined the company's plans to take advantage of the geographic and taxation concessions available to businesses in the zone. I must confess that all of this is a little bit beyond me. The member for Stuart has blamed the government for losing the opportunity to have a substantial manufacturing industry based here. He said that we have blown the whole thing. I would say to him that if there was any possibility of establishing a substantial manufacturing industry in the Trade Development Zone through this company and its products - which seem to be very fine ones - I am sure it would not have collapsed like a house of cards because of an incident on television in which Mr Lear felt that he lost some face.

Mr Ede: Confidentiality.

Mr Perron: What do you know about it anyway? You would not know what the word meant.

Mr LEO (Nhulunbuy): Mr Speaker, I would like to address some remarks to the Acting Minister for Transport and Works, who unfortunately is not here this afternoon.

In question time this morning, the minister commented on industrial action presently being undertaken by members of the Transport and Workers Union employed by the Darwin Bus Service. I would like to say at the outset that it is distressing when industrial matters are dragged into the Legislative Assembly. Inevitably it affects the atmosphere in which negotiations are conducted and the minister's words this morning certainly did nothing to help an agreement being reached in the current dispute.

The minister might as well have accused all drivers of the Darwin Bus Service of theft. No charges have been laid and the persons who are under suspicion were not identified by the minister. He has, by association, accused all drivers and collectors of theft. That is an insult to those people and it comes about through no fault of their own. If there is some degree of doubt concerning the honesty of some drivers employed by the Darwin Bus Service, they must be prosecuted. There is no alternative and they must be pursued by the law. But, by association, to accuse all members of the Darwin Bus Service of theft is, to say the least, very poor industrial relations and, at worst, not in the best interests of the Northern Territory. It is certainly not the behaviour of a responsible minister.

It is interesting to read some of the minister's comments, and I refer to my own copious notes rather than to Hansard. He said that it was worthwhile pointing out that it had been estimated that some of the irregularities that were alleged to be taking place might be costing taxpayers between \$80 000 and \$100 000 a year. Mr Speaker, if 1 or 2 people in the Darwin Bus Service can get away with \$80 000 or \$100 000 a year, given that they only work 8, 10 or 12-hour shifts, the Darwin Bus Service would be running at a very handsome profit. The service employs between 50 and 55 drivers and, if the turnover of cash is so great that 1 or 2 of them could get away with \$80 000 or \$100 000 in a year, there would be no need at all for the subsidy that the Northern Territory government provides to the bus service. I think that the minister is either exaggerating or is very poorly advised by those who are providing him with information to drop in this Assembly in order to keep the kettle boiling in this industrial dispute.

For the education of the minister, the meeting that decided to proceed with the present bans on overtime was attended by some 45 union members. That is not the same as half of the union's members dragging the entire work force of the Darwin Bus Service out on strike. A majority of members attended. It is clear that the minister has never been involved in any industrial matters. No union drags members out on a strike. All members vote on whether or not they want to go on strike, put on work bans or overtime bans or go back to work. A majority of the membership was certainly at the meeting and the vast majority of that membership supported the overtime bans because they felt that one of their colleagues was unjustly accused of theft. That is the true picture and it does nothing for industrial relations when the Acting Minister for Transport and Works stands up in the Assembly and quotes the platitudes that are handed to him by the management of the Darwin Bus Service, in response to a Dorothy Dix question. The matter has received more than enough coverage in Darwin's popular pulp press. The minister has done nothing to help to resolve the matter and he has not contributed at all to the public's confidence in this Assembly.

Mr Speaker, I wish also to raise a matter which concerns my constituents. The matter will come to the attention of the Assembly tomorrow morning when I present a petition. It arises from a meeting held in my community. It was attended by at least 50 people, people who were very concerned about the future well-being of their children. It was called at very short notice and the level of interest shown in Nhulunbuy for the future of the Community Health Service was plainly evident.

I will repeat what I said last Thursday. If there are to be cuts in government expenditure - and of course there will be cuts - they should be made, in the first instance, in areas which are of a non-service delivery nature. If that is not adequate, they may very well have to go further and even extend to service delivery areas. However, I would suggest that the

government restrict its cuts to non-service-delivery functions. Remote places like Nhulunbuy have very limited social infrastructure. There are few extended families and it is generally just mum, dad and the kids. That is the type of social profile Nhulunbuy has, like mining towns elsewhere.

Mr Coulter: Have you been to Palmerston?

Mr LEO: I imagine it would be much the same there also. Cuts to any service-delivery component of government services will obviously affect the families that rely on those services.

In conclusion, I attended a ceremony at Yirrkala on Saturday. It was the Yunupingu family's acknowledgement of the award achieved by Bakamana Yunupingu last week at Batchelor. It was a delightful ceremony and anybody in this Assembly who doubts how much Aboriginal people value education should have been at that ceremony. It was a delight to attend. I can only report to this Assembly that Aboriginal people are very concerned about the future of their children's education because they recognise that education is one of the few tools that they will have to protect themselves with in the future.

Mr BELL (MacDonnell): Mr Deputy Speaker, I want to make a couple of comments in the adjournment debate today. The first comment I make is in my capacity as shadow minister for transport and works. I want to endorse the comments of the member for Nhulunbuy and to express my intense disagreement with both the question put forward by the member for Jingili and the response from the Acting Minister for Transport and Works. I do not believe that either of those 2 gentlemen would be prepared to say what they said here outside this Assembly.

Before I comment further on that, let me make it quite clear that if it can be proved that there has been conscious theft, I would be the last person to support such behaviour. I do not believe that that is the truth, certainly not entirely, if it is in fact the case at all. With that disclaimer, Mr Deputy Speaker, let me refer to the minister's and the member for Jingili's particularly spineless use of the privilege of this Assembly.

Mr DALE: A point of order, Mr Deputy Speaker! I would ask that the remark about the spineless attitude of the minister be withdrawn. I think that the honourable member was asked to withdraw a similar comment earlier today and, for the sake of consistency alone, he ought to be asked to withdraw it now, despite the fact that his memory is very short.

Mr DEPUTY SPEAKER: The honourable member will withdraw that remark.

Mr BELL: Mr Deputy Speaker, I unreservedly withdraw any suggestion about the anatomy of the member for Jingili or the Acting Minister for Transport and Works. The member for Wanguri might have imagined that I was speaking metaphorically. Of course I was not.

My recollection of the question from the member for Jingili was that there was no doubt in his mind. He referred to disciplinary action taken against drivers who had been stealing bus fares. There was no doubt in his mind.

Mr Coulter: Alleged.

Mr BELL: No, he did not say that. If the Treasurer refers to Hansard, I am sure that he will find that it concurs with my copious notes. His colleague, the Acting Minister for Transport and Works, went on to refer to

disciplinary action against drivers who had allegedly been caught with their hands in the till. Here and now, I challenge both of those members to step outside this parliament and make those accusations, identify the people and leave themselves open to charges of slander. That would cause them little more than shamefaced embarrassment.

I was rather surprised when I saw the headline in Friday's article: 'Strike Will Halt Buses'. I read through it and I thought that it looked as though there had been some problems because of misconduct by the 2 drivers. I made some inquiries about this. It would be quite unusual for any group of people to publicly support any of their number who were caught stealing, to use the member for Jingili's phrase, or caught with their hands in the till, to use the minister's phrase. This is normally the case whether such individuals be unionists or - I was going to say members of the Country Liberal Party, but I imagine that organisation is a little more lax in this regard. Trade unionists are no exception to the general rule and, therefore, I was most surprised when I read that article.

The fact of the matter is that there certainly is an industrial relations problem with the Darwin Bus Service. It would appear that some bad blood has been created and it would behove the minister to investigate pretty carefully before he makes those sorts of allegations. For example, I understand that, in one particular case, an inspector recommended that disciplinary action be taken against a driver before he even bothered to check whether the value of the tickets corresponded with the amount of money that particular driver had collected. I have not been a bus driver but I did drive taxis for a couple of years. I do not imagine that collecting bus fares is particularly different to collecting taxi fares, particularly in peak periods in a busy city like Melbourne, where I drove for a couple of years. At a particularly busy time, when there was a large volume of people moving on and off a bus, it would be quite easy for there to be slip-ups with change.

Mr Coulter: Have you seen the number of people on our buses?

Mr BELL: I am quite sure that there are periods when buses do not carry a large number of people. I will pick that point up later when I refer to the absurd privatisation suggestion because there are a few points to be made in that general context.

To return to the issue of the drivers and the inspectors involved, I suggest to the Acting Minister for Transport and Works that the situation is a little more complicated than he has put across and than has been reported in the NT News today. I will bet London to a brick that no charges are laid over this issue. I place that on record here. If charges are laid, I will not be jumping off the bridge at Palmerston but I will certainly recant. If the Acting Minister for Transport and Works can make any of these charges stick, I will recant in this Assembly. I will tell you what, Mr Deputy Speaker, if he can make charges stick, I will crawl on my knees from here to Mindil Beach. I will crawl on my knees from here to Mindil Beach if the charges stick and if the Acting Minister for Transport and Works is prepared to repeat outside the allegations that he made here this morning. I do not think there is too much chance of my having to do that.

Mr Deputy Speaker, while I am on the matter of last Friday's NT News - and I note that Mr Nason of the NT News is observing our deliberations - I would like to place on the Assembly record my heartfelt appreciation. In one's 40th year, when the hair is starting to go a bit grey, one starts to consider the purpose of life in slightly different terms. I would never go so far as to

suggest that it is a mid-life crisis but, certainly, one can take a different view of all sorts of things in one's 40th year. You can imagine how heartened I was to find that Mr Nason had referred to me as parliament's 'angry young man'. It gave me a great deal of joy. In fact, when I pointed this out to my wife she took some considerable time to stop laughing. I was not quite sure how to interpret that. Be that as it may, a heartfelt bouquet to Mr Nason of the NT News.

In the short time that remains to me I want to adumbrate a more serious issue that I intend to discuss at length. It is an issue of considerable importance to me and it has been raised in Assembly debate before. I refer to the issue of employment and occupation in my electorate

Several weeks ago, I received representations from my constituents at Jay Creek. They are deeply concerned that some 80% of the community, particularly young men in the post-school age group aged from 16 to 20 or a little older, have no occupation. There are no jobs for them. I have been raising this issue in this Assembly over the last 6 years and it seems to me that, not only is the situation not improving, it is getting worse. It is one issue on which I do not seek to gain partisan advantage, and I do not seek necessarily to criticise the government for lack of action in this regard. However, I think it could take the issue more seriously and investigate it in a more serious fashion.

For example, I would have been pleased if we had had tabled for debate in this Assembly the Miller Report which followed from a study of employment and training in Aboriginal communities right round the country. As it was directed at 25% of the Territory's population, it was obviously worthy of more consideration in this Assembly than it has been given so far. The response from the government has frequently been that, if it could allow tourist developments to go ahead, do more mining on Aboriginal land, and get the accursed federal government off its neck, of course it would be able to find jobs for these people.

Mr Deputy Speaker, I see my time is running out this evening, but I intend to continue my remarks on this subject at a later date.

Mr DALE (Health): Mr Speaker, my comments will be very brief indeed, but I feel I must respond to some of the points raised by the honourable member for Nhulunbuy a little earlier in this adjournment debate. I refer particularly to the grave concerns shown by a number of residents of Nhulunbuy. In fact, I believe I have a copy of the petition he spoke about presenting to this Assembly in the morning. There are in the vicinity of 500 to 600 signatures on that petition, and it shows the people of Nhulunbuy's concern about the Northern Territory government's consideration of budget cuts. I think it is indicative of a justifiable concern not only by the people of Nhulunbuy but by all people of the Northern Territory.

We have said many times in this Assembly that the one thing that we can be sure of in the Northern Territory is that there will be absolutely no representation by members of the opposition. Here is a classic case of a member of the Australian Labor Party's branch in the Northern Territory doing nothing to represent the needs of Territorians while his bosses in Canberra are dictating how Territorians will live and reducing their quality of life with the cuts they are imposing on us. I challenge the member for Nhulunbuy to have that petition sent to Mr Keating in the very near future for his consideration.

As I have said all along, I believe that the opposition members have done nothing but applaud the federal government for its attitude that the Northern Territory has been over-funded for a number of years. They continue to applaud the cutback of \$104m engendered in the last few weeks, and I challenge the member for Nhulunbuy, a member of the Australian Labor Party, to start to represent his constituents by making some representation to his bosses in Canberra, and telling them that they are crucifying the Northern Territory and its people, including the people of his electorate of Nhulunbuy.

Mr COLLINS (Sadadeen): Mr Speaker, privatisation comes in many shapes and forms and the Acting Minister for Transport and Works suggested this morning that privatisation could be the end of the Darwin Bus Service. I would suggest to the honourable minister and to the government that they might take a leaf out of Mrs Thatcher's book and do what she did with the cross-channel ferry service. It was a public-oriented organisation which, just like the Darwin Bus Service, lost many millions a year. The Prime Minister of Great Britain simply handed over the whole affair, including the ferries, terminals and the whole works, to the workers.

I would suggest that is an idea not to be dismissed lightly. Give the whole Darwin Bus Service to the workers who drive and operate in it and see if they cannot make it profitable. I think their attitude to the bus service would be considerably different if they suddenly found themselves shareholders and owners in a private company. The advantage to Territorians would be that the government would not have to keep topping up the shortfall between what it costs to run the service and what it actually brings in. It is certainly an idea which I would like the government to take on board.

I can give the government more details on what happened with the cross-channel ferry service in Britain. It represents one method of privatisation. It might be said that it is giving the silver away but the end result is that we do not have to pay for the polish each year to make up the difference between what it costs to run and what is made from it. Those fellows might have a changed attitude if they became shareholders in a private company with a charter to provide a bus service to the people of Darwin, and the government would be rid of having to make that top-up each year.

I believe I was about the first person in this Assembly to promote privatisation in its various guises. It went through a period in Australia when it was damned left, right and centre until the Liberal Party came in and promoted it somewhat, though maybe a little rashly and without a great deal of thought.

Mr Coulter: It cost it government in South Australia.

Mr COLLINS: Indeed it did, but that was because of the way Liberals promoted it there. As I have said many times before, privatisation is not so much something governments do to a group of public servants to get them into the private sector as the deals which it offers them. The employees have a right to sit down and take whatever time they need and, if the vast majority come to agree that it is in their interest to take whatever deal the government comes up with, or maybe even a deal that they put to government themselves - and there are plenty of examples of that - privatisation can work. But it is not something which the workers need to be fearful of, because they would only have to organise their unions and the government would get nowhere. Privatisation is a persuasive process. I have known for months that Mr Keating, who damned privatisation for so long, gets books from that terrible Centre 2000, the place which has all those radical publications. He

is starting to push privatisation, although one sometimes wonders whether he has a very strong grasp of the subject's various aspects and its advantages to the nation.

My concluding point is that I was the first person in this Assembly to talk about Mr Bond buying into British airships. That was after I had visited the United Kingdom in 1982. I remember getting a fair bit of flak thrown at me over that, including some from the first Chief Minister, Hon Paul Everingham, who suggested that Mr Bond had backed many a loser before. It is rather nice to see that he has just won a \$263m contract, along with a United States firm, to put radar into these airships. If that is successful, it looks as if a \$500m contract will follow. I follow the airship with interest and I believe it has many uses which could be to the Territory's advantage. I will not go over them again now, but it is very nice to back a winner every once in a while.

Mr TIPILOURA (Arafura): Mr Speaker, I would like to say a few things in relation to our right to vote. During the last couple of weeks, we have had the anniversary of the 1967 referendum which gave Aboriginal people the right to vote. On 27 May 1967, 91% of Australian citizens voted 'yes' in the referendum. That referendum was to change the status of Aboriginal Australians to allow them to be citizens of their own country.

This recognition of the right of Aboriginal people to take an equal place in our Australian society has been a mixed blessing. There were many wrongs to be redressed. The Aboriginal people have been dispossessed. Their land is their life. Through a history of over 40 000 years we have lived with the land and from the land. The physical environment has been changed by 200 years of white settlement. European people want to own and manage the land they harvest. In the process, they have destroyed a civilisation and created a lost race of people.

Mr Setter: Did Bob write this one too?

Mr TIPILOURA: No. I wrote this myself.

Mr Setter: You have been indoctrinated.

Mr TIPILOURA: The referendum was the beginning of political change for many Aboriginal people. Australians believe in giving people a fair go and Australian governments over the past 20 years have actively continued the policy of supporting Aboriginal people in their quest for racial and cultural identity and a place in the broader Australian society and economy. We want economic independence and social autonomy. The current Hawke Labor government has continued to recognise the rights and needs of Aboriginal people. It has demonstrated an understanding of our needs and problems. It has supported our rights and our ownership of our land. It has recognised our culture and identity and understood the value of preserving that culture. It has provided a resource so that Aboriginal people can direct their own pace and style of change.

Twenty years ago I would not have been entitled to stand here and make this speech. I would not have had the right to represent my electorate. Under the Hawke Labor government, we have seen significant changes in Australia. There are now 1200 Aboriginal organisations employing thousands of Aboriginal people. There are 54 Aboriginal medical services. Twice as many Aboriginal teachers have been trained and twice as many Aboriginal people are now taking higher educational courses. Aboriginal people are taking their

place in economic life through organisations like the Aboriginal Development Commission. We, too, are investing in Australia. The last 4 years have seen accelerated growth because of the commitment of the federal Labor government.

This is in stark contrast to the policies being put forward by the federal conservative parties. The policies of the New Right would mean a return to old wrongs. The federal Labor policy is all about encouraging people into programs of apprenticeship and training, encouraging the development of regional councils and encouraging the states to support development and opportunities. I wonder about the desire of the conservative parties to change the third-world conditions that are the lot of many Aboriginal people. If they wanted to encourage improvement on the infant mortality rate, they would actively encourage the provision of water and sanitation on Aboriginal communities. They would also encourage better education results. However, they seem not to care or want to do anything. They just stand on the sidelines and try to encourage the states to act, and look the other way when they do not. They want to ride in on the pig's back of Labor's successful initiatives and give the too-hard basket back to the states.

In the Territory, we hear that the word 'Aboriginal' is to be removed from the public service vocabulary. The government may remove the word from the departments' vocabulary but it will not be able to ignore us. In 20 years a lot of good things have been done, but there is still a great deal to do. Aboriginal health is a disgrace and infant mortality is more than 3 times higher for Aboriginal people than for the rest of the community. The occurrence of tuberculosis is 10 times greater for Aboriginal people and statistics indicate it is increasing. Sexually transmitted diseases are much higher among the Aboriginal population. Other illnesses, like measles, trachoma, deafness and leprosy, affect Aboriginal people much more seriously than others. The disturbing rate of illness among Aboriginal people is largely the result of unhygienic living conditions.

Aboriginal housing has had a boost in recent years. The Hawke federal government has completed over 2000 houses and given 1500 home loans in the last 4 years. On 13 May 1987, the NT News contained an article which was headed: 'The Third World is in Your Own Back Yard'. I urge members opposite to read it. The Aboriginal Development Commission estimates that there are 40 000 homeless Aboriginal people in the NT. That means that more than half of the homeless people in Australia are NT Aboriginals.

Education is another right that other Australians take for granted. Aboriginal kids do not have a good record of achievement in the education system. In 1985 there were only 24 Aboriginals attempting Year 12. Of those, 19 failed, 4 dropped out and 1 person passed unit 1. To succeed in modern society and manage community affairs, education is essential.

Last week we saw 3 students graduate from Batchelor College with degrees in education. This was a red-letter day for my people. For education to be a successful experience in Aboriginal communities, Aboriginal teachers are essential. That program must continue with the involvement of Deakin University. Batchelor College provides a vital spoke in the educational wheel. It is through education that Aboriginal people will be able to take their rightful place in Australian society. Essential services, housing and education programs, and special Aboriginal programs must be maintained as we use the rights that we won 20 years ago. Change can come only through consultation and mutual respect. If there is no consultation, we will have confrontation.

A basic right of all people in a free country is the right of choice. Aboriginal people have chosen to follow their own path. If we are to move forward, we must work together towards harmony and equality. Attitudes have not matured and kept pace with legal and political change. Mutual respect can come from an understanding of the values of Aboriginal society, which has a deep respect for individuals as well as a deep sense of community and sharing. Our decisions place a great emphasis on consensus. We have a love and respect for the land. Perhaps, if these values were understood, we could look forward to the next 20 years as being a time in which we not only learn from each other but work together for a better future based on respect and understanding.

Mr SMITH (Opposition Leader): Mr Speaker, this morning the Minister for Industries and Development, who has always shown a great contempt for the operations of this parliament, reduced himself to a new level when he refused to provide information to this Assembly that was freely available.

Mr Perron: I couldn't get a word in. Have a look at Hansard. At least it is right there.

Mr SMITH: Mr Speaker, I table 2 documents from the National Companies and Securities Commission. The first document tenders notice of particulars of a charge. It says that the charge was created on 5 May 1987 for a sum of \$750 000 to Hungerford Refrigeration Pty Ltd from the Territory Insurance Office. The second document - with the same form number, form 47 - is a charge of \$150 000, again to Hungerford Refrigeration Pty Ltd, from the Trade Development Zone Authority. That raises to \$900 000 the publicly-recorded sum of money which has gone from the government's coffers to Hungerford Refrigeration.

Mr Coulter: Why didn't you read the Hansard of the last sittings. You could have saved yourself a lot of trouble.

Mr SMITH: That is my next point. I give the Treasurer notice that I will ask him this tomorrow because he has shown a remarkable incapacity to keep on top of the Hungerford Refrigeration matter. There appears to be a major contradiction in what the Treasurer said to us in the last sittings about this. We have a situation where a charge of \$750 000 is taken out by Hungerford Refrigeration against the Territory Insurance Office. Hungerford Refrigeration Pty Ltd is, in fact, in debt to the Territory Insurance Office for a sum of \$750 000 in broad terms. As well as that, the Treasurer stated in the last sittings that a sum of \$125 000 had been invested by the Territory Insurance Office in shares in Hungerford Refrigeration Pty Ltd.

My understanding is that you cannot have a charge against Hungerford Refrigeration Pty Ltd for \$750 000 and say that \$125 000 of that is invested in shares. If you are saying that, you are confusing a debt with an asset. My question tomorrow will be simply that. Does that \$750 000 charged against Hungerford Refrigeration include the \$125 000 in shares that the Treasurer advised us TIO had taken out in Hungerford Refrigeration? Mr Deputy Speaker, there are a whole heap of other questions but, obviously, this government will hide behind the claim of commercial confidentiality it always makes.

Mr Perron: You would not understand what it meant.

Mr SMITH: You do not understand how to apply it properly in the interests of the taxpayers of the Northern Territory, and you do not appear to understand that the taxpayers of the Northern Territory have a legitimate

right to know where their money is going. The small businessmen who live in this town are most concerned and angry about what is occurring in the Hungerford case. That is the real reason why the government is not prepared to say how much money has been invested, to use that word in a fairly loose sense, in the Hungerford Refrigeration operation. We do know that a sum of \$900 000 has been put into Hungerford Refrigeration. That is on the public record. We are also pretty sure that other incentives have been given to Hungerford.

Mr Perron: You have been talking to your little mate in Brisbane, have you?

Mr SMITH: That is a really interesting aspect of this debate. We do not have a 'mate in Brisbane'. We have plenty of mates in Darwin who keep us up to date on this particular issue. This so-called 'mate in Brisbane' is just a figment of the imagination. I am glad that the Treasurer thought we had a mate. I must say that when we asked our very first question we received much more information than we anticipated when the Treasurer fell into a big trap and thought we had much more information than we had.

Mr Coulter: I fell into the trap of telling you something.

Mr SMITH: Mr Speaker, in addition to that \$900 000, it is quite clear that Hungerford is receiving other benefits from the Trade Development Zone. As I said, we are not likely to find out what those are. I would be very interested in the Minister for Industries and Development's answer to my question this morning as to who is paying for the warehouse facilities. I hope he will keep that promise and tell us.

Mr Perron: Read the advertisement. It says 'design, construct and finance'. Can't you read? It is in the NT News.

Mr SMITH: The problem with this particular exercise is that there has been a considerable sum of government money involved in Hungerford Refrigeration, yet we continue to become aware of problems associated with that company. It is a problem when a company that is identified with the Territory Insurance Office - in fact, a company that the TIO controls - cannot pay its debts.

I want to give 2 examples. On 26 November 1986, Soane Sheet Metal Pty Ltd obtained a court order against Hungerford Refrigeration Pty Ltd for the payment of debt. It is not a large debt; it is about \$15 000. Despite the court order, no payment was made. There was no thought of payment until the principal of Soane Sheet Metal Pty Ltd received a phone call from a person saying he was the Director of Hungerford Refrigeration Pty Ltd and that the cheque was in the mail. As of today, the cheque had not been received by the principal of Soane Sheet Metal Pty Ltd and, in fact, he considers himself to have been betrayed by Hungerford Refrigeration once again. He was given an assurance that the cheque was in the mail and that he would receive it today at the latest.

Mr Speaker, the other peculiar thing about that whole exercise is that, despite having a minimum investment of \$900 000 of Territory government money in it and despite being able to pay off this small bill of about \$15 000 in 3 instalments, the best that the company could do last week - after all the publicity in this Assembly and in the media - was to promise on the Friday to pay \$5000 some time this week by means of a post-dated cheque and to pay another \$5000 in the middle of July by means of another post-dated cheque.

Then, of course, there is Paul Chadwick, the company which used to be the accountant for Hungerford Refrigeration and which, I am advised, did considerable work to stitch together the deal that brought Hungerford to the Northern Territory. Not even it can get paid. Not even the company which has done the Territory such a good turn, if we are to believe honourable members opposite, can get Hungerford Refrigeration to pay it for the work it did in stitching that deal together. It has also had to go to court. It obtained a court order on 10 March 1987 and still it has not got its money. Mr Speaker, what sort of company are we dealing with?

Mr Perron: Are you on a commission for all of this?

Mr SMITH: Yes. I am on a commission from the people of the Northern Territory, who want to know where their money is going and who want to be sure that they are getting a solid return for their money that has been put into this company.

On Saturday morning's ABC radio news we heard comment from Mr Phil Temple who, amongst his other roles, is a director of Hungerford Refrigeration. He accused me of blowing up a storm against Hungerford and said that, if I kept it up, Hungerford's lines of credit might well freeze up.

Mr Perron: He was mild. The word is sabotage really.

Mr SMITH: Mr Speaker, I want to say to Mr Phil Temple that, if the words of a politician can seize up the lines of credit of a company in Australia, there must be something seriously wrong with that company. The problem with the company is that its lines of credit have seized up already. The Northern Territory Trading Association has already advised its members not to give credit to Hungerford Refrigeration and, of course, you cannot blame the association for that if the company is not in the position of being able to pay its bills.

Quite clearly, Hungerford Refrigeration itself has had very severe problems in its operations in Queensland and, unfortunately, those problems have been transferred to the Northern Territory. What I cannot understand about the whole business is why the Territory Insurance Office and the Trade Development Zone Authority have been prepared to put their own reputations at risk by not ensuring that Hungerford Refrigeration came to the Territory with all of its debts resolved and by not ensuring that these debts have been cleared up as they have arisen.

During the last sittings, the Treasurer said quite clearly that a substantial sum of money - I think it was about \$450 000 - had been set aside to cover Hungerford's debts. Yet we have a situation where the company has refused consistently to pay 2 relatively small debts and allowed this matter to drag it to the wire. It was only after public comment last week that the company even moved towards payment. That is bad enough business practice, but it is made worse when that business practice is applauded, supported and upheld by the majority shareholder, which happens to be a government instrumentality. That is the real problem we have here. Not only do we have Hungerford destroying whatever reputation it might have, but the Territory Insurance Office is doing our reputation immense harm. Not only is it doing the reputation of the Northern Territory government immense harm, it is doing the reputation of its own policy holders immense harm as well.

I would have thought that the Territory Insurance Office would have learnt a very basic lesson from this particular exercise and that, once it had taken

the decision to get into Hungerford Refrigeration, it would have ensured that the bad debts were fixed up quickly so that no mud would stick to it. But no, mud has stuck to it. Unfortunately, because of this whole exercise, we once again have a situation where a government instrumentality in the Northern Territory has shown that it is not up to following the normal standards of commercial practice expected from government instrumentalities in Australia.

If you want one further example, Mr Speaker, let us have a look at the corporate affairs angle of this whole business. I said in the last sittings that Hungerfords had not put in an annual return since the year ending June 1984. That is still the case. There is nothing on record in either Brisbane or the Northern Territory that indicates any further annual returns since that date. The company has not even registered the changes in shareholding. There is no document on record in the Corporate Affairs Office that indicates that the Territory Insurance Office now holds a substantial interest in Hungerford Refrigeration. There is no record in the Corporate Affairs Office that indicates that the TIO has 2 out of the 4 directors in Hungerford. There is no indication in the records of the Corporate Affairs Office that the TIO holds 125 shares and has effective control of the company.

Mr Speaker, these appear to be minor irrelevancies but I say again that it is information which should be publicly available and, in fact, must be publicly available under the national securities legislation that now applies in the Territory. If the company had conformed with that requirement, this matter might well not have raised itself. But, because this government instrumentality and the ministers responsible for the TIO have not been professional enough to ensure that all the proper procedures and notifications were carried out, this matter has dragged on and on I would suggest that the Treasurer might well give an instruction to the TIO that the most helpful thing that it could do ...

Mr Coulter: We don't instruct the Territory Insurance Office.

Mr SMITH: Then make a suggestion to the TIO that the most helpful thing that it could do in this exercise is to provide to the Corporate Affairs Offices in Queensland and the Northern Territory all the information that is required by law.

Motion agreed to; the Assembly adjourned.

Mr Speaker Vale took the Chair at 10 am.

PETITIONS

Social Problems in Alice Springs

Mr POOLE (Araluen): Mr Speaker, I present a petition from 2216 citizens of Alice Springs, praying that efforts be made to counter the growing social problem in Alice Springs. The petition bears the Clerk's certificate that it conforms with the requirements of standing orders. I move that the petition be read.

Motion agreed to; petition read:

To the Speaker and members of the Legislative Assembly of the Northern Territory, the humble petition of the undersigned citizens of Alice Springs respectfully showeth their concern at the decline of public behavioural standards relating to vandalism, car theft, burglary, unprovoked assault and public drunkenness. Your petitioners humbly submit that these offences place a great burden on the citizens of the Northern Territory and the police force. Your petitioners humbly pray that the Assembly make every effort to counter those growing social problems and, where necessary, increase the number of police in Alice Springs and reintroduce foot patrols in the central business district, and your petitioners, as in duty bound, will ever pray.

Irradiation of Food

Mr PERRON (Fannie Bay): Mr Speaker, I present a petition from 421 citizens of the Northern Territory praying that no irradiation of food be permitted in the Northern Territory. The petition does not bear the Clerk's certificate as it does not conform to the requirements of standing orders. Mr Speaker, I move that the petition be read.

Motion agreed to; petition read:

To the honourable Speaker and members of the Legislative Assembly of the Northern Territory in parliament assembled, the petition of the undersigned citizens in the Northern Territory respectfully showeth that there is widespread community concern about the proposal to commence irradiation of food in Australia. Your petitioners therefore humbly pray that the parliament of the Northern Territory will ensure that no irradiation of food be permitted in the Northern Territory, and your petitioners, as in duty bound, will ever pray.

Health and Community Services to East Arnhem Area

Mr LEO (Nhulunbuy): Mr Speaker, I present a petition from 511 citizens of the Northern Territory praying that health and community services to the residents of east Arnhem be maintained. The petition bears the Clerk's certificate that it conforms with the requirements of standing orders. Mr Speaker, I move that the petition be read.

Motion agreed to; petition read:

To the Speaker and members of the Legislative Assembly of the Northern Territory, the humble petition of the undersigned citizens of the Northern Territory showeth their concern that the withdrawal

of financial support for health and community services in Nhulunbuy will threaten the medical and social well-being of east Arnhem's young people. Your petitioners therefore humbly pray that all members of the Northern Territory Legislative Assembly continue to support the delivery of health and community services to the residents of east Arnhem and restrict financial cutbacks to non-service delivery expenditure.

SUSPENSION OF STANDING ORDERS

Mr HATTON (Chief Minister): Mr Speaker, I move that so much of standing orders be suspended as would prevent the Chief Minister from moving a motion forthwith to censure the Leader of the Opposition.

Motion agreed to.

MOTION

Censure of Leader of Opposition

Mr HATTON (Chief Minister): Mr Speaker, I move that:

- (1) this Assembly censures the Leader of the Opposition for his consistent and misleading promotion of matters which seek to damage the process of proper and orderly development of the Northern Territory, with particular relation to:
 - (a) his support of a federal government which has maliciously reneged on its obligations to provide adequate funding levels to the Northern Territory;
 - (b) his attempts to disrupt commercial discussions with companies in Australia and overseas which could lead to construction of a Territory railway service;
 - (c) his efforts to denigrate a company and its principals in the process of establishing in the Trade Development Zone, and his lack of support for the orderly establishment of the Trade Development Zone itself;
 - (d) his continuing campaign to weaken investment confidence in the Northern Territory through misleading and false public statements about tourism infrastructure in the Territory; and
 - (e) his total lack of support for the establishment of a Northern Territory University College, and his endorsement of federal government moves to hinder the orderly development of the University College; and
- (2) this Assembly calls upon the Leader of the Opposition to resign from his office forthwith.

Mr Speaker, I would like to quote a few comments that were made in the last sittings of this Assembly. Listen to them, Mr Speaker, because they are illuminating:

We will be a constructive opposition. We will support government initiatives where they deserve support. We will seek to amend

government initiatives where, in our view, they need to be amended and we will seek to reject government initiatives where, in our view they should be rejected. We will not oppose government initiatives purely for the sake of opposition but we will ensure that the government is kept on its toes and that the excesses of government are curtailed. Unlike the government's, our contribution will be well researched, carefully thought through and substantial.

Mr Speaker, how far we have come in such a short time with the Leader of the Opposition! The first duty of Her Majesty's Loyal Opposition is to act in the interests of the community in questioning actions of government and to promote the social, political and economic well-being and welfare of the community. That is a fundamental duty of an opposition and its principal responsibility, particularly for the Leader of the Opposition. The opposition has failed fundamentally in the exercise of its basic duty.

Being the Leader of the Opposition is not merely a fancy title. As honourable members know, the Leader of the Opposition has a specific functional role and he is given certain advantages in the Assembly. He is also paid a ministerial salary and is provided with ministerial staff to assist him in carrying out his duty which is very important for the proper exercise of parliamentary democracy. His duty is not to use that facility to knock, carp and tear at the very entrails of the community by continually criticising and attacking every initiative that is being promoted, by continually adopting a nitpicking negativism, by losing sight of the objectives of the Northern Territory and seeking to promote disquiet about the Northern Territory, by discouraging investment into the Northern Territory and by actually encouraging the federal government to adopt the view that it is overfunding the Northern Territory. This opposition continually and unremittingly defends the federal government for every cut that it makes on the Northern Territory even in the last couple of weeks when the Northern Territory suffered the most savage of cuts. The cuts to the Northern Territory were not equivalent to those to the states. The Northern Territory relatively was hit twice as hard as the states, particularly Labor states.

The Leader of the Opposition's eyebrows are waving around, but I will remind him that the Northern Territory's general recurrent capital budget, general funding, was cut by 6.9% or \$58.1m. That is the highest cut dealt to any state in Australia, significantly higher in percentage terms, the lowest being 5.6% to his mate in Western Australia, Hon Brian Burke and the Western Australian government. In addition to that, another \$14.4m was cutely called a negative special grant. What it is actually is taking back money that was properly given to the Northern Territory by way of the Memorandum of Understanding between 2 governments for funding in 1983 and 1984. It is totally unprecedented for the federal government to take back funding retrospectively. It is in total breach of conventions governing state funding and totally in breach of agreements between governments. But does the Leader of the Opposition stand up and criticise the federal government for this? Oh no, Mr Speaker, his response is: 'I think we have to blame the Northern Territory government for this'. There is absolutely no evidence to justify that. He does not even have the view ...

Mr Smith: If you had bothered to come to this Assembly yesterday afternoon, you would have found the evidence. Where were you yesterday afternoon?

Mr HATTON: Mr Speaker, the Leader of the Opposition is not going to answer these questions because he knows it hurts. He knows that his Labor

mates in Canberra have been putting a knife through the Northern Territory and he has been actively supporting, encouraging and defending their actions in doing that. Nothing could be a more active disloyalty to the Northern Territory than the cowardly, cringing way in which he has backed up his masters in Canberra, particularly in the last month.

Mr Speaker, the Leader of the Opposition, with his pathological inferiority complex, stands condemned. His primary goal is to get the Chief Minister. That is his whole aim and game in life. His goal is not to win government. He knows that is an impossibility and therefore all we get from him is carping, whingeing and whining. My government will not apologise for its development bias, and I object in the strongest terms to the Leader of the Opposition knocking the railway, the Trade Development Zone, the University College, the mining industry and our tourism infrastructure. The list goes on.

It is about time the opposition started representing Territory voters and fighting for the Territory. I am fast coming to the view that the Leader of the Opposition would not know a development opportunity if he fell over one. If we look at the list of ideas and initiatives he has offered since being elected in 1986, its most distinguishing feature is its lack of potential to contribute to a healthy Territory economy. Mr Speaker, I will give you a few examples: an arts-led recovery, selling the Trade Development Zone, watching prices, supporting Burgundy Royale, building bicycle paths and dirty weekends at Raffles.

Mr Smith: It was the Sheraton.

Mr HATTON: I stand corrected by the Leader of the Opposition. His initiative was dirty weekends at the Sheraton. Most spectacularly, in his speech in the Address-in-Reply debate in April 1987, the Opposition Leader did not propose one initiative or idea. Quite frankly, I am stunned that the opposition has the cheek to tell me that my government has lost direction. I accuse the Opposition Leader of losing direction - if he ever had it - and paving the way for the savage cuts suffered by the Northern Territory over the last few years.

The Leader of the Opposition and his cohorts have spent years carrying on about how much money is paid to the Northern Territory and how generous the Commonwealth government has been to us. It is about time the Leader of the Opposition decided whether he is for or against the Northern Territory. Territorians are insulted by the excuses made by the Leader of the Opposition for the cutbacks by the federal government. Not once has he defended the Territory's position, but he has repeatedly defended Hawke and Keating and their position. He blames us for the cutbacks. In relation to the \$104m cut, he said on Territory Extra on 6 May: 'I think we have got to blame the Northern Territory government for this. They, through their bad management practices, have given the federal government an out'.

Let us look at what the Leader of the Opposition has done to encourage business confidence in the railway. I do not think I can find a better example of nitpicking.

Mr Ede: This the worst performance that I have seen.

Mr Smith: I don't think I will bother to reply.

Mr HATTON: On an assumption of guilt, following a press article, with malicious glee, the Leader of the Opposition decided to launch into a string of attacks and accusations. Not once did he ask questions or listen to the refutations in relation to the railway. He jumped in gleefully, running around saying that the Chief Minister had misled people and that the Chief Minister had lost all credibility. Mr Speaker, the only person who has lost credibility in this whole exercise is the Leader of the Opposition himself, as was demonstrated quite clearly yesterday when there was a successful meeting of the study group. I am advised that some 15 companies were present at that meeting. One of those people whom the Leader of the Opposition was only too happy to say would not be there was elected by the people at that meeting to chair the study group, and I refer of course to Dr Sugawara from Japan Rail Technical Services.

Mr Smith: What about the other 2 companies?

Mr HATTON: That study group is now proceeding, and will proceed, with no thanks whatsoever to the opposition. Any responsible opposition that had any real concerns would have first taken the opportunity to check the facts, but not so this opposition. The Leader of the Opposition has 1 goal in life: he wants to play games with the Territory and to make some short-term political capital. He offers nothing to the Territory, except carping, whingeing, nitpicking negativism. He is a dismal leader of a dismal opposition.

Mr Smith: Why are you spending so much time hopping into us then?

Mr HATTON: Let me just refer to the way the Leader of the Opposition jumped in to support the Labor budget in 1984. I quote from page 932 of the Hansard of 22 August 1984, when he said:

Mr Speaker, it is significant that the economic management policies of the Hawke government have led this country back onto the road to prosperity. Inflation is down, interest rates are down and unemployment is down. They are all healthy signs that the economy is back on the road. At this stage, it would be remiss of me if I did not pay sufficient weight to the contribution of the wages accord in that process. It is quite clear that the wages accord has played an important part in the recovery of this economy. The Labor Party, even before it was in government, was able to do something that the Fraser government could not do, and that was reach accord with the unions on a procedure and a method for the economy to be put into shape again. That accord was struck. That accord has held. It has brought benefits to all Australians. I know that it is fashionable in some quarters to criticise the ACTU and individual unions but certainly they have stuck to that accord. We have all reaped the benefits.

Mr Speaker, truer words could not be spoken. We have certainly reaped the benefits of the grim reaper. I ask members to remember those comments and compare them to my own remarks about the accord at that time. I refer to page 2723 of Hansard for 11 June 1986. I said:

I first spoke out against the impracticality of the so-called trilogy economic accord as early as February 1983. I made the point repeatedly - often in the face of derisive laughter from members opposite - that it just did not add up economically. The only way that it could maintain the illusory gains that it was achieving in 1983 and 1984 was by borrowing overseas and living on credit. The

country is going broke because we have been living beyond our means. The federal government has been living beyond its means and propping up the economy. The price is becoming higher by the day. The longer we wait to pay the bill the higher the interest charges will be.

I do not want to claim to be too prophetic. A first-year economics student would have known that the economic accord, the so-called trilogy, would not work. Final confirmation of the truth of that came when the federal Treasurer stood up publicly at the Premiers Conference this year and said that Australia could not afford to keep propping up its standard of living through foreign borrowings. That is exactly what that accord is all about and what is destroying our economy. The federal government was not prepared to make the decisions it needed to make in 1983, 1984, 1985 and 1986. It kept playing political games with the people's future and it did this with the full support of the Leader of the Opposition. He then turns around and accuses us of mismanagement and causing a \$104m cut.

In this Assembly and outside of it I said publicly that I supported the federal government's \$1000m cut to the states. I was prepared to accept the stringencies that would be imposed on the Northern Territory, provided we received equal treatment. That was not because I thought the Northern Territory government had been acting irresponsibly. The Opposition Leader's predecessor regularly admitted that we handled efficiently and effectively the moneys that were available to us. We have always balanced our accounts and we have balanced the books again this year. The Memorandum of Understanding set down the financial agreement between the federal government and the Northern Territory government and we lived within those means. We now have had money granted under this agreement in 1983-84 taken back from us.

Does the Opposition Leader say this action was reprehensible? Does he attack the federal government for that raid on our budgets, that below-the-belt cut to our funding? No, he defends the federal government. He defended the nonsensical economic policies that drove Australia into this trouble and he now defends its attack on Territory finances. Nothing could be more disloyal to the Northern Territory than that. He does not even agree with the views of Senator Peter Walsh who is hardly a friend of the Northern Territory. Senator Walsh, speaking on the 7.30 Report on 8 August last year, said: 'I have not met the present Chief Minister but I have noted with some satisfaction that there are at least indications that some of the very loose, to say the least, financial administration of the previous government has been tightened up. I hope that those indications are confirmed by such events'. That statement by Senator Walsh, delightfully known in the Northern Territory as Machine-Gun Walsh, was a recognition that this government was tightening up and living within its means.

This year, we have cut \$23m from our expenditure. Every public service in the Territory knows how hard we have all worked to achieve that result, with tighter financial management and stringent controls on expenditure. Does the opposition give us credit for that? No, it blames the Commonwealth's chops into our budget, into the livelihoods of Territorians, and into the Territory economy. The only thing the Territory has going for it is its CLP government which has been preparing for these attacks. Planning is well in hand. We can manage the Territory economy and keep the economy growing despite the rampaging attacks of the federal Labor government.

Everybody in this Assembly must surely object to the way the Opposition Leader has not once stood up for the constituents of the Territory and the kids of the Territory, our people. Instead, he defends those who have been

raiding and attacking our budgets for 3 years. He defends this as masterful economic policy. Other speakers will deal in more detail with the Opposition Leader's actions, but it is certain that nothing could be worse than his attacks on the Territory and his continual nitpicking and carping.

I have dealt briefly with the railway issue in which the fraudulence of the Opposition Leader's attacks has already been shown. I now turn to the Trade Development Zone. The Opposition Leader has not recognised what the Territory government has done through the zone. It has encouraged an Australian company to set up in the Northern Territory to create jobs for Territorians, it has promoted manufacturing for export and is achieving export markets for the Northern Territory and Australia. It is actually achieving some of the economic imperatives of this nation by earning export dollars, creating jobs and diversifying our economy. To the Leader of the Opposition, these are terrible sins. His approach is not to commend good initiatives or to look constructively at whether there are any problems and how they might be rectified. He does not even mention the objectives of the Trade Development Zone which I have just outlined. He runs around chasing \$10 here and \$10 there.

Mr Smith: And a million here and a million there.

Mr HATTON: He loses sight of the total picture and the overall objectives.

In terms of our tourism development, does he look at the job creation and multiplier effects in the economy? Does he even look with his blinkered eyes at the net profits for our budget as a consequence of a development such as the Darwin Sheraton? No, he does not look at the per capita funding that flows from additional jobs and additional population, the revenue generated by payroll tax, the revenue generated by liquor fees, other taxes, stamp duty and other charges from those premises, and the growth in tourism that comes from that and multiplies. He does not look at the revenue that flows back into our budget. He looks only at the outgoings and does not consider any of those issues. He does not take even a simple blinkered look. He cannot picture that. He ignores the growth of the social infrastructure and the community opportunities that are opened up by these important facilities. His object is to play games with the Territory in an effort to justify his position by carping, criticising and nitpicking his way through everything so that he can bring discredit to Northern Territory business. He does that without any justification whatsoever.

The Leader of the Opposition talks continually about lack of business confidence and lack of investor confidence in the Northern Territory. The facts demonstrate quite clearly that that is not true. There is plenty of investor confidence in the Northern Territory, no thanks to the Leader of the Opposition. It is about time he started addressing himself to the needs of the Northern Territory and the interests of Territorians and adopted a positive approach to some of our initiatives. We raised the matter of early research into projects such as a potential agro-industrial enterprise. What happened, Mr Speaker? The Leader of the Opposition charged off to Queensland and returned saying ...

Mr Smith: It is cheaper than going to Thailand!

Mr HATTON: ... that there are big problems with the project, that he did not know whether it would really work and that he hoped that the government would do its homework. Of course we are doing our homework. He could not

say: 'That looks exciting. Let's all get behind this and find out what research and what development has to be done to promote it and move it along'. He does not suggest that it is a good idea to have the railway constructed by private enterprise and thereby save the government money. Does he say that? Knock, knock, knock, knock - that is all he can do. Does he recognise the fact that the trade zone is advancing faster than the original projections or that the incentives that are being offered are the same as those set in the first stage? It is one of the fastest growing trade zones in the world in terms of the history of its development.

Mr Smith: What?

Mr HATTON: Yes, Mr Speaker, it is. What do opposition members do? They criticise and criticise. When we work hard to get an Australian company in there, the Leader of the Opposition knocks that. Not even once has he said, 'Isn't it good to see an Australian firm investing in manufacturing in the Northern Territory and building some equipment that it can sell overseas? And isn't it good that it has gained markets in South-east Asia?' No, he criticises the fact that it has grown so fast that it has a cash-flow problem. That is what he criticises.

Mr Speaker, does he say that it is good to see that the Territory Insurance Office is investing in highly-prospective markets in the Northern Territory and is promoting its investors' funds in the Northern Territory for Northern Territory manufacturing, for exports for Australia? Does he support that? He simply knocks it. If there were no Australian manufacturer going into the zone, then he would criticise us for having no Australian manufacturers. His interest is purely one of carping criticism and attacking the confidence of Territorians.

At no time has it been more important that we all speak openly and honestly about the Northern Territory economy because of the draconian and unjustifiably heavy raids on our budget by the federal Labor government. Now is the time to be promoting what we can do to expand our economy without the use of government funds and to maintain the confidence of the business community. Territorians do not need an Opposition Leader who spends his entire life trying to survive by criticising and knocking every initiative by industry, by government and by the community. He even attacks initiatives to provide an opportunity for Territorians to obtain a complete tertiary education here. He would have our students go down to Canberra or Monash with the resultant splitting of families. Does he support the university? No! Does he criticise the federal government when it will not give the university students the normal assistance through Austudy that all Australians should receive?

Mr Smith: Yes.

Mr HATTON: No, he does not. All he says is that we should put more money into DIT. I am sure the Minister for Education will deal with that quite effectively.

It is abnormal for a government to bring before a parliament a censure motion against the Leader of the Opposition. It seems to be current wisdom that Opposition Leaders have the right to say and do what they like. Positive criticism is not a problem. We should not just attack that. Our problem is that, as a consequence of this game that the Leader of the Opposition has been playing over the last several years, the Northern Territory people are suffering cuts in their standard of living and cuts in services provided by

government. The Leader of the Opposition has, actively, even by default and total defence ...

Mr Smith: Actively, by default!

Mr HATTON: That is right, Mr Speaker. He has actively promoted the view that the Northern Territory was overfunded and, from the time when he was Chief Minister, the member for Barkly will remember the same carping criticisms from the Leader of the Opposition. He will remember the same nitpicking, knocking game that he played and the continuous allegations that we have gross overfunding from the federal government that encouraged people like Senator Walsh and Mr Keating to attack the Northern Territory, and attack us they did. When they attacked us, did he turn around and say: 'Hey, that is not fair. That is breaching agreements between governments'. Did he say that, Mr Speaker? No! What he said was that it is the Northern Territory government's fault because it spent the money that was made available to it. That is our great crime: we spent the money made available to us. We spent the money available to us on services and facilities for the people of the Northern Territory, on promoting expansion, diversification, job creation and wealth creation in the Northern Territory. That is a crime in the eyes of the Leader of the Opposition. And that is a travesty.

The Leader of the Opposition deserves the condemnation of this Assembly and of the people of the Northern Territory because of his continuous knocking. He could not even honour his own assertions in his speech in the Address-In-Reply debate. Has he been positive or supportive of any initiative? He has never examined the objective of any initiative. He sees an initiative and he develops a smouldering jealousy because the government has come up with an idea. He works out how he can attack it, how he can undermine it, how he can undermine the community's confidence in that particular idea, and he spends his entire life on that target. In doing that, he is hurting Territory people without any due cause and he deserves the condemnation of this Assembly. As honourable members on this side will clearly demonstrate ...

Mr Ede: This is so pathetic that I might move to give you an extension of time!

Mr HATTON:... in detail...

Mr Smith: You can have an extension of time. Do you want an extension?

Mr HATTON: I will deal with the rest of it, Mr Speaker, when I close the debate.

Mr SMITH (Opposition Leader): Mr Speaker, first of all, on behalf of members on this side of the Assembly, I would like to apologise to the children of Nakara Primary School who are present. I know that school children look forward with some anticipation to coming into the Legislative Assembly to see the members of parliament at work. Unfortunately, they have not seen much in this debate that they can reflect on with pride.

I must say I am somewhat flattered to have a censure motion moved against me because it is only when the government is prepared to take actions such as attempting to impose censure motions that we realise the impact that the opposition is making on the government. Quite clearly, the actions of this opposition - and I do not take sole credit by any means for the effectiveness of this operation - have been successful, have worried government members and

have induced them to introduce this censure motion on this day. I say 'on this day' because this happens to be 'our day', the opposition's day in this Assembly. It happens to be a general business day. It is laid down in standing orders that, once in every 12 sitting days, the opposition shall have the opportunity to propose business to this Assembly. It cannot be said that the opposition has not taken advantage of that. In fact, on the Notice Paper we have 7 separate items ...

Mr Coulter: Read them out.

Mr SMITH: ... that we want to introduce today. We have 3 bills and I want to make the point that, today, we will be introducing more bills than the Northern Territory government has introduced in the whole of these sittings. In the whole 4 days of these sittings, the government has not introduced a single new piece of legislation but we are proposing 3 pieces of legislation.

Mr Coulter: No, you are not.

Mr SMITH: All of those pieces of legislation contain positive and constructive elements that are designed to improve the conditions of people living in the Northern Territory. Secondly, we have proposed a series of motions for discussion and they are equally as important.

Mr Speaker, last week, the government was content to adjourn the Assembly at an early hour for 3 days in a row. This week, when it is our general business day and when we have a heavy workload in front of us, of course the government brings on this censure motion. That demonstrates that this government is simply being mischievous and is attempting to perpetrate a cheap political stunt. However, I want to say that we are not going to be deterred by this abuse of our general business day. If that means that we have to sit through until midnight or 1 o'clock in the morning to get through our business, we will do so.

Mr Speaker, we have as item (a) in this pathetic motion some comments about the federal government. I would remind the honourable members opposite of the general standing of the Hawke government. In the newspaper of Friday 5 June, it is indicated that top businessmen believe Labor is most likely to win and there are glowing endorsements of the efforts of the Hawke Labor government in putting this country's economy back on the rails. On Friday 29 May, the Australian Financial Review indicated that the markets back Hawke and are cool on Howard. I will quote a section of this page 1 article:

The day got off to a dramatic start when Mr Gerry Egan, a senior Westpac foreign exchange dealer in New York, said a Liberal victory at the 11 July poll would be a disaster which would encourage a big sell-up of the Australian dollar.

Members interjecting.

Mr SMITH: Mr Speaker, will you please provide me with protection from this continual interference.

Mr SPEAKER: Order! The Leader of the Opposition will be heard in silence.

Mr SMITH: Thank you.

A Westpac spokesman retreated from this extreme pro-Labor position yesterday while still supporting the Hawke government. Westpac, formerly the Bank of New South Wales, one of the main financial supporters of conservative governments in Australia's history said: 'The markets would like very much to see the current administration in office for a longer period of time'.

Mr Speaker, the significance of that comment is that Westpac is the Northern Territory government's banker. We have the Northern Territory government's banker saying the best government for Australia is the Hawke Labor government. I have to say that I have much more respect for the commercial and political acumen of the Westpac Banking organisation than I have for the Northern Territory government.

As well as that, we have the recent comments of the Leader of the Liberal Party, Mr John Howard. Six months ago Mr John Howard said: 'I am going to freeze, for the first 3 years of a Liberal government, money that my government will give to the states'. Recently, at the weekend, he went further than that and said that he will dramatically cut the amount of money that will be available to the states and the Territory in addition to the dramatic cuts that were made at the Premiers Conference. What response do we get from the Chief Minister or the members opposite on that? In respect of that statement, which has tremendous implications for the economic affairs of the Northern Territory and our future financial arrangements, we have heard nothing at all from the Chief Minister who is so intent on protecting and furthering the interests of the people of the Northern Territory. The Chief Minister has not said a word about the most important statement that John Howard has made in this election campaign in so far as the Northern Territory is concerned. He stands indicted by his failure to respond to that and his failure to put pressure on John Howard in an attempt to elicit from John Howard some halfway decent common sense on appropriate funding levels for the Northern Territory.

Mr Speaker, let us move to paragraphs (b) and (c) of the motion. This government seems to believe that it can have carte blanche to do what it likes with the taxpayers' money. We had the amazing sight yesterday of the Minister for Industries and Development refusing to confirm information that was freely available on the public record on the basis that it was part of confidential commercial discussions. I must admit I was staggered by the minister because, as I have said on a number of occasions, I have some respect for his abilities in the Treasury area. Of course, he has this unfortunate disregard for the operations of this parliament and the legitimate interest that it has in information that should be provided to it. Where there are things wrong or where there are questions that need to be asked, we intend to ask those questions. We intend, as far as possible, to reveal the extent of those wrongs, particularly where they involve taxpayers' money. All of the issues that we have raised involved the use of taxpayers' money or the potential use of taxpayers' money. That is why we have been so persistent, somewhat to the embarrassment of the government, in relation to major issues in recent weeks.

Let us look for example at the Chief Minister's 3-ring, railway circus which was going along quite nicely until the Chief Minister could not resist coming back from Tokyo and, in an attempt to justify his latest overseas trip, considerably overstated the position. That was the problem with the railway issue. After finding out information about the meeting yesterday, I issued a positive statement last night supporting the negotiations that occurred. But, the point remains that the damage has been done by the Chief Minister over the railway issue and his colleagues know it. I can tell the Chief Minister that

one more slip like that and his head will be in the noose. There are many people opposite who would put his head in the noose.

Mr Speaker, the Treasurer said last week that, every day when I look in the mirror, I have to consider whether I should cut my throat. Of course, the Chief Minister has a wider problem. Every day he looks in the mirror, he has to look behind him to make sure his colleagues are not creeping up and raising their arms to cut his throat. There are a whole bunch of them. We have the former Deputy Chief Minister who still hasn't got over that demotion. We have the highly ambitious present Deputy Chief Minister and we have the Minister for Industries and Development. We have the poor little member for Port Darwin on the backbench and he believes he has been hardly done by. Of course, we have the member for Casuarina as well. That is 5 out of 16. They only need another 4 and they are in the majority. I will have a magnum of champagne with the Chief Minister that he will not be the Chief Minister in the next parliament. I will even have a carton of beer with him that he will not be the Chief Minister by the end of the year.

Mr Speaker, he will not be the Chief Minister by the end of the month if he makes another serious mistake like he made in relation to the railway project. That is the problem. He destroyed the confidence of the Japanese companies in that project. He had the job of keeping the interest of Northern Territorians in the project at a reasonable level instead of turning them off it and making them think it was a cheap political stunt as many of them do. It was not the opposition who did that. It was the Chief Minister.

Mr Speaker, let us have a look at the question of the Trade Development Zone. As the Treasurer pointed out some time ago, we supported the legislation introducing the Trade Development Zone. What have we seen since? 18 months later, \$14m has been spent on infrastructure for the Trade Development Zone. We have seen 1 overseas company move in its production machinery. As far as I am aware, it has not started production yet. We have seen 1 local company bought in, and I use the words advisedly, by the Northern Territory government. That is a matter of concern and interest to the people out there. It is particularly a matter of concern to the business community. I suggest that it is time that the government went back and touched base with the business community because I have not heard so many rumblings out of the business community on a particular issue as I have heard on the issue of Hungerford Refrigeration.

There are established Darwin companies which have been raising their own revenue, raising their own capital, making their own investments, paying fringe benefits tax and all the other taxes and charges and they are doing all that without government assistance. They are doing it in stringent economic times. What happens, Mr Speaker? This government brings in a company to the tune of \$900 000 in direct grants. It will build it a warehouse ...

Mr Perron: Direct what?

Mr SMITH: ... and it will give it rent concessions and removal cost concessions. The bill is probably around the \$2m or \$3m mark at a conservative estimate. This is for a company that is not able to pay its bills. Despite the fact that it has court orders out against it and despite the fact that it has entered into an arrangement before the courts to pay bills off in a certain manner, it is not able to keep to those arrangements. On Friday, it promised to start paying money to Soane Sheet Metal. My understanding is that Soane Sheet Metal still has not seen any of that money today.

Mr Speaker, that is not the only problem that we have with the Trade Development Zone. Because of its involvement with Hungerford Refrigeration, an organisation that cannot pay its bills, we have the activities of semi-government instrumentalities, such as the Trade Development Zone Authority and the Territory Insurance Office, placed under a cloud also. That is one of the most concerning aspects of this whole exercise. The Territory Insurance Office and the Trade Development Zone Authority have also been placed under this cloud. That has happened essentially because Hungerford is not able to pay its bills. The government has implicated the Territory Insurance Office and the Trade Development Zone Authority in that exercise. I would ask the responsible minister, even at this stage, to get out there and fix it so that those bills are paid, so that ...

Mr Coulter: There is nothing to fix. It is all right. Don't you worry about that.

Mr SMITH: It is all right, is it? It is about time that it was all right, if that is the case ...

Mr Coulter: You just sit down now. Those fellows will do away with you in a few weeks. We won't have to worry about you.

Mr SMITH: ... but it has taken an enormous amount of time and it has created an enormous amount of unrest in the community.

In concluding my comments on the Trade Development Zone, as far as most people are concerned, it is a phantom trade development zone at this stage and, as Wicking's cartoon comment in the NT News indicated, in some quarters it has been called the 'debt development zone'.

Mr Coulter: Who told him that? You? Did you give him that idea? Are you claiming credit for it?

Mr SMITH: That is the public impression that people have. One of the reasons why they have that impression is because the government will not come clean on exactly what its commitments are in that zone. It has consistently refused ...

Mr Coulter: Its commitments are well known: to create jobs and to bring employment to the Northern Territory. But you would not know anything about that.

Mr SMITH: ... to provide us with the basis of the deals that have been done on the zone. It is all very well for the Treasurer to say the government is going to create jobs in the zone, but where are the jobs? I go back to the comments made by the member for Casuarina when he was the minister that 14 firms were to be in the zone and operating by November last year. All we have at this stage is 1 firm operating there, and it is operating basically because it is propped up by Northern Territory government money. That is hardly a positive sign of the evolution of the Trade Development Zone. In these tight economic times - and this is a key point - it is hardly a wise way for the Northern Territory government to be spending its money. What the government has not realised, of course, is that the salad days are gone. For whatever reason, the salad days are gone. We cannot keep on spending money the way this government has been spending it. Some tough decisions must be made and, quite clearly, some of those tough decisions necessarily involve the future of the Trade Development Zone and the tourist infrastructure that the government is involved in.

Mr Coulter: Yes, that is right. We have to sell the Sheratons, don't we?

Mr SMITH: Of course, I can understand the government's reluctance even to seriously consider selling the Sheratons because it is proud of its reputation as being the most socialistic government in Australia and, probably, the most socialistic government outside the Communist bloc. I do not know of any other government that owns a hotel, and if anyone would like ...

Mr Palmer: Don't you?

Mr SMITH: I do not know of any other government that owns a hotel in the way that the Northern Territory government owns the Alice Springs Sheraton Hotel. I can understand ...

Mr Hanrahan: What about the South Australian government's underwriting?

Mr SMITH: It does not own the hotel in the way that we own the Alice Springs Sheraton. I can understand the government's reluctance to give up that epitome of socialistic enterprise, providing comfortable beds for our tourists. Of course, the time has come to examine thoroughly and to rationalise all our investments.

One of the problems in the whole deal concerning the Sheraton Hotels is that the government will not come clean about our total commitments. Earlier this year, the Chief Minister said that our total commitment was about \$10m and, 24 hours later, the Chief Minister had to admit, publicly on radio, \$21m was likely to be the total commitment. However, a statement has also been made by the member for Barkly, the previous Chief Minister - and he is a person who ought to know - that our total commitment to the Darwin Sheraton alone is not \$10m, not \$21m but, in fact, \$58m. That is an awful lot of Territory taxpayers' money, and this gets back to one of the basic reasons why ...

Mr Perron: What is the asset worth?

Mr SMITH: ... issues hang around. The government will not provide the basic information that the opposition, the press and members of the public need to know and deserve to know. We are taxpayers, Mr Speaker. It is our money that is being invested in these projects. It is our \$58m that is going into the Darwin Sheraton, our \$3m or whatever that is going to Hungerford Refrigeration, our money that is going to Yulara, and our money that is going into the Alice Springs Sheraton, but this government refuses to be accountable to us.

Mr Coulter: Rubbish! It is in the Treasurer's statement.

Mr SMITH: There may well be an argument that, if the government came clean on these issues, they could be resolved. But, whilst the government continues to play ducks and drakes with Territory money and continues to conceal the full details of its investments in these projects, they are legitimate areas for comment and investigation by the Northern Territory opposition. We will continue to press those matters because we do have a legitimate interest in where taxpayers' money goes. Quite clearly, the people opposite do not.

The other element in this question of tourism infrastructure is the problem that the Beaufort Hotel finds itself in. The management of both the Beaufort and the Travelodge have made very strong comments about the unfair

trading advantage given to the Sheraton by this government's crazy means of propping it up. Government support to the tune of \$6m or \$7m per year and its guarantee of basic minimum room occupancy has enabled the Sheraton to offer prices much lower than it could have offered otherwise. Mr Speaker, can you tell me that is healthy for the further promotion of tourism?

Mr Coulter: Can you tell me that that is accurate?

Mr SMITH: Yes I can.

Can you tell me, Mr Speaker, that the Burgundy Royale group going to the wall and being put in the hands of the liquidator is a healthy sign of confidence in the Northern Territory? I do not say that the problems with Burgundy Royale are completely the fault of the Northern Territory government. Obviously, the group made some bad decisions itself. However, 2 aspects of government involvement had significant effects.

The first was the guarantee that the former Chief Minister, Paul Everingham, made that the Beaufort would be the flagship hotel in the Northern Territory. That guarantee lasted about 6 months. Secondly, Burgundy Royale has had to compete in an unfair market situation. It has had to compete with a hotel catering to the same market segment with the unfair advantage of government support and subsidy. That is a legitimate matter for opposition concern and it is something the opposition will continue to pursue. It is unfortunate that Burgundy Royale has been a casualty in the exercise, and I hope that somebody else can pick that building up and run with it. Any new owner, however, will still have to deal with the problems created by government support of the Sheraton which is running at \$6m or \$7m this financial year.

Let us now look at the University College. Consistently throughout these sittings, members opposite have accused the opposition of being negative and of knocking. Members of the opposition have said consistently that the concept of a university facility in the Northern Territory was first proposed by the former Leader of the Opposition, Bob Collins, in 1981.

Mr Harris: A lean-to university.

Mr SMITH: Of course, the problem has been that, in order to save a bit of face over Myilly Point, and to put a building there instead of leaving it, the Northern Territory government ...

Mr Perron: The building was already there.

Mr SMITH: ... upgraded a building there and put people into it, instead of leaving it empty as it had been before. It was a source of substantial embarrassment to the government because of its precipitant action in kicking everybody off Myilly Point to make way for some grandiose tourist development that did not take place - and I guess we will get the blame for putting the kybosh on the Myilly Point tourist development which was nothing but a gleam in the eye of a former Chief Minister.

Mr Coulter: That was in the days when we had an opposition.

Mr SMITH: The problem is that that crazy decision has had the effect of setting back the development of university facilities in the Northern Territory by 3 to 4 years. We could have been operating a university-type facility 3 or 4 years ago if the Northern Territory government had followed

the model that was first proposed by the previous Leader of the Opposition and supported by prominent academic figures right throughout Australia. Instead, we have a Northern Territory government that has made itself a laughing stock in academic circles.

Mr Speaker, to pick up the question of tertiary fees, we have said consistently that the federal government is wrong in not providing tertiary fees to students attending the University College. Also, we have consistently accepted the fact that the University College exists, and it has our support. But we reserve the right to comment on government proposals and to say to the government that we think it is going about something in a stupid or a crazy way, and that there is a better way of doing it. Essentially, that was the basis of our concerns on that particular matter. We said right through that exercise that there was a better way of going about it than the way the government proposed. That is all water under the bridge, of course. Now we have a University College in the Northern Territory, which I am quite happy to say that we support, and I hope that it will continue to flourish.

Mr Speaker, in conclusion, can I say that this censure motion has been a complete and absolute waste of time. The government has had 4 sitting days in which it could have brought it on. It could have brought it on tomorrow. However, it has brought it on today, which is the fullest day of the program anyway, because it is our day and we have a number of important and substantial matters to introduce. The government's timing in bringing on this censure motion today is indication enough of its hypocrisy. However, this opposition will never resile from its duty to provide the people of the Northern Territory with an opposition, both in the Assembly and outside of it, that regards keeping the government honest as one of its major tasks. My answer to people who ask me repeatedly if we are keeping the government honest is that we are trying to but it is a full-time job. It is a job which is becoming more and more difficult because of the way this government performs and particularly because of the way it fails to provide this Assembly and the people of the Northern Territory with the information that they are entitled to.

I close by saying that many of the problems that this government brings on itself would disappear if it were prepared to take the people of the Northern Territory into its trust and tell them what is going on instead of giving them half-truths. Instead of coming back from Tokyo and beating up preliminary meetings into major agreements with developers and study groups, the government should accurately tell the people of the Northern Territory what is happening. Everybody would be better off and the Northern Territory government might find that it had fewer problems.

Mr COULTER (Treasurer): Mr Speaker, I have said on many occasions, and perhaps honourable members may be sick and tired of hearing it, that the only reason why people may follow the Leader of the Opposition is out of curiosity. The time for curiosity is just about up and his followers should realise where they are going. The Leader of the Opposition talked about his general business day but he did not say what business the opposition had. As he says, this day does not come very often - once in every 12 sitting days - and a lot of work has to go into it. Let us have a look at the motions the opposition has before the Assembly today. The first motion is from Mr Bell. He is to move that this Assembly resolve to work towards development of an appropriate relationship between Aboriginal customary law and the current justice system in the Northern Territory. That is his first item of public importance.

Mr Bell: It is not a matter of public importance. Today is a general business day.

Mr COULTER: No, it is not important to anybody. That is the problem!

The member for Stuart is to present the Electoral Amendment Bill. Has anyone heard of that before? How many times has that been put up? He has done it time and time again. It is repetitive nonsense. The Leader of the Opposition is to present the Adoption of Children Amendment Bill. Have we heard of that before? The member for Arnhem is to present the Northern Territory Heritage Bill. The Leader of the Opposition is to move that this Assembly is of the opinion that the government, as a matter of priority, should examine the public service for areas where significant savings can be made without affecting the quality of services delivered to the public or the working conditions or entitlements of public servants. What does that say, Mr Speaker? What a load of gobbledegook it is! Do nothing; that is precisely what it says and that is what the Leader of the Opposition is good at.

The list goes on. These are the Leader of the Opposition's burning issues. He is to move that this Assembly notes with concern the impact that the policies of the Liberal and National Parties would have on the Northern Territory. Those policies are, of course, the removal of the fringe benefits tax, the removal of the assets test, the removal of capital gains tax, giving us control of mining and building a new airport terminal. These policies would create incentives for development and would get the Northern Territory going again. The Opposition Leader cannot comprehend this because his head is full of doom and gloom. He is in an anti-development phase and it is good to see him leaving the Chamber.

The member for MacDonnell is to present the Liquor Amendment Bill. That is the next item on the list, and it so happens that we will not be dealing with all the items today. In fact, only 4 of them will be dealt with, as the Leader of Government Business has told me.

Let us look at some of the Leader of the Opposition's trips. I am going to read from one of his press releases and I hope that the Deputy Leader of the Opposition rises to defend the Leader of the Opposition because I would love to be able to quote this back to him at any time he wants to hear it. He is spokesman on mining for an opposition which still does not have a mining policy. That is how negative the opposition is. The press release is headed: 'Smith Trips Mean Business'. It says: 'Territory Labor Leader, Terry Smith, leaves Darwin tomorrow on a whirlwind 72-hour visit to north Queensland for talks on defence liaison with Townsville Mayor, Mike Reynolds'. That is riveting stuff. I guess everybody in the Northern Territory was tuned to his radio waiting for the next enthralling episode to see what the phantom Leader of the Opposition would do. It goes on to tell us he is not going to stop there: 'Mr Smith will also discuss defence liaison and industrial matters with the Townsville Development Board and the Townsville Chamber of Commerce'. I was going to go through these and demonstrate to honourable members just what he has said over the years. They go back for some considerable time but, quite frankly, they are a joke. They are all in the same vein. They are anti-development. They are ineffectual in exactly the same way as he is ineffectual.

I went to the Leader of the Opposition's office for a Christmas drink a while back. I do not know if I will be invited there this year, and I am not sure who will be there this year, but maybe I will be. When you go into that office and speak with the people there, it is easy to see the type of

atmosphere that exists there. Nobody is talking about building this or creating that. It is all: 'Gee, we have got to stop them on this one', and 'Ah, you see what they have done there'. When they talk about education policies, they are talking about needlework for boilermaker welders. They are not talking about the development of law degrees or any of the other necessary academic qualifications that are required here for the development of the Northern Territory. They are in regression even as their federal Labor colleagues are in regression. They are talking about closing everything down, bringing everything back and painting everybody in a nice shade of grey. They do not want to reward initiative or to get on with anything. They are not prepared to take a risk. They are into closing the place down and presenting doom and gloom for everybody. The Leader of the Opposition is totally ineffectual and that has been demonstrated time and time again.

The opposition uses the tactics common to all oppositions by raising matters of public importance in this Assembly. In most cases, the matter of public importance is simply a tactic, a time-worn strategy of attempting to raise the public profile of the Leader of the Opposition - and, boy, does his need some raising. Today, we are debating a matter which very definitely is important. Apparently, the Leader of the Opposition does not think so, and that is precisely the point. I can assure him that the people of the Northern Territory think it important. That is why his party is in opposition. It is why the Labor Party will always be in opposition and why it was hammered in the last Territory election. He puffs himself up, and talks decimal points about how well he did in that election but the reality is, and he knows it, that he presided over an abject and miserable failure. Circumstances surrounding the election conspired to hand the Labor Party its best chance ever to improve its representation in the Legislative Assembly ...

Mr Smith: Who wrote this?

Mr COULTER: The result was the same number of seats - and he was lucky to achieve that - with no inroads whatsoever into the urban seats of Darwin and Alice Springs. The Leader of the Opposition pretends to speak in this Assembly for the people. He says that frequently, but he does not speak for them. They do not want to know him. They reject him.

The principal reason for that rejection is the public perception that he and his party are anti-Territory and anti-development. He knows that, because his pre-election research told him that. In any case, his own research has told him that. It is not simply a matter of Territorians having pride in the Territory and rejecting those who do not, the public is smarter than that. Territorians know full well that the campaigns of innuendo, deceit and misuse of legitimate information conducted by the Leader of the Opposition and his colleagues against Territory development have the capacity to weaken the resolve of companies to do business here. They see the damage being done and they know it is against their best interests. They understand that the Leader of the Opposition is working in the interests of non Territorians, jealous of solid Territory growth since self-government. They know that he has created a climate in which his Canberra cronies can sabotage the Commonwealth Territory funding agreement established at self-government. The reputation and standing of the Leader of the Opposition cannot be salvaged and, again, he has no need to take my word for that. He should look again at the polls commissioned by his party just before the Territory election. He sneers about the approval rating of John Howard. His own Gadaffi-like approval rating makes John Howard look sensationally popular.

It is blindingly obvious to anyone who hears the Leader of the Opposition speak that he and his colleagues suffer from an apparently incurable inability to understand even the most basic fundamentals of development economics. He hasn't a clue about what it takes to stimulate development, to promote business, to create jobs and to make the Territory a better place in which to live. He spoke about the children who are here today. He does not care about the future of Territorians and future generations of Territorians. He is only interested in trying to preserve his own position. I will provide a perfect example of this, as it concerns a matter to which the Leader of the Opposition has addressed himself in recent times.

In the matter of Hungerford Refrigeration and its move from Brisbane to the Trade Development Zone in Darwin, the Leader of the Opposition has sought to establish that the company is a dead duck. He has tried to say that taxpayers' money has been directed, through the Territory Insurance Office, to keep the company artificially afloat and that its shift to Darwin is headed for certain failure along with the whole Trade Development Zone. Not one of those propositions is accurate, and I will provide information to show that.

There are 3 basic facts about the TIO which I earnestly ask the opposition to make a real effort to understand. First, the TIO was established initially without any injection of government funds. The government did not put any share capital into the TIO to establish it in 1979, and it has not done so since. The TIO has grown to its present size and now has assets worth about \$100m entirely from premiums received for providing various forms of insurance and from interest earnings on its investments. In other words, the TIO was established and has developed without the use of any taxpayers' money by the government.

I ask the member for Nhulunbuy to take particular note of that because it is obvious from recent comments that he thinks taxpayers' money is involved. He and other honourable members opposite have a puzzling tendency to regard TIO funds as taxpayers' funds and interjections by them in this Assembly have indicated that they believe taxpayers' funds have been used by the TIO in its investment in Hungerford Refrigeration. As a person with business acumen, Mr Speaker, you will know that that is totally false. As I have explained, no taxpayers' money has ever been injected into the TIO. We all know that some funds are paid to the TIO under legislation; namely, contributions to the Motor Accidents Compensation Scheme. However, it should be obvious to the opposition that these are not taxes but insurance premiums for cover against personal injury in motor vehicle accidents. While their level is determined under statute, in fact they are a payment for an insurance service and in no sense do they constitute a tax. Members opposite must therefore understand that the TIO has not received and does not receive money which could be regarded as taxes by any reasonable person.

Mr EDE: Mr Speaker, I draw your attention to the state of the House. There is no quorum present.

Mr SPEAKER: Ring the bells.

Bells rung.

Mr SPEAKER: A quorum is now present.

Mr COULTER: Mr Speaker, I draw honourable members' attention to the fact that the Leader of the Opposition is still not present in the Chamber after the bells have been rung. That is shameful, and it shows the contempt in

which he holds this Legislative Assembly. He cannot even present himself to hear a motion censuring him. We on this side of the House have come to recognise his shortcomings and we are now waiting for his colleagues to wake up.

There would be no sense in employing insurance experts at the TIO if the government was going to direct them in their commercial decision-making activities. We would not long retain people of the calibre of TIO board members and managers if they were not allowed to get on with the job of running the office on a commercial basis, free from interference. Like most statutory authority acts, the TIO act provides the government with a power of direction. However, this is regarded as a reserve power to be used rarely, and then only in relation to broad policy rather than specific commercial decisions. I am aware of only 1 occasion in recent years when this section has been used. That related to the provision by the TIO of an agency service for processing compensation claims lodged by government employees. Logical and sound as this policy of non-interference is, the Leader of the Opposition chooses, for reasons which suit his own purpose, to promote the myth that the TIO operates only under government direction and that any deal involving the TIO and the government itself or another government agency must have occurred because the TIO was forced, under direction, to participate. The Leader of the Opposition said as much when the Hungerford investment was announced, although he had not the smallest shred of evidence to back up the claim.

Let us examine the press release issued by the Leader of the Opposition on 3 April:

'The Trade Development Zone was turning into a non-stop drain on the public purse', Territory Labor leader, Terry Smith, said today. Mr Smith was commenting on the forced acquisition by the Territory Insurance Office of shares in a Brisbane company offering to set up shop in the Trade Development Zone.

There we have it in a nutshell. 'A drain on the public purse ... a forced acquisition'. Such statements show fundamental ignorance of the facts. The press release continues:

'The government has gone one step beyond its earlier generous incentive for the TDZ - free rent, subsidised electricity and no payroll tax - by forcing a capital injection from the TIO'. The Leader of the Opposition also says that he wants to make a clear distinction between the desirability of industrial development and its cost to the taxpayer.

Mr Speaker, I must apologise to you for the back-to-basics tenor of my address here today but, as you can see, it is required so that the opposition can gain some basic understanding of how the TIO operates. The Leader of the Opposition has been very stupid about this. He has made a fool of himself, but I feel the need to be constructive and to help him out so that he will not blunder about in such ignorance again. Perhaps the attitude of the opposition serves as notice of the Labor Party's policy towards the TIO. Presumably the opposition thinks it is acceptable to intervene in the TIO's commercial activities.

There is a third lesson I must give to the opposition and that concerns investment. From comments made in these and previous sittings, I can only conclude that the opposition's understanding of this topic extends no further than the 3.75% passbook savings account which some of them probably still hold. Insurance companies, whether unprofitable, as many are, or profitable,

as the TIO is, generate large cash flows which must be invested to provide a good yield. Investment income is the second most important source of revenue after premium income, but this does not mean that all investments must be in public securities like Commonwealth bonds. No doubt the Leader of the Opposition would like to see the TIO invest all its \$100m investment portfolio in Commonwealth bonds to help fund the madcap, irresponsible and uncontrolled budget deficit his mickey-mouse cronies in Canberra have created. Thankfully, the TIO has a more sensible investment strategy. Like any major investor, it has a range of investments from low-yield low-risk to high-yield higher-risk.

The investment in Hungerford was regarded by the TIO board as a venture capital investment. The TIO has set aside a small amount in its portfolio for such investments, provided they have sufficiently high-profile yields to offset the possible risks and provided they are maintained as a small percentage of the total portfolio. These investments can be very worthwhile. There is nothing exceptional about this. Many large-scale investors do it and it can be very profitable if the investments are carefully selected. The TIO also has a policy of investing in the Territory, where possible, subject to the requirements of the overall investment strategy. This is sound commercial thinking because it means policy holders can see their money working for the development of the Territory, something that the Leader of the Opposition knows nothing about.

Many people prefer to deal with an insurer like the TIO, which is locally based, because it is prepared to reinvest money in the place in which it was earned. This leads to the matter of the opposition's appalling lack of knowledge in this area and its lack of policies. The fact is that the opposition is anti-development. That is what this debate is all about. The opposition's real target is not Hungerford Refrigeration, nor is it the TIO. Its target is the Trade Development Zone, a CLP government initiative which stands on the threshold of resounding success. The opposition knows that and cannot stomach it. It wants the TDZ to fail so that business will go under, jobs will be lost and capital will disappear. It seeks political advantage from misfortune and sets out to undermine public confidence in any venture involving the TDZ.

The opposition inevitably jumps in boots and all when a government development initiative is announced. It makes as many criticisms as possible when that development is in its early and most vulnerable stages. Remember what a previous Opposition Leader said about the gas pipeline project? He called it a lunatic proposal! The opposition tactic is to tackle the infant, not the adult. It points to spurious weaknesses or claims defects in arrangements. It alleges intrigue in the withholding of facts by saying that privileged commercial information is being withheld as a cover-up. As the myth builds up, the opposition attempts to support it with disjointed scraps of information which it interprets in worst-case scenarios.

When this government's initiatives are ultimately successful, the opposition develops convenient amnesia. It will be interesting to hear the Deputy Leader of the Opposition, who is travelling very closely in the shadow of the Leader of the Opposition and who has a track record of canning every development that we have been involved in in the Northern Territory, when he gets to his feet.

Mr EDE (Stuart): Mr Speaker, this censure motion is without a doubt the most pathetic attempt the government has ever made to waste the time of this Assembly so that we do not get an opportunity to present all the items that we have on the Notice Paper for our general business day. Mr Speaker, to see how

pathetic the attempt is, you have only to recall what happened here a few minutes ago when the government could not even maintain a quorum during the debate on its own censure motion. I would be hard put to find a more pathetic performance than that.

The former Deputy Chief Minister was waxing forth with his nonsensical diatribe and even his own colleagues could not stomach it. They all left the House, and that indicates just how much importance they place on this debate. They themselves recognise that there is absolutely nothing to it and it is merely a device to waste the time of this Assembly. They knew it was our general business day and they wanted to start that business so late that it would be very difficult for us to give the attention which is necessary to get through all our business. They also saw it as a device to get rid of question time.

A censure motion is one of the most important motions that can be moved in this Assembly and it takes precedence over question time. The government has used it as a blatant political tactic to attempt to stop question time proceeding today and to stop us from having sufficient time to get through the general business that we have on today's Notice Paper. This opposition will continue to turn the light on the dark corners of government policy and we will not be bluffed by the government's continual efforts to shut us up. We will continue to expose this government to the people of the Northern Territory. This has been a pathetic attempt by a do-nothing government.

In this and the last sittings combined, the government has presented something like 2 ministerial statements. It has reintroduced old bills and I do not think it has introduced 1 new one. Before the election, we could expect 2 or 3 ministerial statements a day. Ministers would rise to outline their departments' policies and their approaches to particular issues to the people of the Territory. They would talk about the directions they had mapped out for the public service. What do we have now? Nothing. We have existed in a vacuum since the election. It is impossible to turn around and say the government has lost direction because it never had any. Since the election, it has wandered around in circles and the only actions it has taken have been destructive. It does not appear to be able to get going again.

When the opposition seeks to use the general business day as an opportunity to tell the government where it can go forward, it uses this censure motion as a device to stop us. Having decided on that strategy, government members did not even have the wit or the gumption to stay in the Assembly and listen to their own speaker. They could not even maintain enough interest in the censure motion to keep a quorum in the Assembly. Even the Chief Minister, the mover of the motion, was not here.

Mr Smith: Not even in his own debate.

Mr HATTON: A point of order, Mr Speaker! The Leader of the Opposition is interjecting when he is out of his seat.

Mr SPEAKER: The Leader of the Opposition must restrain himself, particularly when he is not in his own seat.

Mr EDE: Mr Speaker, I have considerable sympathy with the Leader of the Opposition. The pathetic performance of the Chief Minister in this debate today was something that had to be seen to be believed. I do not think that I have seen a poorer performance. I do not know what he was doing yesterday and whether he was writing that speech, but it was really pathetic.

Mr Leo: It was like listening to a dead sheep.

Mr SPEAKER: Order! The member for Nhulunbuy will withdraw that remark.

Mr Leo: Mr Speaker, I unequivocally withdraw it. The Chief Minister is not a dead sheep.

Mr SPEAKER: The member for Nhulunbuy will withdraw that remark without comment.

Mr Leo: Mr Speaker, I unequivocally withdraw.

Mr EDE: Mr Speaker, it is very difficult for members on this side of the Assembly to take this debate seriously when the government cannot maintain a quorum. It is also rather difficult to take seriously a debate on a motion which is so lacking in substance. It seems that this government decided that the only way that it could attempt to take attention away from the announcement of the federal opposition's tax policies was to debate the topic it chose.

I must say that it is very noteworthy that we have heard absolutely nothing from the Chief Minister regarding the statement that Mr Howard made last weekend. This government has talked about the dramatic cuts it has suffered from the federal government. It lost \$104m, but the federal opposition does not believe that that is nearly enough. It believes that dramatic further cuts must be made and that the \$1000m cut to the states was a mere snip. If \$1000m is a mere snip, what is a dramatic cut? Is it \$2000m or \$3000m? Would the Chief Minister accept that if the federal opposition ever got into government? Why isn't he telling his federal colleague that he should keep his mouth shut and keep out of our finances?

Government members have said already that the \$104m cut would have been okay if everybody had been treated the same. Their only complaint is that we were badly done by. It is a fact that the amount cut from our funding was twice the amount that was cut from some of the states. Basically, the Chief Minister is saying that \$50m would have been reasonable in terms of equality and the need for fiscal restraint. That leaves around \$50m of which the \$40m federal subsidy to NTEC was to disappear anyway. Then, we have the \$23m from the Grants Commission. The figures just do not add up when we look at the complaints that the Chief Minister made.

Let's have a look at some of the other statements made. It was said that the Leader of the Opposition did not back the university. I refer members to the Hansard of Wednesday 20 November 1985 where the Leader of the Opposition, in the debate on the University College bills, stated that this was an initiative of the Labor Party which we had consistently supported as far back as 1981 and 1982. He quoted the previous Minister for Education, Mr Robertson, who got stuck into us for considering the option of a University College and stated that it was a ridiculous option. In the third-reading debate, the Leader of the Opposition stated that he wished to indicate the very strong support that the legislation had from this side of the House. He pointed out, once again, that the University College could have been in place some years earlier if it had not been for the government's opposition to the proposal.

The censure motion states that there has been a lack of initiatives from the opposition. I will take some of the time remaining to me to remind the Assembly of some of the initiatives that the opposition has put forward. I am

not going back through ancient history to talk about things like the university. I will confine myself to the term of the current Leader of the Opposition because I would not have time to refer to previous Leaders of the Opposition.

Mr Speaker, Territoricorp was one of the ideas that the Leader of the Opposition proposed both before he became Leader of the Opposition and during the election campaign. Territoricorp would encourage and facilitate the establishment of new business, it would help to raise capital for industry, it would organise the physical assets of the government and it would run a small business arm to assist small business. It would have a business advisory bureau which would coordinate short courses in all aspects of business management. It would assist Territorians to get their own businesses going. That was a very good initiative which the Leader of the Opposition has put forward.

No one takes seriously the contention that the Industrial Supplies Office is a government initiative. It is a proposal which we ran in this House for some considerable time before the government was finally persuaded to take it up. The Territory Bank was another part of Territoricorp. It was to be partly owned by the government and shares were to be made available to the public with priority going to Territorians.

There were our proposals on an independent inquiry into the pricing structure, public accounting and administration of NTEC and the water authority in an attempt to stop the ever-ballooning cost of electricity which is chasing business away from the Northern Territory.

An interesting point was made by the Chief Minister when he stated that there is enormous investor confidence and everything is continuing to develop in the Northern Territory. I do not know whether he realises it but, in December, this Territory had a first since Cyclone Tracy. It is not a first of which we can be proud. It relates to the number of telephone connections in the Territory. For the first month since Cyclone Tracy, we had negative growth in December. That is something which has resulted from this government's lack of interest and its inability to have any direction or to get moving. It is an abysmal indication of how direction has been lost.

The Leader of the Opposition made proposals for tourism industry training facilities in Darwin and Alice Springs. The commencement of a Bachelor of Business course in tourism management at the Darwin Institute of Technology would have gone a long way towards ensuring that the benefits of the tourism drive stayed in the hands of Territorians so that Territorians do not simply become the hewers of wood, the carriers of water, the cleaners and the waitresses in the tourism industry, but the managers and, through the Territoricorp initiatives, the owners of the tourism industries. That is all part of the Leader of the Opposition's plan for the future of the Territory which I applaud.

His proposal in relation to the guarantee for youth is something that would have been of really great benefit to young Territorians. It was a guarantee that, if they passed Year 10, they would have a job or a training opportunity. It is a shame that the government has not taken up that initiative as yet. It is being taken up elsewhere around Australia and I would hope that this government is not the last to do it. The Leader of the Opposition made a proposal in relation to industrial relations. I believe that this may be one that the Chief Minister has taken up. It is a bit difficult to see beyond the facade of the new Ministry of Labour and

Administrative Services. It keeps changing its minister and you cannot get a word out of the new one.

We believe that, with its inaccurate and incompetent reading of our policies, the government is attempting to bring together some form of an industrial relations unit to cover industrial health, safety, trade skills etc. I hope that is what it is doing because it was one of our policies and we do not mind its being taken up by the government. We are quite proud of the fact that most of the good ideas come from this side of the Assembly.

Mr Speaker, it has not taken up our proposals on government regulations as yet. We identified the need for a priority examination of government regulations that impinge on business. We stated that we would ensure that any new regulations would have sunset clauses so that the stated objectives of the regulations could be monitored against some predetermined criteria.

For a considerable time, the Leader of the Opposition has been calling for an examination of the tendering system. I know that there were some whispers that the government had some intention of doing something in that regard but I have yet to see the results of that. The change is one that the Leader of the Opposition has been fighting hard for over a considerable period.

A tourism task force is something that we need desperately in the Northern Territory. We need a means of planning the growth of the industry on a 3, 5, and 10-year basis. We need to know where we are going and what the shape and structure of the industry will be like further down the road so that we can ensure that everything has been developed so that those goals are achieved.

This censure motion is nothing more than some last desperate wiggle of a Chief Minister who painfully got through his speech and then painfully left the Assembly rather than have to endure the speech of his erstwhile deputy, the Treasurer. I cannot blame him for having left the House. However, I can blame him for not having the nous to leave enough people in here to indicate that he had some support in the Assembly. It is obvious that he has not got the numbers any longer for his leadership and that already they are ganging up to dispatch him. They could not even wait until the end of this debate. It is obvious that they were out there plotting and scheming and trying to work out whether they would knife him first or whether they would find an alternative leader first. Meanwhile, we had the honourable Treasurer in here. His star has been steadily declining. He hasn't got any numbers or any backing either. That is no wonder, considering the pathetic speech he made. There is no support for this motion. If any member opposite votes for it, he will be doing so purely out of party loyalty and with the knowledge that it is painfully ridiculous.

Mr PERRON (Industries and Development): Mr Speaker, at almost every budget that the Territory has brought down since self-government and even at the tabling of most quarterly statements, we have heard tales of doom from the opposition. The Territory's economy is out of control, the party is over, financial mismanagement is rampant - all these and similar statements have been made for several years. The opposition took several years from the date of self-government to really come to grips with what the Northern Territory's financial arrangements with the Commonwealth really were. Indeed, they were somewhat complex and, to a degree, still are. However, they are more complex in a political sense these days rather than in a technical sense as before.

When the opposition realised the value of preserving the Memorandum of Understanding, it was too late. In 1983, the federal Labor government came to

power and, at first, it began to cast aside the spirit of the memorandum. It finally reached a point of actually breaching its provisions completely. The only thing that the then Leader of the Opposition could say about it was the now infamous quote which is in Hansard: 'The memorandum is, in fact, only an agreement and nothing more between the federal government and the Territory government'. That statement will go down in the Territory's history as the classic example of the Labor Party turning its back on Territorians.

It was a cowardly statement which summed up the then Leader of the Opposition's attitude to Territory affairs when it came to justifying the actions of the Hawke government because that statement indicated an attitude to the Territory's financial affairs. It indicated that it did not matter what the Hawke government did to the Territory. The seriousness of federal government action against us and the extent of its breaches of contract did not offend members opposite. Their loyalty was absolutely blind and the only issue over which they criticised the federal government was when it broke its undertaking to construct a new Darwin Airport terminal, and even that took quite a long time. Of course they fell for the federal government's line when it stopped work after spending \$18m at the airport and said the project was under review. After about 6 months of this so-called review, the then Leader of the Opposition woke up and went on the attack. That is the one issue on which they criticised the federal government.

As time went by, the federal Labor government's actions in respect of the Northern Territory became blatantly politically vindictive. There was not even an attempt to hide that. We had total reversals on such things as the promised railway, the new airport terminal for Darwin and the upgrading of the Alice Springs terminal and the abolition of sales tax on freight, and a planned campaign to wind back our levels of funding. What did members opposite do? Nothing.

The decision by the federal Minister for Finance, Mr Walsh, to reverse a decision not 3 months old and unilaterally demand that the Northern Territory pick up superannuation payouts without any increased capacity, was a fine example of how the federal government began to erode our levels of financial support in the Territory. The attacks were not simply direct cuts of funding to which we were entitled under the memorandum. It was done in other ways as well. That superannuation decision was a very good example of the other ways that it has got at us. In time, that superannuation decision will cost us a figure of about \$50m per annum in payouts which future Northern Territory governments will have to find from somewhere as public servants retire progressively and are entitled to their superannuation payouts.

We then had a relativities review. The Territory was dragged screaming into a relativities review of the split up of funds from the federal government to the states. Despite our protest that the Northern Territory was not a state, that our funding arrangements were quite separate from those of the states, and for very good reasons, we were still dragged into it. I do not think the members opposite comprehended the ramifications or the injustice of the Territory being dragged into that review.

Then, we had a special examination into the funding levels of the Northern Territory. Now we are really getting down to the politically vindictive components of the federal government's attitude. There had never been a Grants Commission review of past funding levels by claimant states until the Labor Party was in power in the federal parliament and the Northern Territory came along as a claimant. There was a special examination of our levels of funding. We know the results of that, Mr Speaker. It determined that we had

been overfunded in a past year. The second unprecedented component is that moneys which had been paid out by the federal government and spent in good faith normally would not be reclaimed but, in our case, they were.

The Northern Territory electricity subsidy is an example which does not need very much elaboration in this Assembly of how agreements have been overturned and how we have always been the source of another few dollars to be saved by the federal government. They do not all need detailing.

I think the statement that the Leader of the Opposition made in February this year, after the ALP policy launch, also sums up the attitude of members opposite towards these types of things. The opposition said:

The Labor leader said it was useless expecting the federal government to look at the airport when there was clear evidence of the Territory CLP government frittering money on wasteful schemes and ministerial jaunts.

The Leader of the Opposition was not even interested in putting a case that the Northern Territory might be being maltreated by big brother. He was so embarrassed about the way the Northern Territory government was going about its affairs that he was not even prepared to mount a case. As he stated clearly there, he had tossed in the towel.

Later, the federal government stooped to such petty-mindedness as withholding our roads funding, even after contracts had been called for the upgrading of the Stuart Highway. It refused to release cash to which we were entitled until such time as the contractors were placed in very severe difficulties trying to keep plant machinery in place. The aim of the federal Minister for Transport was simply to be vindictive in that case.

Where were the local ALP and Leader of the Opposition while all this was happening? They were being apologists for this Hawke Labor government which has been described to us in this Assembly as the greatest government that Australia has ever had, led by the greatest Prime Minister the country is ever likely to have - not only past tense, but future tense; that is really being pretty brave - and nothing it could do would be criticised. The rot was started by people like the former member of the House of Representatives, Mr Reeves, who is now infamous in the Territory for his great speeches in the federal parliament stating that the Northern Territory was being overfunded, the money being squandered and that the federal government should do something about it. He was a fantastic representative of the Northern Territory. One day we will develop awards for the efforts of that sort of Territorian and I would like to be around when they are awarded.

Other activities in which one could hardly say the Leader of the Opposition has been shining in the defence and promotion of the Northern Territory have been matters such as the Mudginberri dispute. If he had had his way, Mudginberri would have been a case wherein the owners of the abattoir would have been bankrupted by the actions of the picket lines. Every possible attempt was made by the AMIEU at that time to run them right out of business. The Leader of the Opposition went on record, at the time, as saying that employers who turned to common law to protect themselves in situations like that were union bashing, or words to that effect. It is recorded somewhere. That is the sort of confidence the opposition has in the future of industry in the Northern Territory.

The ANPWS has control of parts of the Northern Territory, parts that we would like to see cranked up and on the map properly assisting the Northern Territory tourist industry. We do not see opposition members leaping to the Territory's defence there. In fact, they have been particularly silent on suggestions that perhaps one day Katherine Gorge might be offered to the ANPWS to run. It would be interesting to know what their view on that would be.

Their pessimism about the Sheraton Hotels and Yulara is a very sad example we have before us of negativism in the extreme. The Leader of the Opposition tells us constantly that we have blown all our money on the Sheratons and Yulara and, if he had his way, he would sell them off. He does not seem to concern himself in any way as to whether they could be sold off, whether it is practical for them to be sold off or even legally possible. That is his answer to those questions and, if we extrapolate his view on Yulara and the 2 Sheratons in so far as government support is concerned, none of those projects would be there because there is no way that they would have got off the ground in anything like their current form had the government not stepped in with significant assistance in order to build those magnificent facilities.

There are many other examples of the opposition pouring cold water all over development projects in the Northern Territory. The Marrakai building in Darwin is one of them. The Territory gas pipeline is another, as is the Frances Bay mooring basin which the opposition called a massive failure during the election campaign. The opposition is really optimistic about where the Territory is going. They have also poured cold water on the TDZ and Hungerford. The Leader of the Opposition has made a point in the last 6 months of implying that arrangements between the TDZ, its consultants and representatives of firms which are considering moving into the zone, have been improper. In November last year, on the 7.30 Report, the Leader of the Opposition said that he was particularly worried about this matter. I quote from the transcript of his remarks about the Trade Development Zone:

We are particularly worried that, in this financial year, we are going to get \$20 000 in revenue out of it; that is, it is going to cost the Territory taxpayer \$1.5m in marketing costs and incentives. That to me does not seem to be a fair deal and what we are hoping is that that situation is going to correct itself very quickly.

The Leader of the Opposition, a man who said in the second-reading debate that, perhaps in 10 to 15 years, we would look at the Trade Development Zone and decide whether it was a brilliant initiative of this government or not, decided to concertina the whole exercise and, 6 months after the first sod was turned at the zone, he was pronouncing on its success. His judgment is that it is not a success because, in its first 12 months of operation, it was not returning a profit.

In November last year, he started to campaign to raise concern and anger among local businessmen with his cute statement that he knew many manufacturers in the Darwin area who would be interested in the range of incentives being offered in the TDZ. I am sure he did know such people and probably still does, but what we need to look at is the reason why he would make such statements. Of course, every business would be interested in receiving concessional treatment from the government in any way at all. But here, prematurely as far as the Trade Development Zone is concerned, he is really saying to Territory businessmen that they should be really cranky with this government because it is offering incentives in the Trade Development Zone that they are not being offered. He is doing his very best to spread discontent. Obviously, it is his intention to do exactly that and he went as

far as to say that perhaps the \$13m that has been spent could have been used more profitably by giving it to local manufacturers in order to encourage them to become involved in the export business. That is a lot of help for the Trade Development Zone. That is real support, and support we can well do without.

He instituted discussions of matters of public importance on the subject of the Trade Development Zone and Hungerford Refrigeration and did just about everything he could to pour cold water over the entire development. He is still doing that today, yet he likes to put his hand up every now and again and say that, basically, the opposition supports the principle, as it did when the idea was first proposed. But, ever since, we have had comments like this one in the newspaper: 'Development Zone a Public Drain - Smith'. Grave stuff. If we say it often enough, Territorians will get pretty concerned and maybe everyone will start to think it is a big failure. Certainly, he is doing his very best to try to convince people that it is.

Hungerford Refrigeration - what a fantastic display of support for Territory growth and development his attitude towards this company has been. Does he really think that a reception of public criticism and innuendo is the way to encourage new businesses establishing in the Northern Territory? The principals of Hungerford Refrigeration must be amazed at the blitz they walked into as a result of wanting to move their operation to the Northern Territory. I suggest that the Leader of the Opposition is solely interested in public exposure for himself. If he were genuinely interested in bringing in jobs and development rather than maximising media coverage on every possible question he has about the company and using the media to raise doubts about the integrity of the owners, he would seek answers to his questions directly from the company, the government or the TIO.

Would that be a reasonable course of action for an opposition that was concerned about Territory development and wanted to help the Territory to get ahead and create a few jobs? No, the opposition does not think it would be reasonable to make inquiries quietly and discreetly to see if there are logical answers. It makes a great fuss about some court orders in Queensland and some outstanding payments. Is it a staggeringly unusual practice for courts to determine the validity of debts? Does he ever think that 2 businesses might have a dispute over an account? How does he think lawyers exist other than through disputes between parties?

Mr Smith: There was an agreed basis of payment after being to the courts, and it still did not pay.

Mr SPEAKER: Order!

Mr PERRON: Mr Speaker, I did have more to say about the Leader of the Opposition but much of it has been said persistently over the years. It has been like talking to a brick wall and, therefore, I guess today's debate will not make much difference. One of his recent statements made me think perhaps there was hope for him yet. That was his statement that the government should realise the importance of confidence in the business world. I think he raised it when talking about the railway working group. It was an amazing statement coming from him, because he has exceeded in the damage he has done to business confidence in the Territory only by his predecessor, who was a real master. However, the current Leader of the Opposition is catching up to him fast. He also made a statement that businessmen overseas would not allow statements by politicians in Darwin to affect their decisions. That shows gross naivety. It is an attempt to clear his conscience for doing such damage to confidence in the Territory economy. I support the motion.

Mr LEO (Nhulunbuy): Mr Speaker, this motion leaves me wondering about the real reason for the existence of the Northern Territory government. Members opposite have blamed God Almighty, the federal government and now the Opposition Leader for their own absolute incompetence. The Northern Territory government is in absolute disarray. Nobody would disagree with that. Mr Speaker, read the motion and see who is to blame. Not God. It says that the federal government is to blame, the Leader of the Opposition is to blame, but not that these people opposite are to blame, because - as they have admitted by this motion - they do not govern the Northern Territory. And that is so for a very good reason: they do not deserve to govern the Northern Territory. This collection of wimps and incompetents, who occupy the government benches, do not deserve ...

Mr SPEAKER: Order! The honourable member will withdraw that remark.

Mr LEO: I unreservedly withdraw that remark, Mr Speaker. They do not deserve to govern the Northern Territory. Mr Speaker, read through this motion and see who is to blame. It is the Leader of the Opposition. The Leader of the Opposition is to blame for all things foul that have befallen the Northern Territory. Not this government, not these managers of the public estate, not these managers of public money, but the Leader of the Opposition. This humble person sitting here is to blame for all the foul things that have befallen the Northern Territory.

Mr Speaker, I listened in some wonder to the words of the Minister for Health and Community Services last night. I do speak to federal ministers about procuring finances for my electorate and for the Northern Territory. I do it on a very regular basis, but I must tell you, Mr Speaker, that every time I go and speak to them, they laugh at me. And I will tell you why they laugh at me ...

Mr Coulter: I wonder why!

Mr LEO: Yes, they do. I will tell you why they do it, Mr Speaker. It is because I come from this Assembly, Mr Speaker. I come from this parliament which is inadequately represented by these parasites ...

Mr SPEAKER: Order! The honourable member will withdraw that remark.

Mr LEO: I withdraw it, Mr Speaker. Members opposite live on the lie of under-funding. That is all they do. They have created a fantasy, which is adequately propped up by the popular pulp and pushed out into the northern suburbs of wonderland that, somehow or another, this lotus land deserves more and more. For the purpose of winning elections, they are pursuing a very worthwhile cause. But, of course, the real drama commences when they have to start providing that largesse when, in fact, the government has to come to grips with the financial commitments it has made to lotus land, to wonderland, out there. In fact, what has happened to this government is that it is reaping the rewards of its own profligate, degenerate, spending activities. There is no other way to describe it.

I do not mind which member of this Assembly reads my comments on the budget last year where I described this government's idea of a balanced budget as borrowing \$75m to prop up its fiascos. There is no point in repeating the story of the Yularas and all of the other disasters that this government has involved itself in. It is a matter of public record. Anybody who has had anything to do with public expenditure in the Northern Territory is only too well aware of them.

The point at issue here is that it is said that the Northern Territory's Opposition Leader has reduced the Northern Territory's people to a point of absolute pecuniary and financial degeneracy. That is what this motion says. It says that we are broke, that we are down the drain and that it is all the fault of the Opposition Leader, not this collection of fiscal degenerates.

Mr Hatton: You shouldn't drink at lunchtime, Danny.

Mr LEO: You should drink all the time.

Mr SPEAKER: Order! The honourable member will withdraw that last remark.

Mr Leo: I withdraw it, Mr Speaker.

Mr SPEAKER: The Chief Minister's remark pertaining to the honourable member's drinking habits should also be withdrawn.

Mr Hatton: Mr Speaker, I withdraw any imputation that I was referring to alcohol.

Mr LEO: Mr Speaker, by this motion members opposite are attempting to apportion all the blame to the Leader of the Opposition. I heartily endorse all questions asked by the Leader of the Opposition, as I did when he was the member for Millner. There is, however, one matter on which I disagree with him most strongly and on which he supports the government. I make no bones about it in this Assembly or anywhere else. I condemn the government's expenditure on the so-called toy university. The Leader of the Opposition has certainly supported the government on that matter.

I really do not understand what members opposite are trying to get at. We have heard the Chief Minister say that the first duty of the opposition is to support the people of the Northern Territory. I am prepared to accept that and to endorse it. But there is a real danger to the Westminster system when the Chief Minister thinks he is the holder of the grail for the people of the Northern Territory. He is not. Anybody who understands the Westminster system will tell you that it is the obligation of the opposition to scrutinise government expenditure. We are hard-pressed in that job simply because of this government's activities over a very long period of time.

I would like to be able to say now that those activities ended with the former Chief Minister and his predecessor and that those times of profligate spending are at an end. However, I see no sign of that. We still have a collection of children in charge of the jelly bean jar and they are still gobbling them up at a greater rate than they are produced. There is no evidence that this government has realised the actual state of the Northern Territory. I cannot for one second understand how this government can possibly ask me, as an opposition member, to desist from scrutinising its expenditure. I would condemn the Leader of the Opposition if he did not scrutinise the expenditure of these extrovert adventurers because the Northern Territory will not survive unless it has a sound financial base. Members of this government are wasting whatever security we have to build on for the future. The popular pulp masticates the message for popular consumption. It tells people it is great to be greedy and that it is nice to spend and live in luxury, and so that is what everybody expects. These people, for their own electoral reasons, go along with it. That is why they fill up this House with members - not because they are valuable managers of the public finances but because they satisfy whims.

Mr Speaker, it is a disgrace and history will show it. I have only been here 7 years. I realise that I have not been here as long as some members, but I have been here longer than others. History will show that this parliament has lost its chances. Since self-government, we have had chances to do great things in the Northern Territory. The only thing we have achieved is to write ourselves further and further into the red. I would like to be able to say today that there were signs that that had ceased. It has not ceased; it is still going on. Our children will live with a greater debt than we have simply because we incur those debts at a greater rate than ever.

It is all very well for the Northern Territory government to insist in this parliament that logic, that sincere debate, that sanity, in some way constitute or are tantamount to treason. I have never and will never endorse that. I will argue in this parliament, as I have always, that every single item of government expenditure in the Northern Territory must be subject to the scrutiny of this entire Assembly and that we, in fact, must have the final say. I have been in some blues in this Assembly but I will continue to argue that. If members opposite want to call that treason and they want to call the activities of the Leader of the Opposition that, let that be on their heads. This Assembly owes more to the people of the Northern Territory than the pumped-up piece of populist nonsense that the Chief Minister has offered today. It is an absolute waste of this Assembly's time for the Chief Minister to come into this House and apportion all blame to the Leader of the Opposition and the federal government, no matter which complexion it is. I have had blues with Fraser and I have had blues with Hawke. Shifting the blame is a waste of time until this government recognises its fundamental responsibility to the long-term future of the Northern Territory and its people.

Motions like this one will not mean a damn in the future. This government could win every seat in this Assembly and turn the parliament into a cosy little club. It would not matter a tinker's damn because they still would not recognise their fundamental financial responsibilities to the long-term future of the Northern Territory.

Mr Hanrahan: Oh yes we do.

Mr LEO: You people are prepared to sacrifice generations to satisfy your immediate electoral whims. In the real political terms of Australia and the world, no one will come to the Northern Territory. I will give you the drum on how the Northern Territory looks to the outside world. It appears as a collection of carpetbaggers and wastrels. If you want to shove a bit to the right clubs or organisations, you can move into the Northern Territory but the world of Realpolitik says that the Northern Territory government is no longer supportable. Members opposite have wasted every opportunity that has been placed at their feet. They have tripped over every ball that has been put in front of them. They have not scored once in terms of providing a credible investment climate in the Northern Territory.

This government would stand alone amongst the governments in Australia, with the possible exception of the Bjelke-Petersen government in Queensland, in being considered by the investment community as the pork-barrelling capital of the country. If members opposite want to continue to ignore that reality by insisting that the Leader of the Opposition is to blame for that, that the federal government is to blame for that, that it is the Aboriginal people who are to blame for that or just that there is always somebody else who is to blame for that, it is ignoring its responsibilities and ignoring the truth.

Mr Speaker, I move that all words after 'that' be omitted and that there be inserted in their stead:

1. this Assembly supports the Leader of the Opposition in his consistent efforts to promote the well-being of Territorians and the future of the Northern Territory;
2. this Assembly supports the approach taken by the opposition to the scrutiny of expenditure of taxpayers' money by the Northern Territory government; and
3. this Assembly rejects the Northern Territory government's attempts to stifle debate on financial matters which affect the Northern Territory.

Mr HATTON (Chief Minister): Mr Speaker, I move that the amendment be put.

Motion agreed to.

Amendment negatived.

Mr HATTON (Chief Minister): Mr Speaker, we have all listened with fascination to the lack of substance in the opposition members' responses to this censure motion. When they are put on a spot to give some answers, everyone can see just what pretenders they are. The sad part about a pretender party is that the people they purport to represent in their electorates and, indeed, in the Territory, are simply not getting value for money. It is about time the opposition fulfilled the undertakings it made to its constituents to do the best it can. Heaven help us if the range of waffle that we have heard from opposition members on this censure motion is the best that they can come up with because they will continue to betray the interests and confidence trusted to them by Territorians.

Mr Speaker, I noted with interest the feigned boredom and irrelevant interjections used by the opposition in response to this motion to distract members of the Assembly from the seriousness of this motion of censure.

Mr Smith: That would go better if you had arranged your own quorum.

Mr HATTON: They accused my government of raising this censure motion because it is general business day. The fact is that my government has reached its threshold of pain and it can no longer put up with this anti-development and anti-Territorian stance adopted by the Leader of the Opposition.

Mr Leo: What are you going to do about us, Steve? Are you going to pass a motion to sack the opposition?

Mr HATTON: They do not even deserve the status of an opposition, Mr Speaker.

If I were a member of the opposition, and heaven forbid that that should ever occur, I would be acutely embarrassed by the lacklustre performance we endured this morning from the Leader of the Opposition. How can they say he is the Leader of the Opposition? His own deputy failed to state his support and declare his allegiance even when prompted ...

Mr Ede: Rubbish, I read through 20 items of approval of him.

Mr HATTON: ... several times by members on my side of the Assembly. In fact, I had the distinct impression that the Deputy Leader of the Opposition was very interested in this resignation call. I would say that the Deputy Leader of the Opposition's intentions are very clear. I re-endorse the censure motion as it stands. The Leader of the Opposition has failed dismally to fulfil his obligations to this Assembly, to his own party and to all Territorians.

Members opposite told us that they would be a constructive opposition that would support government initiatives whenever they deserved support. They told us that they would not oppose government initiatives purely for the sake of opposition. They told us that their contributions would be researched carefully, well thought through and substantial. It is about time they stopped telling us what they would do and actually did it. It is easy to criticise when that is all you do. Frankly, Mr Speaker, I am interested only in getting on with the job and creating jobs for Territorians. This government and previous CLP governments have a commendable record of development of the Northern Territory and growth, and that growth and development is continuing today, despite the ravages of the Labor government in Canberra and despite the support that is given by this Leader of the Opposition to attacks on the Northern Territory budget.

We heard a most amazing outburst from the member for Nhulunbuy. Let me give you a few gems: \$75m of borrowings to prop up disasters. As a matter of interest, most of that money went to prop up a so-called disaster called the Channel Island Power Station to provide a vehicle to reduce the cost of electricity to the Northern Territory. I know the member for Nhulunbuy is an economic and financial illiterate. He does not even know the way in which semi-government borrowings are applied. If he had the slightest understanding, he would realise that no semi-government borrowings in the Northern Territory are made without the direct and specific approval of the federal Treasurer. His mate in Canberra has to approve it because we are not a state and we are not given the authority to determine our own semi-government borrowings. The member for Nhulunbuy does not even realise that fundamental and basic point about semi-government borrowings. He condemned the University College out of hand. I can understand why. They do not teach truck driving at university and his knowledge of a university would not extend beyond his knowledge of the inside of a truck. If he had any understanding at all of the role of a university as a place of learning, research and the development of new ideas, new thought and new technology for a community ...

Mr Leo: Are you saying you are smarter than me because I drove a truck and you went to some funny university? You dunce!

Mr HATTON: ... beyond the obvious advantages to Territorians of being able to get tertiary education in their own home town, he would not say it. I trust that honourable members who have undertaken some tertiary studies of some sort or another will kindly pull him aside and have a quiet talk with him.

Mr Ede: Is this what we have now? An intellectual snob.

Mr HATTON: Mr Speaker, having just supported the ravages on the Northern Territory budget in his speech, having supported that and claiming again today that we have been overfunded to support that \$104m cut in our budget, he then had the audacity to say 'the NT will not survive without a sound financial base'. How do you get a sound financial base when the federal government

breaks every rule, breaks agreements, maintains no consistency in terms of where finances are coming from so you can plan, raids the piggy bank of the Northern Territory with impunity and steals revenue-raising measures from the Northern Territory such as uranium royalties and the royalties from Coronation Hill when it eventuates? No, we do not have it, Mr Speaker. Why don't we have it? Because the Commonwealth government kept those unto itself.

Mr Smith: The Fraser government. That is right.

Mr HATTON: I agree that it was as much the fault of the Fraser government as the Hawke government. I have no qualms at all about criticising the Fraser government for those moves. However, given that there was a Memorandum of Understanding, it is absolutely unfair to criticise this government for living within its means.

On top of that, the member for Nhulunbuy went on to insult every Territorian by describing them as a bunch of carpetbaggers. I am sure his constituents will appreciate being described in those terms. I do not describe Territorians like that. They are people who have come here to live and work. They are modern pioneers who have separated themselves from their families, broken away and moved to a new environment where they are working to build a future. They deserve our support, not throw-away insults from the member for Nhulunbuy.

Mr Leo: Pull out your violin, Steve.

Mr HATTON: Mr Speaker, we will build the Territory and we will manage even with that \$100-odd million budget cut. The details of how we will do that will be shown tomorrow. We also look forward in the very near future to a new government in Canberra which will treat the states and the Northern Territory with equity. That government will remove Canberra's foot from the throat of the Northern Territory. It will offer business and the general community incentive and motivation to invest and create wealth. I am talking about the tax cuts that will result later this year when we get the Hawke, Walsh, Keating troika off the backs of Territorians so that we will be treated equally with other Australians. We deserve that, just as we deserve an opposition that is prepared to stand up for the Northern Territory no matter who is in power in Canberra and just as we deserve a government which will do likewise.

When necessary, this government will criticise whoever is in power federally, as it has done in the past. Unfortunately, the opposition and the member for Nhulunbuy are supporting the federal government's raids on our purse. He supports the cuts in services and capital works which will result. He supports the additional taxes that are inevitable. He supports these things by saying that the Northern Territory is overfunded. He would not know, Mr Speaker. He is an economic and financial illiterate. The trouble is that, because he sits in this Assembly, there is a danger that someone might actually believe his statements. When statements like that are believed in Canberra, tragedy hits the Northern Territory. I do not believe the Northern Territory has been overfunded. We had an agreement and we were funded according to it.

Mr Smith: John Howard believes we were overfunded.

Mr HATTON: The Leader of the Opposition is talking garbage. Mr Howard is saying that government is taking too much out of people's pockets and there must be cuts across the board. Those cuts must be made because the Labor

government, with its nonsensical trilogy and its economic accord, has hocked Australia's future. Because of those ridiculous economic policies, there will be a drop in standards of living right across Australia. It will be far worse than it needed to be in 1983. Mr Keating, Mr Hawke, Mr Walsh and Mr Howard are all saying the same thing and I accept it: Australians are going to have to pay a price if the country is to get back on its feet and the economy is to start growing and competing internationally again. We will have to cut out some of the fancy frills and learn to go back to work and earn some wealth for this nation.

It is wealth-creation which will rebuild our standard of living, not the nonsensical socialist garbage that has been peddled to us for the last 4 years. We have had more and more taxes, more and more Commonwealth public servants, commissions for the future and commissions for the past. Excuses to spend money in Canberra have always been found. Make no bones about it, the big spending in the last 3 years has been in the federal government's area, not the states'. The states, however, must accept their cuts. I have never denied that. I made the point this morning and I made it at the Premiers Conference. I have been making it all year. We recognised the need to cut that \$1000m. All we asked for, and all we have ever asked for, was to be given equal treatment, not discriminatory treatment. The members of the opposition cannot even support the Territory in that call for equality. Instead, it defends its mates in Canberra, come what may, because they are locked into a party that does not allow disagreement. That is why they are a disaster for the Territory and that is why the Leader of the Opposition deserves the censure of the people of the Northern Territory.

The Assembly divided:

Ayes 14	Noes 5
Mr Coulter	Mr Bell
Mr Dale	Mr Ede
Mr Dondas	Mr Leo
Mr Firmin	Mr Smith
Mr Hanrahan	Mr Tipiloura
Mr Harris	
Mr Hatton	
Mr McCarthy	
Mr Manzie	
Mr Palmer	
Mr Perron	
Mr Poole	
Mr Reed	
Mr Setter	

Motion agreed to.

TABLED PAPER
Northern Territory Pastoral Industry Study

Mr PERRON (Industries and Development): Mr Speaker, I table the Northern Territory Pastoral Industry Study. I move that the paper be noted and seek leave to continue my remarks at a later hour.

Leave granted; debate adjourned.

MINISTERIAL STATEMENT
Horticultural Industry in the NT

Mr PERRON (Industries and Development)(by leave): Mr Speaker, I wish to make a statement on the horticultural industry in the Northern Territory because I am sure it will be of interest to all who wish to see the Territory achieve an increasing degree of independence and self-sufficiency. As all members are aware, this government is committed to ending the Cinderella status of the Northern Territory and equally committed to ensuring that we head into the 21st century as the envy of all Australians.

The Northern Territory is ideally placed to capitalise on the strong growth in the economies of our South-east Asian neighbours and the government has made it clear that our future prosperity depends to a great extent on our success in those markets. Geographically, we are a part of South-east Asia, a part of a new world of trade which, over recent years, has outstripped traditional Australian markets in virtually every field of commerce. This government is delighted to be part of that world and we look forward to the coming years with confidence that our close association with our near neighbours will bring increasing rewards. But, before we can take full advantage of the possibilities to our north, we must begin to develop our own resources to their fullest extent.

This government has taken that course and the dramatic growth in our horticultural industry since self-government is proof that our plans are bearing fruit in more ways than one. In 1979, the horticultural industry in the Northern Territory was insignificant. It was so insignificant that value of the total production of the industry in that year was equal to \$2 for every Territorian. That figure bears repeating because it illustrates dramatically the advances we have made. The total horticultural production on a per capita basis in 1979 was worth \$2 a head, a production value throughout this vast Territory of less than \$200 000. That could hardly be said to be worth a row of beans.

I am pleased to announce that the total horticultural production for 1986-1987, less than a decade down the track, is estimated at \$8.5m. For the benefit of members opposite, that represents an increase of some 4250% in the value of Territory horticultural production in about 8 years. This exciting achievement will surely be acknowledged by all Territorians as a sign that, given the determination to succeed and by working together, we can overcome the long-held belief by the pessimists that agriculture will never succeed in the north of Australia.

The government cannot take all of the credit for the spectacular growth in our horticultural industry just as it has not taken all of the credit for the growth in so many areas of our economy since self-government. The government is the catalyst for this growth which depends on the efforts of the researchers, the marketing experts and the entrepreneurs who have accepted the challenge offered by the government in the knowledge that their enterprise and hard work will be supported. But, it would be churlish of members opposite not to acknowledge, despite their leader's proclivity for doom and gloom, that this government's encouragement of free enterprise and its dedication to the Territory's bright future have been the prime movers of this success. In the horticultural industry, as in the future of the Territory itself, the sky is the limit as long as the Territory has a government which believes in rewarding and supporting initiative and enterprise. Fortunately, such a government is assured for a long time to come.

Mr Speaker, I will now turn to more specific examples of some outstanding developments in the horticultural industry and comment on the potential for further increases in production. Clearly, the most important horticultural crop in the Northern Territory at present is melon, varieties of which will account for a production value of some \$5m this year. However, it is vital that horticultural industry is diversified and such diversification is a major aim of the government's program.

Plantings of about 50 000 mango trees in the Darwin Katherine areas will come into full production during the next few years, resulting in an increased value of the industry from \$1m to \$2m to some \$6m or \$8m by 1992. To accommodate this increased production, markets in South-east Asia, Japan, New Zealand and other overseas countries will have to be developed and quarantine and transport problems addressed. Research is also under way to produce mango varieties that will fruit earlier than existing varieties to avail Northern Territory producers of lucrative early interstate markets.

Cashew production has enormous potential for expansion with research at the Coastal Plains Research Station and the pilot scheme at Wildman River Station showing promising results. Expected commercial yields from mature plantations are 4 t to 5 t per hectare with a conservative estimate of \$1000 to \$1500 a tonne on current world prices for nuts in shell. Initially, nuts will be processed in India because of the labour intensive nature of the process, but the long-term aim would be to develop or adapt suitable mechanical shelling equipment in order to provide the Territory with both primary and secondary capabilities in cashew production. I am cautious about making predictions in this matter but, if we are able to achieve such capabilities, the kernels from the proposed 5000 ha plantation at Wildman River could be worth over \$30m a year. I am sure members opposite will join the government in the wish that secondary processing capabilities are achieved leading to a new and valuable industry for the Northern Territory.

The development of the southern areas of the Northern Territory may extend to a wide range of produce following the successful establishment of early season table grapes at Ti Tree and Pine Hill. The Ti Tree project alone should extend to some 400 ha within 3 years, with an anticipated crop value of \$4m by 1992. Both developments have the potential to act as a template for the establishment of other commodities such as dates, citrus and asparagus.

It is an indication of the success of the government over the past decade in its encouragement of agricultural diversification that I am able to inform the Assembly of both the dramatic growth in horticultural production and plans for the commercial growing of grapes, cashews, mangoes, dates, citrus fruits and asparagus in what many would see as an area not well suited to horticultural development. These are but a few of the many varieties of fruit and vegetables tested by the government's research staff in assessing potential crops suitable for the Northern Territory.

In 1986 alone, for instance, 205 varieties of fruit and vegetables were tested by the Horticulture Section, amongst which were 68 varieties of 4 types of melon as well as varieties of sweet corn, potato, broccoli, Chinese cabbage, onion, okra, cherry tomato and butter squash. During 1987, assessment will concentrate on zucchini, cucumber, cherry tomato, pumpkin, okra, sweet corn, onion and potato. In the longer term, the economic and agronomic potential for production and the market potential for plantation crops such as tea, coffee and oil palm, and of various herbs and spices, will be investigated, while the potential for the production of many tropical fruits has already been established.

Future prospects for the horticultural industry in the Northern Territory are exciting but, as members opposite will doubtless point out, if given the chance, there is a long way to go yet and the infant industry continues to require considerable support from the government if it is to reach its full potential. The government is committed to giving that support as efficiently and effectively as possible. One of the most important facets of that ongoing support is the provision of adequate research facilities to ensure that the industry is given the best and most up-to-date advice. Put simply, if we allow the grass to grow under our feet, we may find that grass is all that we are growing.

To this end, the government will boost staff in the Horticulture Section and will advertise the currently vacant positions of Director of Horticulture and Principal Agronomist for the section locally, interstate and overseas. While members are aware of the difficulty of attracting highly-qualified staff to Darwin, it is hoped that both positions will be filled within 2 months.

Additionally, reclassification and redeployment of existing positions has provided extra technical support in Darwin, Alice Springs and Katherine, allowing the Horticultural Section to become more involved in vegetable research on private farms. This will ensure that research results generated from work on our research stations can be applied commercially while, in specific areas, the additional technical support will assist in an improved advisory service in Katherine and assistance for the emerging fruit industry in Alice Springs.

Mr Speaker, many opportunities have been identified as appropriate for the Northern Territory and a continued commitment to research and development will ensure that those within the industry, and those who wish to join it, can benefit from the government's activities. But, if the government were to limit its involvement to the provision of research, only half the job would be done. We live in the real world and, no matter how much we produce, no matter what we produce, it is worthless unless it can be transported in prime condition to a market in which it is in demand. Packaging of Northern Territory produce is an important facet of the sale process as is fast and efficient transport and the marketing and promotion of goods. Given a high-standard product, without which we are all wasting our time, attractive and effective packaging can make or break market penetration.

The Horticulture Section will be testing a new dip treatment which will sterilise the surface of such fruits as rockmelons before the product is wrapped in a vacuum-sealed wrapper, the combination of the 2 techniques prolonging shelf life and presenting the product attractively. The Agricultural Development and Marketing Authority has also allocated funds for the provision of pamphlets and stickers which will identify produce as Territory grown, an important promotion designed both for the export market and to appeal to the natural parochialism of Territorians.

Transport has always proved problematic for the Territory and, although backloading to other areas within Australia is competitive, transport overseas has presented difficulties in the past. However, discussions between the department, the industry and transport companies has resulted in freight space being made available for air export of produce to South-east Asia, particularly to Singapore and Brunei, and temporary coolroom facilities have been established at the airport to hold produce prior to quarantine inspection and export.

Finally, the marketing and promotion activities of the department have promoted Northern Territory horticultural produce both within the Territory and in South-east Asia. A growers' tour of New Zealand earlier this year gave members of the party an excellent insight into cooperative, 1-desk marketing and the need to produce for specific market requirements. Activities planned for the remainder of this year include major promotions in Sydney and Melbourne, displays of local produce in Darwin itself, trial commercial shipments of produce to Hong Kong, Denmark and New Zealand and, subject to funding, attendance at displays at Pacific Horticulture in Los Angeles and the Hong Kong Trade Fair.

It will be clear that this government's commitment to diversify the economic base of the Northern Territory is working to good effect in the horticultural industry. I anticipate that the strong growth achieved since 1979 will continue in the future and ensure that the horticultural industry continues to expand to become a major component of the economy in the Northern Territory. I move that the Assembly take note of the statement.

Mr SMITH (Opposition Leader): Mr Speaker, I want to take the opportunity to respond. In his absence, I should tell the Assembly that the opposition Whip is on business in his electorate this afternoon. I am not sure whether there was an arrangement for the opposition to receive a prior copy of this statement but, if that was the case, it certainly has not been received.

Mr Perron: It was and I apologise.

Mr SMITH: I do not want to make a big point of it, but I think that it is useful on these matters that prior copies be made available to the opposition so that debate can take place at the time.

I am encouraged by the speech made by the minister but I must take exception to 1 particular comment that he made. I took it down because I was so impressed by it: 'The government cannot take all the credit for this growth'. I thought that was quite an astounding comment. I would have thought it to be in essential conflict with a government that is supposedly private enterprise. If it is a private enterprise government, how can it take credit for all the growth that has taken place in the horticultural industry? That is just a massive contradiction in terms. I am sure that the honourable minister did not really mean that and did not check closely enough what his speech writer had said.

It must be said that the prime credit for the growth in the horticultural industry in the Northern Territory must go to those pioneers who put their money and their efforts into the development of the industry. We know that they are scattered right throughout the Territory. There is, of course, Ian Dahlenberg at Ti Tree, and there are other people around the Katherine area that I will not name, though we all know quite a number of them. It is to them that the prime recognition for the development of this industry has to be given. Certainly, I would like to place on record the appreciation of members on this side for the efforts they made to develop the horticultural industry in the Northern Territory. Indeed it is a very impressive effort. The figures speak for themselves: \$200 000 worth of product turned off in 1979 and, in 1987, the figure is \$8.5m of product.

I am happy to acknowledge that the government does have a valuable role to play in all of this and I think that the minister placed his finger on what that role is. It is at 2 levels: at the research level and at the marketing level. I am pleased that the honourable minister has focused the efforts of

his department particularly on the research level. One of the problems is that we have been a bit slow in moving away from the old concept of broadacre farming as the basis for the Territory's agricultural development to the present concept that the more intensive fruit-type farming is the way to go.

We all know the unfortunate history of broadacre farming in the Northern Territory, ranging from Humpty Doo to the difficulties that, unfortunately, we are still experiencing in the Douglas-Daly area. Obviously, there is still quite some doubt about the continuing viability of the Douglas-Daly venture in its present format. However, within this new exotic fruits area things are looking very exciting indeed. As the minister said, melons, cashew nuts, grapes, citrus and mangoes, to name just a few, are produce in respect of which there will be dramatic developments in the next few years. It is only right and proper that the research effort that can be provided by the government should be centred on these new and coming activities, and I wish to express my support for the direction of that research effort away from the broadacre cropping area and into those new areas because, quite clearly, that is where the future will lie.

It is also important to accept that we do need to provide assistance in the marketing area. A concept has been floating around for a number of years called a farm-to-market service. Although the minister did not use those precise words, I think he was indicating a movement in that direction as well. What we have is a number of producers, some of them large and some of them small. Quite clearly, the large ones can set up their own marketing expertise and do not need any assistance. In fact, a couple of large southern companies have moved into the Northern Territory and they are quite able and content to handle their operations from go to whoa. However, a number of individuals and smaller companies clearly need some assistance in getting their product from the farm to the market in mint condition. As the honourable minister said, it is in that area that government does have a role in providing back-up facilities.

All in all, I think horticulture has been allowed to develop at its own pace, and I think that is quite important. I am not suggesting that there is any thought of this, but there is certainly no room for large government-sponsored activities to boost the supply of these goods artificially. I think the markets will be found and, once guaranteed markets are identified, people will certainly follow who are prepared to grow the products to supply those markets. That is the basis of the program that has been established and I think it is a sensible basis. I look forward to the minister providing us with an update on this very exciting industry next year.

Mr COLLINS (Sadadeen): Mr Deputy Speaker, I would like to confirm some of the comments made by the Leader of the Opposition this afternoon. It is a difficult thing for a government of a supposed private-enterprise nature to jump in and claim all the credit for things. I dare say this is the difference between a planned economy where you will be told you will grow so many acres of this and so many of that, and that you will lose your head if you do not, and a free enterprise set-up where people have to do it themselves without government assistance. Personally, I strongly support the latter course of action. I know it is good to have so many hundred percent of improvement in the value of Territory horticultural products as was indicated by the minister but, if you start off with 1 pound of something, then gaining 1400% on that is not really a very big effort. The 1400% improvement on that latter amount is where the effort has to come in.

I would agree very strongly with the Leader of the Opposition that it is people like Ian Dahlenburg, who pioneered the grape growing industry in the southern region of the Territory, who deserve the accolades. Ian established at Ti Tree on a block of land on which the Department of Primary Production had undertaken some vegetable trials for a number of years. This resulted in a report which was not very encouraging for the area. Ian thought otherwise and he went to Ti Tree with an axe and an old International tractor. He slept for 12 months underneath the trees in a shelter that he made while he got himself established. He made many mistakes with the grapes. He planted varieties to cover all of the season. It was only by very hard lessons that he learnt that the only way you could make money, given all the disadvantages in the Territory, was to grow the early grapes. He had to rip out many of his grapes. He has found that there are problems with nematodes in the soil and he is still with strains that are nematode resistant.

As members will know, and I have never made any secret of it, I have bought some land from Ian and planted a few grapes myself. I have benefited greatly from the knowledge which he has gained and which he has shared freely with me. The land at Ti Tree is rather different from that at Pine Hill. We have fairly heavy soil whereas Pine Hill has very sandy conditions. The research in the Ti Tree area has virtually all been done by Ian Dahlenburg himself. It is interesting to note that there are proposals for the Department of Primary Production to take over a 20 acre block, part of the Dahlenburgs' property, for research purposes there. I would welcome that.

The Dahlenburgs have already cleared some 5 or 6 acres around their property and the Department of Primary Production will plant citrus there. They will not be the first. I have had my citrus in for 3 years and the odd member of this Assembly may have had a taste of the grapefruit. We have started to pick the first ones. The Department of Primary Production has approached me with a request to test the grapefruit for sugar and acid levels. Thus, even this member of the Assembly has been putting a little bit towards the knowledge and experience of Territorians. I am sure DPP will make that information available to others.

It is an interesting and exciting area but I can assure members that it is not all beer and skittles. Weed control, the temperature and the flies all add to the thrill. By the same token, this is the reason why I am somewhat hesitant when I heard the government jumping in with a gung ho in this air-conditioned building today saying that we all know the potential is there. The potential is there but it also requires a considerable willpower to keep going at times. Mind you, Mr Deputy Speaker, during the debate this morning, I thought once or twice that I would not have minded being down there swinging on the end of the hoe and doing something useful.

Debate adjourned.

PERSONAL EXPLANATION

Mr DONDAS (Casuarina)(by leave): Mr Deputy Speaker, yesterday afternoon, the member for MacDonnell raised several questions with the Minister for Lands and Housing in relation to the Finnis River Station and, in particular, to block H. The member for MacDonnell had raised the questions before during a previous sittings and pursued the matter yesterday in an attempt to obtain some information that would satisfy him. Yesterday, the Minister for Lands and Housing advised the member for MacDonnell that he would be providing a written response today. I understand that the member for MacDonnell has had a response from the minister. I would like to pick up a couple of points that only I could really answer.

The member stated that he had received a personal briefing from me and he could not understand why. He said that, normally, he would obtain a briefing from one of the departmental officials. In this particular case, he was wheeled into the minister's office for a briefing. As I advised the honourable member at the time, 3 departments were involved.

Mr LEO: A point of order, Mr Deputy Speaker! I would like to know what the member's personal explanation is? He has been talking for some time and I have not heard yet what his explanation is.

Mr DEPUTY SPEAKER: There is no point of order.

Mr DONDAS: Mr Deputy Speaker, there were 3 departments involved: the Department of Law, the Department of Lands and the Treasury. To which department should I have sent the honourable member? Because I thought the information was necessary for the honourable member, I decided to give him the briefing myself. As I understood it, he had a few matters that he would think about and he would write to me. Some time passed and he began pursuing the matter again with renewed vigour.

Mr Bell: The same day.

Mr DONDAS: He rang me on the same day but he wrote a little bit later on. By the time I received his correspondence, it was almost the eve of an election. As members would recall, all the Labor candidate in my electorate had was a little bit of mud that he was trying to make stick. But, Mr Deputy Speaker, dry mud does not stick.

Mr BELL: A point of order, Mr Deputy Speaker! I seek the direction of the Chair in this regard. As the member for Casuarina would know perhaps better than I, what he is delivering now is an adjournment debate. A personal explanation is offered basically where the member claims to have been misrepresented.

Mr Dondas: Do you want to hear the truth or not?

Mr BELL: I frankly believe that the member for Casuarina is wasting the time of this Assembly. The time for comments of this sort are in the adjournment debate. Standing orders dictate that a personal explanation is not there for the purpose of a grievance debate but for the purpose of members who claim to have been misrepresented. The member should state how he was misrepresented and then seek to clarify it in the shortest possible time.

Mr DEPUTY SPEAKER: There is no point of order.

Mr DONDAS: Mr Deputy Speaker, I have one final comment. The member said: 'There are all sorts of rumours going around about a relationship between the former Minister for Lands and Mr John Anictomatis. I want an assurance about any financial relationship between the Minister for Lands and Mr Anictomatis. I want a categorical assurance from the present Minister for Lands and Housing and his predecessor that there was no financial relationship'. The honourable member says that I have no reason to make a personal explanation!

The member for MacDonnell asked why Hooker real estate was employed to purchase this particular block of land. As I told the honourable member in his briefing, the reason was that we needed to act very quickly. The government had decided only a week or so before the auction that it was interested in the block of land referred to as block H. After discussion with

my ministerial colleagues, it was decided that, if possible, we would purchase block H for future development as a buffalo block.

Mr Bell: For buffalo development. You decided that overnight?

Mr DONDAS: The honourable member does not want to listen. He was told the same thing during the briefing. Hooker is probably one of the biggest licensed real estate agents in the Northern Territory. In fact, its record is very high even on a national basis. My understanding is that, in the last 3 or 4 years prior to this financial year, Hooker in Darwin was ahead of all state branches in terms of sales and negotiations. To answer one of his questions, I am not related to Mr Anictomatis.

Mr Bell: That is not the question I asked.

Mr DONDAS: You asked what relationship. I am not related.

Mr Bell: Financial relationship.

Mr DONDAS: I have no blood relationship, nor have I had any financial relationship with Mr Anictomatis.

Mr Bell: You have never owed him money?

Mr DONDAS: I have never owed him money.

Mr Bell: Okay. That is all I wanted to know.

Mr Dale: He bought me a pie one day and I did not pay him for a week. Is that all right?

Mr Bell: I will think about that one, Don.

Mr Dale: Good on you, Neil. It's about your level.

Mr DONDAS: Mr Deputy Speaker, I have often wondered why the member raised that question twice before.

Mr Bell: Because I did not get an answer.

Mr DONDAS: If he thinks there has been any impropriety, he should raise the matter outside this Assembly where Mr Anictomatis and myself would have the opportunity to seek some legal redress. Although members of parliament are protected, people outside it are not protected from what is said here. That was shown recently when the member for Nhulunbuy made a scathing attack on a private citizen. He still has not apologised in this Assembly. He may have apologised outside, but he has not done so here.

Maybe there has been a windfall for Mr Anictomatis. The Hooker organisation was involved for about 2 months in this negotiation from start to finish. It made about \$17 000 in commission, which is approximately 3% of the total price of \$575 000. Mr Anictomatis paid \$575 000 at the auction. He bid \$550 000 and settled for \$575 000. We eventually settled on \$635 000 because, in the course of that particular negotiation, Mr Anictomatis' company incurred financial expenses. For example, some \$23 000-odd went to the Northern Territory government in stamp duty, \$5000 or \$6000 went in legal fees and there were other associated expenses.

Mr Bell: Why didn't you buy it directly?

Mr DONDAS: The member for MacDonnell asks why we did not buy it directly. Mr Deputy Speaker, 4 or 5 days before the auction took place, I contacted the liquidator, a Mr Southwell, and told him that the Northern Territory government was interested in purchasing this particular block, block H, and we were willing to pay \$500 000.

Mr Bell: Why did you want to purchase it?

Mr DONDAS: Because we wanted to turn it into a buffalo block. We have already told you that 5 times.

Mr Bell: You decided overnight that you wanted it turned into a buffalo block?

Mr DONDAS: During the course of the week before the auction, the government made several approaches to Mr Southwell to purchase this particular block. We failed. He said that it had to go to auction because that is what his clients had requested. In addition, there was some question as to whether he could legally withdraw it from auction at such short notice. It went to auction and was passed in at \$550 000. As Mr Anictomatis was the highest bidder, he was able to negotiate with the liquidator and eventually settle on a price of \$575 000.

A newspaper article on 6 December said that I had had some secret dealings concerning this block of land. I did not think they were secret dealings. The whole Cabinet knew of them, the liquidator knew of them, the owners of the block knew of them, the auctioneer knew of them and, of course, the real estate agency knew about them. I do not think they were secret. It has to be remembered that we set out to buy a buffalo block at the cheapest possible price.

Mr Bell: Why?

Mr Smith: What happened to Annaburroo?

Mr DONDAS: We wanted to buy it cheaply because we were trying to build up a land bank, including Annaburroo, for future domestication of buffalo.

Mr Ede: That is why you shot them all.

Mr DONDAS: I did not shoot them all.

Mr Anictomatis, the person who bought the block of land for the government, understood that the government was only interested in the buffalo block. He asked whether he could retain the front portion. I did not have any objections but told him to speak to officials in the Department of Lands to see if some arrangement could be made. He came back from the department with a plan on which a line had been drawn to identify the areas and, over a period of time, we negotiated to resolve the matter. I resolved it. I then had to write to Treasury to say that I needed to have the money to pay for this particular block of land.

The Treasurer queried the valuation of the remaining portion of the land. He thought that the portion of land sectioned off by the line on the plan was a little bit too big for the price and he thought a valuation was required. He had the Valuer-General's evaluation of the front section of

land - \$300 000. Knowing that the whole block only cost \$575 000 and that the government was paying \$475 000, it would not have been possible to allow Mr Anictomatis to make a windfall profit in excess of \$200 000. The Treasurer was quite within his rights when he said he could not agree to the transaction because the Valuer-General had said that the land's value was well above what Mr Anictomatis wanted to pay for it.

Of course, there were certain discussions. There were meetings over 2 or 3 weeks in an endeavour to resolve it. We did not resolve it and it was only at that time that I raised with the Chief Minister and the Treasurer that Mr Anictomatis had bought the land and felt that it was in his name. He had acted on behalf of the Northern Territory government. We were only interested in the buffalo block. He was interested in the front part of the block for some future development and, of course, that was the water line.

At the time, the Chief Minister said: 'No. We have to ensure that there are no super profits. Unless Mr Anictomatis wants to pay full tote odds for the land as valued by the Valuer-General, then we must proceed and take the block ourselves'. I called in Mr Anictomatis and said that he did not have a deal and that we would pay him \$575 000 for the particular block, plus his expenses.

As far as I am concerned, there has been no impropriety and there have been no secret deals. We set out to try to obtain a buffalo block at the cheapest possible price. It went off the rails, and that is what I said in my statement to the newspaper on 16 December. I said that I was trying to get a cheap block. It did not work out that way, and this is where we have finished up.

In conclusion, the block has since been sold and we have recovered all the moneys that were outstanding on the property. My understanding is that the person who has purchased the block intends to proceed to develop that within the pastoral industry and, hopefully, in the buffalo industry as well.

Mr BELL (MacDonnell): Mr Speaker, I seek leave to make a personal explanation.

Leave denied.

SUSPENSION OF STANDING ORDERS

Mr BELL (MacDonnell): Mr Speaker, I move that so much of standing orders be suspended as would prevent me from making a personal explanation.

The Assembly divided:

Ayes 7

Noes 14

Mr Bell
Mr Collins
Mr Ede
Mr Leo
Mrs Padgham-Purich
Mr Smith
Mr Tipjloura

Mr Coulter
Mr Dale
Mr Dondas
Mr Firmin
Mr Hanrahan
Mr Harris
Mr Hatton
Mr McCarthy
Mr Manzie
Mr Palmer

Mr Perron
Mr Poole
Mr Reed
Mr Setter

Motion negatived.

PERSONAL EXPLANATION

Mr LEO (Nhulunbuy)(by leave): Mr Speaker, I do not wish to take up much of the time of the Assembly over this matter. However, the member for Casuarina made some comment about my deficiency in supplying adequate explanation of matters I raised in this Assembly about a development called Crab Claw Island. I would refer the honourable member to the third and fourth paragraphs of page 517 of the Parliamentary Record dated 28 April to 7 May. If that is not adequate, then I am very sorry, Mr Speaker, but that is all he is going to get.

PERSONAL EXPLANATION

Mr BELL (MacDonnell)(by leave): Mr Speaker, had the honourable member for Casuarina not sought to use the device of a personal explanation, I would not have done so. That is the first reason I seek to make a personal explanation. The second reason is that the honourable member made the thoroughly unwarranted accusation that ...

Mr DALE: A point of order, Mr Speaker! The honourable member is trying to tell us why he is going to make a personal explanation without making that personal explanation.

Mr SPEAKER: I would advise the honourable member that, in making a personal explanation pursuant to standing order 57, he may not debate a personal explanation made by a previous member.

Mr BELL: Mr Speaker, it is not my intention to debate the many issues that were raised. Certainly, that will be done in another context. I believe that it is appropriate for me to make a personal explanation under standing order 57 in order to explain quite clearly that it is not my personal habit, in the context of Assembly debate, when any motion is before the Chair, to abuse the privilege of this Assembly to make personal attacks on people under the cloak of privilege. The fact is that I asked a simple yes or no question. I asked simply whether or not there had been a personal financial relationship between the member for Casuarina and Mr Anictomatis. The reason I asked that question was because of the extraordinary process that this government went through to acquire that block of land. That I will debate at some later stage.

Mr SPEAKER: Order! The honourable member is again reminded that he may not debate a previous personal explanation.

Mr BELL: I will not do that, Mr Speaker. I will close very quickly. I merely wish to place on record that the accusation that I abused privilege can be understood in those terms: I had no alternative but to ask the questions in the way I did.

MOTION
Aboriginal Customary Law and NT Justice System.

Mr BELL (MacDonnell): Mr Speaker, I move that this Assembly resolves to work towards the development of an appropriate relationship between Aboriginal customary law and the current justice system in the Northern Territory.

Before I launch into the material that I want to put before the Assembly in the context of this debate, I believe that it is worth while to utter a caution, particularly in view of the temperature of debate that has been experienced today. We are all sufficiently mature in this Assembly to switch from a combative mode to a cooperative mode and I want to point out, at the very outset that, in moving this motion, I am seeking cooperation. I hope that I will be able to obtain some bipartisan support for this motion. I believe, generally speaking, that the Northern Territory government's attitude in this regard is essentially similar to our own. In many respects, CLP governments since self-government have worked towards a process of incorporating Aboriginal customary law within the framework of both the administration and the legislation that is applicable in the Northern Territory.

This is not the first debate of this sort that I have contributed to in the Assembly. Some honourable members will recall a debate about promised marriages initiated by the former member for Nightcliff some 4 or 5 years ago. I remember that was a particularly contentious debate because of the pretty deep issues involved in it. Since that time, the Australian Law Reform Commission has issued a report. To that extent, the debate surrounding these issues is better informed and I will be making some comment along those lines later in this debate.

My memory was jogged on these very complex issues by the recent newspaper reports of a case of a tribal wife at Warrabri and the announcement that the Department of Law had decided not to prosecute a man who allegedly kept his tribal wife in chains. I have written to the Attorney-General expressing my concern in that regard and seeking a briefing on some of the investigations carried out both by the police and by the Department of Law.

I will return to the Warrabri case later but, to outline the general opposition thrust in this debate, I want to point out that our interest can be placed under 3 headings. We want to consider possible ways whereby the laws enacted by the Assembly can allow consideration for customary law. We want to consider possible methods whereby administrative procedures that this Assembly is responsible for can accommodate Aboriginal customary law. We want to consider some of the issues surrounding the conflicts that arise from time to time between Aboriginal customary law and the Australian justice system and, specifically, the justice system in the Northern Territory. More broadly still, we want to look at the social and organisational reflexes of some of these conflicts. They have been well-publicised. I refer to things such as the high imprisonment rate, alcohol abuse, the occurrence of violent crime and so on. The opposition is not seeking to score points with a debate like this. We are seeking to elucidate some of the principles involved in highly complex issues that bear directly on the administration of justice in the Northern Territory.

To return to the newspaper report of the Warrabri case, when I read that particular article, my instincts were as follows. Where a situation occurs that may not be acceptable in the wider community, consideration must be given to the application or otherwise of customary law practices. It seems to me

that, if both parties are quite happy with a particular situation because it accords with Aboriginal custom, and the community in which they live is quite happy with a particular situation, the justice system of the wider society may have no role at all to play. In fact, given the situation of Aboriginal people in the Territory and in Australian society generally, intervention in such cases, and there are examples of it, is downright oppressive and puts more burdens on Aboriginal people that they have already.

However, and I think this is nearer the case with the Warrabri matter, the decision becomes much more difficult where one or both of the parties in the case appeal to a law enforcement agency, in this instance the police, as an institution of that wider society. People are moving out of the ambit of customary law and seeking protection within the wider society. I appreciate that it appears the police were left in a rather difficult position, as was the Department of Law. Initially, it appears that one or more of the parties requested action from the police but that subsequently, for various reasons, those very people felt that intervention might not be appropriate.

Mr Speaker, having got that far, I decided I should do a little research on the Australian Law Reform Commission report. It is worth placing on record that this sort of 'Woman in Chains' headline makes a real gee whiz sort of story. Conflicts of this sort are by no means unprecedented. The Law Reform Commission has done considerable and very valuable research into conflicts of this sort. I commend to honourable members the Australian Law Reform Commission Report No 31. It is a fairly hefty 2 volumes, not all of which I claim to have read from cover to cover. In addition, there is a summary report on recognition of Aboriginal customary laws and I will refer to that from time to time. It is perhaps worth quoting the reference. It is dated February 1977 and it was from a conservative Attorney-General, Bob Ellicott:

I, Robert James Ellicott, Attorney-General, having regard to:

- (a) the function of the Law Reform Commission, in pursuance of references to the commission made by the Attorney-General of reviewing laws to which the Law Reform Commission Act 1973 applies, of considering proposals for the making of laws to which that act applies, and of considering proposals for uniformity between laws of the Territories and laws of the States;
- (b) the special interest of the Commonwealth in the welfare of the Aboriginal people of Australia;
- (c) the need to ensure that every Aborigine enjoys basic human rights;
- (d) the right of Aborigines to retain their racial identity and traditional lifestyle or, where they so desire, to adopt partially or wholly a European lifestyle;
- (e) the difficulties that have at times emerged in the application of the existing criminal justice system to members of the Aboriginal race and;
- (f) the need to ensure equitable, humane and fair treatment under the criminal justice system to all members of the Australian community;

hereby refer the following matter to the Law Reform Commission as provided by the Law Reform Commission Act: to inquire into and report upon whether it will be desirable to apply, either in whole or in part, Aboriginal customary law to Aborigines either generally or in particular areas, to those living in tribal conditions only and, in particular:

- (a) whether and in what manner existing courts dealing with criminal charges against Aborigines should be empowered to apply Aboriginal customary law and practices in the trial and punishment of Aborigines;
- (b) to what extent Aboriginal communities should have the power to apply their customary law and practices in the punishment and rehabilitation of Aborigines; and
- (c) any other related matter.

In making its inquiry in a report, the commission will give special regard to the need to ensure that no person should be subject to any treatment, conduct or punishment which is cruel or inhumane.

Dated this 9 February 1977.

R.J. Ellicott, Attorney-General.

I think that that particular reference is worthy of study.

To return to the Warrabri case and how the results of that reference have applied, one of the report's recommendations is relevant. I will quote from page 89 of the report:

Prosecutorial discretions may be relevant in those cases where Aboriginal customary laws, without necessarily justifying or excusing criminal conduct, are a significant mitigating factor and where the Aboriginal community in question has, through its own process, resolved the matter and reconciled those involved.

There seems to be some evidence in the Warrabri case that the Aboriginal community in question has resolved the matter through its own processes and reconciled those involved. I do not know that for certain and I am hoping through further perusal of the Department of Law material to be able to convince myself in that regard. The report continues:

Factors relevant in such cases would include the following: firstly, that an offence has been committed against the general law in circumstances where there is no doubt that the offence had a customary law basis.

On the basis of the newspaper report, there seems to be some question in that regard.

The second factor is whether the offender was aware that he or she was breaking the law. I am not in a position to make a judgment in that regard but, obviously, if tribally-oriented Aboriginal people are acting according to the dictates of a culture that is 40 000 years old, the question of intent arises. One must ask whether the person is aware of breaking the law. The third factor is that the matter has been resolved locally in a satisfactory

way in accordance with customary law processes'. I have already commented on that. A fourth factor is that 'the victim of the offence does not wish the matter to proceed'. The newspaper article gave the impression that, although the victim had initially made a complaint to the police, she did not in fact wish the matter to proceed. The fifth factor is that 'the relevant Aboriginal community's expectations, or the expectation of each community if there is more than one, are that the matter has been resolved and should not be pursued further'. I have also commented in that regard. Sixthly, the report raises the factor that alternatives to prosecution are available, such as through a diversion procedure, and the broader public interest would not be served by engaging in legal proceedings. That factor is perhaps less applicable in this particular case but I think that the factors raised by the report are worthy of consideration.

Quite obviously, I have made my point. The debate has moved on somewhat in the 5 years that have elapsed since we debated a related issue, that of promised brides. I will not comment on that issue because I did not have the time to research it in the light of the Law Reform Commission report. I am hoping, and I will speak further about this later, that there will be some consideration of these issues in a Territory context.

The Australian Law Reform Commission research has been very broad. The commission's proposals are primarily a response to the legal system's search for justice in dealing with the Aboriginal people of Australia. I think it is worth while to mention the report's main themes and to detail some of my thoughts as a representative of communities to whom such a report applies. Obviously, I am also speaking as opposition spokesman on legal affairs.

The report raises various issues. It discusses the pros and cons of the recognition of Aboriginal customary law and whether Aboriginal customary law should be considered. The commission comes down strongly in favour of its recognition. Although that is an axiomatic issue, it has to be argued through and the report does that in an interesting way. It contains a section which deals with questions of possible discrimination and equality before the law, and the notion of pluralism in the society we live in. The report is also at pains to point out that it is important to ensure the rights of other people before the law. It states that:

The commission believes that the recommendations in this report do not involve violations of basic human rights of Aborigines or for other Australians. On the contrary, the need to respect the human rights and cultural identity of Aboriginal people supports the case for appropriate forms of recognition of Aboriginal customary laws.

The report contains sections on the contentious areas of marriage, children, family property and the distribution of property, particularly at death. Aboriginal child custody, fostering and adoption are also dealt with. The Attorney-General will be aware of legislation in that regard which was passed by this Assembly recently. There is a sizeable section on the criminal law and sentencing. Under this heading, various issues are considered: defence strategies, the desirability or otherwise of co-defining criminal law, procedural alternatives being conditioned by considerations of Aboriginal customary law and the relevance of Aboriginal customary law in sentencing, as seen in the light of traditional punishments. It is quite clear that there are such a large number of complex issues that it is not possible, even in the context of a debate such as this, to debate all of them. However, I hope to be able to suggest an appropriate course of action.

A further area is the evidence and procedure before the courts. The Attorney-General will be well aware of the Anunga Rules and their development in the Northern Territory. Of the relationship between Aboriginal defendants and juries the report makes an interesting proposal:

The court should have power, on application by a party before the jury is empanelled, to make appropriate orders to ensure that a jury of a particular sex is empanelled where, under Aboriginal customary laws, evidence to be given in the case can only be given to persons of that sex. If an order is necessary to allow the evidence to be given, and having regard to other relevant matters, including other evidence to be given, the court considers the order should be made.

In another section, further consideration is given to local justice mechanisms for Aboriginal communities and honourable members will be aware of consideration in that regard. There is also consideration of the preservation of hunting, fishing and gathering rights. Interestingly, the report sets priorities: first, conservation and other identifiable overriding interests; secondly, traditional hunting and fishing; and, thirdly, commercial and recreational hunting and fishing. You will be aware, Mr Deputy Speaker, of the contentions involved in that particular issue and the competing interests within the Territory community. I simply draw to the Assembly's attention the report's comments in that regard.

I point out that the issues of Aboriginal customary law that have been dealt with in a broader context, particularly those in respect of rights in land and the legal protection of Aboriginal art and the Aboriginal heritage, are regarded as outside the scope of the report. I hope that the question of Aboriginal land rights and the question of protection of art that have been discussed in debates elsewhere will be regarded as outside the context of this particular motion.

It is worth while asking what has flowed from this report because we are not treading on virgin soil. I have already referred to the Anunga Rules and I have no doubt that, from his own experience, the Attorney-General will be able to refer to examples of the recognition of and attempts to accommodate Aboriginal customary law. I refer honourable members to chapter 6 of the full report, 'The Recognition of Aboriginal Law'.

To conclude, I want to suggest a course of action and I hope it will be taken up by the Attorney-General. As I have indicated, there is such a plethora of recommendations in this report that they need to be worked through on some orderly basis. There needs to be some sorting out of what has been done, what might be done in the future and what ought not to be done. First, we need to determine which areas are not a problem in the Territory. Secondly, we need to determine which areas require a change of practice on the part of some organisation or authority involved in the administration of justice. Thirdly, we need to consider those areas which may require legislative initiative.

I doubt that it will be possible in the context of this debate but, hopefully, the Attorney-General could make a comprehensive statement at some time about the government's position in relation to the Law Reform Commission's Report No 31. The Attorney-General may be aware of actions of his own department with respect to that. I am not aware as to whether it is considering the implications this report may or may not have for the administration of justice in the Northern Territory. There is a need for the government to make it clear to what extent it supports the recommendations in

the report and to what extent it would seek to alter administrative practices or amend legislation to accommodate the recommendations.

Mr Speaker, I have indicated that I do not wish this to be a partisan debate. I am hoping there will be agreement across the Assembly on this particular issue. I am hoping that the debate will be of a sufficient standard to make it worth circulating to various organisations that would be interested: the Police Association, the Law Society, the Bar Association, the Aboriginal Legal Aid Services and other organisations.

In conclusion, let me say that I am not trying to say that what I have given today is anything like the last word on the subject but I hope it will stimulate a general interest in the issue which not only will provide for more equitable, more humane and fairer treatment for Aboriginal Territorians before the courts but also enhance the standing of this legislature by a clear indication of our determination to take whatever steps are necessary in this regard.

Mr MANZIE (Attorney-General): Mr Speaker, I suppose it would be remiss of me not to thank the member for MacDonnell for bringing a number of matters before the Assembly for discussion, but I certainly would like to express some disappointment at his lack of knowledge of a subject that I thought he would be reasonably au fait with. He covered a report about an alleged offence at Ali Curung and his version of the circumstances surrounding it. Then, he covered aspects of the Australian Law Reform Commission's inquiry into matters of Aboriginal law and the Australian system. I think it is probably important that I go over the ground of the Ali Curung matter.

As the honourable member said, there were a number of newspaper headlines and some media coverage of a report that a woman was chained up by her husband in Ali Curung for a period of 12 months, that the police did not prosecute, that the Department of Law would not prosecute and that I had directed that the matter be dropped. First, I would like to inform all members of the Assembly that on not one occasion did a single representative of the media contact me regarding this matter. I would also like to point out very clearly that the member for MacDonnell did not get in touch with me either. Certainly, it was a shame that people did not have a good grasp of what they were talking about.

First of all, it is important to point out that the Department of Law does not have responsibility for deciding whether or not to prosecute. I refer members to the NT News of 16 May 1987 where the opposition legal spokesman, the member for MacDonnell, was quoted as criticising the Department of Law's decision not to prosecute. He said: 'Obviously, there is a matter of great concern when any citizen seeks the protection of the law and it is not forthcoming'. In these circumstances, the Department of Law's role is to advise the prosecuting group, which is the police. The police carried out investigations, put together a file and then asked for an opinion from a Crown Law officer. The opinion of the Crown Law officer was given on the basis of the evidence that was presented in that brief. The opinion was that a prosecution would not be successful. Obviously I am not in a position - and I do not think anyone would suggest that I should be - to instruct an officer of Crown Law on what sort of opinion should be given on a legal matter. I would never contemplate doing such a thing and I do not think anyone should. The opinion was asked for and given in terms of the circumstances of the evidence available.

A further investigation was carried out by the police and further advice was requested. An opinion was given by another member of the Department of Law. That opinion also stated that, in the opinion of the officer, there were insufficient grounds to prosecute. I was not involved and neither should I have been. The appropriate people to carry out the prosecutions in these matters are the police, and they may ask for advice or opinions from time to time.

The aspect of this matter which I found most distressing was that there was a very strong suggestion that the prosecution was not made because it would infringe on tribal law. I would like to assure members of this Assembly and the community that that is total garbage. It is my very strong belief that the alleged act of chaining a person for a long period of time against that person's will is nothing less than barbaric. It is atrocious, cruel, demeaning, humiliating and degrading. It has no place in our society. I must add that I was very pleased to see that the member for MacDonnell and the ALP Senate candidate shared these views. However, it is a pity that neither of them sought any information from me before they made public comments.

There were newspaper articles here and in southern states which contained lengthy quotes from the member for MacDonnell concerning this atrocious case and how the government did not prosecute because it thought it was contrary to traditional law. Such comment is total garbage, but it creates the impression in the minds of people around Australia that this government has 2 sets of laws. I can assure you, Mr Speaker, that it does not. The sole reason Crown Law officers did not advise the police to prosecute was because, in their opinion, such a prosecution would not have succeeded. There was no prima facie case. That was one fact which the member for MacDonnell did not bring out.

Mr Bell: You were aware of it. I was not.

Mr MANZIE: That is very interesting. I intended to raise that next. The member says that he was not aware of it but, on Territory Extra on 15 May, he said: 'In all conscience, I cannot let that particular case go by without seeking further information from the Attorney-General and from the Department of Law about what has occurred'. A little bit later, he said: 'It is not really possible to make a judgment one way or the other'. That was a month ago, but I still have not received any communication from the honourable member. However, along with other honourable members, I have read the member for MacDonnell's learned comments in newspapers throughout the Territory, including the NT News and the Centralian Advocate. The Melbourne Sun ran a couple of articles and I think the Melbourne Age did as well. It does not seem very appropriate that one minute a person says that he does not know the full story and wants to find out about it and, in the next minute, becomes an authority around the country in such a way that he denigrates the image of the judicial system in the Northern Territory.

I have certainly had inquiries from the Human Rights and Equal Opportunities Commission regarding this particular matter. I have also had many people in the general community asking why prosecution was not carried out and why we do not prosecute Aboriginals for breaking the law. The fact of the matter is that, if there had been sufficient evidence available in this particular matter to allow prosecution to proceed, it most certainly would have proceeded. The only reason that the matter did not proceed any further was because there was no prima facie case. I would certainly have appreciated it if members of the media had approached me and asked for details but, apparently, nobody thought that was necessary and they all got carried away

with the member for MacDonnell's statements about myself and my failure to prosecute.

I know that the honourable member is in a learning mode and sometimes he does show a tendency to be a bit slow at learning. However, I certainly want to let him know that I would be quite happy to make the facilities of my department available at any time for advice or discussion on any matter that he may wish to know about. It is only through informed comment that we will make any progress in areas which are sometimes quite complicated. I hope that we see a change of attitude and that we get some constructive action from the member for MacDonnell rather than admissions that he knows nothing about a subject followed by newspaper articles and radio commentaries in which he is the authority.

I must reiterate that, under no circumstances, would I or the government condone the chaining of a woman or any such behaviour. However, the normal procedures and the establishment of a prima facie case must take place. On this particular occasion, the advice to the police was that there was no such case. I ask honourable members to remember also that the police force is the prosecuting authority in such matters.

The member for MacDonnell made a number of comments on the Australian Law Reform Commission's inquiries. I will start by saying that, in the Northern Territory, we believe that the law must apply equally to everybody regardless of whether they are black, white, brown, pink, green, spotted or whatever. The colour of a person or his or her ethnic origin really has no place in establishing which laws are relevant to which groups. I think all people from more than 60 national backgrounds reside very peacefully together in the Territory and I do not think anyone would suggest that we should have 60 separate sets of laws for them. That will certainly never happen while I am Attorney-General.

I will also point out, however, that the Northern Territory Criminal Code, which came into operation on 1 January 1984, contains some rather innovative provisions. Most members would recall the large outcry from a certain segment of the community who felt that the operation of the Criminal Code was discriminatory because it allowed people to make unsworn statements from the dock and for several other reasons. However, we have found that the impact of the Criminal Code has been a most progressive one. The code does not take Aboriginal law into account in any specific way, but it is designed so that, in general application, both defences and offences should apply to all Territorians and not to any particular class of Territorian. For example, sections 37 and 41 of the code respectively cover the areas of diminished responsibility and coercion. Diminished responsibility allows a defence on the basis that the accused was adversely affected by the ravages of alcohol. There has actually been a case in Queensland where this has been held to be a legitimate defence. It is, however, a section that relates to all persons and not just to people of Aboriginal descent.

The coercion defence is another example of how a court can receive evidence which relates to circumstances which may have caused a person to carry out certain offences. For example, a defence could argue that a particular murder or assault was carried out as a result of some traditional or customary requirement of Aboriginal law. The kadaicha man might be required to carry out certain actions. I am not fully aware of the circumstances that could be involved but, if customary pressures required a certain illegal course of action, evidence could be introduced in the same way as in the defence of a wife who was beaten by her husband over 40 years and

then woke one night and chopped his head off with an axe. The defence of coercion can be introduced into a court of law in such circumstances. The provision does not relate to the racial origin of the defendant, but it allows the court to receive evidence in relation to certain aspects of the offence. I believe that is the proper way of dealing with these situations. The effect of those sections of the Criminal Code is to turn murder into manslaughter and mandatory life sentences into discretionary sentences. The practice of particular lifestyles, traditions or customs can be brought into consideration and given in evidence.

We should all be aware that a number of changes proposed in the ALRC report are already occurring in the Northern Territory. The member for MacDonnell mentioned the Anunga Rules but I refer to them as the Forster Rules because Mr Justice Forster was the judge who introduced them. Even though I believe there are a number of problems with these rules, they are in operation and the courts require their rules to be adhered to. If the rules are not obeyed, then the evidence that is introduced is not considered by the court.

In the Territory, we have followed a number of initiatives that are now being spoken about in this ALRC report. These relate to recognition of traditional tribal marriages in motor vehicle compensation legislation, work health legislation and in a number of other areas. Our welfare legislation was the first to recognise the need to take account of Aboriginal tradition and culture. In relation to hunting and fishing, there are provisions under our wildlife legislation and our firearms legislation that allow account to be taken of the requirements of Aboriginal people in traditional areas in terms of hunting and fishing. Honourable members may recall that there is an area that obviously needs tidying up in that regard. We have had 2 separate cases in the Territory where people have been charged with shooting magpie geese. The defence was used on both occasions that it was traditional to shoot. I think that, in one instance, a conviction was obtained and, in the other, it proved to be a successful defence. Obviously, we have to look at the whys and wherefores of that because we cannot have 2 different results out of one set of circumstances, and there needs to be some work done there.

This particular report that the honourable member referred to is being looked at by various government departments and will be commented on. Also it will be raised for discussion at a meeting of interstate ministers responsible for Aboriginal issues and the Standing Committee of the Attorneys-General will look at various aspects of the report. I think that it is important to realise that the majority of the recommendations in the report are actually carried out in practice in the Northern Territory.

We base our legislative requirements not on the fact that people are of Aboriginal or any other racial origin, but on the fact that certain circumstances must be able to be brought to the attention of the court and those circumstances must relate to the conditions that apply at the time. Any suggestion that we should base our legislation on racial grounds is abhorrent. We have only to look at South Africa to see the sort of problems that result when skin colour or racial origin are issues for the creation of the bottom line in respect of the development of legislation. That is something that I will not have a bar of and I am sure that the member for MacDonnell does not intend to suggest that we should follow that path in any respect.

Another area that it is important to bring to the attention of honourable members is the fact that, in terms of the operation of our courts, we have developed a program in the Territory which again is unique and which relates to our circumstances. I refer to our Aboriginal Community Justice Project

which was commenced at Elcho Island or Galiwinku. I think the member for Nhulunbuy would have some information on that and the member for Arnhem would be aware of the details of what has been occurring there for a number of years.

The program was set in train to involve the community in the justice process. That was done by actively involving the responsible relatives of Aboriginal offenders in the disposition, treatment and supervision of those offenders and by identifying, through genealogical lines, who was the responsible relative of a particular offender and, in the absence of that person, who was the next relative responsible for the offender. Traditional elders or people who have a responsible role in the community are involved. They sit on the bench with the magistrate and they are able to discuss with the magistrate the community's view of the offence and the sort of penalty that the community might think appropriate. Especially where young offenders are involved, the project enables the magistrate to hand the offender into the care of the responsible person, in a traditional sense, who, with the approval and understanding of the community, then allows the punishment of the court to be carried out. Usually that punishment is one that has the general consensus of the community behind it.

This has been a very successful program and it is being extended, in various forms, to other major Aboriginal communities where there is significant criminal activity. I refer to areas such as Groote Eylandt, Port Keats, Ali Curung and Papunya and I believe discussions have been held recently at Yirrkala. Nevertheless, the laws remain the same and the processes remain the same. In some respects, the program is similar to the operation of European courts where probation officers are involved sometimes in giving information to magistrates to enable them to apply the sentencing options that are considered to be the most suitable and the most successful.

There are a number of other areas where the juvenile justice system is carrying out some rather unique projects. The wilderness camp is one which is geared to people who come from traditional Aboriginal areas to try to ensure that the application of the punishment is effective both in a rehabilitative sense as well as providing the effect of the punishment.

It is important that we do not become carried away, for the sake of a headline, with the concept of Aboriginal traditional law and punishments that should or should not be taken into account or delivered. Any comments that are made should be made in the context of how our justice system works. I can assure honourable members that, within the system, the Attorney-General is not the judge and the executioner. Far be it from me to profess an active involvement at all because we have a system of justice which is entirely independent of the government, and so it should be. However, suggestions like those made by the member for MacDonnell, not just in the Territory but right throughout the country, certainly were untrue and probably caused some embarrassment to the people involved, myself especially, and to the Territory's reputation. Certainly, they conveyed the impression that we have a separate system for Aboriginals compared to Europeans or that we make decisions based on a person's racial origin, and I can assure honourable members that that is not the case.

It is important to say also that the matter that was referred to at Ali Curung occurred about 18 months ago. The person involved, the woman herself, has been separated from her, I suppose you would say, husband for a period of 18 months. The mother of the particular girl has assured everyone she would not give evidence. Actually, everybody involved made those statements later

on and they did not want to become involved any further in the matter. However, I assure honourable members again that, if there had been sufficient evidence, there certainly would have been active prosecution of that particular matter. In future, if any such matters come to the attention of the authorities, they will be pursued with the same vigour as we would expect from our police and investigative authorities in such circumstances.

Mr LEO (Nhu lunbuy): Mr Speaker, I assume from all that the Attorney-General has said that he accepts the motion and I thank the government for that acceptance. This is certainly a matter of which we in the Northern Territory need to take cognisance and that is the inevitable fact of the cultural clash between western European laws or an imposed set of finite socially-acceptable laws as opposed to an ancient and, in European terms, very foreign set of laws and predispositions about the way society should be run.

Mr Speaker, if you need any proof of the difficulty that the cultural imperialism of laws is causing the Northern Territory and, I would suppose, the rest of Australia, you only have to look in our jails. As the Minister for Health and Community Services has said on many occasions, up to 70% of our prison population is made up of Aboriginal people. That is a great burden on us as a community and that causes us great difficulty in terms of funding. However, it is of far graver concern to those people and their families who are affected by this cultural clash between a set of European or western or Christian, call it what you like, set of values, rules and laws and a set of laws, traditions and values which have been developed by persons over millenia. There is no way of avoiding that. I applaud the efforts of the Northern Territory government to date in coming to grips with that inevitable social and legal confrontation.

What this motion seeks to do, and its words are very clear, is to resolve that the Assembly work towards the development of an appropriate relationship between Aboriginal customary law and the current justice system within the Northern Territory. That is no mean task. We could spend the next 2 weeks on our feet debating it and I doubt that we would ever be able to resolve that basic social confrontation which is inevitable when 2 such diverse cultures are occupying the same geometric space. We could spend 2 weeks, but I think it behoves us all in this Assembly to work towards a system which will basically accommodate the extremities of those cultural diversities.

Mr Speaker, I am under the basic impression that the Attorney-General accepts this motion and I hope he does because it is put forward in very good faith. It is not put forward as some point-scoring, political exercise. I hope that it is taken on board in the spirit in which it is presented. I hope that, as a result of this debate today, via the Attorney-General or the Chief Minister or the Leader of Government Business or whoever the appropriate government person is, the government will appoint a committee of this Assembly to investigate this very matter because it is vital to the future of the Northern Territory.

I do not have the answers and I doubt that anybody in this Assembly has the answers. I doubt that the Law Reform Commission and all of its findings has the answers. I doubt that there any document or any collection of documents in Australia contains the answers, but it behoves this parliament to seek those solutions. I hope that, at some appropriate time in the not-too-distant future, a member of government will seek to move that a committee of this Assembly be set up to pursue all of the very diverse views of our community with the hope that we can arrive at a justice system and a set of laws that, if it does not accommodate all of the people in the Northern

Territory, will possibly accommodate the views of the vast majority of the interests represented. It is not an easy task.

As I said, the Attorney-General and the government are to be applauded for many of their efforts. Unfortunately, the evidence of the problem that we are confronted with is all too clear. It is all too apparent that our prisons are full of people who are the victims of this cultural confrontation. The deaths on our roads and the victims of substance abuse provide extensive evidence of the victims of the cultural confrontation that is occurring daily within our community. There is no easy solution and I sympathise with the Minister for Health and Community Services, the Attorney-General and the minister with responsibility for the police in finding solutions to that inevitable cultural confrontation.

Mr Dale: Ask the federal government what ...

Mr LEO: I do not want to start blaming other people. I am seeking a solution through what we can do in this Assembly within our constraints. We are very limited in terms of what we can do. I accept all that, but we should at least seek solutions. I hope that the government supports this motion. I would like to hear some indication from a government minister that, at least, it will consider setting up a committee of this Assembly to investigate and to make recommendations on the administration of justice in the Northern Territory in the hope that, in the not-too-distant future, we can have a society which will embrace the various cultural beliefs represented within our community in some compassionate way and that we can reasonably free ourselves of the horrendous burden that we are bearing at the moment.

I defy any member to deny that the cultural clash that is being experienced within our community at the moment is costing the Northern Territory dearly, not just in terms of dollars and cents but in terms of the lives of human beings. I think it behoves this Assembly to investigate it in a rational, bipartisan, apolitical manner. It will certainly not end all of the problems, but it may at least provide us with some solutions to this desperate problem which confronts many of our citizens.

Mr PALMER (Karama): Mr Speaker, the question of Aboriginal customary law and its acceptance by the wider community in terms of the general law obviously is a very vexed one which will require long and hard debate. I agree with the member for MacDonnell that we should engage in the debate but it should be in an objective way. I do not think we can let passions or political bias come into this argument too much or we will not resolve the problem, as we should, in a bipartisan way.

The member for MacDonnell referred to the Australian Law Reform Commission Report No 31 and the summary of recommendations contained therein. As is the honourable member's wont, and I suppose it is his right, he quoted selectively from that summary of recommendations. Those recommendations contain a number of caveats which we should look at and which should be understood in terms of the total report.

Mr Speaker, I will go through a few of those caveats. Under the heading of 'definitions' the Law Reform Commission states: 'Narrow legalistic definitions of Aboriginal customary law are unnecessary and inappropriate. It will usually be sufficient to identify Aboriginal customary laws in general terms where these are recognised for particular purposes'. I think that has to be taken on board. We cannot allow ourselves to define customary laws specifically as they apply to the general law. The whole acceptance by the

judiciary of a recognition of Aboriginal customary law must be very broadly based on general principles.

The Law Reform Commission also talks about general considerations and arguments about the recognition of Aboriginal customary law. It lists various objections to the recognition of Aboriginal customary laws that have been made. Although the commission dismisses them either as being irrelevant or not objections, I believe they form part of the debate. It raised such things as the problems of unacceptable rules and punishments, secret aspects of customary law, loss of Aboriginal control of their laws, the need to protect Aboriginal women, the community divisiveness that recognition could cause, the fact that Aboriginal customary laws have changed in many respects and no longer exist in their pristine form, the declining importance and limited scope of Aboriginal customary laws, law and order problems in Aboriginal communities and the difficulties of definition.

Even though the Law Reform Commission may not see some of those as being major problems in the wider community, some of them obviously will be. I think it behoves this Assembly, in debating further the issue of Aboriginal customary law and its application in general, to raise some of those matters and debate them. Some of them should not be dismissed in the manner in which the Australian Law Reform Commission seems to have dismissed them. It also makes contrary arguments for the recognition of Aboriginal customary law and I agree that the arguments it makes are valid.

This also raises the issue of equality with other Australians, and the Law Reform Commission makes the caveat that there is some risk that proposals for the recognition of Aboriginal customary law could be seen to be divisive or could be an affront to public opinion, either in isolation or associated with other measures. That is another matter which this Assembly will have to address. There will be a perception in the community that any specific actions taken by this Assembly, in some way, will discriminate against the wider community in favour of the minority. I am not saying that we should not debate that or that it is a valid point. All I am saying is that we have to recognise those facts.

There is also the issue of basic human rights and the Law Reform Commission says that in 'securing basic human rights, terms and ideas which imply a measure of cultural relativity have to be applied by reference to the cultural community within which the case arose'. It goes on: 'But minority values cannot, as such, justify the violation of basic human rights, any more than can majority values'. I think that the issue was probably covered adequately in the references by the member for MacDonnell and the Attorney-General to the case at Warrabri. But, again, there is still a perception in the community that, somewhere, basic human rights are not being protected. That will have to be debated and, if that misconception exists, it will have to be overcome.

The commission makes the caveat that the recognition of Aboriginal customary law must occur against the background and within the framework of the general law. We cannot have the recognition of Aboriginal customary law becoming a law apart. It must be recognised by the judiciary against the background of the general law. It goes on to say: 'As far as possible, Aboriginal customary laws should be recognised by existing judicial and administrative authorities, avoiding the creation of new and separate legal structures'.

The commission refers to issues of codification or direct enforcement. The commission does not believe that, as a general principle, codification or direct enforcement are appropriate forms of recognition of Aboriginal customary laws. I agree with the stance taken by the commission on that. It would be an enormously complicated task to try to codify the customary laws of the various Aboriginal groups and to attempt to relate that back to the general law. Again, there must be a general recognition of Aboriginal customary law when matters come before the courts.

The report then refers to marriage, children and property. One concern I have with the summary of recommendations is that, when referring to Aboriginal child custody, fostering and adoption, it states: 'An Aboriginal child, for this purpose, should be defined as a child, one of whose parents was Aboriginal'. Yet, at the start of the summary of recommendations, in relation to questions of definition, it states that it is not necessary, constitutionally or otherwise, to spell out a detailed definition of who is an Aborigine.

This question of child custody probably will raise large issues of cross-cultural rights or privileges: when is a child white or when is a child black. I do not believe that we should identify a child as being either Aboriginal or non-Aboriginal in terms of its genetic structure. I think the definition should be in terms of where the child was reared, the age of the child and the general area of society to which it is fitted. If a child is half-Aboriginal and half-white and has been brought up in white society for any number of years, I do not think that it should be enforced or encouraged that that child be thrust into Aboriginal society. There are problems there and there have been problems in that regard in the past. Some years ago, an Aboriginal girl was torn from the white foster parents with whom she lived for some 10 years and was taken into the bush, by a so-called welfare worker, to perish. I think honourable members will recall that case. I do, with some sadness, because I knew the little girl.

The Law Reform Commission report also talks about customary law defences and it makes the caveat that a customary law defence should not be available in cases of homicide or of life-affecting assault, nor should general customary law defences be available in other cases for other lesser offences. There is an onus of proof that the Law Reform Commission talks about, and it makes the caveat that the onus of proof in establishing these matters of Aboriginal customary law should lie with the defendant. There is also a caveat about the codification of customary offences. It says: 'It is undesirable, in principle, as well as impractical to seek to codify Aboriginal customary laws as a basis for criminal liability or to enforce those laws by way of general mandate to the criminal courts'. Again, I agree with the Law Reform Commission report. To try to codify Aboriginal customary law and then place enforcement of that in the hands of the general law would raise more problems than it would solve.

The report says that attention should be given by prosecuting authorities to the appropriateness of declining to proceed in certain cases involving customary law. I have a problem with that in that I believe that it places too much responsibility on the prosecuting officers, on the police or the Department of Law, to make a value or subjective judgment as to guilt or innocence and any mitigating circumstances. In the past, the member for MacDonnell raised the cases of Jackie and Charlie Jagarmarra, 2 separate incidents where, on the face of the evidence, both gentlemen had dispatched their kinfolk in no uncertain manner. As I recall, in debate in the Assembly, the member for MacDonnell claimed that, in view of the fact that both killings

were probably in accordance with Aboriginal customary law, and in view of the fact that both were sentenced to the rising of the court, the prosecution should have entered a plea of nolle prosequi. Again, I cannot see how, given the prima facie fact that one person killed another person, the prosecution should be asked to make a subjective judgment as to the guilt, innocence or otherwise of those persons. I believe that, given prima facie evidence of one person inflicting grievous bodily harm or murdering another person, the prosecution must proceed and it should be the role of the judiciary to assess the strength of the mitigating circumstances.

The commission quite rightly says: 'Courts cannot disregard the values and views of the wider Australian community which may have to be reflected in custodial or other sentences, notwithstanding the mitigating force of Aboriginal customary laws or local community opinions'. When it is all said and done, we are in society and we all have to take cognisance of the wider opinion and values even it is to the detriment of some of our own personal views, values or cultural heritage. The report also says that courts cannot incorporate in sentencing orders Aboriginal customary penalties or sanctions which are contrary to the general law. I do not think anybody here would disagree with that.

The Australian Law Reform Commission report makes the point that there is no reliable evidence of discriminatory sentencing practices in cases involving Aborigines at Supreme Court or district court levels in recent years. It goes on to say that there have been some problems with the powers of Justices of the Peace. It says that further attention needs to be given to the associated problems of juvenile offending and petrol sniffing. It says that these are largely social problems beyond the power of the criminal justice system to resolve. I do not know how, in addressing Aboriginal customary law issues, one can take on board those wider social problems of petrol sniffing and so on.

In relation to Aborigines and juries, the commission also makes the caveat that attention should be given to jury selection procedures, including the preparation of jury rolls to help to ensure that our multi-racial society is better reflected in the composition of juries. I agree with that statement. The report also states that there should be no specific requirements in relation to Aboriginal representation on juries where Aboriginal defendants are on trial. I agree with the subsequent section which refers to the sex of jury members. The composition of a jury may present some conflict with customary practices.

On the strength of the Australian Law Reform Commission report, the Northern Territory government is well advanced in the recognition of Aboriginal customary law in its pursuit of justice. The Attorney-General adequately covered the provisions of the Criminal Code, especially the defences in relation to coercion, drunkenness and diminished responsibility. I have no problems with the motion as put by the member for MacDonnell and I am sure that most members of this Assembly will support it. However, I move that the motion be amended by inserting the words 'to continue' after the words 'Assembly resolves'.

Amendment agreed to.

Mr EDE (Stuart): Mr Speaker, we have presented this motion in a spirit of bipartisanship in an attempt to examine some of the very real problems that concern us in the Northern Territory. We are not simply a multi-cultural society. A very substantial part of our society belongs to a culture which is

vastly different to our own in many of its values. Many of the people who adhere to that culture have very different life histories to ours and have very different values.

The Minister for Health and Community Services adjured us some time ago to get out into our electorates and somehow get the high crime rate down. While I reject the contention that we as members have an individual responsibility to stamp out crime in our electorates, we have a responsibility to discuss the laws of the Northern Territory with people in our electorates, together with the way those laws are formulated and any ideas which can contribute to the more effective application of the law in the Northern Territory. The present amended motion is very much along those lines. It now reads: 'That this Assembly resolves to continue to work towards development of an appropriate relationship between Aboriginal customary law and the current justice system in the Northern Territory'. As the member for MacDonnell stated, this is a very broad issue even though this discussion was triggered off by the recent events at Ali Curung.

There is no doubt that the incidence of violence in the Northern Territory is a much higher than in the states. I have before me a submission of the Northern Territory government to the Commonwealth Grants Commission which contains an index of selected offences. The rate of offences in New South Wales is designated as standard 1 and the figures for other states are set out as a proportion of that. For example, in relation to the incidence of murder, most of the other states have figures such as 1.1, 1.2 and so on. South Australia alone is below the New South Wales figure with 0.762. In the Northern Territory, our figure is 5.311. In other words, our murder rate is 5 times that of New South Wales. Attempted murder is 1.7 times the New South Wales rate and grievous bodily harm is 3 times the rate in New South Wales. There is no doubt that crimes against the person are very common in the Northern Territory.

In relation to the incident at Ali Curung, the Attorney-General has said that he could not establish a prima facie case. I take that on board. However, an offence of that nature is often the precursor to much more serious offences. I say that without decrying the seriousness of the particular incident which occurred. It is the type of offence which often leads on to grievous bodily harm, attempted murder and murder. I know that the offence that occurred at Ali Curung was not an isolated instance. I know there have been cases elsewhere where young women have been locked in rooms and physically abused. I have taken up situations like that with the Chief Minister and I know that he has taken them on board and treated them in the correct manner. However, a point needs to be made, and I do not think that the Attorney-General was clear enough about this. Although I cannot speak for all cultures in the Northern Territory, I can say with a considerable degree of certainty that crimes of that nature are not traditional. They are not related to customary law. Walpiri traditions do not include depriving persons of their liberty or tying them up to force them to carry out certain acts. It was just not possible in a mobile society where every member was required to carry out functions of food gathering, hunting and so on. It would place an impossible burden on that society to lock up people or tie them up. I would like to place that on record. It is certainly not a customary offence.

There are problems as Aboriginal society changes. Aboriginal society was once continually on the move. After the rains, people moved out to the smallest, most distant rock holes. As the country became drier, they would gradually move back to the larger rock holes. That movement led to particular sets of social values and necessities for life in such circumstances. New

values began to impinge when these people began to stay permanently in one place. One change which has come about with permanent housing is a greater stress on the nuclear family in contrast to the extended family.

In Walpiri culture, there was an equality of power between the men and the women of the community. Even though the men were physically stronger, the women possessed a much stronger medicine: the power to sing people. That power meant that any man who abused his strength or acted in what the women of the group considered to be an excessively violent way against a woman was liable to be sung. Singing was much more powerful than pointing the bone. In Walpiri culture, it was possible for an individual to find a powerful nungari who could remove the impact of the bone pointing. However, the only people who could remove the power of singing were those who had applied it in the first place. There was no redress and this placed women in a powerful position. That has now changed. The development of the nuclear family, which is coming about through the movement to settlements, has meant that singing does not occur and there has been a change in the power relationship. Aboriginal society is attempting to find ways and means, within its own traditional culture, of handling these changes.

Recently, I travelled out to Lajamanu and Yuendumu. I discussed this particular problem of violence within the family on that trip. It is a problem which all cultures have in the Northern Territory. I think the Minister for Health and Community Services or his predecessor gave us some figures on just how extensive abuse within the family is in the Northern Territory. I was quite pleased to discover that there was considerable discussion going on out there to find a means of coming to grips with this problem. I am not attempting to say that I have the definitive answer to the whole problem. I give this as an example of the way that Aboriginal people are seeking to come to grips with the problems that they see in their society.

What they proposed was a male elders' council and a female elders' council. The councils would have the power to intervene on their own instance if they saw a family which was having major problems where there was a level of violence or dispute which could build up into something which would destroy the unit. They would have the power to call them, to talk to people such as uncles, grandfathers, grandmothers and aunties who have a traditional responsibility for that relationship to see if they can work out a solution or even whether that solution is a termination of the relationship or the beginning of its continuation in another form. If they were unsuccessful, they would then ask the police to take action or find some means of solving the problem outside of the courts.

The idea had a certain appeal for me but I believe it would require a degree of legislative backing. I am thinking of the example of the Local Government Act in respect of community governments. That act sets out the broad parameters of a system and then allows the individual community government to develop its own constitution governing how it will apply in that particular community. I am thinking of legislation of that nature which could provide the broad bones of a system of elders' councils and allow individual communities to work out how they would set one up in their community.

A number of items would have to be agreed on. For example, we would need to have some form of a register of elders within that community whereby the community in general would indicate that a person, male or female, had reached a status which allowed him or her to be a part of the council. There would have to be a quorum for the council and that quorum might not be comprised simply by numbers. For example, in my area, there may be a necessity for a

certain number of skin groups to be represented to ensure that family considerations do not override the need for justice. The councils would probably need to have some powers to call people before them so that, if they saw a problem in a family that could lead to grievous bodily harm or even murder, or simply continual misery for the participants in the relationship, they could call them together because perhaps one of the parties would be quite happy to come to the council.

Methods would need to be worked out for the relationship between an elders' council of this type and the police. We cannot deny people the right to go directly to the police if that is what they desire. That was made very clear by people at Lajamanu to whom I spoke. This is not taking away the role of the police or the role of the courts. It is simply providing an option within the community whereby the community can develop its own methods, utilising the expertise and the knowledge that it has of relationships and the peoples' circumstances to attempt to provide an actual solution rather than a retribution which would be applied if the matter went to the police.

There would have to be a number of other details worked out such as the payment of a clerk to register cases and decisions so that the decisions were acted upon in the way that they were originally set down. At this stage, I do not see the role of the elders' councils as progressing very far as a judicial unit. It could be seen more as a means of bringing people together and of finding out ways that people can live together in the community. If they were given a judicial function initially, there would be added dangers of expectations being too high in respect of the problem of alcohol or problems that are completely non-traditional. Such a council should confine itself initially to looking at the social circumstances that surround a potential problem family and, using the skills which Aboriginal elders undoubtedly have to analyse the difficulties, to working with the relations of the family to find a solution if one is possible.

As I said, I do not present that as a solution to all the problems. I raise it as a contribution to the debate because I was asked to do so by the people in my electorate. I believe that it is the type of discussion that needs to occur from time to time in this Assembly as we work towards developing an appropriate relationship between Aboriginal customary law and the current judicial system in the Northern Territory.

Mr BELL (MacDonnell): Mr Deputy Speaker, first of all I wish to offer my congratulations to the government for its preparedness to accept the terms of this motion. I note the amendment that has been successfully moved by the government and that amendment is acceptable to the opposition. The wording of the original motion, that 'the Assembly resolve to work towards development of an appropriate relationship' may be construed so as to contain an implication that work had not started already. I appreciate the government's desire to place an imperfective aspect rather than an inceptive aspect on that particular motion. The amendment is quite acceptable to us. When I moved the motion, I referred, for example, to the Anunga Rules and various other means by which Aboriginal customary law has been incorporated in administrative practice and legal form in the Territory.

I thank all honourable members for their contribution to this debate and I will make a few comments in relation to the remarks of honourable members. My first comment with respect to the Attorney-General's comments relates to his statement that the Australian Law Reform Commission report is being looked at by various government departments. He mentioned that it was also to be raised at a meeting of the Standing Committee of Law Officers and by the Australian

Council of Attorneys-General. I appreciate his undertakings and his advice to the Assembly in that regard.

With respect to the Warrabri case, I noticed his chiding of my public comments. In all my public comments on the Warrabri case, the Ali Curung case, I was very careful not to suggest that the government had acted badly or inappropriately in that particular matter. I announced that I was writing to the Attorney-General seeking a full briefing on the issue. I believe that it is an appropriate subject for public discussion. As the pages that have been spilled out here would indicate, it is not a simple decision whether to prosecute or not, and I appreciate that. I basically sought some sort of briefing in that regard.

I note from the Attorney-General's comments that he has not received my letter requesting such a briefing. I will check that out with my office and, if that is the case, it is a glitch in the paperwork rather than any sort of active decision not to follow it through. I happened to be on the hoof at the time, and I remember telephoning to request my secretary to send the letter off. I will certainly follow that through.

The other point that needs mentioning in passing was raised by the Attorney-General and corroborated by the member for Karama, and it relates to the role of the Attorney-General in these matters. On the part of both honourable members, there appears to be some misunderstanding of the role of the police and the role of the Department of Law. The Attorney-General said that it is nothing to do with him, nothing to do with the Department of Law, and that the police are the prosecuting authority. I intend to investigate that particular issue further. I admit quite happily that I am a layman in this regard, but the Attorney-General is the first law officer of the Northern Territory and it is his responsibility to initiate prosecutions or to decide not to prosecute. Of course, he is able to take advice from whom he pleases and he has the Department of Law to assist him in that regard. Contrary to what the Attorney-General said, it is very much his responsibility.

Whilst I appreciate the Attorney-General's loyalties in this regard, I would point out that the history of the police force clearly indicates that it is not the prosecuting authority. I do not anyway seek to play down the vital role that the police force plays in the administration of justice and the vital role that it plays as a law enforcement agency, but I think we need to be a little bit clear about where the chain of command is. I will have a closer look at what the Attorney-General said, but I wish to place on record my reservations about the disclaimer that he and the member for Karama made in that regard. I noted that the Attorney-General said that the appropriate people to carry out the prosecution are the police rather than himself. That is in Hansard and I think it is worthy of further consideration.

I picked up a comment about my not communicating with respect to the Ali Curung case. In broad defence of my position in that regard, if a consideration of the case has given rise to a debate of this nature, I think the interest that I have taken in it has been worth the effort. It is worth signalling to the people of this country that the Northern Territory does take issues like this seriously. In passing, I remind the Attorney-General of the outrageous cartoon that appeared in The Age newspaper last week, and I remind him and honourable members of my public criticism of the implications of that particular cartoon.

Mr Manzie: And mine too.

Mr BELL: Indeed, I am quite happy to place on record the honourable Attorney-General's interjection, and his concern in that regard.

I believe that the administration of justice in the Northern Territory and the esteem in which it is held can only be enhanced by debates of this sort. If people around the country see this legislature and the justice system in the Northern Territory seeking to accommodate Aboriginal customary law in an appropriate fashion, that can do naught but enhance the reputation of the legislature and our justice system.

I will pass over his comment about my actions denigrating the judicial system. I think I have established that that was neither my intention nor the result of my comments or my actions. I thank the Attorney-General for his generous offer to make the facilities of his department available for briefing in this regard. I will certainly be taking that offer up. I could make some comments about various other aspects that were raised by the Attorney-General.

Mr Ede interjecting.

Mr BELL: Mr Deputy Speaker, the interjection from my colleague, the member for Stuart, certainly raises questions about those on the government benches who have and have not contributed to this particular debate. I think the strong arm of the member for Wanguri, as a representative of the long arm of the law, has been surprisingly absent from deliberations in this regard.

I appreciate the Attorney-General's comments about the areas on which the Territory government has moved. He referred to welfare legislation, motor vehicle accident legislation and hunting, fishing and gathering rights in the wildlife legislation. I do not think he mentioned the Crown Lands Act and the section 24 reservation that has been the subject of contention at various times. It continues to be important to many people in my electorate, and is one historic accommodation of customary law. I will pass over the comments about legislating on racial grounds and comparisons with South Africa. I do not think they are particularly fruitful. Whether it is in the context of the administration of justice or elsewhere, comparisons with South Africa are not particularly valid in the Australian context.

The member for Karama expatiated on the Australian Law Reform Commission report and particularly stressed some caveats that leap out of its pages. I am not sure what his purpose was but he raised one point which I will specifically comment on. I refer to his reference to the equality of people before the law. This is a difficult question and I will confess that I have not thought it through entirely. He used the phrase 'discriminating against the wider community' which is a potential result of taking customary law into consideration.

Mr Manzie: He was actually quoting the commission report.

Mr BELL: Indeed. That certainly needs to be taken into consideration but it is difficult, as the members for Stuart and Nhulunbuy have mentioned, to see the wider community as being discriminated against when the problems are as severe as they are. I do not imagine that there are too many non-Aboriginal Territorians who would be keen to swap places, given the sort of disadvantages that Aboriginal people suffer. That issue, like a multitude of others raised in the context of this debate, cannot be resolved in a short time.

In concluding, I express my appreciation to the member for Stuart. I was particularly interested in his comments on the formation of male and female elders' councils. I also thank the member for Nhulunbuy for his suggestion that a committee of this Assembly may be appropriate. Finally, I wish to thank honourable members for their contribution and for their support in passing this particular motion.

Motion, as amended, agreed to.

ELECTORAL AMENDMENT BILL
(Serial 37)

Bill presented and read a first time.

Mr EDE (Stuart): Mr Speaker, I move that the bill be now read a second time.

This amendment to the Electoral Act is, I believe, relatively non-contentious. It follows changes that have been made federally and in a number of states. I am disappointed that this bill has not been enacted here previously because it is probably more appropriate to this Northern Territory than to other places.

The effect of this bill will be to ensure that we do not have a repeat of the situation that occurred in the last election where the rolls were closed only hours after the calling of the election. This bill will ensure that a period of 7 days elapses from the date of the issue of the writs to the closure of the rolls. Here in the Northern Territory, we have a far higher proportion of itinerant people who come up for a year or 2 or even less, who are quite probably on the electoral rolls in their home state and who should get on the rolls here. The uncertainty of timing of elections means that often people coming to the Northern Territory for what they see as a short period believe that they will be returning to their home state or going on to another location before the calling of an election. The result is that often they do not get on the rolls when they are required to. As a result, when an election is called with very little notice, many of these people actually miss out on their rights and obligations.

Aboriginal people in the Northern Territory are also prone to miss out on inclusion on electoral rolls. Most Aboriginal communities do not have official post offices where people can easily pick up the electoral forms and return them. Mail services are very irregular, and there are often long periods between elections. This means that, when an election is announced, people find that is it too late to get on the rolls. Many people drop off the rolls.

We have spoken before about the fact the mobile polling teams do not visit every community and they do not always attend at the same location. That leads to the situation where people expect the polling team to come to them and do not reach the polling place in time to vote. Afterwards, because of the difficulties with the mail service, they receive a notice to show cause as to why they should not drop off the roll. They often end up dropping off the roll even though they should not do so and, in fact, have the prerequisites for remaining on it.

It is all very well for some members to say that people have to obey the law and get on the electoral rolls during the prescribed period after their arrival in the Territory or after they have turned 18. The fact is that

average Australians do not give a very high priority to getting their names on the electoral rolls. They have other activities to get on with such as setting up house, getting a new job and making a place for themselves in the community in the Northern Territory. These new Territorians, as well as old Territorians, deserve the right to vote in our elections. As in the rest of Australia, we have a system to make it as simple as possible for people to exercise that duty.

I am advised that about 300 people a day have enrolled since the federal election was called and that as many as 5000 or 6000 extra names will be on the rolls by the time they close. That in itself is a very obvious reason why this amendment should be passed. It means that about 5000 people were disenfranchised in our election because our act did not have a provision such as the one that I am proposing today.

I do not foresee any difficulties with the government on this issue. In the debate on a matter of public importance that we raised immediately after the last election, the Chief Minister indicated that he had sympathy for the notion that people should have 7 days notice in which to get on the roll. It is a provision which is already in force federally. It is in force in Victoria, South Australia and Western Australia and, as I said, there is far more justification for it in the Territory than there is in the states.

Clause 3 amends section 32(3) of the act to state that the close of the rolls shall be on the seventh day after issuing of the writs. Clause 2 amends the measure for printing of the rolls by stating they will be printed immediately following the seventh day after the issuing of the writs for election. It is a simple amendment that will do exactly what it intends to do and I commend it to honourable members.

Debate adjourned.

SUSPENSION OF STANDING ORDERS

Mr SMITH (Opposition Leader): Mr Speaker, I move that so much of the standing orders be suspended as would prevent the Adoption of Children Amendment Bill (Serial 39) passing through all stages at these sittings.

Motion agreed to.

ADOPTION OF CHILDREN AMENDMENT BILL (Serial 39)

Bill presented and read a first time.

Mr SMITH (Opposition Leader): Mr Speaker, this bill was introduced by myself in the November sittings and, because of the prorogation of the Assembly and the recent election, there has been need to reintroduce the bill. I thank the Assembly for its courtesy in allowing the bill to pass through all stages at these sittings.

This bill is introduced in response to changing attitudes throughout Australia to the rights of those involved in the adoption process. Years ago, adoptions were a closed book. Once a child was adopted, the ties linking it with its natural parents were considered to be broken irretrievably. It was thought by society that, by the act of adoption, the natural parents had forgone all rights to the child. Over the years, these attitudes have changed. The most significant reason for that change has been the sometimes

desperate attempts by adoptive children to find their natural parents and sometimes the attempts of natural parents to find the natural children they gave up. We are probably all aware of a heartbreaking story along those lines.

This bill will provide the opportunity for any party to an adoption to seek information of any other party while recognising the privacy rights of those concerned. Under the current legislation, there is no facility for such information to be provided. The bill ensures that no information will be given to any person without the express consent of all other parties involved. It recognises the rights of those concerned in the adoption to keep their identity from other parties. As we all know, adoptions can be carried out under quite traumatic circumstances.

This bill will enable an adopted person, upon application in writing to the minister, to seek information regarding himself or herself, his natural parents or relatives. On receipt of such an application, the minister will not give any information from which identity of the natural parent can be ascertained without first obtaining the consent in writing of the natural parent or evidence of the death of the natural parent. Where the adopted person is under 18 years of age, the application for information about his natural parents must also be accompanied by the written consent of his adoptive parents or evidence of the death of each adoptive parent.

Under quite stringent safeguards of privacy, this bill recognises the right of an adopted person to obtain information on his natural family. Similarly, it will provide for natural parents to seek information on their adopted children and or the adoptive parents. It will provide for adoptive parents to seek information on the adopted person, his natural parents or relatives and, where the minister deems the circumstances desirable, it will provide for natural relatives to seek information about the adopted person, his adoptive parents or relatives. Where a person is unable to obtain information because the necessary consent has not been provided, he may apply to the court. Where the court is satisfied that the minister has taken reasonable steps to obtain the consent and it is in the best interests of the applicant to receive the information, the court may make an order directing the minister to give the applicant the information. If the person has refused to give consent, the court shall not make such an order without giving that person the opportunity to be heard in circumstances where his identity is not disclosed to the applicant.

Where the minister receives an application for information, he will give such information as is contained in the records in his possession or obtainable by him on inquiry. The minister may obtain information from court records relating to proceedings resulting in the adoption order. In providing such information, the minister must be satisfied that it is reasonably likely to be true and that it does not unreasonably disclose information relating to the personal affairs of any other person. The minister shall not give such information unless the applicant has attended an interview with an approved counsellor.

The bill also provides for the establishment and maintenance of an adoption information register. This register will contain the name and address of any adopted person, natural parent, adoptive parent or relative of an adopted person who has requested registration in writing. The register will also contain the wishes of the registered person with respect to obtaining information about any other person who is or may become registered and his wishes with respect to the disclosure of his name, address or other

information concerning him to any other person so registered. The name and address of any person on the register will not be disclosed to any other person without his consent in writing and any person on the register may amend or cancel his entry by written request to the minister.

Mr Speaker, the bill will bring our adoption laws into line with current community attitudes and existing state legislation and it will recognise the wishes of all those involved in the adoption process. I commend the bill to honourable members.

Mr DALE (Health and Community Services): Mr Speaker, although I am speaking against the bill, I will say first that it does try to address one important issue. That issue is the provision of opportunities for any person directly involved with an adoption, whether it is the child, a natural parent or an adoptive parent, to seek information about the other people concerned without infringing their rights of privacy.

However, there are several good reasons why this amendment should not be supported. The major weakness in the bill is that it deals with just that one issue. This issue is one among many other equally important matters that should be considered when making changes to the Adoption of Children Act. As the Leader of the Opposition is probably aware, I have asked my department to carry out a far-reaching review of this act. This comprehensive review began last year. It involves extensive consultation with the general public, Territory and Commonwealth government departments and independent adoption agencies. These discussions have also included the Commonwealth Department of Immigration and Ethnic Affairs because of that department's control over entry into Australia of children from overseas. My departmental review has already received 12 submissions from private organisations and individuals affected by the act.

The Territory government is not alone in its concern for making changes to adoption legislation so that it is more in tune with community wishes. New legislation has been introduced recently in Victoria, Western Australia and Queensland. Major reviews of legislation are also under way in New South Wales, South Australia, the Australian Capital Territory and Tasmania.

Adoption is an extremely sensitive matter. Any proposal to change the laws controlling adoption demands extensive consultation and research. This is the responsible way to deal with proposed changes to the adoption laws. I must point out that this is the approach adopted by this government. The fact that the opposition has brought before this Assembly some proposed changes to just one area of the relevant act indicates to me that it suffers from poor understanding of a very important social issue.

I would like to take this opportunity to explain to honourable members some of the other issues I have arranged to have addressed in my department's current review of the act. There is no doubt that some of the following issues have been the root cause of distress among many Australian families in the past. The first is use of adoption legislation to achieve guardianship of children from a previous marriage by the step parent. There is a growing view in some quarters that adoption is not the appropriate process for this type of situation. Some other form of guardianship, which gives greater recognition to the other natural parent, could be beneficial.

There is some controversy surrounding the legal status of criteria used at the moment to assess the suitability of people who wish to adopt a child. In the Australian Capital Territory recently, a challenge was launched under

federal anti-discrimination legislation to test the validity of certain criteria. The results could raise issues such as the legal status of priority given to childless couples and where the law stands on the need to ensure that children are placed with suitable adoptive parents.

Another sensitive issue arises from the fact that there are no specific provisions in the act dealing with the adoption of Aboriginal children. It is no secret that many Territory Aboriginals can recall with some horror the days of the Commonwealth Protector when children were taken away from their families and placed in institutions in a clumsy attempt to enforce assimilation. For some years now, when government agencies have been dealing with the adoption of an Aboriginal child, the practice has been to consult closely with the extended family and to try to place the child with an Aboriginal family. Nevertheless, memories of a dark past linger on amongst Aboriginal people in the Territory. A possible solution may lie in giving specific recognition to the issue in legislation.

Some consideration is needed with regard to adoption of disabled children or children with special needs. There may be some use in subsidising special needs adoption in certain circumstances. The current act is written in a way that presumes adoption only by married couples. There are circumstances in which adoption by a single person or a de facto couple should be considered appropriate. Certain children with certain needs could be a case in point.

Overseas adoptions have forced the need for legislative amendments. I chaired a national meeting of Social Welfare Ministers in Darwin last October to consider an extensive report on inter-country adoptions. Some issues requiring consideration as a result of that report include domicile provisions for parents planning to adopt a child from overseas, review and appeal processes and, the issue raised by this bill, access to information about an adoption.

Honourable members can see that there is more to the review of this act than the few quick amendments put together by the opposition. I agree that the issue raised by the opposition is a delicate matter. Public consultation is essential and we must balance some aspects against others very carefully indeed.

Research shows that, for 1 in every 5 adopted children, some knowledge of their origins is important to the way they perceive themselves and their status in the community. Of course, this affects their chances of achieving a positive and stable adult identity. Other arguments to support access to information include the need to understand hereditary health conditions and blood relationships because they might affect potential marriages. On the other hand, natural parents who have given a child up for adoption should expect respect for their privacy and some adoptive parents might not want their child to dwell on the identity of his natural parents and recognition must be given to their rights as well.

Mr Speaker, I would like to point out also that the amendment proposed in this bill would create further legislative problems. Further amendments to sections 55 and 56 of the act would be necessary if this bill were passed in its existing form. For the information of honourable members, section 55 reads: 'A report to the court under section 14 shall not be made available to any person, including a party to the proceedings'. Section 56 says: 'Except as provided by the regulations, the records of any proceedings under this act shall not be open to inspections'. It is likely that an amendment would also be necessary to allow access to the original birth certificates of adopted

children. The bill also fails to address other key issues in adoption procedures which need to be reviewed.

What is required is not an ad hoc approach to amendments, but a comprehensive legislative review supported by adequate research and proper consultation with the public. This is exactly the sort of review I have initiated. That process will achieve adoption laws which reflect the Territory community's attitudes. It will protect the rights of children while giving assistance to people planning to adopt. We will oppose the bill.

Mr BELL (MacDonnell): Mr Speaker, I hope the advisers of the Minister for Health and Community Services were happy with his delivery. The minister takes a peculiar pleasure in deriding new members of the opposition for reading speeches. Considering that English is his first language, he did not do a bad job. He has a good white adviser.

It is quite disappointing that the minister has chosen to take such a curmudgeonly approach to legislation that has been put forward with such positive intent by the Leader of the Opposition. While, on the one hand, I welcome the review of legislation proposed by the minister, his suggestion that our amendment is an ad hoc measure which has just been thrown together is completely inaccurate. I suggest that he contact his white advisers and tell them to check out adoption laws around the country before they write speeches for him because he will find that this legislation is on the statute books elsewhere.

I would have been far more impressed with the comments of the Minister for Health and Community Services if he had delivered a speech that was based on the legislation before him instead of an apologia prepared by a member of his department. It is clear that he has personally done absolutely no work on this legislation and he deserves the condemnation of this Assembly for not having done so and for presenting such a lukewarm reading as if it were acceptable in debate. He and his colleagues have ensured that we are going to have a long night here tonight. Let me assure him that his contribution has hardly enhanced the quality of the day's debates. The government has not exactly made a glorious start with its conduct in this Assembly this morning and earlier this afternoon. Suffice it to say that the minister's contributions with respect to this bill are continuing in that sorry tradition.

The issue that the Leader of the Opposition has addressed in this bill is deserving not only of greater consideration, but of the wholehearted support of every member of this Assembly. I could speak personally in this regard but I will not. I will mention people who have expressed their concerns about adoption laws to me. I will mention the work of the organisation called Link-Up. The way CLP ministers introduce the Aboriginal argument when it suits them, but otherwise decry it, is indeed cute and the minister did exactly that. He may be aware that Link-Up is an organisation established in New South Wales to help people such those this legislation is designed to help. The New South Wales situation has been contrary to the usual circumstances. Natural mothers and fathers have had children removed from their care by the force of the state. Such children have been placed in the care of other people and have been put to work as indentured labour. Such situations have caused heartbreak to vast numbers of people. Link-Up deals particularly with Aboriginal people and I have been personally associated with people like Dr Peter Reid and Coralie Edwards who work for this organisation. Their efforts in righting past wrongs have been most impressive. This legislation was neither hastily prepared nor ill-considered. Aspects of it

were debated quite fiercely in the shadow Cabinet and I believe that the minister and the government should support it.

The minister commented on the very tragic circumstance of part-Aboriginal people who were made wards of the state under what he referred to as Commonwealth legislation. I would just like to remind him that the Commonwealth governments that were responsible for administering that particular policy were governments of his political persuasion, not mine. He chose to raise that in his usual partisan fashion. He may be aware, as I am sure you are, Mr Speaker, of circumstances where many Aboriginal people have been reunited with their natural parents. Quite clearly, this legislation would facilitate that process.

The minister made much of the review that is being carried out by his department. Let me take this opportunity of pointing out to him that the review can quite easily take into consideration legislation that is already on the statute books and there is no reason, administrative or otherwise, why such a review cannot take cognisance of an amendment that is passed by this Assembly this evening.

Mr Dale: You were not listening, were you?

Mr BELL: I will pick up the minister's interjection. I certainly was listening. I clearly heard him refer to the review that his department is carrying out. I would have been more impressed if he had given a clear enunciation of some of the principles involved in legislation of this sort and the need for legislation to move with community values. Instead, we had to listen to his carping criticism of and - dare I say it - knocking of constructive opposition proposals. We regularly hear government members in this Assembly rapping their knuckles on their desks. I will refrain from such childish behaviour but that does not detract from my abhorrence of the minister's carping criticism and knocking of such a positive proposal. I have no hesitation in endorsing this legislation and in decrying the government for failing to support it.

Mr FIRMIN (Ludmilla): Mr Speaker, the member for MacDonnell and the Leader of the Opposition know of my long and keen interest in the amendments to the Adoption of Children Act, as does the minister for Health and Community Services to whom I have written on several occasions identifying areas of concern that require legislative change.

I have spoken in this Assembly on many occasions, both on previous amendments to the Adoption of Children Act and in adjournment debates where I have detailed some of the difficult and the tortuous paths that people have to tread in order to adopt children from overseas or within Australia. There have been considerable problems in many such instances and I have frequently raised these with the minister and put forward some remedies which could be incorporated in legislation to remove the trauma that is involved in many adoptions. The minister has taken up my suggestion that his department conduct a total review of the act. That review has been under way for some time. There has already been some community involvement and there will be wide community involvement.

I support the minister in his stance of not supporting this amendment which addresses only a small part of the overall review required. I have considerable sympathy for the setting up of the adoption information register and I have several acquaintances who would benefit greatly from it. However, as the minister pointed out, the provisions in the 1985 Victorian legislation

from which this bill derives are more far-reaching than what is proposed here. I certainly have proposed a wider interpretation of the register in my letters to the minister and also have detailed many other measures that would help in the long term. The Victorian legislation is very detailed and is being considered in conjunction with the overall review.

It is very difficult to pick up legislation from another House and try to implement it in Northern Territory conditions. As the minister pointed out, the opposition's bill would necessitate additional amendments to the act, specifically to sections 55 and 56. The member for MacDonnell apparently did not hear that. He referred only to the review and the fact that it would be completed at some time in the future. He did not recognise that this bill would necessitate further amendment to existing legislation.

I have considerable sympathy with the bill's intent but I do not necessarily have sympathy with its approach. As the minister said, it is an ad hoc approach to a very difficult problem which requires wider involvement from the community and a major overhaul of all legislation relating to adoption. Mr Speaker, I do not support the bill.

Mr SMITH (Opposition Leader): Mr Speaker, on one hand, I am disappointed with the government's attitude to this particular piece of legislation. On the other hand, I was aware that a thorough review of the whole adoption legislation was under way. I am disappointed that the minister gave no indication as to when we might see the results of that review.

However, I think it is fair to say that the amendments that we have proposed go to the section of the act that concerns most people involved in the adoption business - the rights of the various parties in the adoption process to information on the other parties in the adoption process. What we are proposing is in no way new and in no way radical. As the member for Ludmilla said, it is based quite closely on the Victorian model. For Northern Territory sensibilities, it has been somewhat watered down from the Victorian model but it certainly is not new or radical. The point about it is that it is a self-contained section and it could have been inserted in the act as it stands without affecting any review into other sections or an ongoing review of the inserted section.

The opposition does not lie awake dreaming these matters up. I introduced this particular bill after receiving a number of representations from people involved in adoptions and who are personally upset at the failure of the present act to provide any access to information that would enable them, all parties willing, to identify other particular parties in the adoption process. That is why we have introduced the legislation.

When the government wants to defeat legislation proposed by us it always says there are 2 or 3 amendments that we have not thought of and, because of that, it cannot support us. The alternative argument is that, if the government had wanted to support this legislation, it could have moved those amendments to tidy up the provisions of the bill.

Mr Dale: If you talked about it to the member of Nhulunbuy when he was awake, he would have told you that you were contemplating pulling it out before the Assembly was prorogued.

Mr SMITH: If the member for Nhulunbuy said that, and I would doubt it very much, he would have ...

Mr Dale: We discussed it before the elections. You said you wanted to wait for the review.

Mr SMITH: ... certainly been acting out of line because I have always had responsibility for this piece of legislation.

Mr Speaker, the minister does not often know what he is talking about and he certainly does not know what he is talking about this time. Could I ask the minister to advise the Assembly at some time in the remainder of these sittings of the timetable that he is following in terms of the review of adoption legislation. There is no doubt that there is a need for a comprehensive review of the legislation. The most important area that needs to be reviewed is the area that we have targeted with this amendment. It concerns the most people. It is the source of the most anger and frustration to people in the Northern Territory who are involved in the business and, the sooner we amend this particular section and do something constructive with it and free up the information process, the better off everybody in the Northern Territory will be.

Motion negatived.

NORTHERN TERRITORY HERITAGE BILL
(Serial 38)

Bill presented and read a first time.

Mr EDE (Stuart): Mr Speaker, I move that the bill be now read a second time.

I present this bill on behalf of the member for Arnhem and at his request. The opposition gave notice in June last year that it would introduce heritage legislation into the Assembly at the earliest opportunity. In fact, such a bill was introduced in this Assembly by the member for Nhulunbuy in the November sittings of last year. The opposition suggested as a model a proposal put forward by Mr P.C. James in his review of Northern Territory heritage conservation and control legislation which was presented to the then Department of Community Development back in November 1979. The bill now before this Assembly is a direct lift of Mr James' 1979 proposal. The proposals embodied in this bill are certainly not radical or in any way novel by Australian standards. These proposals will enable the unification of legislation dealing with heritage in the Northern Territory.

Mr Speaker, for the benefit of honourable members, I would like to outline the basic concepts and need for this bill and, by going through the relevant sections, highlight the way in which it would work. As I have already stated, this type of legislation has been passed by parliaments in most other states of Australia, thereby providing protection for our national heritage.

The bill defines the national estate as consisting of those places which have either aesthetic, historic, scientific or social significance or other special value for future generations as well as for the present community. Such places should be preserved and made available as reflecting pride in our origins. Particularly in the Territory, such places epitomise and preserve our unique culture. This bill seeks to establish a council with membership drawn from identified interest groups - a style of organisation that is familiar to this Assembly. We have many such organisations operating in areas of public interest; for example, the Women's Advisory Council, the TAFE Advisory Council and so on.

Part II of this bill outlines the functions and powers of the Northern Territory heritage council. The council's functions include making recommendations and giving advice to the government. Such advice would include necessary action required to conserve, prove and promote the national estate. The council will also advise on appropriate expenditure and on the provision of financial grants or other assistance by the Territory to appropriate persons or organisations for the improvement, promotion and conservation of a national estate.

The council's functions will also include giving attention to public awareness, training and research, as well as providing any necessary administration of such places. However, the primary function of the council will be to identify those places that need to be on the register and to manage those places. There are mechanisms built into this bill for 2-way consultation and cooperation with government departments and instrumentalities. The council is empowered by this legislation to fulfil its functions without inhibition.

Part III of the bill outlines the membership and constitution of the council. Membership would include representatives from government departments and instrumentalities and also a number of persons appointed to represent major interest groups within the Northern Territory. Membership of the council is therefore broadly based and draws on both competent and widely representative expertise in relation to its functions. This section of the bill also deals with issues such as disclosure of pecuniary interest, terms of office of appointees and meetings of the council and allows the council to recommend to the minister that he co-opt persons with relevant expertise in certain areas.

The substance of this bill is contained in part IV and relates to the establishment of a register of the NT national estate. The register is the legal vehicle for identification and control of places that form part of our heritage. The bill clearly defines the processes which must be followed in order to enter on or remove a place from the register. In fact, a place cannot be entered in the register unless a number of requirements are fulfilled. This section provides protection for the rights of the owners and the community and also provides for appeals and investigations. The minister has close involvement in every step of the registration process and has specific powers to remove or enter a place in the register. The minister may also delegate powers to the chairman of the council in the normal way.

I believe this bill provides all adequate and necessary measures to ensure that significant places can be entered or removed from the register without adversely affecting groups or persons within the Territory. Of course, the ultimate aim of this legislation is to provide protection to the national estate and these matters are outlined in part V of this bill. The legislation provides for agreements with owners of places in the register and such agreements are to be lodged with the Registrar-General. This section of the bill also outlines the obligations of ministers and authorities in dealing with places on the register. This provision allows the minister, where necessary, to order the modification or curtailment of laws that apply to places of significance. In other words, he may waive certain requirements or regulations in the interests of the national estate. The minister will have authority to act to preserve endangered properties or places and may order repairs or other necessary action to protect such buildings or places.

Clauses 39 to 47 define the means to gain permits to excavate in order to discover, expose or move a relic. Such excavations may not take place without

a permit from the council. Persons may appeal to the minister if they are dissatisfied with a council decision in respect of any application for such a permit. Part VII of this bill outlines the offences and penalties that will apply and gives the minister powers to prevent the destruction of or damage to registered places.

Clause 55 defines the liability of directors and employees of corporations and specifies the basis for defence in court actions. The minister may authorise a person to carry out inspections of places for the purposes of this legislation but certain procedures must be followed to ensure that the rights of property owners are adequately and reasonably protected. The Northern Territory heritage council will be required to make annual reports which will be tabled in this Assembly. The council may furnish any additional reports to the minister it believes are necessary and the minister may order additional reports from the council at any time.

There are special provisions relating to places located within Aboriginal land including the establishment of an Aboriginal advisory committee which will liaise closely with the council. The council may appoint committees to assist in its deliberations and activities and the minister, on the advice of the council, may engage consultants to offer further assistance or advice.

The bill also provides for the making of appropriate regulations in respect of matters necessary or convenient in carrying out or giving effect to the act. I urge all honourable members of the Assembly to support this bill. As I have said, the proposals are in no way radical or controversial. Heritage legislation is already in place in most of the states of Australia. Registration and protection of significant places are urgently required in the Territory to ensure that physical reminders of the unique nature and history of our origins is not lost forever. This legislation will ensure the protection of such places, not only for Territorians but also for the many tourists who are enthralled not only with the beauty but with the uniqueness of the Northern Territory. It is most important for the Territory and, indeed, Australia that heritage legislation is invoked in the Northern Territory as soon as possible. I believe that Territorians want to protect their national heritage and I urge all honourable members to support this bill.

Debate adjourned.

LEAVE OF ABSENCE

Mr SMITH (Opposition Leader): Mr Deputy Speaker, I move that leave of absence for the remainder of these sittings be granted to the member for Arnhem on account of pressing electorate business.

Motion agreed to.

MOTION

Northern Territory Public Service

Mr SMITH (Opposition Leader): Mr Speaker, I move that this Assembly is of the opinion that the government, as a matter of priority, should examine the public service for areas where significant savings can be made without affecting the quality of services delivered to the public or the working conditions or entitlements of public servants.

At lunch time today, I was fortunate to attend a lunch given by what I always think is an inappropriately named organisation, RAIPA, the Royal Australian Institute of Public Administration, at which the guest speaker was Mr David Hill. Of course, Mr David Hill does not have many very pleasant memories for Territorians. I can remember, although not with much pleasure I must admit, the grilling I received from Mr David Hill when, 2 or 3 years ago, I presented a case in favour of the railway before his inquiry. It is one of my less pleasant memories of my time as a member in the Assembly because there is no doubt that he has a very sharp and very capable mind, and that is why, at the age of 40 years, he is the General Manager of the Australian Broadcasting Corporation which, in many people's minds, is one of the most difficult and demanding jobs in the whole of Australia and, of course, he came to that job from another very difficult and demanding job as head of the New South Wales State Government Railways.

Mr Dale: He did well there.

Mr SMITH: He did. In his time, the debt of the New South Wales State Government Railways was considerably reduced, and I think the New South Wales railway system is within striking distance of at least breaking even as a result of the groundwork done by Mr David Hill.

The reason I mentioned Mr David Hill is that, a guest at the luncheon, a public servant whose name I will not reveal, asked him what I thought was a very pertinent question. That question concerned the proposed amalgamation of NTEC with the Water Authority. The question that he asked was: 'What do you do in a situation where you are bringing together 2 different groups of people, where there has been conflict between those groups of people and in a situation where there is reasonably widespread agreement that the job that those 2 groups of people have been doing can be done better?'

I thought that what David Hill said was extremely pertinent. He said: 'Your first task in that situation is to come up with some simple objectives for that new group that you are putting together'. He went on to give 2 examples. The simple objective that he and his colleagues decided on in the case of the New South Wales State Government Railways was that the trains should run on time. He said the whole management philosophy of New South Wales railway system started with that simple objective. He then said that the objective that they had decided on for the ABC was that its share of the listening and viewing audience should be increased. From that simple and basic objective, they were able to approach the multitude of problems that the ABC currently has of which, to varying degrees, we are all aware.

The reason why that is interesting and pertinent is that, in my view, that is one of the problems that we have within a number of Northern Territory government departments. We do not have simply stated objectives for those departments. I am indebted to the member for Nhulunbuy who first pointed out to me that, if one looks through the annual report for the Department of Health for the year 1985-86, one will not find outlined there any objectives of the Department of Health. One will not find whether its objective is to keep as many people out of hospital as possible or to supply condoms to the whole of the population of the Northern Territory. There is no indication of any objective that the department is trying to achieve. All that the annual report gives is a history of what the department has done over the last 12 months. That is useless to a government that is interested in ensuring that it is getting the maximum value for the money that it puts into a particular department. There are no objectives by which to measure whether what is occurring bears any relevance to what is required or whether what is being achieved is being achieved in the most economic way.

The same applies to the Department of Education. The department's annual report does not state any objectives that it has. It could have a whole range of objectives like effecting an increase in the number of kids staying at school for Year 12 or ensuring that everyone who passed Year 7 has basic literacy skills. It has no objectives. All we have in its annual report is a summary of what happened during the year, and I make the point again that it is pointless to have a summary of what happened during the year if you are interested, as a government, in ensuring that you are getting value for money in the particular departments and across all government processes.

This is not a new theme. Consistently, I have been advocating this theme, which goes under the broad title of efficiency accounting or program budgeting, for at least the last 2 years, ever since I have had responsibility on this side for Treasury matters. I am pleased that the member for Nhulunbuy has joined forces with me and intends to pursue this through the Public Accounts Committee. I understand that the Chairman of the Public Accounts Committee, the member for Karama, also has seen the light and now accepts the validity of concepts such as efficiency accounting and program budgeting.

The general point I want to make at the start of this debate is that the Northern Territory government would be astounded at the efficiencies it could effect in the public service if it started from a simple basis of asking each department to identify clearly, within the next 6 to 9 months, what its objectives are and then indicate how it will go about achieving those objectives. Provided that is done in the proper spirit and provided checks and balances are put in place to ensure the department does not deviate away from those objectives, and the means of achieving those objectives, it will concentrate the minds of those departments wonderfully and will eliminate some of the abuses that have crept into the public service system over the last 7 to 8 years.

I want to make it clear that I am not saying that the abuses that have crept into the public service system are a result of the political persuasions of the Country Liberal Party government in this exercise. I am saying that there are abuses and practices that have crept into the system that, basically, are there because relevant controls have not been put in place. The time to impose the controls is right at the beginning when you identify as precisely as you can what it is you want to achieve in the public service. What do you want the public service departments and your public servants to achieve for you? I think that is where the whole show is falling down. If the government went through that process, it would be surprised at the savings that it could make because, very quickly, it could root out practices that have been followed in the public service for years that are not contributing at all to the advancement of the Northern Territory and that are there simply because of tradition.

David Hill had a couple of really good stories to tell and one of them is indicative of the problem. There is a place called Darling Harbour where there was a big marshalling yard that he managed to close down. He sent one of his top operators there and he discovered this bloke sitting in a donga outside the west shed, which serviced all the trains running to the west of Sydney, reading comics all day. He said to the bloke: 'I want you to shift to the north shed'. The bloke shifted to the north shed. A few days later, the Hill's man went to the north shed and found that the bloke had shifted his donga and was still sitting inside it reading his comics. The point of that story is to demonstrate that there are practices in the public service that have grown up over a period of time and, if you are not very careful, they will remain there and it will take a conscious effort to root them out. It takes a change of mind of the people involved in such practices.

Another thing that David Hill said, and I think it is very true, is that public services have a built-in capacity to resist change. They are conservative organisations which develop their own archetypes. David Hill said that probably the most important task of modern managers must be to get the public service, its managers and, I guess, the people at its head, to accept and embrace change. They need to realise that we are working in a rapidly changing society and that, if we are to keep on top of that society and the changing demands placed on government, we have to embrace change enthusiastically and chuck out all those outmoded practices.

That is the general point I wanted to make. Unfortunately, in the Northern Territory, as yet we do not have a process that will enable us to continually review the operations of government in a meaningful way. It has happened in other places, Mr Speaker, and I would refer you to South Australia which has a very detailed policy of program budgeting in place. It is second best, I must say, but what we are restricted to in the Northern Territory is to look at particular conditions that have grown up, particular incentives that apply and particular arrangements that have been reached, where savings can be made. What this particular motion says is that it is possible to identify a number of areas for potential savings in the public service without affecting either the quality of the services that the public service provides to the public or the conditions of employment of people in the service.

Mr Speaker, I have a list of 17 of these areas and I want to start moving through them now. I accept the point that some of them may well have been picked up by the government already, and we may well hear about them tomorrow. I do not claim to have reinvented the wheel, but what I am saying is that, if all of these were examined thoroughly, there would be substantial savings and the pressure, if there is a pressure on the government to cut into the terms and conditions of employment of public servants, would be substantially reduced if not removed completely. Some are small and some are much larger.

First of all, it is essential, and I am sure the government agrees with this, to reduce the size of the government car fleet. I think there is probably widespread agreement within this Assembly that the number of cars made available to public servants has got out of control and it is time that we wound that back. It is our view that it would be possible to limit the car fleet to essential services. As part of their contract packages, departmental heads should have cars and, of course, there is a need for department pool vehicles. Other people who need to travel, but not on a regular basis, can use the existing public service travel allowance arrangements or can use cabcharge. The advantage of using cabcharge is it also gives a fillip to the local taxi industry which is a means of pouring money directly back into the community.

The second area in which considerable savings can be made is to reduce stock holdings for each department and authority. If they know their portfolios well, most ministers would be aware that surplus stocks are held in a number of significant areas. For example, I am advised that there is considerable stock lying in the old railway marshalling yards. Previously, it was held for use in the Stokes Hill Power Station. Basically, Stokes Hill Power Station is sold, but we still have that stock. I am similarly advised that, in the Katherine NTEC yards, there are many spare parts for turbine generators that have not been used for 5 years.

Because of our isolation, I suppose that we have a need for a 1 to 3-month emergency supply of stockholdings, but we do not need to hold in our stores a 12-month supply of Kleenex tissues or toilet paper or this or that. There is

a well-established concept, now used by major companies such as Ford, called 'Just in Time'. You have an arrangement with your suppliers that you order just enough to keep you going for a specific period. I am not sure of the exact period that Ford works on but it is certainly less than a week. In that way, the materials come in on a regular basis. The advantage is that you have money available that otherwise would be tied up in holding stocks on your shelves for 9 to 12 months. I am advised that considerable savings could be made by getting those stockholdings down to realistic levels of 1 to 3 months supply.

A third area is to carry out a total asset review in each department and authority. By that, I mean all assets. The most important of these assets that quite clearly needs a thorough review is computers. No one denies that computers are very useful tools. Equally, no one denies that there are numerous computers and terminals sitting in government departments, gathering dust, or that are being used at the most once or twice a day. In tight economic times, that has to be rationalised. Where it is found that there is no justification for the continued use of assets, we should sell them off. Another thing we should do, which is being done increasingly in private business, is to examine the possibility of selling off our assets and leasing back the ones we need. There would be a cash saving in that for us in this particularly difficult economic climate.

A fourth area is to standardise office furniture and equipment. I was quite astonished when I found out that there are no standards for furniture for different levels in the public service. I would have expected that, if you were an A9 and you were transferred to a different department, you would know the size of the office that you would be going into, you would know whether there would be carpet or linoleum on the floor, you would know whether you were entitled to an armchair or just an ordinary tent chair and you would know the type of desk to which you were entitled. But, none of those controls is in place. All those decisions are made by the individual departments and I would think that, particularly at the executive levels, there is an understandable tendency to spend more money than is absolutely required for appropriate furniture and an understandable tendency to try to go one better than the next department. I would think that, if somebody were set the task of looking at the quality of furniture and fittings provided to the public service, there would be an enormous variation and it would be found that some departments have set themselves up very luxuriously indeed.

When the government has plenty of money, I do not particularly object to that, but we are not in a situation where we have plenty of money. We are in a situation where we have to be accountable for our last dollar and, if we can turn a dollar from somewhere and use it more productively somewhere else, we should be doing that.

The fifth point is that the physical relocation of public service departments should be kept to a minimum. I understand that, if new departments are created, some physical relocation will be involved. But short-sighted thinking led, for example, to the Department of Youth, Sport and Recreation leaving Sports House in January, at a cost, I am told, of \$50 000, to go somewhere else and now, at a cost, I am told, of \$70 000, it is going back again.

Mr Hatton: I am still asking why.

Mr SMITH: Well, I wish you would find out. I hope you will tell the people of the Northern Territory the reason because the whole thing is a

nonsense. Again, it is an indication of an attitude within the public service that belongs 4 or 5 years ago when money was flowing more freely than it is at present. There is a responsibility on the public service to tighten up.

Another small thing that amazed me is that departments actually buy tea and coffee for the morning and afternoon tea and coffee breaks for many of their staff. That is something I would hope departments could see the sense of putting a stop to fairly quickly. The savings would not be major, although probably they would run into 5 figures each year. However, that expenditure is indicative of an attitude we can no longer tolerate in major departments.

Mr Hatton: Which departments? Maybe they all do.

Mr SMITH: Do you want me to name them here? I will tell you later. I would not want to pick on a particular department, but some of your major departments do that. Again, it is something that could be fixed easily and a savings could reasonably be made for the taxpayer in terms of not providing coffee, tea and sugar for public servants who hopefully are reasonably well paid. I know they are the lowest paid in Australia, but surely it is not too much to ask their social clubs to provide the coffee, tea and sugar. What particularly annoys me is that, when I was teaching at Darwin High School, I had to pay for mine. I have a personal interest in all that.

Mr Coulter: If you have black tea with no sugar, what would you have to do in that case?

Mr SMITH: You would have to pay for the tea unless you were prepared to use the recycled tea bags.

A seventh area where the government could save a significant sum of money is in the fees and charges it provides for its own services. Again, it is a problem of making sure they are inflation proofed. It is pretty easy to introduce fees and charges and then to forget that inflation takes hold and, after a time, the value of those fees and charges certainly does not go anywhere near covering the cost of providing those services.

The same applies to the agency arrangements that the Northern Territory government has with the Commonwealth for the Northern Territory government to provide services on behalf of the Commonwealth. I see no reason why we should be providing those at less than cost. I would be very surprised if there were not a number of areas where we were providing those services at less than cost and we should have a very close look at that as well.

Mr Hatton: Sometimes free.

Mr SMITH: If that is the case, we should get our money back.

Another matter that I thought the Chief Minister had fixed when he came to government is that of credit cards for public servants. I am advised that there are still a number of public servants who have credit cards. If that is news to members opposite, I will give them some more information.

Mr Hatton: It would be in breach of specific instructions.

Mr SMITH: I am not prepared to go to the wall on that but it is something that it might pay the Chief Minister to have another look at.

Another area is to review and assess all debts that are owed to the Northern Territory government. Every time there is a debt that takes some time to collect, we lose money and we lose the prospect of gaining interest on that money. We need to have a close look at the procedures in our money-generating departments to collect debts, to collect money on time and, if those procedures are not satisfactory, we need to ginger them up to ensure that we receive all the money that we are owed as quickly as possible.

A tenth area is that we should scrutinise rigorously all public service travel. It is clear to members of the public that one of the great opportunities for public servants to abuse the system is travel. I am always surprised when I travel by plane to see how many public servants are travelling by plane. I do not deny that public servants do have the need to travel. I do not deny that they have the need to travel within the Territory and, less often, the need to travel outside the Territory and, on occasions, overseas. I would think that that is an area that would repay some investigation. I can remember back to my early days in this Assembly when the former Chief Minister, Paul Everingham, placed some quite stringent provisions on interstate and overseas travel. I am not suggesting that we need to go right back to that.

Mr Hatton: It is still there.

Mr SMITH: If it is still there, I think you had better have a close look at whether it has been implemented.

Another thing that could save money is the rationalisation of where meetings take place. I know that it is desirable in the Territory to have meetings of advisory groups and others outside Darwin from time to time but, again, that has to be balanced against the cost in these tight economic times.

An area where a considerable amount of money is tied up is in departmental trust accounts. In fact, in the 9-month financial year statements to 31 March, something like \$77m showed up at the end of the period in trust accounts. It needs to be asked whether we are getting the maximum value out of the money in trust accounts and whether it is possible to organise them in a different way that would gain us a greater rate of interest or whether it is possible that that money could be used in other areas to the greater benefit to the Territory.

Mr Speaker, there are a couple of broader areas and this comes back basically to where I started. We need to look at our programs and determine whether we are getting value for money or whether there are programs which cost more to provide than we are getting from them. I cannot give you a Territory example because it may not exist. I have a vague memory of a Commonwealth example where it cost something like \$20 000 to deliver the program and the people were getting about \$10 000 worth of value out of it.

Mr Hatton: Fringe benefits tax.

Mr SMITH: It is interesting to talk about the fringe benefits tax for a moment because it would appear to me, on my reading of John Howard's proposal, that he is proposing that air fares for public servants and others in the Northern Territory would still be taxable but that that tax must be paid by the employee. I am sure that the employees will not be all that fussed about that.

Mr Hatton: No fringe benefits tax.

Mr SMITH: I think you had better read what John Howard said. That is separate debate which we might have on the next motion.

Another area is management services although I accept that the government has gone some way towards providing, in a more efficient manner and on a service-wide basis, accounting, personnel, recruiting, asset control etc. I think it is possible to look at centralisation of those functions even further and, by doing so, there would be the opportunity for considerable savings.

Whenever times get tough, governments everywhere always talk about cutting down on the use of consultants, and so they should because I think they are a luxury. We should be looking at placing as many people inside the public service as possible because that is a more efficient use of that type of resource. I would ask that the government have a look at its consultancy arrangements to ensure that there are not people living off the Northern Territory dollar who could well be done without.

The last area is the vexed one of protocol and public relations. I realise it is a vexed area. There is a need to balance the needs for protocol and the advertising of the Northern Territory and its glories. In my view, that is an area that needs to be very closely examined at this time.

Mr Speaker, to conclude, we have approached this debate in a positive and constructive manner and I appreciate the way in which members opposite have listened because what we have done is identify a number of areas where it may be possible for the government to make substantial savings. As I said at the beginning, I am not claiming that the government and its advisers have not thought of some of these areas and have not taken action in respect of some of them. But, it is true to say that, if a comprehensive look was taken at all of the areas that I have outlined, there would be significant savings and that would obviate whatever need the government may feel at present ...

Mr Harris: What about the public servants themselves? Are the numbers excess to requirements?

Mr SMITH: Arising out of this exercise, it may be found that there may be a possibility of saving some numbers in the public service. That may well be one of the by-products of this exercise. What I am asking is for a rational approach to the practices that are occurring in the public service at present. If that is done thoroughly, it may well be found that there is no need to look at diminishing the terms and conditions of public servants because, in my view, that is a last resort. In my view, no one should go about consciously trying to reduce the conditions of service of his employees. It is a last resort after everything else has been done to trim the fat in an organisation and to get rid of any abuses in the system. I am sure that that is a message that the government could put to its employees. If it does it the other way and hammers its employees without removing abuses in the system, it will have a very discontented work force that is not prepared to put its best foot forward for its employer.

Mr HATTON (Chief Minister): Mr Speaker, it is with pleasure that I rise in this debate. I would like to say that it is a pleasure this afternoon for all members on this side of the Assembly to see a changed approach in members opposite. This is the third debate in a row this afternoon where I can say quite honestly there has been a positive approach from the opposition in addressing the issues.

Mr Smith: You are not trying to say it is a result of your motion this morning?

Mr HATTON: Mr Speaker, shall we say that it is surprisingly coincidental. Nothing more.

Mr Smith: Our motions were there yesterday.

Mr HATTON: Mr Speaker, I appreciate the contribution of the Leader of the Opposition on a range of issues. I appreciate the additional information that he has offered to provide for me in respect of matters such as credit cards in particular and tea money for public servants. Maybe there are a few thousand dollars that we can pick up there.

In respect of the matter of physical relocation, can I say to the Leader of the Opposition that I was equally distressed when I was advised of the intended re-relocation of the Youth Sport and Recreation Section of the Department of Health and Community Services back to Sports House. There is a 'please explain' through the minister back to the department in respect of that. I find it ludicrous that, after an approved move in January this year, for some bewildering reason, it could be equally important that it move back to where it came from. In respect of the relocation of office accommodation, the merry-go-round of offices has to come to a conclusion. Inevitably, there is quite an upheaval taking place at the moment and I appreciate the very severe difficulties that the public servants are going through as a consequence of the very dramatic restructuring that has been put in place. I ask honourable members to remember that the rationalisations that we brought into effect last year, the reductions in staffing numbers and the stringencies that we have been imposing on the public service over the last 12 months, have resulted in a cut in expenditure over the course of 12 months of some \$23m below budget. That is a significant saving. I thank all those within the service who have undergone the strictures of the constraints that have been imposed and have enabled us to achieve this target and to again achieve a balanced budget this year.

The Leader of the Opposition mentioned the car fleet. He may be interested to know that, in the last 12 months, we have reduced the size of the car fleet by 100.

Mr Smith: To what?

Mr HATTON: I think it is down by 100 to about 2000 vehicles. I agree that there are significant savings still to be made in that area.

The cut of approximately \$100m is 10.7% of our funding from the Commonwealth. Prior to the announcement of this cut, we had done some preliminary work and identified \$30m of savings on 19 May, as has been well reported. Most of the issues raised by the Leader of the Opposition were addressed in that \$30m savings exercise, plus a few others. Nonetheless, there are other areas with potential for further saving and we will be continuing to take those up.

With regard to the inflation-proofing of fees and charges, it is not our policy to index them automatically. The creeping inflation that we have seen coming through from the Commonwealth government's approach is enough to frighten any of us off and we are prepared to stand up and be counted and declare the additional charges as they need to be declared. They are now being reviewed on a more regular basis but they will not move automatically

with the CPI or some other mechanism. In this case, the Leader of the Opposition was suggesting that we would not do that. Our preferred position is to make conscious decisions on those matters rather than to have automatic adjustments.

The Leader of the Opposition raised the matter of agency arrangements and it is true that we are experiencing increasing difficulties in that area. In many respects, there have been quite sensible arrangements for cooperation between Commonwealth, state and Territory government functions. In police services, for example, many functions are carried out by the Northern Territory Police Force on behalf of the Commonwealth. The delivery of writs and subpoenas under the Family Law Act is a typical example, as is the policing of demonstrations at Pine Gap. A multitude of day-to-day processes are carried out by the Territory police on behalf of the Commonwealth and that has been a sensible practice in terms of the use of public resources over the years. We in turn gained assistance from the Commonwealth in relation to matters such as drug enforcement, the combating of organised crime and so on.

It is disturbing to find the Commonwealth continually pressing ahead with what it calls the user-pays principle. That means the states pay full cost recovery to the Commonwealth which still expects the states to keep providing it with services and facilities at no charge. I have already given the Commonwealth fair warning that, if it continues in this direction, the user-pays principle will have to be applied stringently to services from our end. I can assure honourable members that the Commonwealth will be the big loser in that exercise, certainly in respect of police services for which I am responsible. I cannot really imagine the Federal Police organising significant numbers of police to protect Pine Gap when the screaming crew-cut females come running through with barbed wire in their hair and a jail has to be found to accommodate them. Things like that are expensive. We do not shirk the responsibility, but we do object to the Commonwealth's penny-pinching attitude in charging for its services whilst not recognising the cost of services we provide to it.

In respect of public service travel, I can again advise that there are quite strong controls, particularly on interstate and overseas travel. Interstate travel for public servants requires either ministerial approval or ratification by oversight from ministers on a monthly basis. All overseas travel is subject to the approval of the Chief Minister. That provides a fairly stringent control. The great majority of travel is intra-Territory and members of this Assembly, members opposite in particular, would be most distressed if we concentrated all our activity in Darwin and did not have our public servants and ministers moving into various locations around the Northern Territory to come into contact with many scattered communities, small and large, to ensure that there is an understanding of their needs in decision-making processes. We hear far too often of the so-called Berrimah line and the suggestion that there is no consideration of the needs of communities such as Katherine, Tennant Creek, Alice Springs, Nhulunbuy, Groote Eylandt and the many Aboriginal communities and small non-Aboriginal communities throughout the Territory. There is no doubt that travelling to those locations gives one a much better perspective on the problems faced by those communities. That assists us in the decision-making processes and it is important if we are to maintain a balanced service to the community throughout the Northern Territory.

The Leader of the Opposition raised the matter of trust accounts. Whilst there are a number of departmental trust accounts, all such funds are being managed by Treasury to gain maximum income. This is a sensible and efficient

use of those funds to generate maximum income and the Leader of the Opposition should feel comforted by that very successful and efficient approach.

The issue of consultancies has also been addressed. It is easy to say that it is a more efficient use of resources to use a permanent public servant than a consultant. In some cases, that is true but, in other cases, it is not. I refer particularly to one-off jobs or jobs where there is a requirement for very specific professional skills. In either of those cases, it is not economic to have somebody permanently on staff to carry out work which is considerably less than a full-time occupation, particularly in a small service like the Northern Territory Public Service which has just under 15 000 employees. In a service of that size, it is often considerably more cost effective to use consultants. That gives the flexibility to move from task to task according to the priorities that are set from year to year. If the job is not being done, it is quite easy to change consultants. It is much easier than it is to change public servants. Another point is that the price one pays for the consultant is the all-up cost. All overheads and costs are included in the consultancy fee and we are not faced with the multitude of hidden charges that inevitably exist in employing public service labour. Such charges include office space, furnishings, electricity, rentals and costs of workers' compensation, sickness and accident benefits, annual leave and so on. These add considerably to the salary bill.

We are addressing the areas of protocol and public relations, particularly departmental public relations, referred to by the Leader of the Opposition. Without going into any more detail on the points raised by the Leader of the Opposition, I can say that they do no more than scratch the surface of the problem posed by the savage cut of \$104m or thereabouts. The cuts to our funding are larger than those of any of the states, relatively speaking.

All those matters and many more are being addressed by the departments in pruning and cutting to find \$30m of cuts in recurrent expenditure after the cuts of last year, the year before that and the year before that. Every public servant knows how tightly the issue is being squeezed. We had already identified or pressed for \$30m in cuts before we had the additional imposts from Canberra at the Premiers Conference.

We need to look beyond those things and, quite frankly, it is an impossibility not to address also the matter of public service conditions. I might say that it gives me great pleasure to commend the work of the Minister for Labour and Administrative Services. Labour relations and dealing with the trade union movement is a new area for him, particularly on such a sensitive and emotional issue as this. I commend him for the excellent work that he is doing with the trade union movement in addressing a very vexed problem. I commend equally the approach adopted by the trade union leaders at this stage in recognising the reality of the problems facing the Northern Territory and, on current indications, recognising that it is unavoidable that issues of public service conditions need to be addressed.

To ensure that this is addressed fully and that this motion has more significance to the current circumstances facing the Northern Territory, I move an amendment to omit all the words after 'this Assembly' and insert in their instead: '(1) is of the opinion that the government should continue to investigate and identify areas of savings within the Northern Territory Public Service with a view to improving the efficiency of delivery of services in a cost-effective manner; and (2) recognises that, in the present economic climate, a comprehensive review of the terms and conditions of employment of public servants is a responsible course of action'.

I move that amendment in recognition of the totality of the problems that we must address if we are to tackle responsibly and seriously the cost imposts that have been imposed as a consequence of the Premiers Conference. I commend the amendment to the Assembly.

Mr LEO (Nhulunbuy): Mr Speaker, the opposition has no difficulty with the first part of the proposed amendment but we believe the second part should be left to the normal processes of industrial negotiation. I will read the second part of the amendment so that all members understand what it says and that there is a conciliation and arbitration process that needs to be gone through in this country and in the Northern Territory: '... (2) recognises that, in the present economic climate, a comprehensive review of the terms and conditions of employment of public servants is a responsible course of action'.

Mr Speaker, the words say one thing but the meaning is another. I do not doubt for a second that all ministers are investigating what can be done and what savings can be made by way of a change in employment conditions within the public service. I do not doubt that that is indeed being investigated by the Public Service Commissioner. However, to put it in a motion in this Assembly would be a retrograde step. That is a matter for the industrial processes which are available to both the employer and the employee within this country. In this case, the employer is the Northern Territory government and the employees are represented by their various industrial organisations. I do not doubt for a second that changes to those practices will be sought. I think that it would be wrong to pass a motion in the Assembly pursuing those matters.

Depending on the nature of the changes in those employment practices or conditions, you will have little or no disagreement with me in this Assembly or anywhere. Given that the changes are reasonably achieved, given that they will be achieved via negotiation and that they will be endorsed by the Conciliation and Arbitration Commission, you will find absolutely no disagreement with me in this Assembly or anywhere else. However, to indicate in a motion before this Assembly that those changes should be achieved would be a retrograde step. It will be most regrettable if this motion is put with this amendment because, if that is the case, the opposition will be obliged to vote against it on the basis that there are arenas where this matter must be pursued, but that this is not such an arena.

Having said that, we all seem to be inspired by the need for a degree of financial responsibility to the electorate and to the taxpayers of Australia who provide the total of our funds. I am a member of the Public Accounts Committee and I was heartened by the comments of the Chief Minister about the reference that he intends to put to the committee. The Public Accounts Committee has drafted a press release seeking input from the public on those matters. I assume from the statements of members of the Public Accounts Committee that I have spoken to that they will endorse that press advertisement. I expect that, in due course, the PAC will receive various and numerous stories of lament and complaint from the general public about the expenditure of public moneys within the Northern Territory.

In the meantime, we have a pressing budget problem. The Public Accounts Committee will fulfil its role and will achieve what it is designed to achieve. However, between now and then, there will be administrative and ministerial oversight of the depleted budget of the Northern Territory. It is heartening to see that the Chief Minister has signalled the government's intention to oversight that reduction in funding not in a mood inspired by

panic but in a mood inspired by a logical process of trying to effect efficiency within the public service.

Recently, I attended a conference of Public Accounts Committees in Sydney and the processes which parliaments have within their grasp in other parts of Australia is something this parliament should aspire to. The Leader of the Opposition pointed out one of the fundamentals. The report from the Northern Territory Department of Education 1986 gives reams of information but it does not indicate what it is employed to do. It does not indicate why it is there. I assume that the Department of Education is there to educate children. The report will tell you how many enrolments there have been and how many children have attended school. It will not tell you the success rate of the education process. The report does not say how many children have moved from Year 3 to Year 4 or how many children in the matriculation year have in fact matriculated.

The report does not tell you how successful the department has been in achieving its goal, not that its goal is even stated in the first place. Reading this report, you would not know why the Department of Education existed. You do not know what it is about or what it is doing. That creates grave problems. If the Northern Territory Department of Education cannot say to this Assembly and the populace of the Northern Territory in its annual report what its role is, how can any member of that department know what the objectives are? How can a principal or a teacher know exactly what his objectives are? It is not written here.

I do not know what the objectives are. They may be to achieve a certain standard of education under guidelines determined by a curriculum development committee report. I do not know, but it would be interesting if the Minister for Education visited a school and asked a teacher what he was employed for and why he was there and then returned at the end of the year to ask that teacher whether or not he had succeeded. From a reading of this report, you get no idea of the department's objectives. As the honourable Leader of the Opposition pointed out, you can read the Department of Health's annual report.

Mr Dale: Every minister reads it.

Mr LEO: I do not care if every minister reads it or not. I read it. I doubt if anyone reading this report would know what the Department of Health's objectives are and I doubt that members of the department would know them either. How can any department or any public or private organisation hope to pursue goals that are not even described?

I think that, as a matter of priority, ministers should sit down with their departmental secretaries and insist that a set of objectives be stated. That may have been done already. I am not saying that it has not been done, but the objectives should be enunciated in words that a layman like myself can understand and those objectives should appear in reports. The ministers should sit down with those departmental secretaries and enunciate performance criteria which can be used as a yardstick for success or failure. Once those 2 things are done, there will be some hope of assessing in a rational and objective way the performance of public departments and authorities. The third fundamental step is to achieve maximum efficiency in respect of fulfilling all of the objectives.

When those fundamental things are done, I hope to be able to pick up some annual reports of departments which give a clear indication of efficiency and effectiveness in terms of stated objectives. Without that, these reports are

absolute gobbledegook. They mean absolutely nothing to me, to members of the department or to the ministers. They are hopelessly inadequate in terms of reporting what is happening to the children in our schools or the ill in our hospitals.

This relates to the original motion moved by the Leader of the Opposition and the first part of the amendment moved by the Chief Minister. It is necessary that government ministers continue to review the activities of their departments and it needs to be an ongoing process. The Public Accounts Committee certainly will be acting on the reference that has been given to it by the Chief Minister. It will be acting as a watchdog, but it is also necessary for each minister to act as the watchdog of his own departments. I appreciate that ministers will be thrown furphies by their departmental secretaries. I appreciate that they will be snowballed by industrial matters which will inevitably make the solution of a particular problem that much more difficult. I appreciate those things. However, if ministers do not conduct this basic housekeeping exercise on a regular basis, they will not achieve their policy goals. Policy is government business and I am not seeking to influence it, but it is up to ministers to ensure that departments achieve their policies. It is also up to ministers to ensure, in the public interest, that that is achieved as efficiently as possible.

As an example, I would ask each minister to go to his department and find out how many ministerial liaison officers are employed there. How many ministerial liaison officers, for instance, are employed in the Department of Health and Community Services? I would make a rough guess, and the minister can correct me now if I am wrong, that there would be a dozen or more. How that can be justified is beyond me. It escapes me.

Mr Dale: If you get into government, you might understand, Danny. You will have to remain ignorant for a long time yet.

Mr LEO: I am prepared to learn.

I would ask the same minister how many persons in his department are employed in the business of legislative research? How many people sit, stand or wander around researching legislation? I would hazard a guess, and I am prepared to be told that I am wrong, that it would probably also be about a dozen. The logic of that escapes me. I hope that the minister can justify those positions. I am afraid that, as a humble backbencher, I cannot see how they can be justified. The minister should not get me wrong. This is not an attack on him. I am just suggesting that a bit of basic annual housekeeping is needed so that the ministers, this Assembly and the people of the Northern Territory can know what is happening to their finances.

Mr McCARTHY (Victoria River): Mr Speaker, the opposition's motion leaves me wondering exactly what the members opposite have been doing since 19 March this year. The member for Nhulunbuy would have us believe that he has sat down in his office and read every annual report of every department. He said that he has read the annual report of the Department of Health and I am assuming that is true. He says that he has read the annual report of the Department of Education and I assume that that is true. However, I wonder if he has sat in his Nhulunbuy office and read every annual report that has been presented to this parliament. Perhaps he could enlighten me. Has he read the Auditor-General's report?

Mr Leo: Yes.

Mr McCARTHY: That really is very interesting because each year the Auditor-General's report publishes full and detailed functions of every department. Why would these need to be published in the annual reports of individual departments when they appear very clearly in the Auditor-General's report? Obviously, the member opposite is blind or has told us an untruth and he did not in fact read the Auditor-General's report.

Mr Ede: Are they objectives? Read one out.

Mr McCARTHY: I would be quite happy to read one out. It is the Department of Health's functions. 'The department is responsible for the promotion and protection of the health and well-being of the Northern Territory community through the provision of hospital services, the accommodation and treatment of in-patients and provision of casualty and outpatient services at 5 hospitals in the major population centres'. It then refers to health services in urban and rural areas and so on.

Mr Leo: And what are its objectives? That really is dismal.

Mr McCARTHY: Members opposite are probably still a little stunned from the overwhelming rejection that they received in the election before major changes were made to departments.

On 19 March, the Chief Minister implemented a range of procedures that would accomplish much of what the Leader of the Opposition has proposed. The aim of the changes to the public service was not only to streamline the delivery of services and do away with duplication but to make the operation of our public service more economic. I will briefly outline some of those reforms for the benefit of members opposite. If anyone would like to take the time for a bit of reading, the changes are contained in the NT Government Gazette No S22 of 19 March.

The Leader of the Opposition referred to a number of areas for change and, in fact, the government is addressing each and every one of those as part of a major restructuring in departments brought about by the abolition of 8 departments and the establishment of 3 new ones. We are all aware of the changes that have been made. As a consequence of this major restructuring, changes in places of work have caused some concern within the public service. Changes are being made very effectively. For the first time in the history of the Northern Territory Public Service, all labour-related functions have been brought together under 1 umbrella. Obviously, this will result in the smoother functioning of industrial relations and administrative matters relating to the public service.

This brings me to the problem we now have of allocating funds following the savage cuts we have received from the federal government. A working party is presently addressing the very special conditions which are enjoyed by public service employees. These conditions are much more generous than those enjoyed in most areas of the private sector but the Leader of the Opposition wants us to enshrine them forever despite the fact that they are costing the government of the Northern Territory big dollars every year. He would like to do away with the provision of tea and coffee in departments but he would like us to keep in place a district allowance that costs us \$18m per year over and above what it would cost if we paid the private sector district allowance to public servants. The Leader of the Opposition suggests expenditure for tea and coffee be eliminated but not the district allowance that costs \$18m over and above that paid by the private sector.

Reduction in things such as the car fleet can and are happening. They have been addressed by the Chief Minister. Stockholdings have been addressed and, if my memory serves me correctly, a number of members of the opposition screamed very hard when stockholdings in the Department of Education were rationalised recently. Nevertheless, they would like to see that flow on through other departments. In fact, I believe that should be done and is being done and we expect to see great returns from a rationalisation of stockholdings.

Obviously, assets need to be reviewed from time to time and, in fact, departments do tend to gather little perks and pieces of equipment that are beyond what is really required. It is very sensible to review assets from time to time and to standardise office furniture and equipment. This is being done and the furniture purchased for departments will be watched very carefully. The outfitting of buildings that is occurring with the current changes are being monitored very carefully to see that we do not have a blowout of standards during this present relocation. We are keeping relocations to a minimum and, where possible, where large departments have been developed out of a series of smaller departments, we are trying to accommodate the people in units as close as possible to one another. Of course, that will save big dollars as time goes on.

The enshrining of working conditions that the Leader of the Opposition advocated in his proposal will not do anything towards saving the sort of money we want this year. If we are to talk about the types of things that unions would want to be able to trade off - for instance, the second tier increases that could come about this year and next - they are very airy-fairy and we have to look at those very carefully and balance them against some real dollar savings from such things as the district allowance.

The agency arrangements proposal is very interesting because I can see some real savings there. If we have, as we will, a Liberal National Party government after the election on 11 July, we will not have a Department of Housing and Construction and the Department of Transport and Works will be able to undertake its work and, in so doing, bring more dollars to the Northern Territory. Again, with the elimination of the Australian National Parks and Wildlife Service, the Conservation Commission will be able to take on those duties.

Although the opposition may not realise it, the new public service arrangements are relevant to this motion. They are relevant because they indicate that this government accepts that it has a responsibility to continually assess what is required for the most efficient and cost-effective method of running the public service. We do not have to worry about putting motions before the Assembly calling for examination of areas where cost-saving cuts might be effected. Each and every one of the areas addressed by the Leader of the Opposition is in place. We are getting on with the job. Despite this motion, its mover, the Leader of the Opposition, has given every indication that he believes the public service should be totally exempt from shouldering the burden or part of the burden which the Territory has been forced to carry as part of the effort to get Australia back on the rails. The Leader of the Opposition does not seem to care that, because of its lack of electoral clout, the Northern Territory has been forced to shoulder a disproportionately heavy share of the national burden.

As minister responsible for the public service, I have been meeting almost daily with the Trades and Labour Council about exactly how the Northern Territory Public Service will carry its share of the load. I am pleased to

report that the Trades and Labour Council has adopted a very responsible approach in its appraisal of the need to wind back on the undoubtedly generous terms of employment offered by the Territory government to its public servants. At these meetings, the Trades and Labour Council representatives have given every indication to me that they realise that the time has come to take a realistic look at the need to do away with some of the conditions that public servants have enjoyed for so long. That is why I have no problem at all with the second point of the Chief Minister's amendment to this motion.

The unions have adopted a very reasonable attitude but, once again, the opposition has decided to bury its head in the sand and pretend that the experience the Territory had to go through at the Premiers Conference simply never took place. The opposition seems unwilling to accept that its mates in Canberra could possibly have landed us in the predicament in which we now find ourselves. The reality of the situation has been well publicised. In the Northern Territory, we have suffered more than \$100m in cuts at the hands of the Hawke government. With those sorts of cuts, there is no way that the burden can be met by taking away works, adding charges or whatever else you might like to think of. There has to be a downturn in the conditions of employees.

I think it is time that Australia woke up to the fact that that is the case generally. We all have to take a downturn in our conditions. It is futile to say that, because conditions are there and have been enshrined in awards, they will continue forever. That is ludicrous. The conditions in countries change. The value of currency changes and a whole range of things can happen that make it impossible to maintain the levels of conditions that have existed in the past. I believe that we have reached that stage in Australia generally, not just in the Northern Territory, but right throughout Australia. The Northern Territory has the chance to lead the way in winding back a little. I am not saying that we must wind the public service back to a level below the private sector, but I believe that we have to get back to some sort of relationship with the private sector if this government is to be able to work and get things moving.

I am not accusing public servants of not working because, in my view, the public service is a mighty organisation and one that carries out its duties with a great deal of ability and alacrity. I certainly do not have any problems from that point of view. The government has a responsibility to get on with the job of making immediate savings in relation to public service conditions. We could do that by agreement or eventually, I suppose, we could do it through confrontation, but it is this government's view that it should be done by agreement between this government and the unions.

Mr Hatton: If at all possible.

Mr McCARTHY: Certainly, if it is at all possible. It is possible because of the current attitude of the relevant unions. The meetings that I have had with the Trades and Labour Council over the last week or so have been for the purpose of finding some common ground. I believe we have found some common ground - not a lot at this stage, but we have found common ground. In fact, agreement is there to continue the discussions and we will continue and, hopefully, we will make good headway.

Some of the areas canvassed in the media of late have been on the agenda, as has the 4% second-tier wage increase. We are all aware that that second-tier proposal is in place and that that is a matter for trade-offs in relation to poor productivity or work practices that have encroached into the

workplace. I believe that we can reach some agreement in that area. If the 4% claim were met in its entirety for a full year, it would cost \$18m. How could we justify, how could the unions justify, an added \$18m burden on the public purse at a time when we need to pull back? I do not believe it can be justified or that it should be met at any stage. The first tier increase alone has cost the Territory government \$7.3m.

We have to address union demands for employer-funded superannuation. That represents another \$13.5m if we are forced into accepting that. Some employers in Australia have accepted it without a fight but, if we had to pick up that burden, it would probably be the straw that broke the camel's back.

In October this year, the national wage hearing will consider a further 1.5% increase to the first tier and that represents another \$6.75m the Territory government would have to find if that were to be approved. These, and the already massive burden inflicted upon us by the Hawke government, are the things that we have to come to grips with, but they are things which it seems the opposition is incapable of grasping. Given the enormity of the task facing the government in this area, it is natural that the possibility of cuts to the public service occupy a prominent place in the government's thinking. We are not about to sit by and assume that our new administrative arrangements will produce the answer because, despite the sweeping nature of those changes, they are not enough. Nor is it enough to suggest that it is time to assess the public service for possible cuts. As I have said already, that time is long gone. There is no doubt that there has to be a downturn in conditions. It is past the time when we can sit around and talk about it and put it off for another year. It must happen this year: we cannot get away with letting it flow on.

I believe that, given time, the opposition will come to realise the efficiencies produced by the new arrangements put in place by the Chief Minister in mid-March. It is worth making the point that such efficiencies are ongoing. That is a very important point because it is easy to make cuts that will last a year. What we are looking for is a means of continuing the improvements to the public purse.

It is the job of the Public Service Commissioner to maintain an efficient public service and our Public Service Commissioner is doing an excellent job of that. Each executive officer has a similar responsibility in his department. I cannot endorse the proposal of the opposition but I endorse the Chief Minister's amendment.

Mr COLLINS (Sadadeen): Mr Speaker, I dearly wish that every member of this Assembly could see a video that I have run through several times from Dr Madsen Pirie of the Adam Smith Institute in Britain who was addressing a crowd of people in Sydney. It talks about the public service, its motivation and all the various methods which have been tried to make the public service more efficient. One common method is, say, a 5% cut across the board. He pointed out that, almost invariably when there are cuts across the board, the recommendations to government are to reduce the services which government provides. The public servants are not ones who will miss out.

Another method is to employ a private sector whiz-kid to go through the public service with a toothcomb. Generally, after 6 months of review, he makes his recommendations for saving on drawing pins and paper clips by using them twice. Generally, that seems to be about the sum total of it. After he has gone, the public servants breathe a big sigh of relief and return to the old way of doing things.

I have a great regard for many public servants with whom I have dealings with day to day in my home town and also here. I believe that they are out to do their very best job. However, as the public service becomes bigger, there will be in-built practices. Interestingly enough, members mentioned work practices that are questionable but not too many were game to say exactly what those work practices were. We had an example from the Leader of the Opposition about the railways in New South Wales. It did not quite gel. He will have to clarify it for me at some time. I could not make any sense of what the saving was supposed to be.

The whole point of the lecture on the video comes back to the word 'privatisation'. I have talked to quite a few public servants and, if we had a confidential survey, I wonder how many public servants really feel that they are obtaining job satisfaction in the job that they are doing. I have a feeling that many people would like the courage or the opportunity to get out in the private sector and become their own bosses and creators of wealth. However, because of this and that advantage and public service perks, it is easier for them to remain where they are even though they are not very satisfied.

The motivation to the public service is pointed out by Pirie. If you are the head of the department, you want to gather more functions to yourself. More functions will mean more employees. In more buoyant times, more employees may mean that you can have a bigger and plusher office. I dare say each public servant is trying to work his way up in the system to a position where he is pretty comfortable.

It was pointed out to me the other day - and it is something I had not really considered before - that not only are public servants motivated to gather power and prestige to themselves but even ministers fall into the same category. I recall one minister here saying this week that he had about one third of the public service under his wing and he seemed fairly proud about that. I dare say it is a power game and a prestige game. The more departments, the more people, the greater your chance to throw your hat into the ring for the big job. That is the sort of motivation in the public service and, as was pointed out to me about 2 months ago, even ministers, if they are not careful and conscious of it, may be aiming at gathering bigger and more departments under their wings.

The motivation of the private sector is somewhat different. That motivation is basically a matter of making profit because it is the only way that you can survive. If you do not make a profit, you go down the drain. In the private sector, you cannot dip into the pocket of the taxpayer to make up the difference between profit and loss. You have to make a profit and that becomes your motivation. To make a profit, one actually has to serve the public. The public sector very often provides goods and services on a basis of like it or lump it. The private sector, particularly if it has plenty of competition, has to woo people to buy its goods and services. It has to make a greater effort. It really has to provide what the people want, not what it is prepared to provide.

We are all consumers in one way or another and we are not getting as good a deal out of the public service simply because of the way it is motivated. There is a very good case to be made for looking at the public servants who are not obtaining job satisfaction and finding ways, not of driving them out but of enticing them into the private sector where they will find far greater satisfaction in providing goods and services to the community. The community will be considerably better off and happier because it will have choice, and choice is vitally important.

The role of government is to prevent monopolies so that there is choice for people. We heard this afternoon from the member for Nhulunbuy about education reports. With public schools, it is often difficult to find out exactly what is being taught, how well it is being taught and how well your kid is doing. I have often complained in this Assembly that school councils have been given powers in almost every area but, when it comes to their having a say in relation to what is being taught and how well, that is absolutely taboo. I am sure that more people would be interested in getting on to councils if they had a greater chance to determine or to satisfy themselves about what the score is regarding the particular school.

Mr Smith: There can be some horrible results. Look at American schools.

Mr COLLINS: There are also some very good American schools.

I dare say that it is up to the community to motivate itself. In my book, there is a case that some of our public schools could well be put into the private sector to give people a greater choice. If there were competition, the schools would have to provide details of courses and liaise closely with the parents, particularly if a system were introduced whereby each child was provided with a voucher. The parents could then look at the various schools and make a choice of the cost of education they wanted for their kids. I dare say that, as kids became older, they themselves could have a choice.

Many government departments all around the world are providing goods and services at great expense to the taxpayers. The departments decide what the consumer will get rather than the consumer having a choice. If these functions were privatised, we could solve our problems. Government expenses could be reduced if we got on to a privatisation mode. It is becoming more and more popular. You do not have to privatise everything overnight; in fact, that is impossible. Little by little, there are ways and means in which you can get people willingly out of the public sector into the private sector. The country would be considerably better off. People would find that they would have to buy their services but they would find that they would have more money in their pockets to buy the services which they considered to be essential and which they desired to have.

Mr SMITH (Opposition Leader): Mr Speaker, I am not sure there is all that much to reply to in the member for Sadadeen's comments. I would remind him not only of the experience of some American schools where local control is in vogue but also the experience of some of the schools in inner London where there have been some quite horrific stories lately of nursery rhymes like 'Baa Baa Black Sheep' being banned and 'Little Red Riding Hood'.

Mr Collins: They are controlled by the Greater London Council which is as leftwing as you can get.

Mr SMITH: They are controlled by local groups. I think that there are some dangers in having local control over education.

The comments of the Minister for Labour and Administrative Services indicate that he has a great deal to learn about his portfolio. I guess that is not surprising, given that he has only been there a few weeks. He actually demonstrated the point that both the member for Nhulunbuy and I made about the need for public service departments to identify their objectives clearly. He said with some glee that the Auditor-General's report listed the functions of each department and, after an invitation from us, he read out the functions of the Department of Health. I do not deny that what he read out was a list of

functions, the activities undertaken by the Department of Health. Objectives, of course, go beyond that. They set targets for the department. Rather than saying that the Department of Health has hospitals, community centres and so on, objectives would tell us what the hospitals aim at achieving in terms of improving bed ratios, putting people through the hospital system more quickly, or keeping people out of hospital as much as possible. That is what needs to be done and it is not happening at the moment. Identification of objectives is the next step and it will produce considerable savings.

The Minister for Labour and Administrative Services also implied that the fact that we do not intend to support the Chief Minister's amendment means that we do not wish to look at the terms and conditions of public servants. Our starting point is that there should be a thorough review of the public service with clear objectives set for each department's activities. We could then proceed to analyse closely the 17 or 18 areas we identified as offering potential savings and it might be possible, despite the current federal government cutbacks, not to have to review public service terms and conditions. It is on that basis that we cannot support the amendment.

Following the release of John Howard's tax policy today, I must admit that, in the unlikely event of his becoming Prime Minister, we may need to re-examine public service conditions. This is because he has promised a 6% cut in state and Territory funding in the next 3 years. He is going to reconvene the Premiers Conference and take another \$250m from the states and the Territory. That is another \$250m on top of the \$1000m that has been taken from us already. My rough figures tell me that will mean we lose another \$20m to \$30m. The only consolation that the people of the Northern Territory have is that it will not happen, and I think that we should all be very thankful for that.

In addition, the news on the fringe benefits tax means that Mr Peter Paroulakis will not be elected. The Northern Territory has ended up with the worst of all possible deals under the Howard proposals. Air fares for public servants and others will still be taxed but, under the Howard proposal, employees will have to pay for them. I think that public servants of the Northern Territory and others who get air fares ...

Mr Palmer: I think you have got it wrong.

Mr SMITH: Have a close read of it. You are the one who has it wrong. If I can find the relevant section, I will read it out because it is a matter of great concern. Mr Howard's policy says: 'Labor's fringe benefits tax will be abolished. However, where a non-cash benefit is clearly and deliberately provided as a substitute for a cash remuneration, that benefit will be taxed as income in the hands of the recipient, as it should be'. No one can persuade me that the interpretation of a federal Liberal government and the Taxation Department will not be that air fares are a substitute for cash remuneration. There is no other way of looking at it. This is a very clear statement that they will be regarded as a substitute for cash remuneration and that tax on them will no longer be paid by the employer, but by the employee.

Mr Hanrahan: You are going to have to say all this again tomorrow.

Mr SMITH: I know. It is important that the people of the Territory get this message because it will influence the way many of them vote.

Mr Manzie: It is just the same as it was before.

Mr SMITH: No, it is not. No tax was imposed on the recipient of the benefit before. It means we will get a cash-in-hand situation, which is what the government may be wanting to introduce tomorrow, where the employee pays the tax. Of course, the situation will then be that many people who currently have air fare entitlements will not have the money to pay for their air fares because half of it will go in tax.

Mr Hatton: They will. They will have \$45 a week extra in their pockets.

Mr SMITH: \$45 a week in their pocket! Not even John Howard is claiming that. Of course, he forgot to mention the fact that most people would be up for about \$20 a week extra to cover medical expenses and other extras. Anyway, we will cover that in tomorrow's debate.

I welcome the broadly bipartisan approach adopted by the Chief Minister in this debate. Obviously, he shares the concerns of most thinking members of the community that, in these tight economic times, we need to look quite closely at our public service procedures to ensure that savings are made wherever possible. However, it is our view that it is still possible to review the operations of the public service and make considerable savings without necessarily making cuts in service delivery or public servants' terms and conditions. It is on that basis that we are opposing the Chief Minister's amendment.

Amendment agreed to.

Motion, as amended, agreed to.

ADJOURNMENT

Mr HANRAHAN (Leader of Government Business): Mr Speaker, I move that the Assembly do now adjourn.

Mr POOLE (Araluen): Mr Speaker, I rise tonight to speak about a number of items. The first relates to our tourist industry and the Darwin Airport. On 1 July, the new duty-free goods limits will come into effect. I can foresee great chaos at the airport, both for outgoing passengers and for incoming passengers on international flights. Delays which commonly occur when flights arrive - often in the middle of the night - will probably be extended by 1 or 2 hours because of the problems associated with declaring duty-free goods. It is obvious that something has to be done about it, and I guess a change in the government would be a start. It is also worthy of note that the changes now being implemented by the federal Labor government will probably completely destroy a number of duty-free shops and render a number of their employees unemployed in capital cities throughout Australia.

I noticed an article in the Centralian Advocate relating to road conditions in the Northern Territory and the publication of a booklet by the Tourist Commission to educate tourists about driving here. I drove to Tennant Creek and back a couple of weeks ago and it was quite staggering to see the number of caravans on the highway heading north on holidays. I must point out that the road is still in atrocious condition when compared with the newly-sealed highway from Alice Springs to Port Augusta.

Mr Setter: The Labor government is cutting road funding.

Mr POOLE: I was about to come to that. I seem to remember that one of the Labor government's many promises related to road funding from the

bicentennial petrol tax. I note that that tax has now been extended to 1993. I do not know what is happening to the funds which have been raised by it, but they certainly seem to have stopped flowing through to the Northern Territory. We do not have enough money to do much more capital work on the highway to upgrade it to dual-lane standard right through to Darwin. I foresee, with the increase in the volume of vehicles coming up on the south road, that we will continue to have accidents, particularly on the stretch between Tennant Creek and Alice Springs.

A subject of some controversy in Alice Springs at the moment is the allegation by the Alice Springs Peace Group that Pine Gap is being used to spy on our Pacific neighbours. I point out to the peace group that, according to the words of Dr Desmond Ball, Head of Research at the School of Pacific Studies Strategic and Defence Study Centre at the Australian National University, it is impossible for Pine Gap to gather intelligence from the South Pacific as there are no satellites over the region. Even if there were, there are still far cheaper ways of gathering intelligence in that area. I commend the Alice Springs Town Council for putting forward a recommended policy which states:

The council will support the retention of the American-Australian Joint Defence Base known as Pine Gap and acknowledges the importance of this facility for the defence of Australian territory and as an integral part of maintaining stability in the South Pacific region and in maintaining Australia's position in global politics.

I would like to conclude tonight by mentioning the late Mr Dave Michel. Mr Michel died last week, aged 56, after a long illness. He came to the Northern Territory when he was 14 years old. He worked as a ringer in the Tennant Creek area for a couple of years and then came down to Alice Springs in 1947. He worked for Martin Bros Transport, Centralian Traders and helping Ned Carmichael to build his caravan park. In the 1950s, he worked for himself as a taxi owner-driver. He was the first taxi driver to drive tourists out to Ayers Rock on the old dirt road. In 1954, he married Barbara and went back to work at Centralian Traders. In 1970, he branched out into menswear and opened a business that became known as Esquires Menswear. He sold out in 1972 and became the independent agent for Legal and General Insurance. For 15 years, he served his friends and clients in that industry, and he was highly respected for it.

Dave was a prominent local businessman who showed a keen interest in sports. He was a life member of Rovers Football Club. He was a member of the RSL Club, Wests Sporting Club, Federal's Sports Club, the Memorial Club and the Alice Springs Bowling Club. He was also a life member of the Alice Springs Golf Club. He was a keen snooker player and he represented Alice Springs against South Australia. He was also a keen drummer who played with the local band called the Four Squares. He was a family man, a man of quiet achievement and a man who, like many others, contributed to the development of Alice Springs. Mr Speaker, I extend the Assembly's sympathy to his wife, Barbara, his children, Fran, David, Debbie and Andrea, and to his 3 grandsons.

Mr SMITH (Opposition Leader): Mr Speaker, I want to read into Hansard tonight a letter I have received from a firm of solicitors, Ward Keller, concerning Hungerford Refrigeration. It says:

Dear Sir,

Re: Hungerford Refrigeration Pty Ltd.

We write to advise that this firm has received instructions to act on behalf of Hungerford Refrigeration Pty Ltd concerning allegations being made publicly, both inside and outside parliament. The comments being made by you, and the press's interpretation of them, are defamatory of our client and seriously affect its capacity to deal with local businessmen. Our client believes that the statements being made by you are made for political purposes, and that you have totally neglected to give due and proper consideration to the interests of our client and the Northern Territory generally.

The allegations made are, as you are or would be aware if you made proper inquiry, inaccurate and misleading and constitute a grave libel upon our client in respect of which both the company and its directors are entitled to seek damages.

We have been asked to write this preliminary letter to advise that the company cannot allow a continuation of inaccurate statements of the kind being made by you. The company is not going into liquidation, as you are aware, and, if you continue to make false allegations concerning the company's financial affairs, then defamation proceedings will be commenced against you.

Our client requests that, in considering your future action in this matter, you put away the concept of political point-scoring and consider the interests of Territory business.

Mr Speaker, those are fine words coming from Ward Keller on behalf of Hungerford Refrigeration. We have not been making allegations. On behalf of the people and the taxpayers of the Northern Territory, we have been attempting to obtain some basic information. The basic information we have been able to determine so far is that \$750 000 has been given as a charge over assets by the Territory Insurance Office to Hungerford Refrigeration and that \$150 000 has been given as a similar charge by the Trade Development Zone over Hungerford Refrigeration. As well as that, we now know that the Trade Development Zone is constructing and paying for a warehouse on behalf of Hungerford Refrigeration. I do not know the cost, but a considerable sum of public money is involved in that whole exercise. The public has a right to know exactly what money has been spent, and it has a right to know whether that money has been spent properly by those government instrumentalities.

That is one side of the story. The other side is the continuing saga of the bad debts of Hungerford Refrigeration, and that is a matter of legitimate public interest as well. As I have said, we have a government and semi-government investment in Hungerford of at least \$2m. Hungerford has been refusing to pay small debts, in relative terms, and those are legitimate matters of public interest. They are not allegations; they are facts, and I will go over those facts. In the District Court in Queensland on 24 December 1985, under a section 364 notice, a debt of \$6429 was lodged by Soane Sheet Metal against Hungerford Refrigeration. Other debts mentioned at that time revealed that a total amount of \$15 000 was owing out of an original debt of \$43 000.

Mr Speaker, no one is disputing that the amount of money involved is \$15 000. After the publicity given to the case last Friday, a director of Hungerford Refrigeration, John Murray Driver, rang Soane Sheet Metal and said that it would pay. In those familiar words, he said that the cheque was in the mail - 3 cheques in fact, all to be sent at the one time. One cheque was for \$5000 for immediate cash, one was a post-dated cheque for this week some

time for \$5000 and the third was for \$5000 on 11 July. Mr Speaker, I have to report to you that today, which is Thursday and 6 days later, those cheques have still not arrived in Brisbane. That has to be a matter of concern for this Assembly because of the significant investment the TIO and the Trade Development Zone have in that company and the fact that the word of the TIO and the word of the Trade Development Zone is as much on the line in this particular business as is the word of the firm called Hungerford Refrigeration.

Mr Speaker, I have to report to you that I have never said that the company is in danger of going into liquidation. It was one of the company's debtors who said that, if the bill were not paid in 21 days, he would take the necessary action to lodge a petition to wind the company up. Of course, it is Soane Sheet Metal that has gone public on that.

The other factor that is not as well known is that Hall Chadwick whom, as I have said, was the company's accountant at one stage and has a debt of \$11 699, went before the District Court on 4 March 1987 and obtained a section 364 order. Hall Chadwick has gone one step further than Soane Sheet Metal. As the money was not paid within 21 days, it has taken out a petition before the court to wind the company up. In fact, that action has commenced in the District Court in Queensland. Hungerford is defending the action and the case has been adjourned to be heard at a later date.

Mr Speaker, I did not put forward the allegation - which is not an allegation but a fact - that Hungerford is in danger of being wound up. It is the debtor companies who have become concerned about this company's inability to manage its affairs to the extent that, even when a court order is awarded, it will not pay its bills. That is a key point. It is a matter of legitimate public interest and importance, and I do not intend to be intimidated by a letter from Ward Keller on behalf of Hungerford Refrigeration that tells me to lay off. This is an important matter that the people of the Northern Territory deserve to be informed about on an ongoing basis so that they can be reassured that the money we have in that particular company is a sound investment. Unfortunately, the government is doing nothing, at this stage, to reassure the people of the Territory that it is a sound investment.

The second point I want to raise is that the author of the letter to me is Mr Hugh Bradley of Ward Keller. Mr Hugh Bradley is a senior partner in Ward Keller and also happens to be a member of the Board of the Territory Insurance Office. We have this crazy situation where a member of the Board of the Territory Insurance Office is acting for Hungerford Refrigeration which happens to be 49% controlled by the Territory Insurance Office.

I put it to you, Mr Speaker, that any reasonable person without a legal background, looking at that situation, could see a potential conflict of interest. The Territory Insurance Office has made an investment in Hungerford, obviously on the advice of its board and approved by the minister. There is no doubt that, at the time that the board made that decision, Mr Hugh Bradley was on the board and, after that decision has been made, Mr Hugh Bradley surfaces as the solicitor acting for Hungerford. I put it to you, Mr Speaker, that there is an actual conflict of interest and certainly there is potential for further conflicts of interest. I will give you a hypothetical situation. What happens if, for some reason, TIO wants to reclaim its charge over the assets? What position is Mr Bradley placed in then? He is a member of the TIO Board and he is also the solicitor for Hungerford Refrigeration in the Northern Territory.

There does seem to be some doubt about whether Mr Hugh Bradley is, in fact, at this very moment on the Board of the Territory Insurance Office Board. The Treasurer promised to get back to me on this but did not, but I understand that Mr Bradley's term of office has just expired or is about to expire. I would put it very strongly to the government that, if Mr Bradley's term of office has not expired, he should be asked to resign from the Board of TIO and, if his term has expired, the government should not reappoint him because of his active involvement with Hungerford. Mr Speaker, I cannot say it more clearly than that. There is a major conflict of interest. Mr Hugh Bradley cannot have it both ways. Either he can have Hungerford's work or he can be on the Board of the TIO. He cannot do both.

Mr Speaker, in the remaining time I want to spend 3 or 4 minutes commenting on the less than diligent application of the Chief Minister to the business of this Assembly. I refer specifically to his failure to attend the Assembly after lunch yesterday. I understand from a newspaper report that he was busy elsewhere, dining at Charlie's restaurant with a former Chief Minister. I must say that the people of the Northern Territory would have to be less than impressed by that standard of behaviour. We only meet in the Northern Territory for 30 days a year and yet we have the Chief Minister spending one-sixtieth of that 30 days wining and dining at a restaurant in town.

As the article in the NT News said tonight, it was not as if yesterday afternoon was not an unimportant afternoon in the life of this Assembly. There was a major economic debate and an important piece of legislation was debated. Quite clearly, the Chief Minister enjoyed himself because his performance in the censure motion this morning was not up to his normal high standard. I guess it could be said that his performance this morning was a hangover from the emotional state that he may have got himself into yesterday. Quite clearly, it is not good enough for a Chief Minister and the leader of the government in the Northern Territory to have missed half of 1 of our rare sitting days. I hope that we will not have a repetition of such unfortunate behaviour from the Chief Minister in the future.

Mr FIRMIN (Ludmilla): Mr Speaker, I would like to begin by supporting some of the remarks of the member for Araluen about a friend whom I have known for some years, David Michel from Alice Springs. In fact, I was unaware until the adjournment speech of the honourable member a few moments ago that David Michel had died last week. I knew that he had not been well for some time but I was unaware of his death. I certainly support the member's remarks.

David died at the very young age, in my view, of only 56. Whilst I had not seen him for some time, he was always a man of great vitality and good humour. He certainly lived life well and to the full. I knew David firstly through his operations in Esquires Menswear when he first opened the store. I did not arrive in the Territory until 1966 but, on one of my first visits to Alice Springs, I met David in the company of some local business people. I formed quite an amicable relationship with him and some of the other people whom I met at the time. When David sought a change of occupation and moved into the field of life and general insurance, we had considerable times together because of my associations with that industry and we drew on each other for support. I would like to think that I helped him in those early formative years when he first became an agent for Legal and General Insurance Company. We had a very good association during that period and, as I said, I knew him for nearly 16 years.

David always had a very professional approach to his operations within the industry and was highly respected throughout the region, both by his clients, his potential clients, other people in the town and certainly by members of the industry itself. I knew of his involvement in the local community and his wide activities in sporting fields. I am sure he will be missed greatly by members of the various organisations to which he belonged. I did not know his family well but I extend to them my sympathy at the loss of their husband, father and grandfather.

Mr Speaker, I have another matter that I would like to touch on this evening. It relates to a question that was asked by the member for Nhulunbuy. He asked whether the Northern Territory government is sponsoring a vessel named the 'Spirit of the Northern Territory' in an ocean race and, if so, what is the size of the sponsorship and will the Northern Territory government sponsor other boat owners for the same amount should they be interested in participating in ocean racing.

Mr Speaker, whilst it sounds fairly innocuous in terms of the way in which it was asked, I suspect it was a very parochial question by the member of Nhulunbuy which leads into other questions. 'The Northern Territory Spirit' is a boat being purchased by the Darwin Sailing Club primarily for the purpose of sailing in the bicentennial round Australia yacht race and training sailors in the Northern Territory in very large hi-tech boat operations. The proposal has been before the club for 2½ to 3 years. Some considerable time ago, the club decided that it was appropriate that the Northern Territory be represented and have an entrant in the bicentennial round Australia race given that Darwin is one of the major stopping points for all of the yachts racing in the 2 classes: monohull division, with an unlimited number of crew members depending on size, and the 2-handed special round Australia race that is being conducted for the first time.

I suspect that, in the member for Nhulunbuy's question, there were probably 2 loaded questions. One is whether the 'Spirit of the Northern Territory', as he calls it, is not being mistaken for another yacht that was mooted at some stage as having received government support and was a private boat being purchased by a person who was previously involved with the government. I suggest that that is what the member for Nhulunbuy was alluding to in his question. I can tell him quite categorically that that is not the case and it has nothing to do with that person and nothing to do with that yacht, which currently sits at the rear of Nautical Supplies in Frances Bay and is being fitted out by the person who bought it himself with his own funds.

Taking it back to the other question, the Darwin Sailing Club and the Northern Territory Cruising Yacht Association put together a sponsorship deal and made a request for funds to many people. In the current economic climate, unfortunately, many things have been cut back, not the least of which is the previously heavily-sponsored Darwin to Ambon International Yacht Race which, this year, is receiving very little funding from its previously major sponsors. In fact, one of the major sponsors pulled out altogether and there are only a couple of minor sponsors remaining. Let me remind members that that is the oldest international race in Australia and many people do not realise that. I have had it put to me that that is incorrect because the Sydney to Hobart has been going longer. However, the Taswegians do not have passports and Tasmania is not an international offshore destination. That is an Australian yacht race, not an international yacht race. The Darwin to Ambon Yacht Race is the oldest international yacht race in Australia.

That international yacht race will be the first race that the 'Northern Territory Spirit' will enter. That race starts on 18 July this year and 2 members of this Assembly will be participating in that race, the member for Jingili and myself. The yacht entered for that race will cost in excess of \$200 000 in real money plus a considerable amount of value added by free work on fitting out, painting and the transportation of the vessel to Darwin and, after the Ambon race, its transportation to Sydney in time for the start of the bicentennial round Australia race.

Mr Speaker, as the Minister for Tourism indicated, the Northern Territory government put some \$80 000 into the original purchase of that yacht. The other amounts of money have been raised directly from the Darwin Sailing Club or by sponsorship or have been pledged by those persons who will be participating in the 9 sectors of the race during the 1988 race around Australia.

The benefits of having a yacht of that type in the Northern Territory are immeasurable for junior sailors and persons hoping to receive internationally-recognised certification in yachting. Some of that certification will include navigation certificates, radio operator's licences and the Australian Yachting Federation TL scheme day skippers' certificates. For those who are able to become involved in the higher levels of offshore yachting, they will not only receive their celestial navigators' instructions, and hopefully the certificates from that, but also the Yacht Masters Offshore Certificates.

As one of only 4 or 5 persons in the Territory at the moment who holds an International Yacht Masters' Offshore Certificate, including the full radio operator's licences and Celestial Navigator's Certificates, I can say that it is a very difficult and interesting course which requires considerable amounts of study and participation crewing of large yachts. It is impossible to receive that sort of training unless you have a yacht capable of doing considerable distances offshore in all conditions. The ultimate certification in that type of sailing is the International Ocean Masters' Certificate which requires a certified instructor to travel with a Yacht Masters' Offshore Certificate-holder for an ocean voyage of not less than 500 nautical miles non-stop offshore in international waterways. This yacht will be able to perform those tasks and will be of enormous benefit to the Darwin Sailing Club and to future sailors in this region.

I suspect also that the member for Nhulunbuy was being a little parochial when he asked whether other yachts would receive the same sort of support. I can only presume that he was alluding to the only other Territory entrant in the bicentennial yacht race around Australia. I refer to the yacht 'Evergreen' whose home base is Gove and which is owned by the Commodore of the Gove Yacht Club. I could understand the question if the Gove entry was representing the Gove Yacht Club and funds were being raised by that club. It might then fall into the same category as the Darwin Sailing Club yacht. This is not the case. 'Evergreen' is owned by Bill Gibson. It is a private yacht. He bought it himself. He has raced it considerably over the years and he is entering it privately in the round Australia race. I do not say that he ought not make applications for assistance. In fact, I have been made aware today that he has made an application to the Northern Territory government for assistance. He has only done that in the last couple of weeks and, as yet, he has not heard whether his application has been successful. It is still being considered, and I can only presume that the member for Nhulunbuy has been prompted by something that he has heard in Gove to try to stir the possum to see if he can get the Territory government to add a considerable amount of

money to Mr Gibson's coffers to help him participate in the race. He has already applied to another organisation which has agreed to meet any shortfall if he is out of pocket at the end of the race on the presentation of audited accounts.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Deputy Speaker, I will be speaking in tonight's adjournment debate about the Berry Springs Zoo. It does not give me much joy to speak about this because I know that the straitened financial situation of the Northern Territory government and other factors may threaten the development of this facility and put its future in even more jeopardy than it is at present. The Berry Springs Zoo is important to me because it is in my electorate. I have frequently spoken to the Minister for Conservation about various matters relating to it and I wrote recently to the minister regarding my concerns. It is a few weeks since I have been there but that does not negate what I have to say.

As all honourable members know, the original cost of the Berry Springs Zoo was to be about \$4m. That figure was arrived at 3 years ago and therefore it would be a slightly larger sum in 1987 figures. In the 3 years since work on the zoo commenced, approximately \$3.2m has been spent. About \$600 000 has been spent this year and that leaves \$800 000 still to be spent. All of this money has been spent on the infrastructure which is necessary before the actual wildlife park can operate. It includes 10 km of outside boundary fencing with concrete footings which is very costly. Sewerage reticulation has been completed and 2 bores have been sunk although only one has been equipped. This has cost about \$300 000.

The amount of money spent on the zoo works proper is not much at the moment. Most people think it will be called the Berry Springs Zoo. I understand the official name is the Berry Springs Wildlife Park because the word 'zoo' is a little bit old-fashioned and has connotations of not caring for animals properly. However, I believe the name Berry Springs Wildlife Park will be confused with the Berry Springs Nature Park which is just down the Cox Peninsula road. There are also people who believe it should be called the Territory Wildlife Park because it is the first in the Territory. If such a facility were built in Alice Springs in the future, it could be called the Centralian Wildlife Park.

The Berry Springs Zoo infrastructure does not yet include public facilities such as toilets or kiosks, but it does include a quite extensive road system. I believe that another \$4.5m is needed to build public facilities and provide the enclosures and the shelters necessary for the animals. There is a great upsurge of interest in crocodiles in the Northern Territory but, with the government's straitened circumstances, I have grave fears that the diurnal area planned for the Berry Springs Zoo, worth about \$500 000, may not proceed. I believe there is a possibility that it could be scrapped. The area was to hold the freshwater crocodiles, the water monitors, a display of desert escarpment stock and many reptiles. I am also worried that the aquarium, also worth about \$500 000, may be scrapped too.

I have been making inquiries about the handling of bicentennial money for Northern Territory government projects. I believe there is about \$500 000 of bicentennial grant money that could be used for the Berry Springs Zoo. I am sure that either the aquarium or the diurnal house could benefit from it. If a decision were made today, there would still be about a 4-month period before the first shovel full of dirt could be moved. It takes about a month for designs to be completed, another month for the engineers to do their work on the project, another month for the Building Board to consider it and another

month for the contract period. That means that, even if the go-ahead were given today, it would be the beginning of November and the beginning of the Wet before any building could be done. If it is not done, it will have to wait until well into 1988, the bicentennial year, before anything is done because we do not work according to the month but by the seasons - the Wet and the Dry. 1988 is the bicentennial year and the Berry Springs Zoo was supposed to be opened then. I have requested that the minister give consideration to seeking endorsement for the opening of the zoo as a bicentennial event.

Mr Deputy Speaker, the whole shebang of the Berry Springs Zoo will lose its bang if it does not open with a flourish in 1988 rather than have what may be a half-hearted, low-key rather shamefaced excuse of an opening whimper in 1989 or later. There are not hundreds of people working at the Berry Springs Zoo. Because it has a large area, I think some honourable members think many people work there. Far from 100, there are not even 10 people working there. For the information of honourable members, 6 people are working on this multi-million dollar project: 1 mechanic, 1 labourer, 1 general labourer, 2 handymen and 1 organiser. These are all the people there to build a multi-million dollar project.

Mr Deputy Speaker, I believe that that is a ridiculous situation. I know so much about it because I have been down there frequently. Concern has been expressed in some places about the future progress of the Berry Springs Zoo, not only by certain people in the Conservation Commission but also by certain other people in my electorate. The project was promised 24 tradesmen, when it started, but it has 6 labourers and that is not a very good example of fulfilling a promise. I will give one example of a difficulty they face down there. I have seen the start of this marvellous aviary they have built and, when it is finished, it will be up to world standard. In building the walkway through this aviary, 4 men are needed to lift a section of the walkway. If one of those 4 men is sick, considering that only 6 people work at the zoo and 2 are needed elsewhere, that particular job has to be put off until the sick person returns to work and the 4 people can get back to moving sections of the walkway again.

I have made a suggestion that people serving community work orders could be used at the Berry Springs Zoo, as is done at the Taminin High School Farm School with some success. The only snag is that the Berry Springs Zoo badly needs tradesmen, builders especially. Even 1 extra builder on the staff would be given the red carpet treatment if he turned up at the gate with his gear. It seems that tradesmen are seldom subject to community work orders these days.

I have seen the nocturnal house construction and that is still going ahead. I hope it is completed as originally planned and not left uncompleted, as a white elephant, because of the lack of money flowing there. If we are not too careful, the whole Berry Springs Zoo may end up as a collection of white elephants. If any more cuts are made in funding there will be a mish-mash of unplanned buildings continuing in construction or delayed in construction and we will end up with a gross waste of public money due to an Arthur Martha policy.

So far, I have only talked about the infrastructure of Berry Springs Zoo and I have not spoken about the inmates: the animals, birds and reptiles. To stock the zoo with these animals, about 200 species in all, will take considerable thought. These will come, in part, from eggs, from youngsters, from bush caught fauna, gifts from other zoos - given perhaps in expectation of a future exchange - by research institutions and private collections.

However, as soon as the gathering of these creatures is considered, more staff with appropriate qualifications will have to be employed. In my visits to Berry Springs Zoo, I have seen the construction of the enormous aviary which is of world-class standard. I hope the elevated walkway through the rainforest nearby is completed as well as the aviary.

Feral animals will be kept at Berry Springs Zoo, as they are at Yarrowonga, where they continually excite a great deal of interest from visitors. These animals, together with native species, will live in very large moated enclosures, closer to a natural situation than occurs in a smaller, old-fashioned, urban zoo. To build these moated enclosures, large areas of ground will need to be broken up and then stabilised by ground cover which will take at least one wet season to establish. These should all be started now but, Mr Deputy Speaker, where is the money?

Who will man the new Berry Springs Zoo, bearing in mind that good rangers are not necessarily good zoo keepers? Good zoo keepers are rather like good farmers who farm animals in an intensive or semi-intensive style of husbandry compared to how those animals would live in the wild. Perhaps several forms of staffing must be looked at. Because zoos require people who can cope with the vagaries of climate species, odd hours and situations, the public service has trouble accommodating them. One cannot work an 8-hour shift when animals need one's attention. If staffing of the Berry Springs Zoo was contracted out, that might be the solution but it could present grave problems. The first that springs to mind is that the Conservation Commission could lose effective control of its own baby.

Mr Deputy Speaker, my recommendation to the minister is that, now that the Berry Springs Zoo has developed sufficiently under its excellent organiser and manager to have a character, the composition of a board of management be considered to help this limping project along, to shepherd public interest, education and donations in cash and kind, along the policy lines that should be adopted by a reputable board of management with a deep interest in conservation values coupled with sound financial management practices.

Legislation was passed last year that could cover this. I have written to the minister giving him certain recommendations that I believe are sound because they stem from my personal expertise. If the Conservation Commission goes the way I believe it is going with Berry Springs Zoo in terms of policy and management, without clear policy guidelines and lacking in good future management, it will end up being a mish-mash of kitsch and kangaroos, lacking the status of being a front door to the appreciation of our wildlife in a project of first-class world standing that it could still be. It is not too late for someone to shake that stopper out of the bottle again in the Conservation Commission. We all want to see some action. There are so many people out there in the community who would and could help but they have not been asked if they could provide some action. If the minister is interested, I know of several ways and means to engage this public interest which would work to the betterment of a deep and lasting public appreciation of the whole Berry Springs Wildlife Park project.

Mr McCARTHY (Labour and Administrative Services): Mr Speaker, may I open my remarks by recording that I believe you carry out the role of Speaker wonderfully.

Mrs Padgham-Purich: He will bring you an apple tomorrow, Mr Speaker.

Mr SPEAKER: I hope so.

Mr McCARTHY: Mr Speaker, this evening I would like to make an observation about the on-again, off-again and, undoubtedly, on-again Industrial Relations Bill of the federal government. Before I go any further, I would say that the cynicism of the Hawke government was nowhere more clearly demonstrated than in its last minute decision to withdraw the Industrial Relations Bill in the face of the federal election, with a promise of further remodelling. Despite that backdown, there is no way that the business community can draw any reassurance from this apparent change of heart. The decision to withdraw the bill indicated the government's awareness of how unpalatable this piece of legislation was to the business community. The likelihood of opposition to it causing problems in the run up to the election was undoubtedly the reason for its withdrawal. I cannot see any cause for joy among business people in the promises that the bill will be watered down to make it more palatable to the private sector in the unlikely event of the Hawke government being returned after the federal election.

As the Territory has learned to its cost, the Hawke government's ability to promise the world is outweighed only by its inability to deliver the goods, and I need do no more than mention the airport and the railway to highlight that point. There is simply no other way of viewing a piece of legislation which effectively will mean employers coping the blows below the belt. The first of these is a removal of access to the significant common law injunctions against industrial action and, just to make sure the employers stay on the ground, the new bill will place a limitation on access to remedies against secondary boycotts under the provisions of the Trade Practices Act. Please note, Mr Speaker, that I am talking as though the bill is still in place, because I have no doubt at all that that is where it will be if, in fact, the present federal government is returned on 11 July.

The planned legislation also has the power to override state awards under which the vast majority of Australian workers are covered. Territory workers are covered 100% by federal awards which leaves us right in the firing line as far as the proposed legislation is concerned. As I mentioned earlier, promises have been given on the possible watering down of legislation but I, for one, am certainly not holding my breath in the expectation of that miracle. Mr Speaker, given the time that it has taken to get the legislation to this stage, changes to the spirit of the bill now are highly unlikely. What does that leave us with?

Australia's industrial relations landscape has been altered dramatically by 2 particular events. The first of these, and the one which really changed the rules for all time, occurred in 1969 when Clarrie O'Shea of the Victorian Tramways Union was jailed for contempt of court, and I am sure that you would remember that, Mr Speaker. O'Shea's imprisonment brought Australia to the brink of a national shutdown and showed that unions no longer had to accept the rule of law. Their power had reached the stage where they could disregard the Conciliation and Arbitration Commission and get away with it through the application of sheer brute force. A quote in a national magazine in the last few weeks of one Norm Gallagher showed that he put pressure on developers when his union, the Building Labourers' Federation, wanted to buy some land in central Melbourne. Of course, there were no other bidders and they got the land. That is the sort of force these people use and they get away with it.

When O'Shea left Pentridge Prison scot-free, he effectively emasculated the Conciliation and Arbitration Commission. Understandably, employers were shell-shocked and it is sad to say that they took too long to recover from the blow. I believe that, had rogue unions been pursued under common law through the 1970s, Australia would not be confronted by the turmoil that it is

confronted with today. Employers hit back when Jay Pendarvis of Mudginberri abattoirs, with a little help from his friends, meatworks decided to take the AMIEU on in 1985. I was involved in some of the early discussions with Jay Pendarvis, the Confederation of Industry and other meatworks operators in the Northern Territory at the time when he really dug his heels in.

This, of course, was the second of the 2 landmark actions on the Australian industrial scene. The year before, when the unions had backed down, the meatworks operators gave in and declined to prosecute on the secondary boycotts issue. The unions then came back for a second bite the next year. On that particular occasion, the resolve was there and Jay Pendarvis, with support, was determined to get his way with the unions once and for all.

Pendarvis successfully pursued the Mudginberri case to its conclusion in the High Court and proved that the unions could be brought to heel through the legal process. That is why the federal government became involved, because it could not take that. The unions had been hitting employers in the pocket with virtual impunity for almost 20 years, but Mudginberri showed the unions could bleed in exactly the same way. Following Mudginberri and the Dollar Sweets case, Ralph Willis has taken centre stage and, like his old mate Clarrie O'Shea, the union martyr of 1969, he is holding the courts in contempt. Mr Willis believes that only the Conciliation and Arbitration Commission has the skills to handle industrial disputes. According to the Willis scheme of things, the real courts of the land have no idea of justice: they simply issue frivolous injunctions against unions.

As anyone with even the most rudimentary knowledge of the Mudginberri dispute will recall, it was the fact that the Trade Practices Act afforded Mr Pendarvis easy access to the protection of common law that allowed the abattoir to survive. I saw similar secondary boycotts placed against other meatworks with pressure brought to bear on the deliverers of fuel to try to bring meatworks to heel by the use of pickets. I am well aware of how the trade unions use these practices to get their way. Without easy access to common law, an illegal picket line would simply have strangled the Mudginberri abattoir and its lawful attempts to go about its business. With the demise of Jay Pendarvis and the Mudginberri abattoir, the Territory and Australia would have lost a considerable export industry. If businesses like Mudginberri are allowed to go down the spout because of a lack of ready access to common law, Australia will suffer. Our dollar could be weakened substantially if major exporters were denied access to common law during industrial disputes.

The single most important change proposed under the bill is the addition of a consultation process which will be overseen by the proposed Industrial Relations Commission. Consultation processes can take a long time and, in that time, employers bleed and go broke. That appeared to be the intention of the legislation that was before the federal government prior to this election. Only when the commission has decided that it is incapable of resolving the matter will it be dealt with by the newly-formed Labour Court. Naturally, consultation is an integral part of resolution of industrial disputes. That cannot be denied. But there are cases where employers who are confronted by secondary boycotts need and deserve swift access to the courts in an attempt to have industrial action lifted.

The bill will also limit severely actions in tort which may be brought against officers, members and employees of organisations and the organisations themselves. Justice delayed is justice denied. Many businesses would be unable to stand up to a Mudginberri-style picket line unless swift action was

available against illegal union actions. Sections 45D and 45E of the Trade Practices Act provide middle Australia with its only weapons against renegade unions which refuse to accept the rulings of the Conciliation and Arbitration Commission or the Industrial Relations Commission as it will be known when Mr Willis' bill becomes law. Of course, that can only happen if the Labor government is returned to power after 11 July. I am pleased to say that things are looking rather bad for it at present and we may not have to put up with it for much longer. I would just like to warn employers who seem to be lulled into a sense of security with some of the things that people like Bob Hawke are currently saying about this particular bill. Here in the Territory we know that Bob Hawke does not always tell the truth.

Mr SPEAKER: The honourable member will withdraw the remark pertaining to the Prime Minister.

Mr McCARTHY: I withdraw the remark, Mr Speaker.

A classic example of the need for speedy action to resolve industrial disputation was the closure of the Maitland meatworks in New South Wales. Coincidentally, it was once again the AMIEU that set out to destroy this legitimate business. The difference was that, in the case of Maitland, it succeeded. It forced the closure of the meatworks, putting 200 meatworkers out of work. The AMIEU is quite a union and some of its tactics would make your hair stand on end. Conciliation Commissioner O'Neill observed last month that action should have been taken to prevent what he termed the tragic closure of the meatworks at the time of the dispute nearly 2 years ago. Issuing a comment on the closure of the meatworks, Commissioner O'Neill said the meatworks had closed because of the destructive and uncompromising industrial relations practices of the AMIEU. He went on to tell the union that times had changed. They have changed, Mr Speaker.

Times have changed and we can no longer afford the practices that some unions want to impose on employers and on their places of work. It is a pity that the Minister for Industrial Relations, Mr Willis, does not realise also that times have changed. It should be pointed out that ready access to common law by employers places no threat to unions legally pursuing their business. Any employer who sought an injunction against a union without first exhausting usual industrial avenues would be thrown out of court. Yet Mr Willis, who has spent so long working with the ACTU and is a bona fide member of the club, is allowed to handle industrial relations matters.

Another element in the new bill which causes me some concern is its provisions for penalties. If a union refuses to comply with an injunction in the Labour Court, it is liable to a fine of up to \$5000 a day. Given the growing financial stature of unions in this country, a \$5000 fine seems totally inadequate. The Miscellaneous Workers' Union has assets conservatively estimated at \$30m on which, like other unions, it pays no taxes - unlike employers who have to pay all forms of taxes including payroll tax which, I shudder to say, is imposed by state and Territory governments. It is an iniquitous tax. Unions do not have to pay any tax on the millions of dollars they have stashed away so that they can hold developers and employers to ransom. Mr Speaker, when you consider that the Miscellaneous Workers' Union has \$30m in its coffers and pays no taxes at all, you realise how farcical fines of \$5000 per day become.

The federal government has promised to act on certain aspects of this bill. It has made such promises before but, if Australia is to have industrial justice, the federal government must make good its promises. If it

does not, it will open the way for rogue unions to violate the rights not only of businesses but also of the Australian public. This is because, when unions destroy employers, they also destroy the jobs of workers. That is something they do not seem to have recognised. The Maitland dispute put 200 people out of work. Work practices and the pressures of unions put people at the Katherine Meatworks out of work. That is the situation throughout the country as a result of work practices brought about by unions and the great power and money they have to back their claims.

Largely as a legacy of the much-amended Conciliation and Arbitration Act of 1904, Australia has developed a unique set of industrial difficulties highlighted by the primacy of union power. Ralph Willis' Industrial Relations Bill, which will do away with the Conciliation and Arbitration Act, makes no attempt to correct this imbalance of power. The essential character of this legislation is that it gives even more power to trade unions. I find that frightening. Employers should be forewarned that a Labor government returned to Canberra on 11 July will mean an Industrial Relations Bill fully revitalised soon afterwards. Employers should note that with great concern.

Mr BELL (MacDonnell): Mr Speaker, that really was a most extraordinary quarter of an hour. I really cannot let it pass. I look at members opposite standing up to beat the living daylights out of the trade union movement and standing up to support the employers. Not one of them has ever actually been an employer. A few of them have worked in middle management in private sector organisations of one sort or another.

Mr Poole interjecting.

Mr BELL: I must admit that I do not have the curriculum vitae of the member for Araluen at my fingertips but, if he has been an employer, I take it all back. However, I really find it quite extraordinary to listen to this class warfare nonsense. It is like something out of the 19th century. Let me just pick out one comment from the minister's diatribe against the Australian Meat Industry Employees Union and the Federated Miscellaneous Workers' Union. He tossed off a figure of \$30m which he said represented the assets of the Federated Miscellaneous Workers' Union and stated that it does not pay tax on it. Let me make a comparison with industry organisations of all sorts. I do not imagine, for example, that the Confederation of Australian Industry has assets which are significantly less than those of the FMWU. Perhaps the minister should write to the Confederation of Australian Industry and suggest that it should be paying tax on its assets as well. What is sauce for the goose is sauce for the gander.

It was an extraordinary view of industrial relations that the minister tried to put across this evening. Let me just pick him up on Mudginberri for a start. The next time he wants to get up on his back legs and talk on this issue, he might like to tell us why meatworkers in the Northern Territory should be paid less than their counterparts down south because that was the bottom line of the Mudginberri dispute when you do the figures.

Mr Palmer: The workers wanted to work.

Mr BELL: I hear the member for Karama saying the workers wanted to work. Of course they did. In a period of high unemployment, you will always find some people who will be prepared to take a job through desperation or disloyalty at a lower rate than their fellow workers are prepared to accept. One of the sad things about the Territory is that, on one hand, people are prepared to take wages at union rates that people everywhere else around the

country have to fight pretty hard for but, at the same time, there is an attitude that awards really do not matter. Let me talk about the Alice Springs Abattoir because that was exactly the attitude that the workers at that abattoir had. They thought contract arrangements were far better and they would not have anything to do with the union. They went along with that for a few seasons until the abattoir shut down. Did that happen because the dreaded AMIEU pulled the wool over management's eyes? No fear. It was because, in the 1984 killing season, the employees went along to work, looked at their contracts, looked at their pay packets, looked at what they received in the previous year and said: 'This is not on. We are not going to cop this'. Next, they were on the phone to the union. It was not the AMIEU trying to insinuate its way into Alice Springs that caused that closure.

Let us talk about these terrific employers in the meat industry. We had the minister crying tears of blood over the Maitland Meatworks. I will confess that I am not 100% sure about the situation at Maitland, but I know that, in the 6 years I have been a member of this Assembly, every meatworks in the Northern Territory has changed hands at least once and, in some cases, 3 or 4 times. You get these blokes springing up all over the country. Let's not talk about nice stable operations.

Mr Manzie: Tell us why the Alice Springs Abattoir closed down, Neil.

Mr BELL: The member for Sanderson asks why the Alice Springs Abattoir closed down. I would just like to point out to him that the company which gave a dud contract to workers there is exactly the same company that would not pay its Northern Territory government electricity bills.

Next time the Minister for Labour and Administrative Services is on his feet, he might like to tell us why workers at Mudginberri should be paid less than meatworkers elsewhere.

The next matter I wish to raise is far more serious. It concerns this Finnis River deal. We had an extraordinary performance today from the member for Casuarina. I will be studying his comments a little more closely and I will be requesting a few more answers from the Minister for Lands and Housing. The plain fact of the matter is that, in several respects, he has ducked my questions.

I asked on what basis the minister commissioned T.C. Waters Pepper to buy the homestead block of Finnis River Station on the government's behalf. His answer was: 'You are aware that the government attempted to purchase this land just prior to the auction. Having shown its hand, the government could have been at a disadvantage at the auction. For this reason the minister commissioned T.C. Waters Pepper to bid for the land'. Mr Speaker, as you will recall, my question was: on what basis did the minister commission TC Waters Pepper? I did not ask why. I asked about the basis upon which it was commissioned. Mr Speaker, do you know what it looks like at the moment? It looks as though Nick came out of a Cabinet meeting, got on the blower and said: 'Listen John, will you buy this block of land for us? Fine. Go ahead'. That is the only conclusion that I can come to in respect of these negotiations. They are highly irregular and, at this stage, there is a real smell about them. The government has not dispelled that either by the minister's comments today or by this letter in answer to my questions.

I was accused of attacking people under the protection of privilege. I would not have brought Mr Anictomatis or T.C. Waters Pepper into this debate if it had been possible to demonstrate to me that Mr Anictomatis or

T.C. Waters Pepper had been retained in some responsible customary fashion. The government buys land frequently. This was a mickey-mouse deal, Mr Speaker, and we are not getting decent answers. I want to get them and I am going to be like a fox terrier and keep at it until I do.

Mr Palmer: Yap, yap, yap!

Mr BELL: That is perhaps one of the more sensible interjections that I have heard from the member for Casuarina. I pity the poor Hansard writers who have to transcribe it. I do apologise. It was the member for Karama. I trust he will go upstairs and apologise to the Hansard staff later.

I want to respond to the member for Casuarina's suggestion that I was attempting to drag his name and the name of Mr Anictomatis through the mud. I want answers. I do not want to drag anybody's name through the mud. I want answers and I am not getting them. I did not get them when I asked the minister the questions directly. He fobbed me off, but I am going to keep at it. I am going to get answers. I will be looking fairly closely at what the minister had to say today.

I will add some other concerns. The statement about buffalo development on the homestead block does not sound too good to me. If the government bought the block because it wanted it for buffalo development, why did it then negotiate with Mr Anictomatis about possible subdivision of it? This strikes me as fairly strange. Further, I would like to know to whom the block has now been sold. Does the government still own it or has it been sold to somebody else? Exactly what has happened? On what basis was the figure of \$17 000 which the member mentioned in his personal explanation today calculated? It was \$20 000 when he briefed me, but I will let that pass. There are many questions surrounding this deal because it was not above board.

I see the member for Casuarina making notes. A further matter he might like to answer in his adjournment speech this evening is the difference between normal Department of Lands and Housing practices in purchasing such blocks and this extraordinary process which has certainly got up the nose of the real estate industry round town. Did the government actually retain T.C. Waters Pepper or did it retain John Anictomatis individually and personally? I would be very interested to find out and I hope he is writing that one down too.

Finally, I would be very interested to know what the status of the block is now. There was a period of negotiation when Mr Anictomatis was supposed to be buying the block of land for the government at auction in September, but he in fact bought it for himself and held it for a couple of months. That is quite interesting in itself and perhaps we can get some explanation for it. I would be interested to hear about the fate of block H. Is it still owned by the Northern Territory Development Land Corporation?

Mr Dondas: You do not listen.

Mr BELL: I humbly suggest that I paid fairly close attention to what the member for Casuarina said and I do not recall him saying that the Northern Territory Development Land Corporation had actually sold the land to anybody else. There has been a rumour around town that one of the Chief Minister's luncheon companions yesterday, Mr Leo Venturin, had in fact bought the block of land from the Northern Territory Land Development Corporation. That is no more than a rumour, but there continue to be many questions surrounding the Northern Territory government's negotiations on this matter. If the member

and the minister are able to satisfy me, so be it. I am not going to be put aside by accusations of abuse of privilege or attempting to destroy the good name of people. I do not believe that investigations of this sort will do that. At this stage anyway, I accept the honourable member's statement that he has never had any financial relationship with Mr Anictomatis. However, I can hardly be blamed for wondering about it given the extraordinary nature of the transaction, and I make no apology for making those inquiries. I deny entirely making suggestions about kin relationships that he may have had. I said absolutely nothing about that. I was referring to a relationship based on personal finance. I made no reflections on the family connections of the honourable member.

Mr DONDAS Casuarina): Mr Speaker, I certainly hope that the member for MacDonnell stays in the Chamber for the few minutes that it will take me to enlighten him once more. In fact, I concluded my explanation this afternoon by saying that the government had since sold block H. Hansard will quite clearly indicate that what I am saying is correct.

Mr Bell: To whom has it been sold?

Mr DONDAS: That reinforces the fact that the member for MacDonnell does not listen and he has not listened for 5 months. That is his problem.

Mr Bell: I have not been told anything for 5 months.

Mr DONDAS: This has been going on for 5 months. He queried the reason why, as the minister, I gave him a briefing. Why wasn't it an official of the department? As I said earlier today, there were 3 departments involved - Treasury, Lands and Law. Because of the nature of the transaction, I thought it better for me to try to tell him the reasons behind my action. We retained T.C. Waters Pepper.

Mr Bell: By telephone or by letter?

Mr DONDAS: By phone in the initial stages.

Mr Bell: Very careful.

Mr DONDAS: Mr Speaker, the honourable member has made a lot of fuss and bother about this for a couple of months now and, if he does not keep quiet, he will never get to know about it.

The point I am trying to make is that we had decided that we would purchase block H. We approached the official receiver but we were not sure whether we would be able to negotiate successfully with him. Every couple of days, the price went up because we were very interested in getting that block. We took what one could call the precautionary measure of locating somebody who could buy the block for the department. If we had sent our departmental officials to the auction, everybody would have known that the Northern Territory government was after block H and the finger would have stayed up until such time as it was knocked down to us. Other bidders would have kept pushing the price up. That was one of the reasons why I entered into some discussions with Mr Anictomatis of T.C. Waters Pepper to buy the block of land for us.

Mr Bell: You must have wanted it badly.

Mr DONDAS: We wanted it pretty badly.

Mr Bell: For buffalo development?

Mr DONDAS: Mr Speaker, he was retained on a commission basis.

The member asked why we started talking about a subdivision. If he was familiar with the actual environment of block H, he would know that about 11 000 ha to 12 000 ha is good buffalo country. The remainder, from a ridge to the beach, is sandy and would be unsuitable for buffalo development. In fact, it would only be good for a light resort development or a couple of holiday shacks. There is a ridge that runs right through block H which separates the buffalo block really from the sea.

The reason why Mr Anictomatis bought the block of land in his name is because we were not sure whether we would be able to negotiate successfully with the liquidator, Rob Southwell. We did not make the arrangements because it was a liquidator sale. If we had sent officials from the department, we would have had to take a \$67 000 cheque or a \$55 000 cheque because you pay 10% on the fall of the hammer. We did not know until 11 o'clock on the day of the auction that we were unable to buy it.

We were not sure whether we would be able to negotiate successfully with the liquidator. Thus, we took out some insurance by having someone go to the auction. The auction was to be held at the casino at 12.00 pm and, at 11.00 am, I finally instructed Mr Anictomatis to buy it. He said that we would need a deposit. He said that he would use his money and buy the block of land. I agreed, provided that we were able to give him instructions as to what price we wanted to pay for it. He went to the auction. The block was passed in at \$550 000 and he successfully negotiated the purchase for \$575 000.

That was when the problem started. We had agreed to pay him a 2% commission. The average agent's fee is more than that but he had only to go to an auction and stick up his hand. We were not going to pay 5% or 6% for that. We agreed on about 2% and a letter was drawn up to that effect. He bought the block of land. He came back a week later and said: 'How do you feel about my keeping a bit of this front part?' He knew that we only wanted the back part.

Mr Bell: He ended up getting about 4%.

Mr DONDAS: He finished up with 3% and I will tell you how he finished up with 3% if you listen.

He came to see me and I told him to go across to the department. The department drew a line on the map of the block: one part for \$475 000 and he was to have the other part for \$100 000. It was the area which ran supposedly from the ridge back to the water. It was not very good country, but not bad country either. I then had to approach the Treasury for money.

The Treasurer had a valuation done. When the lines came back on that particular map, they were much broader than I had anticipated. When he was talking about \$100 000 worth of land, he was talking about the strip that ran from the ridge. When it came back from the department, the line actually ran behind the ridge back on to the buffalo block. Quite rightly, the Treasurer said that we should obtain a valuation. The strip from the new line was valued by the Valuer-General at \$300 000. That was crazy. We had paid \$575 000 for the whole block. Two weeks earlier, we had asked the Valuer-General to give us an approximate value for block H. He valued it at between \$300 000 and \$400 000. That was an approximate valuation.

Mr Bell: For the whole block?

Mr DONDAS: For the whole block before the auction.

Mr Bell: That is not true.

Mr DONDAS: Don't you say it is not true. I would ask you to withdraw that because it is true. After the auction, the Valuer-General was then able to give a valuation based on the fact that other land had been sold in the area.

Mr Bell: \$400 000 to \$500 000.

Mr DONDAS: \$400 000 to \$500 000.

Mr Bell: A cool 25% increase.

Mr DONDAS: Sorry about that. \$400 000 to \$500 000.

That was on 28 August to 1 September yet how could a small block of 1100 ha finish up being worth \$300 000? We could not understand that. The Valuer-General said that the reason that he could then give a firm valuation was that land had been sold at auction and he was able then to determine from the prices of those particular blocks what this valuation would be.

We all sat at a table - Mr Anictomatis, Mr Pepper, officials from the Lands Branch, the Valuer-General himself - trying to work out where these lines were so that we could finish up with a block for about \$475 000 and Mr Anictomatis' company could finish up with a block of land for about \$100 000. We spent about 2 weeks on the problem but we could not resolve it.

In the meantime, settlement had to take place. Mr Anictomatis entered into loan establishment fees and legal fees with the liquidator. He went out there by helicopter to see where the boundary could go and he committed himself to some expense. In addition, he also had to pay \$23 000-odd in stamp duty. In the whole exercise, to my memory, Anictomatis only made \$17 000 as commission for the whole transaction. If you are talking of a purchase price of \$575 000, \$17 000 is roughly 3% in commission.

The reason why we agreed to the 3% commission and not the original 2% commission was because it was not simply a matter of going to the auction that week and buying a block of land. This matter dragged on for nearly 2 months before it was finally settled. The normal practice would be to send an officer of the department to acquire land for the government. There were 2 reasons why we did not do that in this case. My officials said it would be better not to send an officer if we wanted to keep the price down. People would recognise the officer and we would pay more. That is the main reason why I told John Anictomatis, who is a pretty sensible businessman and has plenty of experience in this field, that the government would like him to purchase that block of land on its behalf.

That is what happened and, whilst the member for MacDonnell might say that there is an odour about it, everything was above board and was done to acquire a piece of country that we wanted to retain for a very important development. We did not have any special reason for preventing anybody else from buying the block, as has been insinuated. A month beforehand, the Buffalo Industry Council had criticised the government for not putting land aside for the buffalo industry. The Finnis Station had been run down for many years.

Everything was above board. There were no kick-backs, as has been insinuated. We were simply trying to act very quickly to buy the land.

Had the official receiver said to me at 11 o'clock on the day of the auction that the Northern Territory government could have it for \$600 000, we would have paid the \$600 000. That was the level which had been set earlier in discussion with my colleagues. It was not a solitary decision. It was a decision taken by 4 or 5 of my ministerial colleagues. I had a job to do. I had to buy a block of land and I intended to buy it, remembering the company that owned the whole Finnis Station before the subdivision owed the Northern Territory Development Corporation \$800 000. That has never been mentioned. We were owed \$800 000 and the subdivision of Finnis Station was very important if the Northern Territory government was to get its money back. This is because, in the structure of the debt finance flowing from that auction sale, we were about second in line. We were going to get our money.

The member for MacDonnell asked where we were going to get the money to buy this particular block. Whilst the block owed us \$825 000, we finished up not only getting our \$300 000 but also selling the other block to Mr Venturin and his wife for \$635 000. In other words, we have finished up with \$635 000.

Mr Bell: That is what you paid for it in November, Nick.

Mr DONDAS: It was \$654 000, was it? We finished up getting our money back. Does that satisfy you now, Neil?

Mr Bell: It is getting closer.

Mr COLLINS (Sadadeen): Mr Deputy Speaker, I would like also to put on record my sympathy to the family of the late Dave Michel who passed away last week at the tender age of 56. In his own quiet way, Dave contributed to many things in Alice Springs. I first met him when, having come to Alice Springs in 1970, I taught 2 of his children. He will be missed by the Alice Springs community.

The member for MacDonnell was upset by the words of the Minister for Labour and Administrative Services. I wonder how he would react if I read out Hugh Morgan's speech in his address to the National Farmers' Federation on 'Australia, the Trade Unions and the Rule of Law'. It goes into some considerable depth on the Hancock Report and the amendment which the Hon Ralph Willis was attempting to put through the federal parliament. I would love to read the whole thing into Hansard but I will content myself with a few notable references. Mr Morgan said that the bill should be called the 'Divine Right of Trade Unions Bill 1987'. I think that is very apt. Although its intention is disguised, the aim is to put the unions above the law. That is something which Australia, as a democracy, cannot tolerate.

Mr Morgan made a couple of other points which would no doubt stir the Labor opposition. He described the relationship between employer and the employee as a contractual relationship where there are responsibilities and privileges on both sides. We have heard the Queensland industrial legislation roundly condemned because it bans strikes in certain essential industries. Hugh Morgan says: 'The right to strike is a right to commit a breach of contract without penalty'. The working situation is indeed a contract when you think about it. 'It creates the expectation that reciprocity does not apply and that obligation flows only in one direction'. The divine right of trade unions bill certainly is something that this country should not tolerate.

The main thing I want to talk about tonight relates to a question which I would have asked this morning. I gave notice of it to the Minister for Health and I appreciate his obtaining answers for me. It concerns the comparison between Alice Springs Hospital and the Royal Darwin Hospital. I asked the following questions. What are the operating bed numbers in the Alice Springs and Darwin hospitals? How many social workers are employed at each hospital? How many welfare workers are employed at each hospital?

The minister's answer indicated that, in Darwin, operational beds number 360 and there are 190 in Alice Springs. There are 6 social workers employed at the Royal Darwin Hospital and 2 at the Alice Springs Hospital. Darwin has 2 Aboriginal welfare workers and Alice Springs has none. I have done some checking on these figures and I have been assured that the actual bed number in Alice Springs Hospital is not 190 but 170. Whatever the exact number, it is still very close to a 2:1 ratio - 360 compared with 170. There is a discrepancy in the social work area. I have been told that at least one of the people employed in the Alice Springs Hospital does much of the work which would be expected of a social worker, but she is actually employed as a welfare worker. Another lady is employed as an Aboriginal welfare worker. If you look at the numbers of people employed in social and welfare work, 8 in Darwin and 2 in Alice Springs give a 4:1 ratio.

I know that we are in pretty straitened circumstances and I am not saying that I would be asking for another person to be employed from outside the public service. However, I suggest that it would be reasonable for the minister to consider transferring a social worker from Darwin to Alice Springs. That would give Alice Springs 1 social worker and 2 welfare workers, compared with 5 social workers and 2 welfare workers in Darwin. It would be much fairer and would ease problems in the Alice Springs Hospital arising from the very heavy workload of these 2 ladies. They are very hard-working ladies. I know one much better than I know the other and I know that she really loves her job and puts in a great deal of effort. She does, however, need backup support and I would ask the minister to examine this matter. I am sure he or his officers will pick this matter up in Hansard and he will consider the possibility of transferring a social worker from Darwin to Alice Springs to help on the administrative side and free the present workers to carry out the face-to-face work which they do so very well.

There is another area in which the Alice Springs Hospital has had a pretty rough deal: paediatrics. I am told that, in Alice Springs, the 5 paediatric staff are handling 23 000 bed days per year for the young patients in their ward. This works out at something like 4600 bed days per staff member. The total figure in Darwin is something like 7000 bed days and I am sure the Treasurer would be interested to know that there are 9 staff, giving a ratio of 778 bed days per staff member.

Mr Coulter: I was shocked that you wanted more welfare workers in Alice Springs.

Mr COLLINS: The Treasurer is not good at listening. He is pretty good at making noise, but he is not good at listening. There is a very good reason for my request. Those 2 people are working extremely hard in the Alice Springs Hospital and they need backup.

Mr Coulter: I did not think your mob believed in them.

Mr COLLINS: My mob?

Mr Coulter: The Adam Smith Society and Hugh Morgan.

Mr COLLINS: Oh dear. There is no doubt about the honourable minister. I must have got up his nose some time this week.

Getting back to the paediatric ward, there were 23 000 bed days in Alice Springs with 5 staff and that is 4600 bed days per staff member. In Darwin, there was 7000 bed days with 9 staff which works out roughly to 800 bed days per staff member. The workload in Alice Springs is nearly 6 times as much as the staff in Darwin have. Again, the inequity between the 2 hospitals is pretty clear to anybody who looks at the figures. Alice Springs has been getting the rough end of the pineapple in this matter. It behoves the government to consider the 2 and to look a little bit more favourably on the Alice Springs area and its hospital services.

Mr COULTER (Treasurer): Mr Speaker, I rise to speak in tonight's adjournment debate partly to complete some of the statements that I was making about the Leader of the Opposition. I want to place them in the Parliamentary Record for all people to read. I am prompted to do so because of an article on page 3 of tonight's NT News. The Leader of the Opposition cans all the government initiatives and says that they will not work and presents a picture of doom and gloom. When they are successful ...

Mr COLLINS: A point of order, Mr Deputy Speaker! This is the same topic that was debated ad nauseam this morning and is out of order.

Mr DEPUTY SPEAKER: There is no point of order. However, I would point out to the honourable minister that he should not allude to previous debate.

Mr COULTER: Mr Deputy Speaker, I simply wish to point out a common tactic of the Leader of the Opposition. It is interesting to see the independent member for Sadadeen coming to his defence on a technical point of order when I am raising a particular issue of some concern. It is interesting to see his new bed partners and the excuses that he makes on their behalf.

The opposition cans every initiative that the Northern Territory government makes. It usually picks on the infant very early in its development. As soon as it starts to become a success, it jumps on the other side of the fence and says that it is wonderful and the opposition thought of it first. I highlight this by the article in tonight's paper. It is by Frank Alcorta and it is headed, 'Railway Group on the Job in Tokyo'. Towards the end of the article it says:

The Chief Minister, Mr Steve Hatton, said the meeting would dispel any doubts about the composition of the study group.

The Opposition Leader, Mr Terry Smith, welcomed the news of the meeting. Mr Smith described the corporate group as 'comprehensive and talented'. It not only would provide 'valuable input for international tenderers, but also has removed NT government public relations from the whole railway process'.

A few short weeks ago, the Leader of the Opposition was canning the railway proposal and the study group. Now, he is full of support for it when he realises it is about to come to fruition. He feels that he had better get on to this otherwise he will look stupid. That is his standard tactic.

As I pointed out in the Hungerford saga, the Leader of the Opposition paints the worst case scenario. From the same paper, it appears that the editor of the NT News has indeed adopted the doom and gloom and negativism that is promoted by the Leader of the Opposition. I went into some detail to explain to honourable members that the TIO is funded by policy holders. It is responsible to policy holders who indeed may be taxpayers. However, first and foremost, the TIO is responsible to policy holders. We have the editor of the NT News saying: 'Regardless of what the Treasurer, Mr Barry Coulter, says, this is taxpayers' money'. It is not. It is policy holders' money.

'The TIO is a statutory authority. If it goes broke ...'. It has \$100m of assets and is performing very well. Remember that not \$1 of taxpayers' money went into it in the first place. 'If it goes broke ...'. Here we have a doom and gloom situation once again: we will have \$100m collapse of the Territory Insurance Office, everything will fall apart and it will have to be propped up by the government.

The effect of the Leader of the Opposition's negativism and his doom and gloom philosophy has infiltrated the editor's office of the NT News. He is now suggesting to us that the TIO will collapse completely. That was the philosophy developed by the previous Leader of the Opposition in relation to our contingent assets, or our contingent liabilities as he liked to call them. The fact is that, under the worst case scenario that the opposition painted for us, the whole tourist infrastructure would have to collapse and the Northern Territory government would lose money.

On this side of the Assembly, we know that that is not the case. Our tourism numbers have risen some 30% on last year. 13 000 Japanese tourists have come into the Northern Territory so far this year. The picture is a pretty bright one indeed. We will not be selling the Sheratons either at Alice Springs or Yulara because we believe that we have taken all the canning from the opposition. We have taken the rough times. We intend to get a good return on our money to ensure that we can continue with developing this Northern Territory in the way that we have over the last 8 or 9 years since self-government.

Mr Deputy Speaker, I had the opportunity today to be involved in a most joyous occasion. I was the person on the other end of the telephone for Borroloola's first telephone call. They have been waiting for 102 years for the telephone to be connected.

Mr Ede: Longer than that.

Mr COULTER: I guess it was there a few years before that.

Mr Deputy Speaker, they have been waiting for the telephone and today it arrived and there were 60 people in a telephone box down there and they all were very happy to speak to me on the first official telephone call out of Borroloola. Honourable members from remote communities in particular will know the blessing it must be to be able to pick up a telephone and make a call. What we all take for granted has arrived in Borroloola today. There are some very joyous people there who were off to the pub to have a couple of quiet ones to celebrate the arrival of the telephone this afternoon.

I wish the people of Borroloola well. They are a great bunch of people who established a community government some 2 months ago. They now have the phone on and I guess they will have to save up for the phone bill. They might all put into a piggy bank there. There have been some problems down there.

When Peter Harvey was the administrator who looked after the affairs of the town, if he wanted to make a private telephone call, he had to drive into Katherine to ensure that he was not broadcasting everything that he was doing to the world through VJY. Today, I was speaking to the Vice-President of the Borroloola Community Government on the phone and it took him a little while to get used to this new-fangled device. After every statement, he would be saying things like, 'Roger, Roger' and 'Over'. It took him some time to get used to the fact that he did not have to use such terminology any longer.

I also had the privilege of speaking to the Telecom representative and I would like to pay particular tribute to Telecom for its efforts in providing telephone services to the more remote parts of the Northern Territory. We have heard in this Assembly of some of the problems that exist in the development of the bearer stations out towards the Port Keats area. I am not sure about the developments in that area but I understand that people like Harry Wilson at Peppimenarti have bought a flock of carrier pigeons recently and they are still cutting up message sticks down there. I do not think that the phone has been put on down there. I know they have met with some problems. I would hope that, in the near future, especially with the communication satellites that are available to us, the phones will be installed there. The member for Stuart said that he had 4 phones in his area.

Mr Ede: 6 now.

Mr COULTER: It has increased by 50% in a very short time. It is very interesting to hear that that development has occurred.

I understand that Port Keats has had the telephone connected since Christmas. Thus, we are gradually winding back the communications gaps in the Northern Territory. As I have said, I believe the people at Borroloola would be still celebrating down there tonight over the advent of having their telephone connected after waiting some 102 years for that to happen. They may now know the joys of being woken in the early hours of the morning and of people ringing them up and abusing them. I wish them well with their future telephone calls, the birthday greetings and other types of telephone calls. They may even receive their first nuisance telephone call in Borroloola tonight. Probably, it will be from some Labor representative.

Mr EDE (Stuart): Mr Speaker, the Minister for Labour and Administrative Services made what I could only describe as a blatantly political speech in the adjournment debate tonight. That is his right but I would like to set the record straight because the primary decision Australians will have to make at the forthcoming federal election is whether they are prepared to put aside their personal politics and make a decision about where this great nation of ours is to go. Will it go forward or will we turn the clock back? Electors will have a very stark choice. They will have to decide whether Australia will retain stable leadership and a firm government that is united and knows where it is going, or whether they will return to strife, to bickering and to confrontation. Are Australians going to come together to face the massive challenges and win or are we going to go back to the dark ages of division?

Australians have the choice in difficult times between strong, steady leadership or weakness, indecision and instability. In this election, Australians will be voting for enormous stakes. Everyone remembers how bad things were only 4½ years ago. The economy was in ruins, the country was being pulled apart and Australia was in the grip of its worst recession in 50 years. When the Australia Labor Party came to government, it promised no miracle cures, no magic wand, no overnight solutions. It asked for the

support of the people of Australia to bring Australia together. Let us be big enough in this Assembly to look at the national perspective. Let us cast our minds back to where we were in March 1983, just over 4 years ago.

Mr Speaker, that was the time when the Hawke Labor government came to power and found that the previous Treasurer, now the federal Leader of the Opposition, had rorted the budget deficit for the purpose of electoral gain. He had refused to admit that, in fact, the government coffers were empty and that we were billions of dollars further in the red than even he had been game to admit. His excuse has always been that Malcolm Fraser told him to keep quiet about it. That is the man who stands up and says that he wants to be our Prime Minister. The Hawke Labor government took on the challenge without busting the inflation rate and without the re-emergence of high levels of industrial disputes, both of which had occurred every time the conservatives had tried to get the economy going. The government achieved its successes by building union cooperation as a cornerstone of development.

The accord, which covered wages, non-wage incomes, prices, employment, industry development, government spending and taxation, produced a period of peace and development which was unparalleled in the OECD. It introduced Medicare. It renewed and reconstructed Australia's manufacturing industry which had been torn to pieces during the Menzie years when, with the connivance of Black Jack McEwen, he set up tariff barriers behind which manufacturers white-anted the economy and feather-bedded their pockets.

An extensive reform of the taxation system was undertaken, the most extensive in our history. A comprehensive national superannuation agreement was being worked out. Social welfare programs were undertaken whereby the most needy people in our community were targeted and price surveillance measures were strengthened. The government inherited a difficult financial budgetary situation but, in the first 3 years, it laid the foundation for future economic growth. Until last year, the living standards of the majority of ordinary Australians were maintained by the combined efforts of tax cuts, government spending on health, housing, education, welfare and employment programs. Wage restraint, exercised by the trade unions and supported by the government, allowed real labour costs to fall significantly, which provided a basis for present and future economic and employment growth.

Mr Speaker, Australians know that they can trust Labor to ensure that, when the time gets rough, there will be equity. People reject the rorts of the conservatives who say that situations like these can be used as an opportunity to put the ordinary, hardworking Australian down into Argentina-like conditions while the rich become the patrons of the Australian Argentina. To put it bluntly, unlike our opponents when they were in government, the federal Labor Cabinet ensured that tough decisions were taken, the essential sacrifices were made and, more importantly, that they were shared fairly.

The problems the Australian economy has faced in the last year are not the result of government action and any honest member of this Assembly will agree with that. They are the results of policies undertaken by much larger economies in America, Europe and Japan. We have had to bear the brunt of a trade war in which first the EEC countries and then other nations subsidised their own economies and output to the extent that they were cutting us out of our traditional markets. What the federal Labor government has done is lay the foundations for sound and sustainable future economic growth by ensuring long overdue revitalisation of the manufacturing industry, ensuring a fair and flexible wages system, a fair and stable tax system, new youth support,

education and training programs, and an efficient and a competitive financial system.

Mr Palmer: Tell us about the Liberal's tax policy.

Mr EDE: Mr Speaker, you will hear about that tomorrow.

Let us look at a few of these achievements. Back in 1983, when the federal government made its election promise to provide half a million new jobs in its first 3 years, the conservatives were almost hysterical or probably even manic in their rubbishing of Labor's ability to achieve those aims. The aim was achieved 5 months ahead of schedule. In fact, by March 1987, something like three quarters of a million new jobs had been created.

Mr Coulter: That is rubbish!

Mr EDE: That was almost double the growth rate that the Fraser government was ...

Members interjecting.

Mr SPEAKER: Order! The member will be heard in silence.

Mr EDE: That was almost double the growth rate that the Fraser government was able to achieve in twice that term in office and, in fact, with 1 exception - the United States in 1984 - over the last 3 years Australia's growth rate in jobs has been the highest of any OECD country. Compare that with the disastrous legacy of the last year of the Fraser Howard government when something like 190 000 jobs were lost and unemployment soared to 250 000.

It is easy for us to stand here and forget just how bad things were in those dim dark days in 1982-83 when the unions were fighting the employers, the government was fighting the unions, the employers had lost confidence in the government, the inflation rate was climbing and growth was declining and the unemployment figures were going through the roof. It is easy for us to forget about those things but we must remember them. They are the legacy of John Howard and the same old team that is attempting to get its act together ...

Mr PALMER: A point of order, Mr Deputy Speaker! The honourable member should refer to members of another House in a respectful manner.

Mr EDE: It is very difficult.

Mr DEPUTY SPEAKER: There is no point of order.

Mr EDE: Mr Deputy Speaker, I am particularly proud of the achievements of the federal Labor government in my own shadow portfolio area of education.

Mr Coulter: You won't even support Warren Snowdon. What are you talking about?

Mr EDE: Mr Deputy Speaker, I am on record as supporting Mr Snowdon who will be the next member for the Northern Territory and I would adjure honourable members opposite to take the opportunity to have discussions with him at this early stage so that he can continue with the good work performed by John Reeves when he was in government to assist us to get back to the

funding levels that we enjoyed in those days instead of the disastrous levels we have received since Hon Paul Everingham managed to join the federal opposition, which was all he ever managed to do.

We had no period before the election to ensure the people had the ability to exercise their democratic right to vote. Mr Speaker, I introduced a bill today in the Assembly, which I will not discuss because that would be unparliamentary, but members will remember the 1983 election when Malcolm Fraser attempted the same sort of rort to the system which our own Chief Minister perpetrated a few months ago. It is unfortunate that this government was not bundled out of office with the same peremptory haste ...

Mr DEPUTY SPEAKER: The honourable member will withdraw the remark referring to the Chief Minister.

Mr EDE: Rort? All right. I unreservedly withdraw that remark.

Mr Deputy Speaker, it is unfortunate that this government was not bundled out of office with the same peremptory haste that Fraser was. The federal Labor government took the issue of electoral reform to heart and has undertaken massive reform of our system to ensure fairness, equity and participation.

Mr Palmer: What has it done?

Mr EDE: It has provided 7 days during which people today can get on the electoral roll even though the election has been called. People could not do that under Fraser and they cannot do it under our Chief Minister. That is one thing it has done.

If I need a final point to bring my argument home, I need only mention tourism. Tourism in Australia has now reached an unprecedented level. Its value to the domestic economy is now some \$2000m per year. That is larger than the motor vehicle industry or the mining industry and, as we in the Territory know, tourism has the ability to continue to grow. There are incredible projections of its ability to generate foreign capital, to employ Australians, to protect the environment and to assert the uniqueness of this country and its people. It is the industry which will take the Territory into the next stage of its development. It will generate the capital which we require to fund the service industries and the industrial expansion which the Northern Territory requires. That will happen only if we have a federal Labor government after 11 July.

I do not resile from my wholehearted support of the Hawke government. It has taken on the major issues of the day and has dealt with them. It has not attempted, as previous governments have, to hide from international problems by building up tariff walls behind which people continue to live in a fool's paradise. It has not continued to provide dark holes where the wealthy can maximise their profits by avoiding tax. It has not attempted to set one Australian against another. It has stated boldly that equity and the bringing together of Australians are the essential components of its philosophy. It has worked to improve the life of the oppressed, the poor and the powerless in our society while, at the same time, providing a regulatory framework so that people who generated wealth did not simply rip off their shareholders but actually got on with development.

That is what the federal Labor government is all about and that is what it will continue to be about after the election. This Assembly should heartily endorse its continuation in office.

Mr MANZIE (Attorney-General): Mr Speaker, I rise tonight to make some comments about the University College of the Northern Territory.

However, first I want to say that what we have just heard from the member for Stuart is absolutely unbelievable. Every adult and thinking person in the Northern Territory will have trouble believing that those words came from the mouth of a politician who lives in the Northern Territory. Everybody should ask himself a few questions. What was the Northern Territory like in 1983? What were interest rates in 1983? What taxes were Territory taxpayers paying in 1983? What was the extent of our road funding in 1983? What was the condition of our financial arrangements with the Commonwealth in 1983 in relation to the Memorandum of Understanding?

After asking those questions, people should look at the present situation and ask how the country is going in 1987. It has been described by the federal Treasurer as a banana republic which is hopelessly in debt. The unemployment rate is horrendously high. Our national debt is at the highest it has ever been and amounts to \$25 000 for every Australian. If people ask themselves whether the Labor government has treated the Northern Territory fairly and equitably in relation to the rest of Australia, the answer has to be no. All Territorians know exactly what has happened to this country under the policies of the Hawke government. They are fully aware of the costs to Australians who happen to live in the Northern Territory. I, for one, will be distributing copies of the member for Stuart's speech to every house in my electorate so that people can make up their own minds about his mental incompetence.

Mr SPEAKER: Order! The Attorney-General will withdraw that remark.

Mr MANZIE: I withdraw it, Mr Speaker. I am sorry if I was unparliamentary.

Constituents in my electorate will be able to assess the mental capacity of the member for Stuart and make a decision in relation to the facts that he has informed us of tonight.

As I said earlier, I rise to comment on the University College of the Northern Territory. I believe it would be wrong for me to allow the Leader of the Opposition to get away with his hypocritical conduct on this issue.

Mr SPEAKER: Order! The Attorney-General will withdraw that last remark.

Mr MANZIE: Mr Speaker, I withdraw my remark but I certainly do not think it would be right to allow the Leader of the Opposition to have double standards on this matter without my drawing attention to them. I am sure that we are all well aware of the considerable damage that the Leader of the Opposition has already done to himself on this issue as well as to young Territorians. It is probably fair to say that he has an unparalleled ability to make himself look ridiculous with the aid of no greater tool than his own mouth. Obviously that is no mean feat. I am sure his ability in this regard is a source of great and continual embarrassment to his colleagues in the Labor Party. The Leader of the Opposition has another talent which should be placed on record. That talent is for duplicity and it is glaringly obvious in his woeful performance on the establishment of the University College of the Northern Territory.

Honourable members would remember how the federal Labor government did its best to stop the Northern Territory from obtaining a university facility. The

federal government claimed that there was no need for such a facility, that it would not attract enough students and that there was nothing wrong with families having to send their children literally thousands of kilometres away for a university education. But the Territory government forged ahead because it knew that there was a desperate need for a university facility in the Territory. Eventually, the federal Labor government said that we could have a university college, providing it was on its terms. The inadequacy of those terms is a matter of public record: 20 places a year at the Darwin Institute of Technology, rising to a total of 60 places after 3 years, and no added facilities. What a generous offer that was! The federal government might as well have offered us nothing because no responsible government could possibly have accepted that proposal as being viable.

It is now public knowledge that the University College of the Northern Territory opened its doors this year as a free-standing institution with more than 250 students. The public also knows that it is operating without a single cent of federal government support and even disadvantaged students, the very people that Labor claims to serve, are not paid tertiary allowances. It is a fact that, if we received the per capita funding for our tertiary students that every other state receives, we would get an additional \$13m towards tertiary education. However, we know that the federal Labor government does not treat Territorians by the same standard as other Australians.

All through our long hard fight to establish the University College, the Leader of the Opposition stuck firmly to his federal mates. He ran away from a vital Territory issue and he hid behind Susan Ryan's skirts. Everything she said, he said. He told us that it should be at the DIT, that we did not need more than 20 places a year and that the DIT was able to cope with an influx of students. In fact, he was still running the same line in November last year. I would like to quote some of his remarks from the Parliamentary Record for 18 November:

And what of DIT? It has everything going for it. It has the facilities, the infrastructure, the staff, the links with the wider education network, experience with Territory needs and a host of other assets extending well beyond the logical argument about cost and funding. The federal government is very generous to the Territory because it recognises our educational needs.

Those words are a damning indictment of the Leader of the Opposition. Even more damning is the fact that he is either unwilling to understand or incapable of understanding the reality of the situation. As I have told him time and time again, it is a fact that the DIT does not have the facilities to cater for university courses. New laboratories would be needed to cope with the undergraduate and postgraduate work that is undertaken at university level and they would cost a cool \$5m just for a start. An entirely new library collection would be needed for the university courses and that alone would put pressure on a cramped facility. In that respect, I refer the Leader of the Opposition to the Northern Territory Council of Advanced Education submission for the 1989-90 triennium which makes extensions to the DIT library its top priority.

While on the subject of facilities, I would also like to point out that the federal government has allocated nearly \$8m to construct a new administration block at the DIT to overcome the present problems of overcrowding. I would have thought it was obvious why it would have been more expensive to cater for 250 university students at the DIT than at the old

Darwin hospital. It may just have been possible to squeeze a mere 20 university students into the DIT with its existing resources, but the pressures would have been intolerable. That raises one very important question. Who would tell the other 230 odd students and their families that either they would have to leave the Territory or miss out on a university education? One thing is sure: the Leader of the Opposition would not have been putting up his hand for that job.

I have no doubt that he will claim in his defence that he now supports the University College. We heard him do that this morning. Let me expose here and now the cynicism behind that professed change of heart. The Leader of the Opposition only put his public support behind the University College early this year. That particular time just happened to coincide with the lead-up to the Northern Territory election. Frankly, I find it hard to believe that there was no connection between the two. In any case, every statement he made about the University College from then on, including his own education policy, reiterated his support for the DIT proposal and I have already exposed what a nonsense that argument is. He is such a good leader that he is unable to obtain the support of his own parliamentary wing members in following his so-called policy of support for the university. This morning, we heard the member for Nhulunbuy deny that he supported it and actually castigate his leader for his expressions of support. That is indicative of his powers of leadership.

Mr Speaker, I can give honourable members a pretty good idea about the date when the Leader of the Opposition changed his mind about supporting the University College. No doubt, whilst door knocking during the election campaign, he would have learnt the error of his ways pretty quickly. He probably first got the message on Thursday 27 November last year. That was when the previous Leader of the Opposition, Mr Bob Collins, told the Territory government that he would support our push for federal government recognition of the University College. That certainly posed a dilemma for the Leader of the Opposition. Even though he had taken the job away from Mr Bob Collins by a particularly nasty, knife-in-the-back job, Bob Collins' political ability and acumen certainly was not in doubt. Indeed, neither were those of the Leader of the Opposition; it is just that they are at the other end of the spectrum.

As we all know, it was far too late for the University College of the Northern Territory. The federal Labor government refused to budge. As a result, the Territory government provides all the capital and recurrent funding for the University College. Eventually, Territorians will have equal rights to a tertiary education, the same as those enjoyed by interstate students. If the opposition had abandoned its insupportable stance earlier, if the Leader of the Opposition had had the strength to take up the issue with his federal masters during the election, then it is more than possible the situation would now be different. It is possible that, with unequivocal bipartisan support, the Territory government would not have to shoulder the entire cost of the University College. It is even possible the federal Labor government may have recognised that Territorians are also Australians and that they deserve the same rights as other Australians.

We know that it did not happen. The Leader of the Opposition certainly was not prepared to bite the bullet. He never is. It seems that he has learnt too well from his federal colleagues that Territorians are not, in his opinion, equal to other Australians and we should be discriminated against whenever possible. I have no doubt that the Leader of the Opposition will attempt to deny everything that I have said when he reads Hansard. We are all

aware that he is not in the House. He has a tendency to disappear all the time. He will attempt to deny everything I have said even though the facts are very clear.

I would like to drive one final nail into his coffin even though I would not stop him from voting. We all know about his dead men voting concept. I would like to refer the Leader of the Opposition to the Commonwealth Tertiary Education Commission submission for the 1989-90 triennium. I quote from the submission:

The commission therefore welcomes the recent agreement between the Commonwealth and New South Wales governments to establish the Chiffley University College in western Sydney.

The commission also emphasises the need for continued priority to be given to growth in western Sydney especially the Nepean CAE and the McArthur IHE. All these institutions are necessary if residents of the region are to have access to the full range of higher education opportunities.

For its part, the Commonwealth has agreed to provide capital funds of up to \$9m in 1989 so that the University College can open in 1990 in permanent facilities. After \$1m recurrent funds in 1989 for the appointment of necessary staff and for equipment and, from 1990 onwards, a basic recurrent amount of \$1m indexed, plus a per capita amount of standard rates which would take account of the student mix at the University College. The college will also receive annually an appropriate share of equipment funds.

Mr Speaker, that really lays it on the line. It is not political rhetoric. It is not illfounded accusation. It is quite clearly a case of double standards. It is a case where the people of Sydney have and the people of the Territory have not. I have no quarrel with the people of Sydney but it cannot be disputed that they already have access to university facilities in their city. While they receive federal funds for another facility, the Territory government is kicked in the face for daring to suggest that the federal Labor government should support 1 facility for the whole Territory. That is sickening and it is shameful. Clearly, the Leader of the Opposition must be castigated for his failure to fight in Canberra for the rights of Territorians. There can be no justification for this kind of treatment.

Mr Speaker, in closing, I would like to make a final point. The opposition has attempted to use the high initial cost of the University College as an argument that it should not be established as a free-standing institution. The Territory government does not dispute the fact that initial costs will be high and it never has. However, if the University College has a similar intake next year to what was achieved this year, then the cost per student will drop to somewhere between \$12 000 and \$15 000 per student. This is well within the range of the per capita cost of new institutions such as Murdoch, Griffiths and James Cook University during their formative years.

I would ask honourable members to consider this fact. In 1985, the Australian National University, in Susan Ryan's own electorate, received \$128.8m, for recurrent costs alone, to service 6336 students. That is more than \$20 000 a head and it all comes from the federal government and it all goes to an established institution. The evidence on this issue is clear and irrefutable. It points directly to active discrimination against the Territory and Territorians by the federal Labor government. At the same time,

it displays the weakness of the Leader of the Opposition and exposes not only his refusal to fight for Territorians but also his acceptance of positive discrimination against us by the federal government.

Mr HARRIS (Port Darwin): Mr Deputy Speaker, some 4 hours ago, I rose in this position to speak in the adjournment debate and I thank you for your call, Mr Speaker. I planned this evening to address a matter relating to the St John Ambulance Brigade but, before doing that, I would just like to say that I was disgusted this morning to learn that the 60 Minutes program had offered the Prime Minister, Bob Hawke, and 8 of his senior ministers the opportunity to appear on the program to answer questions put to them by the public. What disgusted me was the fact that 60 Minutes did not offer the Leader of the Opposition, John Howard, and 8 of his shadow cabinet the same opportunity to put forward their views in relation to those questions. That is a disgraceful situation and the 60 Minutes management should be condemned for not allowing the opposition to put forward its view. The case put forward was that the viewers of 60 Minutes would prefer to hear Bob Hawke and his lot answer those questions. That is a lot of nonsense. There is no doubt in my mind about where the 60 Minutes management stands. It has made its political bias very clear in allowing Bob Hawke the opportunity to use prime television time, at no cost, to put forward his own political views. To do that without giving the opposition the right of reply is something that really should be castigated.

The St John Ambulance Brigade has been providing a service to people in the Northern Territory since it first set up a unit of the brigade in Darwin in 1953. During the period from 1953 to today, St John has expanded to the stage where it has some 23 ambulances placed in 7 different localities throughout the Northern Territory. Centres have been set up at Casuarina, Parap and Palmerston in the Darwin area and also in Batchelor, Katherine, Tennant Creek and Alice Springs. I am sure that most honourable members would acknowledge that St John does provide a very worthwhile and important service to our community, a service which is often taken for granted by many Territorians.

I raise this issue because, as St John expands, it is becoming more and more expensive to operate. People need to be made aware that, even if St John is able to maintain the high level of voluntary support that it has at present, it will still be difficult to maintain the quality of service that we enjoy today. Additional money is required and the public has a role to play in that regard. I acknowledge that, at present, it is difficult to talk about obtaining additional funding to maintain a service. The reality is that, unless a means is found whereby St John is able to receive additional funding, something will have to give. I hope that it is not the quality of service that has been provided to date. Of course, there are ways that St John can make ends meet, but that requires major decisions to be made not only by the St John Ambulance Council but also by the Northern Territory government.

Members may not be aware that, following Cyclone Tracy, the ambulance service became the full-time responsibility of the Darwin division of the brigade. Formal approval for transfer of ambulance services in Darwin from the Department of Health to St John was granted by the Australian government in 1976. During that same year, the Darwin St John Ambulance Brigade achieved autonomy and was granted full district status by the Chief Commissioner of St John in Australia. This brings me to the conditions that were placed on St John in relation to the operation of its ambulance service. These requirements dictate the actual cost of providing that service to people in the Northern Territory.

There has been criticism from a number of people in relation to the direction that St John is taking. There has also been criticism about the amount of money that is spent in the administration of the St John Ambulance Brigade. However, it should be noted that the agreement which was reached between the Department of Health and the St John Ambulance Brigade included a section that stated it was necessary to maintain at all times a standard of service consistent with sound ambulance service practice. In other words, the quality of the service provided to people in the Northern Territory had to equate with the quality of service provided in other states even to the extent of the involvement of paramedics. I mention paramedics because their role has been one of the contentious issues raised by a number of people. There is no doubt that costs in the provision of that service could be reduced, but this would mean a reduction in the quality of service and I do not believe that such a move would be acceptable.

Another major problem that the brigade has been confronted with is that of bad debts. There is no way of controlling this other than to say that patients will not be picked up unless there is an ability to pay. I might say that, in some parts of America, that is exactly what happens. If a person cannot pay and has no insurance to cover ambulance transportation, that person is not picked up. Heaven forbid that we have to move to that situation in Australia. Bad debts presently represent some 10% of the overall St John expenditure.

St John also provides a free service to pensioners and Aboriginals who have the appropriate concession cards. That has been the situation since 1 July 1986. As far as pensioners are concerned, the government contributes some \$50 000 a year, but this does not cover the actual cost of providing free transport service. If the outstanding debts were able to be recovered and if the free services were paid for, this would make a big difference to St John's financial situation. Indeed, it would be in the interests of the government in so far as its contribution is concerned.

It should be noted also that Aboriginal transportation makes up the largest component of bad debts. St John have tried to address this particular issue. It has sent several submissions to government about this particular problem. St John knows that it will not be able to recover those costs and it is unable to be given a policy decision on this matter. St John has also written to some 94 Aboriginal communities about this situation and all of those communities have responded and said that it is not their responsibility. That is something that I find very difficult to come to grips with. These are some of the problems that, if they were able to be resolved, could make a major difference to the entire operation of the St John Ambulance service.

I mentioned earlier the importance of maintaining a high level of volunteers in the St John Ambulance service. At present, there are some 629 volunteers, including 340 cadets. Whilst recruitment is not a real problem in Darwin, it is becoming a competitive business. For example, I understand that some services are indeed paying for voluntary labour and this makes it very hard for St John to recruit, particularly when people are required to spend long hours training and are required to commit themselves to a cause such as the St John service. The recruitment situation in Darwin is still okay. However, in centres outside Darwin, the problem is quite serious and there are very good reasons why it is difficult to obtain volunteer assistance in those particular areas.

Mr Deputy Speaker, the volunteer component of St John, if it were included as part of the income to St John, represents some 35%. In money terms, in

value of time given, it would represent some \$2.1m. Thus, one cannot emphasise enough the importance of the recruitment of volunteers to St John in providing its service. Without that support, there is no doubt but that the service, as we know it today, would cease to exist. St John has been providing a good service to the community and it has made an effort to raise finances. It has pushed its subscription schemes on a regular basis and most chemists and St John offices now receive subscriptions. Recently, St John has established an endowment trust and more information will be made available on that particular trust in the near future.

In conclusion, I would like to congratulate all those people who have been involved in the St John Ambulance Brigade. Their dedication and effort is really something that should be acknowledged, and I am sure that the high quality of service that they provide will continue. But I ask that the public and also the government remain aware of the need for continuing financial support to enable the St John Ambulance service to operate and to ensure that it remains in line with the ambulance services that are provided in other parts of Australia because, unless financial commitment is forthcoming to St John, something will have to give, and I hope that the something that will have to give will not be the quality of the St John Ambulance service which we enjoy at the moment.

Motion agreed to; the Assembly adjourned.

Mr Speaker Vale took the Chair at 10 am.

MINISTERIAL STATEMENT
NT Economy

Mr COULTER (Treasurer)(by leave): Mr Speaker, I rise to present an economic statement to the Assembly and the people of the Northern Territory. The decisions I am about to announce have been made necessary by the harsh financial treatment received by the Territory over the past couple of years, but particularly at the recent Premiers Conference. This is not a substitute for the 1987-88 budget statement, but will outline the government's basic strategy for dealing, in a positive way, with the particularly stringent financial circumstances which it now faces. The budget proper will follow at its normal time later in the year.

Mr Speaker, before dealing with the expenditure and revenue decisions taken by the government, I would like to take a few moments to outline the current state of the national economy and the consequences that that has for the Territory. The national economy is in its most perilous state since the Great Depression. Australia's annual inflation rate at December 1986 was 9.8%, compared with 2.2% for our major OEDC trading partners. Our gross overseas debt has reached record levels. In September 1986, it stood at \$102 000m of which the public sector owed \$41 000m. Australia's gross external debt rose from 11.7% of GDP in 1981 to 32.8% of GDP in 1986. This represents about \$26 000 for each Australian family. This situation is of great concern and, if it is not corrected, we will slide further and further behind our neighbours and trading partners.

Even though some positive signs are now appearing, that has been achieved at the cost of halving the value of our currency. The current account deficit has begun to contract, reflecting declining import volumes and a particularly welcome growth in net exports over the last 3 quarters. Interest rates have begun to decline but they are far higher than those of our trading partners and continue to provide a disincentive to internal economic growth. However, these positive signs have still not led to the long-hoped-for improvements in investor confidence. Reasons for this lack of confidence include concern about the strength of the economy, fluctuations in currency rates, continued high interest rates and excessive taxation. The Northern Territory, like the states, cannot escape the significant and far-reaching effects of our national decline. What is difficult to bear, however, is the overlay of successive Commonwealth decisions which have affected the Territory disproportionately. We have seen the introduction of new tax policies, including capital gains tax and the abolition of negative gearing. These policies have resulted directly in a disincentive to investment and have produced greater detriment in a growing economy like the Territory's than in the long-established areas of Australia.

In addition, the iniquitous fringe benefits tax clearly affects the remote areas of Australia disproportionately. It has played a significant role in dampening many sectors of our economy as well as adding to the cost of the government's essential services. This tax affects private enterprises whether they have reached profitability or not. Since the introduction of the fringe benefits tax, motor vehicle registrations in the Territory have fallen by 28%. As well, stamp duty collections show there has been a fall in conveyancing, hire purchases, cheques and loan securities indicating a contraction in the housing, motor vehicle and general consumer markets.

The federal government's policy for the Northern Territory was enunciated by our good friend Senator Peter Walsh. He advocates depopulation of the north. It is simply uneconomic, in the senator's view, to keep the Territory operational. This is simply absurd. Of course, the senator did not consider the contribution our industries make to the national economy. The mining industry contributed \$915m in 1986, a growth of 16.2%. Revenue from tourist accommodation produced \$42m in 1986, a growth of 32% over the previous year. This growth has come about as a direct result of the Territory's policies and in spite of those of the Commonwealth. Those include the failure to allow the rich uranium mines of the Territory to proceed despite the fact that Roxby Downs has won approval. The recent Commonwealth mini-budget decision to extract additional funds from Territory uranium mines for the unnecessary operation of the Office of the Supervising Scientist is outrageous. While tourism has expanded our full potential has not been realised because of the Commonwealth's failure to act on the outdated and inefficient Darwin and Alice Springs Airports.

The Aboriginal Land Rights Act has affected the Territory's development as well as restricting the personal rights and freedom of Northern Territorians. The quarantining of the Territory's national parks so that they are virtually unavailable for tourist development or industrial exploitation is an economic disgrace, particularly in light of Australia's overseas trade position.

These actions cannot be described as fair or equitable. They are examples of the disproportionate treatment the Territory has received from the federal government which has had significant economic consequences, not only for the Territory but nationally. The Territory has also had to contend with direct financial losses over the last 3 years which have reduced its capacity to provide government services. Honourable members will recall how the Territory's tax-sharing payments were hacked by \$12.6m in 1984-85, one month prior to the end of the financial year. In that same year, the federal government abrogated an agreement on superannuation which had been reached only 6 months previously. Without any discussion, the Territory was presented with liabilities of up to \$50m per annum.

The NTEC subsidy arrangements have been altered every year since 1984-85, resulting in a loss to the Northern Territory of some \$60m. This statement presumes that the Commonwealth will honour the Prime Minister's commitment to return the subsidy to its agreed level in 1987-88. The Commonwealth also commissioned retrospective reviews of the Territory's funding in 1983-84 and 1984-85, an unprecedented action in intergovernmental relations. We have seen the outcome of these reviews at the recent Premiers Conference and I will deal with that later. Prior to the Premiers Conference, the Territory had lost \$130m in direct payments and some \$200m in broken promises since the Labor government came to power.

It would be irresponsible to deny the significant impact these cuts have had on the Territory economy. While our industries continue to grow under Territory government policies, the effect of the Commonwealth's decisions has been most obvious in reduced population growth and consumer demand. The Territory's population growth rate slowed to 2.4% in 1986 as compared to 3.9% in 1985 with the significant loss being in interstate migration, particularly in the first 2 quarters. As a consequence, the housing industry has suffered a serious decline. The number of houses sold in Darwin reduced by 2.1% while the total for the Territory dropped by 6%. The number of home units sold fell by 9% in Darwin and Palmerston. The value of house prices sold fell by 3.6%, a figure not corrected for inflation. Reduced Territory population growth, coupled with the Commonwealth's high interest rates and tax

policies, have led to a decline in residential building approvals of 35% to March 1987. The equivalent Australian figure is a decline of 18%, providing yet another example of the disproportionate effect of Commonwealth decisions and policies on the Territory. These figures and the Housing Commission's own data on waiting times and units constructed, all indicate that the Territory must reconsider its own housing policies.

The Commonwealth continued its unbalanced approach to expenditure restraint in the May economic statement. Of the \$400m so-called cuts, only \$300m are to be made to the Commonwealth's own budget outlays. \$1100m are merely reductions in inflated notional estimates - the Commonwealth's wish list. \$1200m is to come from a one-off sale of assets, providing no long-term savings. The bulk of the real ongoing cuts are to be borne by the states: \$1000m to general purpose recurrent and capital funds as well as a further reduction of \$1000m off state and territory borrowing programs.

While the Territory government supports the need for restraint in public sector spending, it is grossly unfair that the Commonwealth is not contributing, in any meaningful way, to this restraint. The Territory and the states, which have the largest and most vital public services to provide in the form of health, education and public safety, have been forced to bear the brunt of the cuts. Even worse, it is the Territory yet again which has been singled out to bear an entirely disproportionate and totally inequitable share of the funding cuts. At the Premiers Conference, the Chief Minister clearly articulated the Territory's support for a reduction in government spending, a stance supported by all premiers. However, the principle on which the Commonwealth applied its cuts was apparently that those in greatest need and with the greatest growth potential should bear the largest burden.

When I talk of 'need', I refer not only to the Territory's catalytic needs but also to the relative disabilities acknowledged repeatedly and with great clarity by the Commonwealth Grants Commission. These reflect our diseconomies of small scale, our isolation, our population dispersion over a vast area of Australia and the special requirements of our Aboriginal population. Despite these needs and our willingness to apply resources to infrastructure creation, the cut to Territory funding was 10.1% in real terms, compared to a 6-state average of only 7.5%. The most significant reduction was in general purpose capital funds, the level of investment in our future. Overall, we will receive \$43m less from the Commonwealth in 1987-88 than we received in 1986-87. I stress that this is not a lower rate of increase, but less dollars in absolute terms, a situation unheard of in Australia's fiscal history.

In judging the enormity of these cuts, the extent to which Commonwealth payments are represented in the Territory's budget compared to those of the states must be considered. The Territory now raises approximately 22% of its own revenue, compared to about 40% for the states. For the Territory to cope with cuts of 10% without any reduction in expenditure, it would have to increase its revenue raising by approximately 45% whereas the states, with an average loss of 7.5%, only need to raise 12.5% additional revenue. The difference is unbearable. Given the magnitude of these reductions, additional revenue measures alone simply cannot be considered. We cannot allow a position where the Territory's taxes are above those in the states. Clearly expenditure reductions are necessary.

As well as imposing a disproportionate share of its much-vaunted expenditure reduction on the Territory, the Commonwealth also decided to take a further \$14.4m from us because of alleged overfunding in 1983-84. That is over 3 years ago and that money has long since been spent in good faith by the

Territory government in providing government services to and for Territory people.

In the few short years since self-government, we have come a long way towards building up the social and physical infrastructure which will ensure the continued growth of the Northern Territory. However, much remains to be done. We must continue this development since the only alternative is continued relatively high financial dependence on Canberra. That is clearly unacceptable. As a result of the Northern Territory government's investment in social and physical infrastructure and its policy of encouraging private investors to the Territory, the living conditions of the average Territorian have been greatly improved. Communications, shopping facilities, the transport network, cultural and sporting facilities, health care and education opportunities for our young people have improved significantly, to the point where living conditions for the average Territorian are similar to those enjoyed by other Australians. The impact of isolation and remoteness is not what it was 10 years ago, prior to self-government.

The government has taken this development into account in determining its strategy. That strategy, to compensate for the severe cutbacks imposed on us by the Commonwealth, is the development of activity within the Territory and the encouragement of private sector expansion to fill the gaps left by the necessarily reduced level of government spending. This will be done while maintaining our enviable record of balanced budgets. Such a strategy is now possible as a result of the government's investment record.

Mr Speaker, I would like now to present some specific detail on the size of the budgetary problems facing the government prior to the Premiers Conference and the May Economic Statement. There was an anticipated deficit of \$51m in 1987-88 and steps were being taken to review areas of revenue and expenditure to close the gap. However, at the Premiers Conference, an additional \$50m was removed from expected Commonwealth payments to the Territory, producing a total funding shortfall in 1987-1988 of \$101m. The shortfall may prove ultimately to be greater than that, as departmental bids for ongoing services now exceed the expected requirement by a further \$30m. Thus, while the precise size of the funding shortfall is not yet finalised, it is clear that the 10% real cut in Commonwealth funding to the Territory and the preliminary assessment of costs of ongoing services means in excess of \$100m needs to be found through additional revenue measures and savings in expenditure. This will be achieved by a number of measures that I will now address.

Two new revenue measures are finalised and will be introduced in the Assembly later today. They will raise a total of \$9m in 1987-1988. First, a fuel tax equivalent to 3.5¢ per litre on all on-road fuel and off-road petrol will be levied from today. The states levy such a tax at rates of duty ranging from 2.15¢ per litre to a high of 7.5¢ per litre in Tasmania. This measure is expected to raise \$7m in 1987-88. As a part of the overall strategy of minimising the impact of expenditure cuts and the new revenue measures on the productive sector, all mining and pastoral off-road use of diesel will be exempt from the tax under these proposals. Similarly, power generated in remote communities will not be subject to tax.

Secondly, it has been decided to introduce a tourism marketing duty to commence on 1 July 1987. Funds raised will be used to promote tourism in the NT. Under legislation to be introduced today, a stamp duty will be levied on the accommodation portion of all tourist accommodation businesses, including caravans in caravan parks. The rate of stamp duty will be \$2 per night for

hotel-type accommodation and \$1 per night for caravans in caravan parks. A maximum of 7 nights' accommodation will be charged. Youth hostels and permanent residents in caravan parks will be exempt. This measure is expected to raise at least \$2m in a full year. A special fund will be established under the legislation and all receipts will be paid into this fund. The money will be used to promote the Northern Territory as a tourist destination.

While these first 2 measures are firm and will be introduced in this sittings of the Assembly, I cannot promise that other measures will not be introduced in addition to the expected normal increase in charges, such as Housing Commission rents and water and sewerage charges, necessary to keep pace with inflation. Some additional taxes may have to be imposed. The extent and nature of any additional taxes has not been finalised. However, I would like to foreshadow 2 measures that are under serious consideration. A fire services levy is being considered. It would be imposed at a level sufficient to recover a significant part of the cost of running the fire service. The actual levy would be structured to equate with similar charges in the states. The options for imposing the charges are by way of a surcharge on insurance premiums, as is done in most states, or by an effective increase in local government rates by a surcharge on the unimproved capital value of the land. A land tax is also being considered. The states impose a land tax and, clearly, it is an option that must be considered seriously by the Territory. The imposition of a land tax at state-like levels would raise approximately \$3m.

I should add that, if the Territory does not levy taxes and charges at levels broadly comparable to those in the states, it cannot expect to be able to provide standards of services equal to those in the states. The Commonwealth Grants Commission is responsible for assessing the overall financial requirements of the states and the NT. In doing so, it presumes that, for a given taxable capacity, each state and the NT makes the same average revenue effort. In other words, the NT's grant from the Commonwealth already presumes the NT imposes state-like taxes, such as the fire levy and land tax.

The decision to impose the new taxes was not easy. It had to be taken in the light of the Territory's revenue effort compared with the states and the need to provide a satisfactory level of government services while still balancing the budget. Clearly, such revenue measures have only gone a short way towards solving our budget problems. The major emphasis must be on expenditure reduction. One of the first decisions made by the government was that cuts must be shared by all sections of the community. While equity is in the eye of the beholder, the cuts we have made reflect the government's balanced judgment of what it considers to be fair. The cuts are not proportional to existing levels of expenditure although that has been considered in deciding the extent of the cuts in each area.

For the most part, our annual capital works program is funded by loan funds raised by the Commonwealth and passed on to the Territory. Servicing costs of these loans are met from our budget appropriations. As a result of the Premiers Conference decision, our level of funding from the Commonwealth, for general capital purposes, has fallen dramatically from \$171m in 1985-1986 to \$88m in 1987-1988. At the same time, the reduction in real terms of funding provided on the recurrent side of our budget has meant that we have a lesser capacity to meet the loan servicing costs attaching to moneys already spent on capital works. In any event, we are unable to make up the shortfall in capital funds by expanding our local loan-raising efforts because of the ceilings placed by the Commonwealth on such borrowings. The limit is \$65m for

1987-88, a drop of \$10m on what we had sought even before the extent of the cuts were known.

Capital works expenditure is vital in a growing economy where population growth prompts the need for new schools, housing, roads and other infrastructure. In the circumstances, it is inevitable that the level of new works will need to be restricted. We can no longer meet our needs to the same extent and the challenge is to apply what funds remain carefully so that development is not choked off. Some hard decisions have had to be taken.

Substantial reduction to roads expenditure are planned. This is an area which has generally been immune from cuts over the past few years and the time has come for it to share the burden. The NT has maintained its real effort on roads since 1982 in order to be eligible to receive funding under the Australian Bicentennial Roads Program. We simply cannot afford to maintain that effort. All roads expenditure on repairs, maintenance and capital works is funded from general purpose capital funds and, as I have stated, these have fallen by 50%. It has been decided to reduce the Northern Territory's funding on roads in proportion to this reduction in the source of funds. The cuts will be effected in 2 stages, with \$15m being taken off in 1987-88 and the balance in 1988-89. The minister responsible will be reviewing the means by which the cuts are implemented. He will ensure that, within the revenue available, including the specific purpose payments for roads from the Commonwealth, the roads asset is protected and essential roadworks continue in priority order.

Housing is an area to which we have devoted considerable resources in recent years in concert with population growth. Nevertheless, the time has come to review the government's role in the provision of housing assistance, not only in recognition of the cut in available funding but also because housing demand has fallen dramatically in prevailing economic circumstances. As demand picks up in the future, we expect it to be satisfied by the private sector, as it is in the states. While not all the policy issues have been resolved in terms of eligibility for housing assistance, in 1987-88 the program will be cut dramatically. A total of \$20m, or about 250 dwellings, will be deducted from the cash that would otherwise be spent in that year.

I will foreshadow a number of other initiatives designed to generate cash savings in 1987-88. Work on the Marrara Sports Stadium has been stopped. This has been a difficult decision. We recognise that such termination will necessitate payment of certain penalties to the contractor. Nevertheless, in the prevailing circumstances, the government just cannot afford to continue with this facility, and savings of close to \$5m in 1987-88 are anticipated.

Standards in government buildings will be reduced, saving an estimated \$1m in 1987-88 and \$5m per year thereafter. The size and finish of all buildings will be reviewed and lower standards will be applied in fitting out and furnishing new offices.

In the area of local government, expenditure includes funding to municipal and community government councils and some local government services provided directly by the Northern Territory in places where no formal local government has yet been established. We have decided to reduce the NT's grant to the municipal councils by \$1m. This represents about 2% of total outlays by the municipal councils and is, therefore, slightly less than the cuts experienced by the NT government. This government has made non-statelike top-up payments to councils since self-government, despite the fact that a number of functions funded by local government in the states, such as town planning and building control, have not been delegated.

The financial circumstances faced by the Territory have resulted in a significant change of policy in relation to services to small communities. Henceforth, all services to communities with a permanent population of less than 50 people will cease, other than necessary provision of water. While not directed exclusively to outstations, this sector is clearly the area that is most likely to be impacted on by the change of policy.

Departments and authorities are already operating under tight conditions. In addition to cuts being made at the start of the 1986-87 budget, further savings have had to be made in the course of this year. In overall terms, total expenditure has fallen by \$28m over and above the original budget projections given in August 1986. That is reflected in staff numbers, which are about 300 less than at the start of the year, a 2% reduction. Unfortunately, further cuts are necessary. In addition to the cuts identified elsewhere in this statement, departments and authorities have been asked to identify further specific savings amounting to \$20m against planned budget expenditure. These include \$5m in health and community services, and \$6.5m in education which includes \$1.5m for technical and further education. Clearly, these savings must have some impact on the standards of services provided, though every effort will be made to secure savings while maintaining standards of service at the highest possible level. Not all details of these savings have been resolved other than the absolute amount of money which functional areas must save. The responsible ministers will announce the nature and timing of the cuts before 1 July to enable the full year's effect to be achieved. I must add that, as mentioned earlier, departmental bids currently exceed planned budget expenditure by \$30m. It is clear that some areas will experience difficulties in managing with their ultimate budget allocation.

The public sector enjoys benefits granted in the past in recognition of the Territory's relatively harsh living conditions. As I have said previously, these conditions have improved significantly to a point where the current level of benefits can no longer be sustained. In general terms, conditions of service in the public sector are now more generous than those applying in the private sector. This government has long been concerned about the cost of these conditions of service and the impact on the private sector which is forced to compete in the labour market. These conditions of service cost about \$60m per year.

The severe financial constraints facing the Territory in 1987-88 have brought these contentious matters to a head, establishing the time frame within which action must be taken. As part of the overall cuts in government expenditure, \$21.5m will be cut from public service expenditure in the wages and conditions area and this figure has been agreed to by the Trades and Labour Council. This reduction must occur from 1 July to obtain a full year of savings effect in 1987-88. The cuts must be such as to maintain an ongoing level of reduction; that is, they are not simply one-off adjustments.

Discussions concerning the nature of these cuts commenced between the Minister for Labour and Administrative Services and the Northern Territory Trades and Labour Council on Thursday last week. These discussions have focused on an explanation of the reasoning behind these necessary cuts and a consideration of the options available to the government. The Trades and Labour Council has been asked to consider these options and identify those which would be more acceptable to their membership as a whole. The Trades and Labour Council has also been invited to offer any other options of real and immediate expenditure savings which the government might also consider. Since the first meeting, the minister has conducted 2 further meetings with the Trades and Labour Council to discuss and negotiate options. Further meetings

are planned for this week and throughout the next 2 weeks to reach agreement on the areas to be cut to achieve the \$21.5m saving.

The range of options drawn up by the government which the Trades and Labour Council has been asked to consider include the following. For new recruits from 1 July 1987: no air fares, no NT allowance, no 17.5% leave loading, no additional 2 weeks recreational leave, no drive-out time on recreational leave, discontinuance of bylaw 54 housing rental subsidies and a limit to removal costs on recruitment. For existing staff at 30 June 1987: eliminate 17.5% leave loading except for shift workers; reduce NT allowance to the level of district allowance paid in the Northern Territory private sector; reduce or eliminate the additional 2 weeks recreational leave; eliminate drive-out time on recreational leave and, for air fares, eliminate altogether cash-up accruals and allow one more air fare to be taken in cash, only allow air fares each third year instead of each second year, restrict air fares to employee only and eliminate provision to dependants; abolish or severely restrict access to bylaw 54 provisions of housing rental subsidies; reduce nurses' entitlements of annual air fares to that which applies to other existing government employees; and eliminate or reduce police and prison officer entitlements as applicable now for free housing, interest purchase subsidies, special rental subsidies, and subsidies for rates and water charges.

In order that the government can achieve the full effect of savings from these options, negotiations with the Trades and Labor Council and other representative organisations will be completed by 24 June. I must make it clear that the levels of savings indicated must be achieved. The alternative would be wholesale reductions in public service numbers and the government would prefer to honour its previous undertaking that jobs would not be lost as a result of the economic statement decisions. I also give notice that no increases in conditions, including salaries for members of the Legislative Assembly, will be sought or accepted in 1987-88.

In addition to the specific cuts that have already been decided upon, there are a substantial number of measures that require further development before finalisation. We have assessed savings of \$6m in 1987-88 against these measures, and I will now highlight some of them.

A number of government functions will be reviewed and, where appropriate, activities will be rationalised. The specific areas identified for review to date include: the Government Printer, laundry services, courier services, film and video production, fire inspection services, work health inspection services, departmental public relations activities and vehicle inspection activities. The issue of flexitime will be examined in some detail. The size of the government's motor vehicle fleet will be reduced. Procedures will be put in place to ensure that classification levels in the government are appropriate to the task to be performed. First-class air fares for all intra-Territory travel that is funded directly or indirectly by the government will be abolished. The extent of cost recovery for government services will be reviewed. For example, we will be looking closely at the inspection services provided by the pastoral industry and a range of services in national parks. The activities of the Port Authority will be closely investigated to identify any elements which can be privatised, particularly in regard to bulk handling facilities.

Mr Speaker, I regret that the decisions I have announced are necessary at all. However, the circumstances are such that there is no option but to take clear, positive action to balance next year's budget. I can assure you that

there are no simple solutions. Glib suggestions made by the ill-informed that the budget problems can be solved by selling Yulara or the Sheratons are just plain wrong. The position is that we have a shortfall of \$101m and have no choice but to find real mechanisms to make up this deficit. We have chosen to introduce new revenue measures raising \$9m and expenditure cuts totalling \$92m. These measures are fairly pitched in an effort not to single out any particular group. Clearly, however, the cuts will hurt. I hope it is recognised that we must all do our fair share. In closing, I emphasise that, had the Commonwealth applied the same degree of restraint that the Territory has had to apply to itself, the Territory would not be in the position it is in today.

Mr Speaker, I move that the Assembly take note of the statement.

Debate adjourned.

BUSINESS FRANCHISE (TOBACCO) AMENDMENT BILL
(Serial 40)

Bill presented by leave and read a first time.

Mr COULTER (Treasurer): Mr Speaker, I move that the bill be now read a second time.

As mentioned in my earlier statement to the Assembly, it is necessary to review a number of revenue measures. The purpose of this bill is to amend the Business Franchise (Tobacco) Act to extend the franchise arrangements to cover petroleum products. This bill will change the name of the act to accord with the more general nature of the legislation and consequently it will now be known as the Business Franchise Act. The change in the structure of the act will not affect the existing arrangements for wholesalers or retailers of tobacco products. These will continue, subject to some minor changes to forms and administrative procedures.

The legislation will require all wholesalers of petroleum products in the Territory to be licensed. The licence fee will comprise a fixed monthly fee supplemented by an amount calculated by reference to the sales made in the month previous to the application for licence. The rate is to be 3.5¢ per litre and, as in the states, the licence will relate to the use of petrol and on-road diesel. Persons who use petroleum products not purchased from a licensed wholesaler will be deemed to be wholesalers for the purpose of the act.

The legislation is to have effect from 1 July 1987 with the sale or purchase of petroleum products in June 1987 to be used for the purpose of calculating licence fees for the August licence. As a transitional measure, the July licence will be issued on payment of the fixed fee alone. To ensure that the proper fee is paid, provisions are included which will group certain wholesalers where they have common control or display other areas of commonality specified in the act. A person who sells petroleum products without a valid licence will be subject to a penalty of \$1000.

The Commissioner of Taxes, who will have responsibility for the administration of the act, will have power to assess a fee. However, licensees will have an avenue of objection and appeal against the assessment. Recognising that there may be hardship in certain circumstances, the bill provides for remissions of the fee for organisations or industries specified in the regulations.

Mr Speaker, I commend the bill to honourable members.

Debate adjourned.

SUSPENSION OF STANDING ORDERS

Mr COULTER (Treasurer)(by leave): Mr Speaker, I move that so much of standing orders be suspended as would prevent 2 bills, the Stamp Duty Amendment Bill (Serial 44) and the Taxation Administration Amendment Bill (Serial 45): (a) being presented for the first time together and 1 motion being put in regard to, respectively, the second readings, the committee report stage and the third readings of the bills together; and (b) the consideration of the bills separately in the committee of the whole.

Motion agreed to.

STAMP DUTY AMENDMENT BILL (Serial 44) TAXATION ADMINISTRATION AMENDMENT BILL (Serial 45)

Bills presented, by leave, and read a first time.

Mr COULTER (Treasurer): Mr Speaker, I move that these bills be now read a second time.

The purpose of these 2 bills is to introduce a tourism marketing duty as a new duty and to provide administrative arrangements for its collection. Additionally, the definition of 'conveyance' is clarified and a number of anti-avoidance provisions, similar to those which exist in a number of states, are introduced.

The tourism marketing duty will enable assistance to be given to the tourism industry which, as a consequence of the financial circumstances thrust on the Territory at the recent Premiers Conference, would not otherwise be possible. Tourism, as one of the Territory's major industries, contributes in a large way to the economic development of the Territory and, in this respect, the government recognises that it has a responsibility to assist in its continued growth. This amendment demonstrates the government's commitment by allocating the revenue generated by this duty to the marketing of tourism.

The amendment requires providers of short-term commercial accommodation to pay a duty with respect to certain documents related to accommodation provided. The duty to be paid is \$2 for each unit of accommodation provided in hotel or motel-type accommodation and \$1 for sites in caravan parks. Providers of the relevant accommodation will be required to register with the Commissioner of Taxes and provide some details of accommodation provided. This is necessary to establish a basis for administration of the act. The duty will be paid for each day's accommodation up to a maximum of 7 consecutive days.

The act will require the provider of the accommodation to make out an instrument at the time the guest vacates or at the conclusion of 7 days, whichever is the sooner. The instrument must identify the accommodation period for which duty is to be paid. As the majority of establishments already issue instruments of this nature, there will be little administrative cost to be carried by the provider of accommodation. The duty is to be denoted by adhesive duty stamps which are to be affixed to the instrument as

it is made out. The cost of the duty may be recovered directly from the guests.

Mr Speaker, as I have already mentioned, the government has a commitment to encourage tourism in the Northern Territory and the amendment establishes a specific Tourism Marketing Trust Fund into which the revenue generated will be paid. The bill provides for transitional arrangements to cover the introductory period while registrations are being made.

The bill amends the definition of 'conveyance' to simplify certain sections in order to clarify what is included for the purposes of assessment and to overcome an inconsistency between the Taxation Administration Act and the Stamp Duty Act. All states and the Territory have been concerned about the loss of revenue occasioned by certain avoidance practices. A particular instance of avoidance occurs where a dutiable instrument is held outside the Territory and not produced for assessment. The overall question of avoidance and evasion of Territory and state taxes has been considered in detail by the Territory and the states and a number of steps will shortly be taken by all jurisdictions to minimise revenue loss occasioned by avoidance and evasion. As an initial measure, it has been decided to tighten the act in areas where more blatant avoidance is occurring. The amendment makes it clear that jurisdiction extends to cover the practice mentioned above and sets a limit on the time within which dutiable documents held outside the Territory must be stamped. In addition, in certain circumstances, copies will be made liable to duty where the original has not been duly stamped. Where documents are not lodged as required, a penalty will be incurred.

Finally, the bill deals with a number of procedural and consequential matters such as correcting references to other acts. Mr Speaker, I commend the bill to honourable members.

Debate adjourned.

DISTINGUISHED VISITOR
Hon W.C. Wentworth

Mr SPEAKER: Honourable members, I draw your attention to the presence in the gallery of Hon W.C. Wentworth, former federal minister. On behalf of honourable members I extend to him a very warm welcome.

MEMBERS: Hear, hear!

MOTION
NT Economy

Continued from page 841.

Mr SMITH (Opposition Leader): Mr Speaker, I would say at the outset that it is very disappointing that the financial statement has been delivered on the last day of these sittings because there is no doubt that it does limit the ability of members of the opposition to provide a detailed and considered response.

Mr Coulter: You have 13 days.

Mr SMITH: Of course, in his smart-alec manner, the Treasurer says that we have 13 days. We all know that 13 days from now, the speech that he delivered today will be history. Certainly, a considerable amount of the interest will

have gone out of it and something else will have taken hold of people's minds. Probably, they will be too busy packing their bags to leave the Territory as a result of the impact of this statement.

Mr Speaker, I must start by saying that I have rarely heard a more determined attempt to talk down the Australian economy than I heard from the Treasurer this morning. Because of the position that he holds, the Treasurer does have some responsibilities. He has a responsibility that goes beyond the responsibility he has to his own party: he has a responsibility to the wider community. I recognise that it is election time but, for him to talk down the Australian economy as he did today, has done this Assembly and the people of the Northern Territory a considerable disservice. Of course, the only consolation that I have is that fewer and fewer people listen to the Treasurer and therefore perhaps his comments will not have done too much damage.

His doom and gloom and his negative knock, knock, knocking comments concerning the Australian government contrast most vividly with the expressions of support that are coming from all sectors of the Australian business community at present.

Mr Perron: Like Alan Bond?

Mr SMITH: As the Minister for Industries and Development so helpfully pointed out, an expression of support for the Hawke government has come from Alan Bond - hardly a traditional Labor supporter. We have had expressions of support today from Kerry Packer - hardly a traditional Labor supporter. We have had the mind-boggling support for the Labor Party's campaign of John Singleton. We have had also the support of John Singleton's colleague, Mr Rifkin, who is one of the smartest financial operators in this country today. The basic reason why they are supporting the Labor government is that the Hawke Labor government has done more in the last 3 or 4 years to free up the restrictions placed on the financial community over the last 20 or 30 years than any other government.

It is quite salutary to examine the things that the Hawke Labor government was able to do in its first 12 months of office that the Fraser-Howard government was not able to do in 5 or 6 years although they kept on talking about it. I refer to things like freeing up the exchange rate and deregulating the banking system so that we have greater competition between banks. Those are the sorts of initiatives that have gained the support of the business community. The Treasurer should know that the effect of floating the dollar was a drop in its value. But that was necessary if we were to counteract our balance of trade problems. We all know that the decrease in the value of the dollar has enabled Australia's exports to become much more competitive. That is a very basic matter that has to be addressed in the current economic climate.

It is also a fact, which was admitted by implication in the Treasurer's speech, that the Northern Territory economy has stagnated to some considerable extent. That is a matter of some concern. The remainder of Australia is booming to a larger or lesser extent. It is true to say that the states that are doing best in the Australian economy at present are the Labor states. The action is taking place in Victoria, which has the lowest unemployment rate in Australia, and South Australia and Western Australia. Unfortunately for the people who live in them, the non-Labor states are not doing so well.

One of the sad things about the statement of the Treasurer today was that he was delivering a contractionary budget. He held out no hope to the people

of the Northern Territory. All he did was to cut back severely and, as I hope to demonstrate in this response, unwarrantedly in a number of areas. Essentially, what we have before us today is an economic con trick. We have an attempt to blame the federal government for all the economic ills of the Northern Territory and to convince the people of the Northern Territory that the \$101m that has been saved today in one way or the other is a direct result of federal government cutbacks.

In 1985-86, 2 very clear one-off budget items were involved in the federal government's contribution to the Northern Territory exchequer. One of those very clear one-off budget items was a sum of \$35m which was a capital contribution to the Channel Island Power Station. The other was a sum of \$6.8m which was a one-off contribution to superannuation entitlements to public servants in the Northern Territory. Those 2 one-off budget items added up to \$41.8m. They were one-off budget items which meant that we could not reasonably expect to get them again. If that sum is adjusted to account for inflation, the money that we received on a one-off basis in 1986-87 was \$45m. That means that the sum of \$101m that has been freely floated around by the Northern Territory government as being the extent of our disadvantage in the 1987-88 financial year becomes substantially reduced to a figure of \$59m. If you remove those one-off payments, on the government's own figures, \$59m is the amount of disadvantage that we have suffered in the coming financial year from the federal government's cutbacks.

If that is the case, how do we explain the fact that the Northern Territory government has ignored that figure and has placed extra and unnecessary burdens on the taxpayer of the Northern Territory by aiming for a figure of \$101? For the answer to that, one has to go back to the August budget statement of last year. As I said at some length in the Supply Bill debate, the Northern Territory government made an awful mess of its budget predictions for this financial year. Quite clearly, we have had a situation this financial year where we have spent much more money than we have gained from our own revenue sources. We have had a situation where our own revenue projections have not lived up to the figures provided in August. I pointed out in the Supply Bill debate that the government has been able to fix that and balance its Consolidated Fund by taking its money out of cash reserves and plonking it into the Consolidated Fund area.

Mr Speaker, as I have said, that can be done once but not again, because the money has gone - the piggy bank has been emptied. Quite clearly, in the next financial year, the government has either to cut back significantly or to increase its taxes and charges significantly. Obviously, it has opted to cut back quite significantly. The point needs to be made that, in this exercise that we have seen today, a very significant contribution to the total amount of savings that have been necessary has been made by this government's failure to plan out its 1986-87 budget properly and this government's need to correct the mistakes it made in its expenditure and revenue projections. It is certainly not accurate simply to say that all of those cuts are due to federal government decisions. Quite clearly, they are not.

Mr Speaker, let us have a look at one particularly curious statement made on page 11 of the statement, which I thought was a pretty good demonstration of the Treasurer's lack of knowledge of Treasury matters and the ability to handle them. I will read from page 11: 'There was an anticipated deficit of \$51m in 1987-88 and steps were being taken to review areas of revenue and expenditure to close the gap. However, at the Premiers Conference, an additional \$50m was removed from our expected Commonwealth payments to the Territory, producing a total funding shortfall in 1987-88 of \$101m'. That is ambiguous for a start.

Mr Hatton: We have to find an anticipated \$50m.

Mr SMITH: It is ambiguous.

Mr Palmer: If you read it slowly, you might understand it.

Mr SMITH: The reason you have to read it really slowly is because it is ambiguous.

Mr Hatton: No, we understood it.

Mr SMITH: The anticipated deficit of \$51m was in Commonwealth funds and not in our own budget at the end of the financial year.

But listen to this, Mr Speaker, this is crazy economics: 'The shortfall may ultimately prove to be greater than that amount as departmental bids for ongoing services now exceed the expected requirement by a further \$30m'. The Treasurer is saying that the amount of money that we might need in the next financial year will be determined by departmental bids for ongoing services. That is a completely new concept in the delivery of economic information and advice to the people of Australia. The Treasurer and the Chief Minister have obviously not been able to come to grips with the reality that, if they run their budget on departmental bids, they will never have enough money. It is the job of politicians to knock those departmental bids into line and to sort out what is necessary and what is not quite so necessary. Obviously, the Treasurer does not even have that basic understanding. That sentence is so significant that I will read it into the record again: 'The shortfall may ultimately prove to be greater than that amount, as departmental bids for ongoing services now exceed the expected requirement by a further \$30m'.

Mr Ede: Who wrote it?

Mr SMITH: I do not know. It is a good question. Obviously, it was somebody acting on the Treasurer's instructions.

Mr Coulter: It is your speech that we are worrying about, not what I said. You are just trying to add substance to your argument by quoting me.

Mr SMITH: I confidently expect that, when the departmental heads read this, they will increase their departmental bids so that the Treasurer can say that they exceed the expected requirement by the sum of \$50m, \$100m or \$300m. It makes no sense at all.

There is no denying that the government was faced with a difficult situation and that it had to make some decisions on cuts to expenditure or increased taxes and charges. As an afterthought, on the second-last page of his speech, the Treasurer said that the cuts have been made with equity. I think he will find it difficult to convince people who live in communities of less than 50 people that the cuts have been made with equity. I have never seen such an outrageous abrogation of responsibility towards citizens of a sovereign state as is expressed in this statement. We are talking about a great many communities. I have heard one figure of 300 communities and the minister's own office has referred to 570 communities of less than 50 people. The relevant section of the Treasurer's statement reads: 'Henceforth all services to communities with a permanent population of less than 50 people will cease, other than the necessary provision of water'. He is talking about people of the Northern Territory. Don't they have a right to expect services that other people in the Northern Territory have?

Mr Perron: They certainly have the expectations.

Mr SMITH: Why are they not getting them?

Mr Perron: Ask Bob Hawke why they are not getting them.

Mr SMITH: Mr Speaker, \$2.7m has been taken away from these people. This will deny them the prospects of education, and put their health at risk because the government is denying them access to medical facilities. I have never seen such an abrogation of responsibility as that statement implies. It is a mockery to say that these cuts have been designed with equity for the population of the Northern Territory. I am more inclined to believe the statement that all services will cease. That is what it says: 'All services will cease'. The government stands condemned by it, and for its effective disadvantaging of a substantial number of Aboriginal people in the Northern Territory.

The other person who has been hit by this particular exercise is the average man in the street. He gets hit for 6, but the big boys - the favourites of the Northern Territory government - remain untouched. The total assistance to the Sheratons, Yulara and the Trade Development Zone is more than the sacrifice this government demands of its public servants. It hands out over \$20m to the Sheratons, Yulara and the Trade Development Zone and expects public servants to make sacrifices. Meanwhile, the big boys who have been subject to the largesse of the Northern Territory government for the last 4 or 5 years remain untouched. I do not think the average man in the street will be terribly impressed with that. He will not be terribly impressed with the fact that he must pay a 3.5¢ per litre petrol tax. The Treasurer has foreshadowed increases in electricity, water and sewerage charges and Housing Commission rents. The average man in the street faces the very real prospect that his terms and conditions of employment will be cut. On top of that ...

Mr Manzie: You should be attacking your federal colleagues for what they have done.

Mr SMITH: It is always all their fault! You people are so negative over there. Knock, knock, knock! One would never think that the federal government had done a good turn for you in your life.

On top of that, we have a situation where, even if public servants are able to keep their air fares, thanks to little John Howard they will be taxed on them. That means that many people will not be able to use their air fares because they will have to pay 32¢ in the dollar tax on the cash amount they receive. I think that the people of the Northern Territory will not be very impressed at all with what has been done to them today. The big boys get off and the ordinary person in the street is hit for 6 once again by the actions and the attitudes of this particular government. Let us have a look at the taxes that have been introduced by the government. I have said consistently that, if you want the perfect tax to affect the inflationary spiral, petrol tax is the one. This government has endorsed that and has applied a 3.5¢ per litre petrol tax. That will have a catastrophic effect on the consumer price index in the Northern Territory in the September and December quarters.

Personally, I have no problems with the stamp duty tax. I know it will create an uproar in the hospitality industry but it is a sensible tax in that it spreads our tax base beyond the citizens of the Northern Territory and inflicts a minor tax on visitors to the Northern Territory. I do not believe that it will have an adverse effect on tourism. I am sure we will have a

bipartisan approach on that particular matter. I am not sure about the member for Barkly. I would hope that the government will act to impose a land tax because I believe that is an appropriate tax to introduce. I would hope that a fire services tax is imposed as well. Those are areas where a tax can be imposed without adding to the inflationary spiral.

Mr Speaker, there was a significant thing missing from the Treasurer's speech. No reference was made to the amount of revenue that the government expected to obtain in the next 12 months from its own existing revenue sources. Again, that is a reflection of the contractionary nature of this budget and the lack of confidence that the government has at present in the future development of the Northern Territory. What this budget response needed, and lacked, was some sort of vision, some sort of stimulus for the Territory and a statement that the Territory was on the move. Of course, if that were the case, it would have been reflected in an increased ability on the part of the Territory to raise its existing rates of taxes and charges. I thought the budget statement was very carefully silent on those particular matters.

Let us have a look at the savings that it is planned to make. Apart from the fact that it is a total abrogation of the government's responsibility to completely cease all funding except for water to local communities, it is also a massive contradiction to an earlier passage in the Treasurer's statement, where he said that one of the reasons why we had received high levels of funding from the Commonwealth government was the Grants Commission's finding that we needed additional money to service Aboriginal communities. We have a situation now where that is no longer the case. The Grants Commission's finding has been essentially ignored and, effectively, those people in Australia's most remote communities have been disadvantaged.

In terms of roads, the important question that has to be addressed is where the cuts in expenditure are to be made. Quite clearly, there are very serious questions to be asked as to which particular sections of the road network are to miss out. Will Aboriginal communities be hit again, and are roads to outstations etc to be put on hold or is the saving on roads to be made somewhere else? That is another area that needs some clarification.

Again, in the area of housing, it will be people in Aboriginal communities who will suffer. Savings on 280 houses can be justified in an urban environment such as Darwin, but it is still a fact that more than half Australia's homeless people live in the Northern Territory. They happen to be the Aboriginal people of the Northern Territory. I would hope that there will be no savings at the expense of the legitimate needs of Aboriginal people in the Northern Territory for improved housing conditions.

I marvel at the government's ability to blame everybody but itself for its own spending decisions. It has a sum of money. It may have to make difficult decisions, but it cannot escape the fact that it has to prioritise expenditure. I am saying that one of the government's highest priorities must be to improve the conditions that 25% of the Northern Territory population lives under. Hopefully, we are not going to enter the 21st century with a significant proportion of our population without proper housing, proper water supplies, and proper education and health services. That should be one of the government's key priorities, no matter how much money it has. Unfortunately, the whole tenor of this statement is to do the reverse. It is to say that these people are out of sight and out of mind. The government will withdraw services rather than recognise that those people have legitimate needs for the services that the remainder of the Northern Territory community enjoys along

with the wider Australian community. This decision is an indictment of the government.

As I said yesterday, in terms of departmental reductions, I believe there is room for greater savings than have been identified by the government in this statement. I would hope, following yesterday's constructive debate, that there is a very thorough review of all the strategies I suggested. A few are mentioned in this document but most are not. I repeat that there are significant possibilities for savings within the public service without affecting the quality of programs and without infringing on the terms and conditions of employment of public servants.

Mr Coulter: Are they the savings you gave us last night?

Mr SMITH: For example, the 15 things that I mentioned last night.

Mr Coulter: Their total savings would be about \$3.50.

Mr SMITH: I am glad that this is broadcast and the Treasurer's crude behaviour is known to the public service. It will just add to his reputation. Keep it up!

Of course, when we get to the public service sector and the savings that are expected to be made by public servants, I do not think it can be denied that, after Aboriginal people in communities of less than 50, public servants are expected to bear the greatest burden in this whole budget exercise. To talk about equity in these cuts is a nonsense, when we look at the savings that public service employees are expected to make out of their own award terms and conditions. As I said, they will be particularly happy that Yulara and the Sheratons will still get their subsidy but that they are expected to shed some of their own benefits for the good of the Northern Territory.

Mr Speaker, may I say to you that, if some of those proposals that were outlined by the Treasurer go ahead, we will not have any trouble reducing the size of the public service. The problem we will have will be to keep enough people to run a decent and effective public service. I cannot believe that anyone could seriously suggest that new recruits coming to the Northern Territory from 1 July 1987 are to get nothing more than a basic salary.

Mr Perron: Some people actually come here because it is not a bad spot to live, Terry.

Mr SMITH: Not too many of them, particularly when employment opportunities in the rest of Australia have improved quite dramatically and, if honourable members want evidence of that, they should talk to the teaching service about the difficulties it has even now in recruiting teachers to the Northern Territory since the teacher market improved over the last 2 to 3 years. If all those terms and conditions are cut out in the manner outlined in some of those options, there will be great difficulty in attracting people into the public service in the Northern Territory and there will be great difficulty in keeping existing public servants in the Northern Territory.

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

Mr EDE (Stuart): Mr Speaker, I move that the Leader of the Opposition be granted an extension of time.

Motion agreed to.

Mr SMITH (Leader of the Opposition): Of course, Mr Speaker, when talking about public servants' terms and conditions, it is very easy to forget that, if their conditions are reduced, particularly if their spending power is reduced, that impacts on the whole of the community in the Northern Territory. I do not think one should underestimate the impact the removal of air fares or the removal of district allowance will have on business in the Northern Territory. There are 15 000 public servants in the Northern Territory and many of them have families. They play a very important economic role in this community. To substantially reduce their conditions of service, to make them pay an unfair part of the financial savings that this government is intent on will have an adverse effect, not only on the public service itself but also business in this town.

To pick up this furphy that the unions have agreed to cuts of \$21.5m, that is certainly not my understanding of what the unions have agreed to. As I understand it, they have agreed to talk about the prospect of cuts within the public service. Certainly, they have not agreed on any amount. I am glad to say that the Minister for Labour and Administrative Services agrees with me.

Mr Speaker, I want to conclude by saying 2 things. First, if we are unfortunate enough to have a Howard Liberal government elected, this will not be the last mini-budget we will see this year. We will see a second mini-budget later this year, after the Premiers Conference that John Howard is promising us, when Northern Territory funding will be cut again. What John Howard has said is that \$250m will come off the states and the Territory. That is at least \$20m from the Northern Territory. I would hope that all citizens of the Northern Territory will see what John Howard is promising for the Northern Territory, both in the short term and in the long term. What is 6.5% for the next 3 years? That is what John Howard will do to us over the next 3 years: make a 6.5% reduction on what we have at present. If John Howard gets in, we can all turn the lights off and give the country back to the member for Arnhem and the member for Arafura.

What we have today is a mini-budget which earns the Treasurer the reputation of being the Peter Walsh of the north. This mini-budget has a very dangerous potential to slow down growth in the Northern Territory, to make it difficult to attract people to come to the Territory and to cause those many people who have thought about staying in the Territory and making their homes here to think again. What it lacks is any vision for the future of the Northern Territory and any confidence in the Northern Territory.

Mr Hatton: We have got it. Have you?

Mr SMITH: If you have got it you are keeping it pretty well hidden. It does not appear in your mini-budget.

Mr Speaker, the government has outlined that the next few years are going to be very tough years for the Northern Territory and that is, indeed, unfortunate. It could well have taken a more positive approach to this mini-budget than it has. It could have made the cuts that were necessary with equity rather than singling out specific groups in the Territory as it has. If it had managed its financial affairs properly in this 12 months, it would not have had to take such drastic action to remedy the dramatic state that the economy of the Northern Territory has reached at present.

Debate adjourned.

SPECIAL ADJOURNMENT

Mr HANRAHAN (Leader of Government Business): Mr Speaker, I move that the Assembly, at its rising, adjourn until Thursday 25 June 1987 at 10.00 am or such other time and or date as may be set by Mr Speaker pursuant to sessional order.

Motion agreed to.

TABLED PAPER

Third Report of the Publications Committee

Mr SETTER (Jingili): Mr Speaker, I table the third report of the Publications Committee, and move that the report be adopted.

Motion agreed to.

TABLED PAPER

Inquiry into Collapse of the NTEC System in April 1987

Mr COULTER: (Mines and Energy)(by leave): Mr Speaker, I table a paper named the Inquiry into the Collapse of the Northern Territory Electricity Commission's System on Thursday 9 April and on Sunday 26 April 1987.

Mr Speaker, during the last sittings of the Legislative Assembly, I undertook to provide honourable members with copies of an inquiry conducted by Mr David Cole, Manager Operations of the Queensland Electricity Commission, into the collapse of the Northern Territory Electricity Commission's system on 9 and 26 April 1987. I gave this undertaking during a nonsensical debate initiated by the Leader of the Opposition in which he sought to have a full parliamentary inquiry set up into the collapses. That was nothing more than a headline-grabbing attempt by the Leader of the Opposition to save face after missing the boat. I had already called for such an inquiry and, instead of being in a position where, if we had followed the opposition's advice, we would still be debating terms of reference, I have a final report which is being acted on. Without labouring the point, the action I took speaks for itself.

After the first collapse of the electricity system on 9 April, I immediately called for an inquiry and set about holding discussions with suitable people who could head such an inquiry. Mr Cole agreed to conduct the inquiry and arrived in Darwin on 21 April to start work. His terms of reference were expanded to investigate the second collapse which took place on 26 April. His reports reached me on 21 May. Mr Speaker, I commend Mr Cole on the thoroughness of his inquiry and the time frame in which the matter was conducted. It was not an easy task, but it certainly proved to be a most worthwhile one and a number of significant recommendations have resulted.

Honourable members will recall that, on Thursday 9 April, 1 of the 2 feeders from Channel Island Power Station to the Hudson Creek terminal station was out of commission for inspection. A construction crane on Channel Island had earlier made contact with one of the feeders and it was necessary to inspect this feeder for possible damage. Protection equipment which isolates Channel Island Power Station from the Darwin system malfunctioned. At that time, about 80% of Darwin's electricity requirements was being generated at Channel Island Power Station. Mr Cole was critical of this protection equipment and has recommended it be removed. This has been done.

On Sunday 26 April, No 3 unit at Channel Island Power Station tripped. This led to unit No 1 tripping shortly after, followed by the inability of the system's automatic under-frequency load shedding, as set, to match the loss of generation capacity. It is in this area - the under-frequency loading shedding settings - that Mr Cole is most critical. These incorrect settings contributed significantly to the collapse of the system on both occasions. The under-frequency load shedding settings have now been corrected. Mr Cole was also critical of procedures for handling system emergency conditions and I accepted this as a valid criticism. NTEC is putting such procedures in place as a matter of priority. The majority of procedures necessary are now in place and a comprehensive emergency procedure will be completed by no later than the end of next month.

Mr Cole made specific comment on the need to train system controllers, assistants, load despatchers and engineers responsible for systems control. This is being acted on. A comprehensive training program was already in place prior to the outages in April and this is being upgraded to further improve the level of training for field operators and engineering staff. In the meantime, the most experienced and technically competent people will be expected to give guidance to other staff in problem solving.

Another aspect commented on by Mr Cole was communication deficiencies within the NTEC organisation across physical and technical boundaries. NTEC has appointed an operations coordinator to overcome such cross-boundary communication difficulties. Organisational communications will be reviewed again when all equipment currently being commissioned is in service. Problems identified at the Berrimah substation, specifically the failure of 1 of the machines to perform as expected during the blackout on 9 April, have similarly been addressed. An extensive recommissioning of this switching station has been deferred for a number of months.

From my comments, it will be seen that the problems associated with the system were a combination of technical difficulties with new and sophisticated equipment and people problems associated with operators handling unfamiliar equipment. Given the bevy of contractors and staff on site at Channel Island, and the fact that the sophisticated equipment is in various stages of commissioning, the likelihood of disruption to supply due to human error was always present. Furthermore, equipment failure during the running-in and shakedown phase is unfortunately inevitable. The problems on 9 and 26 April were clearly compounded by the delay in restoration of supply from Stokes Hill Power Station and the Berrimah Gas Turbines. Honourable members will recall that, following the outages, I directed that Stokes Hill Power Station be maintained on full standby till the end of May.

Given that it currently costs \$2m a month to operate Stokes Hill Power Station, one of the terms of reference I gave Mr Cole was to advise me on a time frame for the closure of Stokes Hill Power Station. As the new centralised system control facilities at Hudson Creek are now partially operative, Mr Cole sees no justification for keeping Stokes Hill Power Station in anything but an emergency back-up mode beyond the end of this month. Stokes Hill Power Station is now in the situation where 1 turbine can be brought into service at short notice. This situation will be maintained until the end of this month when overall circumstances will again be reviewed.

With the benefit of hindsight, some of the problems of 9 and 26 April could certainly have been avoided. However, the opposition spokesman on mines and energy perpetrated one of his favourite rumours that the machines are known internationally to be duds. He said that these rumours needed to be

proved or scotched. I can now say that the rumours have been well and truly scotched.

I point out to honourable members that, as a result of Mr Cole's recommendations, a series of exhaustive tests will be conducted on Channel Island next week. These tests are necessary to ensure that some of Mr Cole's recommendations have been correctly carried out. Every effort will be made to ensure no outages result from these tests and, if such outages do occur, they will be kept to an absolute minimum both in frequency and duration.

I would like to place on record my appreciation for the thorough job Mr Cole has done. His expert advice is now being acted on. Also, I express my thanks to the many professional and tradespeople within NTEC who wanted answers to why things were going wrong and advice on what to do. Mr Cole has indicated that NTEC's full cooperation assisted him considerably in his task and I am sure honourable members will agree that the end result of the government's initiative is something which will be of benefit to everybody in the Territory.

I will read into Hansard a detailed summary of Mr Cole's recommendations, including the extent to which they have been implemented by NTEC. It will be seen from this that those steps which were critical and immediately achievable have been taken. Measures which are of a medium- to long-term nature are being addressed and progressively introduced. The questions of better coordination among all branches of NTEC and the need for better training programs are 2 areas which I regard as critical and these are being given high priority by NTEC.

Mr Speaker, I now present the findings of the report for the benefit of honourable members and inclusion in Hansard.

CLAUSE	FINDING	ACTION TAKEN	% RESOLUTION
7.1.2 CIPS Item 6	Failure of Kongsberg Emergency Generator sheer coupling CIPS	Coupling replaced. Available for service.	100
7.1.2 Berrimah Item 2	Faulty Racking Switch Berrimah No. 2 GT	Switch repaired.	100
7.1.2 Berrimah Item 3	Faulty Cell in 24V Battery Berrimah No. 2 GT	Battery repaired	100
7.2 (para 3)	Automatic Under Frequency Start for Berrimah GT's	Being investigated. Manual start procedure implemented in interim	5
854 7.2 (para 4)	Back-up air compressor - CIPS	Being investigated	5
7.2 (para 4)	Back-up air compressor - CIPS	Being investigated	5
7.3.1	Immobilize faulty protection CIPS	Completed	100
7.3.1	Remove faulty protection CIPS	Completed	100
7.3.2	Central Control of CIPS Switchyard	Completed	100
7.3.3	Communications from Control Cabs CIPS to System Control	Telephone and hand held radios fitted and operating in each control cab.	100
7.3.3	Communications from CIPS Central Control room to System Control	Will be implemented when CIPS Central Control room commissioned in July 1987	100
7.3.3	Transfer of Berrimah GT Controls to System Control	Completed	100
7.3.4	CIPS Under Frequency protection settings	Negotiations continuing with CIPS Turbine Contractor	20

CLAUSE	FINDING	ACTION TAKEN	% RESOLUTION
7.3.4	Darwin Under Frequency load shedding settings	Settings have been modified to suit CIPS characteristics on 31/5/87	100
7.3.5	CIPS Reverse Power protection settings	Negotiations continuing with CIPS Turbine Contractor	20
7.3.6	CIPS Switchyard circuit breaker interlock modifications	Temporary arrangements completed for manual override. Problem will cease to exist when System Control fully commissioned	50
7.3.7	Testing and possible modification of Automatic Voltage Regulators on CIPS Gas Turbines	Discussions have taken place with CIPS Turbine Contractor. Tests to be carried out 12 June. Some resetting/modification may be required	25
7.4 (para 2)	Formulation of Procedures for handling system emergency conditions	Plan of action in place. Detailed redrafting of plans in progress. Bulk of procedures are already in place or will be in next few weeks. Some items will take until late July to complete drafting	30
7.4 (para 2,3)	Training of System Controllers, Assistants and Load Despatchers	Training program in place and progressing well	55
7.4 (para 4)	Decision on transfer of control of open cycle units at CIPS (Units 1-3) to System Control at Hudson Creek	Under consideration	15
7.4 (para 5)	Instruction not to start Berrimah GT's in Rapid Start mode unless system configuration is suitable	Instructions have been modified to increase operator confidence in the actions he must take in system emergency conditions	100

CLAUSE	FINDING	ACTION TAKEN	% RESOLUTION
7.5	Commissioning of New System Control at Hudson Creek	Progressing on schedule. Operational on 8/6/87 but with some work still outstanding	90
7.6	Assistance to NTEC from QEC	Two engineers are currently working in NTEC	100
7.7	Timescale for closure of SHPS	SHPS now running with one boiler 'not banked' (ready for service at short notice). This will continued until 30/6/87. Demanning will occur probably about 17/7/87	100
856 7.8.2	Training of Engineers responsible for System Control	Training program for engineering staff to be formulated	10
7.8.3 (para 1,2)	Organisational communication deficiencies across physical and technical boundaries	Operations Co-ordinator has been implemented to ease cross boundary communications. Long term organisational communications will be reviewed when all equipment currently being commissioned is in service and shaken down	80
7.8.3 (para 8,9)	Structure of Protection Engineering in NTEC to be reviewed	To be reviewed as a matter of urgency	20
7.8.3	Recommissioning of Berrimah GT's	Work to be co-ordinated with maintenance work scheduled for 8/87 to prevent machines being unnecessarily out of service during CIPS commissioning. Some work which can be done with units in service has been done	15

Mr Speaker, I commend the report to honourable members and I move that the Assembly take note of the statement.

Mr LEO (Nhulunbuy): Mr Speaker, the opposition would certainly like to thank Mr Cole for the speed with which he has carried out what would appear to be a very comprehensive report. I will be seeking critical opinion of the report but, for the sake of this debate, I would like to comment on matters raised by Mr Cole.

The so-called government initiative in commissioning this report amounts to surgery after the symptoms of disease have well and truly set in. It would appear in this case that the surgery was necessary shortly after the birth of this installation. No member would deny that, in the commissioning of a project such as the Channel Island Power Station, inevitably there will be teething problems. The problems that led to the commissioning of this report, and the blackouts involved, revolved around the failure of NTEC and the responsible minister to ensure that the Channel Island Power Station was a reliably operating unit prior to the closure of the Stokes Hill Power Station.

Mr Perron: How can you ensure that without running it?

Mr LEO: Mr Speaker, of course one could ensure that without running it. Certainly, Stokes Hill Power Station should have remained on full standby while Channel Island was being commissioned. That is the reason why there were such long outages. From a reading of the investigation report and recommendations by Mr Cole, it is amply clear that a number of his findings and the resultant action taken would have been very quickly and easily apparent in any reasonable testing of the equipment prior to its full commissioning. However, unfortunately, that was not done. In a few short weeks, Mr Cole has been able to make recommendations to rectify the majority of the problems that he found in the new Channel Island Power Station, but there are areas of glaring inadequacy that can only be overcome with the passage of time. A quick perusal of the report by Mr Cole indicates that it will take quite some time. Nevertheless, these are matters which could have been catered for adequately prior to the commissioning of the Channel Island Power Station.

One of the most glaring problems is the failure of NTEC and of this government to ensure that the persons who were to operate the new power station had received adequate training. We were moving into a different technology, into an entirely different field of expertise, yet NTEC and this government failed to provide adequate training for the persons who were to operate it. That is indicative of the haste with which the power station was commissioned. It is indicative of this government's haste to procure some perceived electoral advantage by pursuing the hasty commissioning of that power station. Training should have been completed well before the power station was commissioned and well before the community of Darwin became totally reliant upon the power generated by the Channel Island Power Station. In the brief summary at the end of the minister's statement, it is quite clearly indicated that there is quite some way to go from the date of submission of this report to the time when those persons who are operating the power station have had the necessary training and have acquired the skills to operate in this area of changed technology. There is no doubt that the persons employed out there operate at the very highest level of their competency. They are extremely competent people who, no doubt, operate to the limit of their expertise. Nobody can be expected to operate equipment for which he has not been trained. That fact emerges very clearly in the report from Mr Cole.

Mr Speaker, certainly the failure of equipment which resulted in the very long blackout is highlighted in Mr Cole's report. What is very surprising is the ease with which a large number of these equipment failures have been able to be rectified. If that equipment had been tested adequately prior to the full commissioning of the power station, I think it would be reasonable to assume that a number of these equipment failures would have been diagnosed. However, because the equipment was not tested appropriately, and because the commissioning was pursued with undue haste, the necessary tests could not be carried out properly. The first set of findings deals simply with equipment failure and Mr Cole has been able to report to the Assembly and to the minister that the breakdown of most components has been remedied simply by replacing faulty parts. That has been achieved and I do not doubt for a second that it has been achieved in a very short period of time. Why, then, could it not have been achieved as a result of adequate testing prior to the full commissioning of the Channel Island Power Station?

Other problems indicated in Mr Cole's report relate to the adequacy of emergency procedures. For the life of me, I fail to understand why adequate emergency procedures could not have been instituted prior to the full commissioning of the Channel Island Power Station. No good reason has been provided as to why those emergency procedures were not in place prior to the failure of the power station on 2 occasions. That requires explanation to this Assembly. The minister should demand a response from NTEC as to why adequate emergency procedures were not in place prior to the commissioning of the Channel Island Power Station. The community deserves an answer.

Debate adjourned.

MOTION

Impact of Liberal and National Parties' Policies on NT

Mr SMITH (Opposition Leader): Mr Speaker, I move that this Assembly note with concern the impact that the policies of the Liberal and National Parties would have on the Northern Territory.

I have a feeling almost of *deja vu* because we seem to have been over this ground quite often in the last 24 to 48 hours. Now that some of the policies of the Liberal and the National Parties are becoming clearer, it is important to examine the implications and their ramifications for the Northern Territory and also to examine the effect of a federal Labor government on the Northern Territory in the last few years.

It is too easy to forget that, in 1983, when the Hawke Labor government first came into power, it inherited an economic situation that was little short of disastrous. There was an inflation rate of 11.5%. There was the statement by the outgoing Treasurer, John Howard, that we had a deficit of \$6000m when, of course, it was revealed by John Stone on the Sunday after the election that the actual deficit was \$9600m. There was an unemployment rate of over 10%. It is a sad fact that, in the last year of the Fraser-Howard government, the number of people actually employed in Australia fell. That is a staggering statistic. In the last year of the Fraser-Howard government, 1982-83, the number of people who were actually employed in Australia decreased.

Quite clearly, the Hawke government saw, as its first major task, getting the economy moving again as quickly as possible. It had to combat high and growing levels of unemployment, high levels of inflation, a stagnant economy and high levels of industrial disputation. It is fair to say, on any

objective economic view, that there have been 4 years of quite significant economic achievement. A large number of initiatives have been taken by the Hawke government which have won the support of the business community.

So far in this election campaign, it has been quite staggering to see the support that has been offered to the Hawke government by the business community. It started on day 1 with that famous statement by one of the New York representatives of Westpac that the dollar would fall in a big heap if anything but a Hawke government were elected. Although Westpac disassociated itself from that remark, within 24 hours or so, another official of Westpac certainly said that it was the preference of Westpac that a Hawke Labor government should continue in power for a long time. That is significant because Westpac has quite a reputation for supporting conservative causes in Australia. I do not think that Westpac has ever made a public statement before supporting any political party, let alone the Labor party. Senior officials in Westpac have done that. It is particularly significant that the Northern Territory's own banker, Westpac, has sufficient confidence in the Hawke government to ask the people of Australia to return the Hawke government for the good of the business community.

Mr HATTON: A point of order, Mr Speaker! The Leader of the Opposition is misleading the Assembly by suggesting that Westpac actually made that proposal.

Mr SPEAKER: There is no point of order.

Mr SMITH: Are you embarrassed? Why don't you change your banker; that might be the easiest way out. Senior officials in Westpac have made those statements.

Mr Speaker, those 4 years of economic achievement included the following initiatives: floating of the dollar, freeing up of the financial markets, the most extensive reform of the taxation system in Australia's history and, very significantly for the Northern Territory, renewal and reconstruction of Australia's manufacturing industry, particularly a determined effort to move against some of the tariff barriers that were in place to protect Australia's manufacturing sector in the 1950s under Black Jack McEwen who, of course, was the Country Party supremo for a number of years - that is, the Country Party as it was at that time. I think it was Hon Paul Everingham who first made the point that we had suffered in the Northern Territory to a considerable extent as a result of the tariff barriers erected around our manufacturing sector. To protect our manufacturing sector, money was diverted out of the Australian economy which could have been spent in more profitable areas such as the developing north. I accept the point that there is still a long way to go.

The point about all these exercises is that it is the Hawke government, particularly Hon Paul Keating, which has taken the bit between the teeth and introduced these significant changes to free up the Australian economy. It is something Hon John Howard and Rt Hon Malcolm Fraser used to talk about, but they did not have the authority to get it past their own Cabinet. It is significant that, in both Australia and New Zealand, it has been Labor governments which have deregulated and freed up the financial markets and made it possible for those financial markets to operate more effectively. That is the reason why the Hawke Labor government is receiving such an overwhelming vote of confidence from the Australian business community at present.

The results are quite impressive. Employment is growing. The federal government set itself a target of achieving 500 000 new jobs in the first

3 years of office and it has well and truly exceeded that. 728 000 jobs have been created in a little under 4 years, a job growth rate of 11.5% per annum.

Mr Hatton: What about the unemployed?

Mr SMITH: The number of unemployed has decreased quite significantly. We have a significantly lower rate of unemployment now than we had in the last years of the Fraser-Howard government.

The deficit has been reined in to the point where it is less than 1% of the gross national product. Through the wages accord with the union movement, we have had wage restraint which has meant that real labour costs have fallen quite significantly. I think the figure is somewhere between 7% and 10%. Again, that contrasts with the Fraser-Howard period. Although there was a lot of rhetoric about belting unions and achieving wage restraint, in fact the reverse happened. The wages accord has managed to achieve a significant level of agreement with the industrial movement. The industrial movement has been prepared to accept less than full wage indexation and that has flowed on as a benefit to employers through reduced labour costs.

Another major achievement has been that all income earners and taxpayers have now been put on a fair basis for the payment of tax. Tax avoidance and evasion has been cracked down upon. I would like to see people opposite argue for a return to the good old days when, if you were rich, you could avoid paying tax. That was basically the situation in 1982-83. If you were rich, you could get into tax avoidance schemes which meant that you paid less tax than the average PAYE taxpayer. That was why we had that significant reform of the taxation system so that those people who were earning large salaries and those people who were receiving non-cash benefits as part of their salary packages would pay tax on them instead of avoiding taxes as they had done in the past. I do not think anyone could fail to agree that that has been one of the most significant achievements of the Hawke Labor government.

Another achievement has been that time lost due to industrial disputes has been halved under the Hawke Labor government. That is significant, and I think history shows that that is the usual type of relationship that is found when a Labor government is in power. An accord is reached between the labour movement and the government of the day and, as a result, the level of industrial disputation is much reduced.

It is against that history of achievement that we need to look at what a Liberal and National Party government, even without Sir Joh Bjelke-Petersen, would mean for this country. Yesterday, we heard the tax policy of the Liberal Party announced and the Deputy Leader of the Opposition will concentrate on that area. I want to say that it is a classic pea-and-thimble trick. It has now become clear that the 38% tax rate which, on the published figures, comes in at \$31 000, in fact comes in at \$20 000 and that is because of this sneaky little provision under the John Howard tax plan that, as you earn more, the tax threshold that everybody previously enjoyed disappears. This presents a situation where, if you are earning \$20 000 or more, your tax threshold reduces at the rate of \$52 in every \$100. By the time you get to \$31 000, the tax threshold has disappeared completely. A fine sneaky little plan that one was, and he got away with it for a couple of hours until it was twigged. As I understand it, the end result of that would be that a significant number of people, something like 2 million Australian taxpayers, would be paying more tax under the John Howard plan than they are presently or, to be more accurate, more than they will after the 1 July tax cuts.

We then find the absurd proposition put forward by John Howard that he can cut tax extensively but cannot cut the amount of money that he will spend. So far, his policies have been very quiet about the areas where savings will be made. Of course, in the areas where savings are to be made, there are a couple of significant disadvantages for the Northern Territory. For some reason that I do not understand, he will abolish the portfolio of youth, sport and tourism, if that is its correct name.

Mr Hatton: Sport, recreation and tourism.

Mr SMITH: Sport, recreation and tourism.

I would have thought that we would have heard howls of outrage from the Northern Territory government that a very successful department under Hon John Brown, which has dramatically increased the tourist numbers coming to Australia, is to be abolished and we will go back to the situation where we will have an uncoordinated states and Territory approach to the bringing of tourists into Australia. If history has taught us one thing about the promotion of tourism, it is that we need a coordinated approach. People overseas may not have heard about the Northern Territory or New South Wales or the Barossa Valley, but they have heard of Australia. I would have thought that Hon John Brown had demonstrated quite clearly the value of having a federal department that was responsible for tourist development and the value of putting aside a considerable sum of money to ensure that tourism was properly promoted in Australia.

As I said, the Howard tax proposal outlines in a sneaky, misleading way what the Liberal government proposes to do about tax, but it does not outline where spending cuts are to be made. We have been presented with a situation where, on the best information available at present, if those tax cuts were to be introduced by a Howard government, the resultant blowout in the deficit would be somewhere between \$8000m and \$11 000m, and that is a horrific prospect for Australians to face. Through the determined efforts of the Hawke government, we have seen a drawback in the deficit from \$9600m to below \$4000m and here we are facing the prospect that, because of John Howard's 'fistful of dollars' election campaign, we could reach a huge budget deficit. Mr Speaker, I put it to you that that is simply not good enough.

On 22 March, a secret document was leaked by some well-meaning person within the Liberal Party headquarters on the areas in which the Liberal Party was planning expenditure and the sort of cuts it was considering. I will just go through some of them, and they are quite horrific. The document of 22 March said that pensions would be frozen at current levels, that there would be a phased removal of pensions for women under 65 years of age, and that there would be tighter eligibility for widows' pensions - and, as someone on my staff asked me, how can you have a tighter eligibility for widows' pensions? We all know what they will do with Medicare. At one stage, there was to be an option of opting out of Medicare into private health insurance, but now people will have to pay the 1.25% levy, and then opt out if they so desire. But, whatever you do, after you have paid the 1.25% levy, you still have to pay the first \$250 of your hospital and medical expenses in any 1 year. For the average user of Medicare facilities, that is about the maximum amount that a person would use in a particular year and therefore that would be an extra slug on the people of Australia.

We have already heard announcements that assistance to industry is to be abolished. The fertiliser subsidy will be abolished ...

Mr Perron: What assistance to industry would that be?

Mr SMITH: The fertiliser subsidy is to be abolished. As the minister responsible for horticulture, you should be particularly concerned about that. Knowing that you are such a responsible and caring minister, I am surprised that I have not heard you comment on it, as you are part of the government that stands up to its federal counterparts when they are not acting in the interests of the Northern Territory. But no, not a word, not a whisper, have we heard from the honourable minister who is responsible for horticulture in the Northern Territory.

Mr Hatton: What about the petrol excise, Terry?

Mr SMITH: What about the petrol excise? I don't know. What are you talking about?

Mr Hatton: I am talking about no excise on farms at all. Don't you like that one?

Mr SMITH: Mr Speaker, there is the problem that certain levels of assistance to certain of our secondary industries will be taken away by a John Howard government.

At one stage, there was a crazy plan to scrap the First Home Owner Scheme. I am pleased that, at least, they have backed away from that.

Mr Hatton: That was an unsubstantiated leaked document.

Mr SMITH: It was definitely substantiated.

There are other implications for the Northern Territory. There is the announced plan to scrap the Department of Aboriginal Affairs and to give responsibility for Aboriginal matters back to the states and the Territory.

Mr Perron: Hear, hear!

Mr SMITH: I do not mind if you have a philosophical position on that. However, in view of the fact that Mr Howard's announced expenditure plans involve a 12% cut in government responsibilities through the transfer of functions to the states and the Territory, that may not be so good. The Liberals have announced that, in the first 3 years of government, they expect to save an additional \$1500m and that they will make cuts of 6.5% in real terms to the amount of money that flows to the states and the Territory. Not only that, they intend to start by recalling the Premiers Conference to cut an additional \$250m from state and Territory funding for the forthcoming financial year. That is quite a horrific proposition, but it is not surprising in view of the words of Ian Cameron, the National Party spokesman on economic matters. He said: 'We have got to have cuts in expenditure and, when I say "cuts", I mean that every Australian is going to be squeezed like a stuck pig'. At least he is honest. That is the intention of the whole of the Liberal and National Party government.

Quite clearly, in that sort of economic climate, there is no prospect of any Liberal and National Parties' assistance towards the construction of the railway line. I am pleased that has been recognised by members opposite. Equally clearly, there does not seem to be any prospect of the Liberal and National Parties making a commitment to the Darwin or Alice Springs Airport terminals. It is time that the CLP candidate for the federal House came clean

on that particular issue and gave the people of the Northern Territory a clear statement as to whether there is to be a commitment from John Howard concerning the construction of the Darwin and Alice Springs Airport terminals. The CLP candidate has been making noises about the future Liberal government's commitment to the 2 terminals but we have not heard any clear statement. The only proposition that I have seen advanced by the candidate is one that he calls a 'private financing arrangement'. It is no more than a deferred government payment arrangement.

Mr Perron: We had a clear statement from Hawke once, and look where that got us. He turned the first sod and then he turned it over again and put it back into the ground.

Mr SMITH: It is regrettable that the project did not proceed, but what we want now is a clear statement from the CLP candidate for the House of Representatives election as to what will happen.

Another disturbing aspect of the prospect of a Liberal government in Canberra is the consequences that would have for defence projects in the Territory. There is no doubt that there has been some toing and froing on the conservative side of politics as to whether it is desirable to move defence forces, particularly the brigade, to the Top End. I have been advised that it is only on the personal insistence of the present Minister for Defence, Kim Beazley, who will no doubt go down in history as the best defence minister we have ever had, that active work on the relocation of the brigade is proceeding. I know that there is some considerable resistance within the defence establishment to the relocation of the brigade to the north. I am concerned that a Minister for Defence under a Liberal government may not have the same commitment to that project, and we may well lose out on a major economic boost to the Territory in the next 10 to 15 years. There is no doubt about the commitment of the present Minister for Defence and there is no doubt that he has managed to convince his Cabinet colleagues.

I am also concerned about Liberal proposals to sell off OTC and AUSSAT and, of course, the mad proposal which is sometimes advanced of selling off Telecom. There can be no doubt that, if those proposals proceed, people in the more isolated areas of Australia will be the losers. The economic reality of the provision of communications in Australia is that people who live in the more densely settled areas are probably paying a bit more than they should. That is because there are arrangements in place to cross-subsidise the cost of operations in the more remote areas of Australia. If those organisations are privatised, there is a very real risk that we in the north will be the sufferers.

Mr Speaker, I have clearly advanced sufficient reasons for people in the Northern Territory to be deeply concerned at the prospect of a Liberal and National Party government in Australia.

Mr HATTON (Chief Minister): Mr Speaker, I move that the motion be amended by omitting the word 'concern' and inserting the word 'joy' in its stead.

Mr Smith: Insert what?

Mr HATTON: 'Joy', because Northern Territorians and this Assembly should welcome with joy the policies of the Liberal and National Parties, and we can look forward with pleasure and confidence to a strong Howard-Sinclair government from 11 July this year.

Mr Speaker, the reason I am having difficulty in keeping a straight face is because I have to look at the members opposite and they are a joke, as we have been hearing in this Assembly for the last fortnight. After the last 2 speeches by the Leader of the Opposition, the best that can be said about him is that he is a joke. His speech in the debate on today's economic statement was the most cowardly back-down on the interests of the Northern Territory I have had the misfortune to hear in this Assembly since I was elected in December 1983. He did not have one word of defence for the position of the Northern Territory people. He had not one word of criticism of the Hawke-Keating Premiers Conference raid on the Territory's budget, not one word of defence for the Territory.

The Leader of the Opposition stood there and criticised the Northern Territory government for putting all the blame on the federal government. He may wish to know there happens to be an act of parliament that entitles us not only to \$1007m but to 2% on top of that. That act was passed in the federal parliament by Mr Hawke and his friends to demonstrate to the states and the Northern Territory that they were true to their word. We know from the giant list of broken promises that their words are not worth the air that they use to expound them or the ink on the paper they use when they write them down. Any promise from this government is an absolute nonsense. We did not assume we would get the legislatively guaranteed 2% real growth. We spoke out in favour of cuts in federal government expenditure if they were made evenly. We planned for that. When we heard the figure of \$1000m, we figured that, on a proportional reduction basis, that would mean we would have to find about \$50m. We planned to handle that but there is a big gap between working very hard for \$50m and finding over \$100m.

Did the Leader of the Opposition criticise the federal government for its disproportionate attack on the Territory budget? We heard not one word. I say that quite clearly because we heard a similar outburst from the Leader of the Opposition in relation to this motion. I have moved an amendment to the motion accordingly. He opened by trying to suggest that the entire business community of Australia, or certainly significant sections of it, are in favour of the retention of a Hawke government. I will deal with that now. His principal point related to a senior executive of Westpac and the advertisement that was inserted in the paper by the Australian Labor Party:

Journalist: What would happen to the Australian dollar in the view of the market if either Mr Howard or Sir Joh Bjelke-Petersen were to win?

Westpac New York Chief: I would have to say it would probably be a disaster and I would think you would see a big sell off on the Australian dollar.

This was the argument used by the Leader of the Opposition to suggest that Westpac is supporting the Hawke government. I would like to quote the advertisement placed on the following day by the Managing Director of the Westpac Banking Corporation, Mr Bob White. Westpac was so incensed at the outrageous behaviour of the Australian Labor Party in inserting that advertisement in the paper that, in the middle of an election campaign, it went to the extraordinary length of publishing a disclaimer to a political party's electioneering advertisement. Listen to the words because they are salutary. I hope the Leader of the Opposition listens and recants that nonsense he offered in his speech. It says:

Westpac dissociates itself from Australian dollar remarks. Certain media advertisements have claimed that Westpac's New York chief had forecast that there would be 'a big sell off on the Australian dollar' in the event of a change of government in the forthcoming election. These comments were made not by Westpac's New York chief, as the advertisement claimed, but by one of our foreign exchange dealers. The comments were totally inconsistent with the kind of balanced judgment the public normally would expect from Westpac. The bank officer concerned is a US citizen who could not have a full understanding of the issues involved in the current Australian election campaign. Furthermore, he would not be in a position to make a proper judgment until he, like the rest of us, sees the nature of the policies which are likely to be applied by any alternative government in the future.

I regret the necessity for Westpac to become involved in a political debate, particularly when the country is in an election mode. Any attempt to suggest that the dealer's comments indicate Westpac's support for any one political party is irresponsible and far from the truth. I feel sure that most people appreciate that the value of the Australian dollar can only be determined by the market's perceptions of the policies of the next Australian government. In the absence of any knowledge of these policies, and at this early stage of the election campaign, it is absurd to place any value on predictions about the post-election value of the Australian dollar.

Bob White,
Managing Director,
Westpac Banking Corporation.

That could not be a more definitive rejection of the allegations by the Labor Party and the allegations perpetrated in this Assembly by the Leader of the Opposition. That was the reason that I claimed that the Leader of the Opposition was misleading this Assembly by making those sorts of statements.

Mr Speaker, let's analyse exactly what we are talking about: the policies of the Liberal and National Parties. The Leader of the Opposition addressed the issue of taxation. I would like to address briefly some of the matters associated with taxation and then I will deal with the alternative that we are now facing if, God help us, there is a continuation of a Labor government led by the troika of Hawke, Walsh and Keating to raid and attack the Northern Territory with impunity and with the support of members opposite, as we had demonstrated quite clearly today.

Mr Howard released his tax policy yesterday. That document makes every Australian a winner. More particularly, it is a document tailored for Territorians. This document, the cornerstone of the Liberal's economic policy, will ensure that the Liberal and National Parties will topple the Hawke-Keating government on 11 July and that the Territory CLP representatives in the federal parliament will be sitting where it counts, on the Treasury benches as part of the Liberal National coalition government.

The two-tiered tax system announced by Mr Howard yesterday increases the tax-free threshold to \$5900 and earnings from there up to \$20 000 are taxed at the rate of 25%. Between \$20 000 and \$31 350, earnings will continue to be taxed at 25% but there is a progressive phasing out of the \$5900 tax-free threshold. Earnings above \$31 350 will be taxed at a top rate of 38%. This will put \$26 a week into the pockets of the average Australian family from

1 January next year. Because Territorians earn more than the average Australian, we will be even better off. According to my estimations, a fairly typical Territory family, with 3 kids and mum and dad both working, will be better off to the tune of \$30 plus each week. That is taking into account the tax breaks and the restructuring of child allowance. Because the Liberal Party prepared this tax policy so carefully, there are reams of supporting documentation which my advisers are waiting to go through.

Yesterday, I suggested the tax savings to Mr and Mrs Average Wage Earner in the Territory could be as high as \$44 a week, but I do not think they will be quite that high. That inflated figure came from what is known as the Keating mistake, the big difference being that the federal Treasurer has access to the background material whereas mine is still in the mail - another example of the tyranny of distance. The figures that I have to hand so far leave me in no doubt that Mr and Mrs Average Wage Earner and their Territory family will be better off by well in excess of \$1500 a year under a coalition of the Liberal and National Parties. There is a strong bias towards the family in this document. Families will benefit under the new tax arrangements and through the child care allowance scheme. Once again, the Territory comes out a winner. Because of our lower average age, Territorians have 40% more children on a per capita basis than the average family unit in the 6 states.

Mr Hawke, the Labor Prime Minister who led the country to economic disaster, was on the lunchtime news asking where the money was to come from. The document tells him if he would only bother to read it. The answer is by cutting duplication and waste in government. Non-productive departments will be abolished. These include the departments that myself and my interstate friends targeted at the Liberal leaders meeting in Hobart in April this year. I have talked about some of these in more detail in recent times. The federal Department of Housing and Construction will go, and rightly so. This department employes 5100 public servants and it does not build a thing. They look over the shoulders of people who do and private architects could do the same job more efficiently and at far less cost.

The Department of Arts, Heritage and Environment will go. The arts section of that department spends most of its time and the taxpayers' dollars on grants for organisations such as the BLF to hire artists in residence and other such nonsense. I can tell you, Mr Speaker, that they will be no loss. The BLF graffiti writers' association will not be funded from the federal purse in the future.

The federal Department of Sport, Recreation and Tourism will go, and so it should. It duplicates the work of departments in every state and territory government. It is the same story with the Department of Resources and Energy. There is duplication and waste. This document means that Australia will get a federal government which is prepared to play its part in restoring Australia's fortunes, a federal government which will not chop \$240m off Territorians to pay for its own bloated bureaucracy and high-spending programs which have a great deal to do with social engineering and nothing to do with the welfare of the average Australian family. I know the opposition does not agree with those statements because of its socialist philosophies.

I would like to check a few things in the Labor Party document. I will not bother about that, Mr Speaker. It is ancient history. I was thinking about that crazy document that we saw on the day before the 1983 federal election, the document which urged us to vote Labor and told us about all the you-beaut things we would get: a cut in inflation, a railway, an airport and so on.

Mr Ede: We didn't know about Howard's deficit.

Mr HATTON: We have finally dragged the monkeys out of their cage, Mr Speaker.

Mr SMITH: A point of order, Mr Speaker!

Mr SPEAKER: The Chief Minister will withdraw that last remark.

Mr HATTON: I withdraw it unreservedly, Mr Speaker. I can understand how embarrassing such a statement could be to members opposite.

Mr SPEAKER: The Chief Minister will withdraw the remark without comment.

Mr HATTON: I bow to your will, Mr Speaker.

Mr Speaker, again we have heard this nonsense about the so-called \$9600m deficit. We have heard the Leader of the Opposition sprouting this. I challenge the Leader of the Opposition to produce any financial statement that shows a \$9600m deficit ever existed. The Leader of the Opposition is perpetrating the untruth Mr Keating and Mr Hawke used as their giant excuse to renege on every promise they made. We all know what that figure was and no self-respecting financial commentator uses it any longer. That figure was the indicative funding level at the first stage of budget preparation. It had never been to Cabinet. It had never been through the cost-cutting processes that take place before government finalises its budget. The Leader of the Opposition spoke about departmental wish lists in a previous debate in this Assembly. Departmental wish lists reflect themselves in the indicative funding levels on the forward estimates. That is exactly what that figure was. There was a document but it had no more status than a departmental wish list.

The fact is that an analysis of the first Keating budget for 1983-84 shows, after all the Fraser programs are removed and all the Hawke-Keating initiatives are added, that the net effect on the federal budget was an expansion of the deficit by \$1800m. That has been shown in debates in this Assembly time and time again. I do not intend to waste the time of this debate repeating that, but it is the reality behind the Labor government's hyped-up public relations. In question time this morning, I outlined the string of taxes introduced by the Hawke-Keating government. These taxes are breaking Australia. I do not intend to list them again now, but I urge honourable members to remember them: the capital gains tax, the fringe benefits tax, the assets test on pensions. They are all things the government promised never to do. It then turned around and brought them in. It is the biggest-taxing, biggest-spending government in this country's history.

I openly describe the Fraser era as the 7 disappointing years. I admit that. We were very critical of Mr Fraser in those years, but our side of politics at least has learnt the lesson and we did not repeat his mistakes. In the 4 years of Keating budgets, real growth Commonwealth government expenditure has been 3.5% per annum. If expenditure under Keating had grown at the same rate as it did under Fraser, the government would have spent \$20 000m less than it has spent and the last 2 budgets would have been surplus budgets. Time and again, we have heard the Leader of the Opposition sprouting nonsense about the Hawke government's you-beaut performances. The reality is that it has taken money away from the states and spent more itself. Every state Premier, Labor and non-Labor, accuses the federal government of that. They have produced documentary evidence to support that and the federal

government does not deny it at all. It cannot, because it is true. It is centralising power and destroying the states. In that process, it has been attacking and destroying the Northern Territory faster than any other area.

What is the alternative which will create incentive and motivation for growth and wealth generation to rebuild the Australian standard of living which has been destroyed so effectively by Hawke and Keating? The alternative is to put money into the hands of business where it is likely to be used for investment and the creation of wealth. Those are dirty words to the opposition in this Assembly, but not to the average Australian. Apart from putting money into the hands of individual Australians through tax cuts, a Howard government will also remove the yoke from the neck of business. It will abolish the capital gains tax, the assets test and the fringe benefits tax. It will introduce negative gearing in a controlled form and it will ease the tax burden on farmers by reducing their fuel costs and abolishing export inspection charges. It will provide deductibility for bona fide entertainment expenses. It will reverse those Labor government decisions which have attacked the funding base of business and destroyed tens of thousands of jobs in this nation to feed nonsensical commissions for the future and BLF graffiti writers' associations. That is the sort of thing Labor is about: nonsense, Mr Speaker. We want real job creation. We want a freeing up of the system with money in the hands of the people who will invest for the future.

Mr Ede: Back to the bad old days!

Mr HATTON: The Deputy Leader of the Opposition speaks about the bad old days - the bad old days when people actually worked for a living.

Mr Ede: Rents through the roof, wages frozen.

Mr HATTON: The bad old days when people actually had a decent standard of living. The bad old days when people had the dignity of a job. Those are the bad old days the member opposite talks about. Yes, I look forward to those days coming back and they will only come back when we get Labor off the government benches in Canberra, because this Labor government has no conception of what is needed. It mouths off about economic policies of promoting export earnings, import replacement and reducing the federal government deficit. They get the jargon right, but they created the problem to start with. People like myself even had to put up with the insult of Paul Keating lecturing us about how we can no longer afford to fund our standard of living with foreign borrowings. People like me were laughed at by people like the Opposition Leader in 1983 and 1984 when we said exactly that. We said it because the nonsensical wages accord and the trilogy only worked because of foreign borrowings. That is exactly what we got: \$105 000m of external debt. That is what is breaking this country.

Mr Ede: What percentage of it is by the federal government? 60% of the borrowing is by business.

Mr HATTON: I thought it was about 50%, but even if only 40% is government borrowing, it is wrong. Even the federal Treasurer now accepts that it is wrong. That is why the Labor government is trying to drive down public-sector borrowing. It knows that it can no longer squeeze Australians dry. It cannot squeeze Australian business dry by maintaining high interest rates to prop up the dollar to fund its own deficits. That is what its financial policies have been about. The floating of the dollar soon gave way to Reserve Bank intervention and interest rate hikes to maintain the dollar because the government had to borrow heavily to protect its deficits. The only way we can

do something about interest rates and the dollar is to cut our foreign debt. That means reducing the level of public sector debt. The Howard taxation package contributes something towards that.

Mr Ede: Such as?

Mr HATTON: About \$4000m, if honourable members would look. That is in contrast to Labor which proposes to sell off the Tokyo Embassy and a house in Paris to earn \$1200m which it will use to pay recurrent expenditure. The Howard document proposes savings from recurrent expenditure of \$7800m over 3 years. The elements of those savings were enumerated in a 60-page document that was released yesterday. In addition to that, there will be \$4000m of assets sales which will be used to pay off the federal government's external debt. The only effect that will have on recurrent expenditure is the reduction of interest payments because of the reduced debt. These policies deserve commendation because they will do something about interest rates and that will do something about maintaining the value of the Australian dollar, while still providing incentive and motivation in Australia.

The price has to be paid, once and for all, by the federal government. It has sucked in money for crazy programs and for duplication of state and territory functions. The government needs to look deeper, beyond the commissions for the future into the federal Departments of Education and Health. These duplicate state activities. There are thousands of public servants doing nothing more than act as socialist watchdogs on the states and the Northern Territory. Those combined functions could be adequately handled by a bureau of a few people, probably based in Treasury where it would do a better job. Instead of trying to tell the states and the Northern Territory where to spend every \$10 and forcing us to waste money through having to report so much financial information to it, the government could help the Territory by cutting out specific purpose payments and putting them into general recurrent payments so we can have a bit more choice in where we spend our money. But the Labor Party wants to control and centralise power, to destroy incentive and motivation, and to undermine the ability of state and local governments to properly represent the interests of their communities.

A number of non-financial measures can contribute to improving Australia's balance of payments and can lead successfully to job creation and wealth creation. These measures do not involve expenditure of federal government money. In many cases, expenditure can actually be reduced. One such measure would be to allow companies like Pancontinental and Koongarra, which already have environmental approvals and agreements with Aboriginal communities, to go ahead. They have the minerals that they know about. Just give them the right to go into the world marketplace and seek a market. If they can get a market and sell their product at a profit, let them build, and let them sell, and let them earn money for Australia.

Mr Smith: That is not even a Liberal Party policy.

Mr HATTON: You are wrong!

Mr Smith: What about floor prices? Is your party going to abolish the floor price?

Mr HATTON: You are wrong. Read the public statements of last year.

Mr Speaker, that is a simple, logical approach to development. The federal government has already moved the Territory's financial

responsibilities to a stage of equalisation with the states. We want revenue-raising rights on an equal basis, and we should be able to get that. We should be entitled to the royalties from uranium, from Coronation Hill gold and from the offshore oil and gas. We should be getting those benefits into the Northern Territory because they are legitimate revenue-raising efforts of a state government and should be attributed to the Northern Territory directly.

With the abolition of the Australian National Parks and Wildlife Service, we can effect rather more rationalisation and a more effective, efficient and professional provision of ranger services in the national parks in the Northern Territory, and I challenge the opposition to say the Conservation Commission of the Northern Territory is not as good as any ranger service in Australia. Our rangers run rings around the Australian National Parks and Wildlife Service. I quote one simple example and that is in respect of crocodile management plans. The Australian National Parks and Wildlife Service tried to put that up and failed. The Northern Territory decided to go it on its own. It cost us over \$1m to get that together but, at least, we were successful because we had done the scientific research to be able to support the case that enabled the crocodile industry to be brought in on a rational and proper basis.

Mr Speaker, I could go on for days about the failures of the Australian Labor Party, but I will simply make one comment. I think it was made very clearly in a recent edition of the NT News. I do not have the quotation here but I will summarise it. The Australian Labor Party deserves no votes from the Northern Territory. It has done nothing but attack Territorians, their standard of living and agreements. It has broken promises. It has broken every significant promise it has made to Territorians. It has no cause to expect any votes from the Northern Territory. It has contributed nothing to the Northern Territory except broken promises, broken agreements and falling standards of living. That is the contribution of the Labor federal government. It has taxed us and broken promises. It has failed and, from a Territorian's perspective, it should not get even one of the Senate seats, if fairness was to be demonstrated.

Mr Speaker, I think we will find the same exercise around this country, because the Liberal and National Party governments are offering to get the heavy hand of government taxation off the backs of the small businessman, the farmer and the average wage earner and to let people decide for themselves how they will spend their money, not some centralist, socialist government. Australians still do have the spirit and the desire, all they need is the incentive and motivation, and the Liberal and National Parties are offering that and the Australian people will respond. We will take the hard decisions and we will start to work to rebuild the standard of living that will make this country great again.

DISTINGUISHED VISITOR
Senator Kilgariff

Mr SPEAKER: I draw the attention of honourable members to the presence in the gallery of Senator Bernie Kilgariff, the first Speaker of this Legislative Assembly, a former member of the Legislative Council and a Senator for the Northern Territory. On behalf of all honourable members, I wish him a very warm welcome.

Members: Hear, hear!

Mr EDE (Stuart): Mr Speaker, the speech of the Chief Minister was one of the best examples of a montage of rubbish and jargon, thrown together in any old way and delivered on the floor.

His starting point was the matter of the cuts announced at the Premiers Conference. It would be much easier for us to achieve agreement between this side of the Assembly and his own if he would come clean about those cuts. Let us get it clear once and for all. He has spoken of the \$100m that he has lost. He has said that he was quite happy about \$50m of that, and that he felt that \$50m represented a Northern Territory contribution towards the fiscal restraint which should be applied right around Australia. He was happy about the \$50m. But let us have a look at the other \$50m that he is not happy about. \$35m of it was that once-off payment for NTEC that was made last year, and another \$7m was related to superannuation. \$35m and \$7m makes \$42m of the \$50m and that is easily understandable. But what about the remaining \$8m? I am quite happy to back the government's criticism of the federal government over that \$8m and it would have been simple to get agreement from both sides of this Assembly on that if the government had not continued to propound this rubbish about a \$100m cutback.

It is a fact that the Northern Territory government has its own deficits within its budget. It is in real strife with its cash but the Chief Minister and the Treasurer did not have the guts to admit that they have overspent. As has been pointed out by the Leader of the Opposition, there was massive overspending in the first 9 months and a massive under-collection of revenue. That was where the deficit came from that created the need to obtain \$100m. Instead of government members owning up to it, admitting it was their fault and their problem and that they would try to get their act together and not end up in the same sort of strife again, they decided to doctor the figures from the Premiers Conference. They decided to doctor the figures and present them in a way that might convince the odd person that it is all the federal government's fault again. It will not wash. It comes down to simple addition. The Chief Minister accepted a cut of \$50m. The federal government cut funding by \$58m. These are the actual figures, and that is what the Chief Minister will not own up to, even as he will not own up to his attitude on air fares and on the taxation that will occur there.

Time and time again, the Chief Minister has stood up in this Assembly and said that he did not have any problem with the fringe benefits tax as long as the tax was imposed on the employee and not on the employer. He has told us how he has met with all the Liberal leaders from around Australia, and he obviously has had his way. Territorians would be taxed individually on their air fares, if we ever have a Liberal federal government in Australia again, and all public servants and persons who receive air fares from their employers and have to pay that tax on them will know exactly who to blame. They would know exactly who went around Australia propounding the idea that these air fares should be taxed. It was the Chief Minister. He is the one that all Territorians can go to when they find they have not enough money to be able to pay that tax.

When I first heard about these tax cuts, the thing that amazed me was the reaction of the Chief Minister. It was incredible, Mr Speaker. We saw him on television last night. He was sycophantic. He looked as if he wanted to roll over like a warm puppydog while he allowed the federal Opposition Leader to give us a kick in the slats. If I had made the sort of remarks that he made, he would be calling me a traitor to the Territory.

The facts of the matter are that, even before he is in government, the federal Leader of the Opposition is talking about convening a special Premiers Conference to knock another \$250m off the states and the Territory. This is on top of the amount that the Chief Minister says is unbearable and cannot be handled. The federal Leader of the Opposition has now come up with a plan which will probably mean at least another \$10m taken from the Territory. What does our Chief Minister say? There is not a mention about that \$10m and the fact that it will probably be about \$20m in 1988-89 and at least \$30m in 1989-90. That is to be in addition to the cuts that he has already had yet we do not hear a word from him about it.

This is from a federal Leader of the Opposition who is not in government and has no chance of getting into government. It was a chance for the Chief Minister to prove to us that he would stick up for Territorians, that he would make the same sort of remarks about his conservative colleagues that he is always making about the Labor Party. He could have gained a bit of credibility. Not a word! He could have pressured the federal Leader of the Opposition for change. Because of the parlous position he is in within his own party - he is barely hanging on by the skin of his teeth, just like Mr Howard - because of his lack of intestinal fortitude, he just allowed it to go unremarked. If ever, heaven forbid, Mr John Howard were to get into government in Canberra, it is obvious that he would walk over the top of this mob. There would not be a peep from them as he slashed the funding and slashed the programs that the Labor government has put in place.

We know the federal Leader of the Opposition's attitude to railways. The Chief Minister can forget about any assistance from the Liberal Party. He goes on for about a page talking about the railway subsidies that have to be cut. The point I want to talk about is the great tax-cut fraud. The day after these amazing tax cuts have been trumpeted abroad, we find that they are nothing but a fraud. If you have a look at the fine print, there is a surtax which claws back the \$5900 zero tax threshold for individuals with incomes above \$20 000. The big point that they were making was that, between this figure of \$20 000 and \$31 350, people would not be paying the 40% that Labor talks about, but 25%. In fact, that is not correct. Because of this claw back, what happens is that from \$20 000 to \$31 350, people will be paying 38¢ in the dollar. In fact, the proposed tax regime is like this: \$0 to \$5900 will be nil, \$5901 to \$20 000 will be 25% and \$20 000 plus will be 38%.

Mr Manzie: Sounds pretty good to me.

Mr EDE: I can tell the Attorney-General that 4.7 million Australian taxpayers will get very little change from what they are getting under Labor with that particular plan. In fact, 2.7 million taxpayers in the bracket between \$20 000 to \$35 000 will get a further 2¢ only. The 2 million taxpayers in the bracket from \$5900 to \$12 600 will get 1¢ less than they would get under the Labor scheme. Anybody earning more than \$20 000, whether he earns \$20 000 a year or \$200 000 a year or \$2m a year, will be on this flat tax while people beneath that level will end up worse off than they are now. That is the basic system. That is the way the conservatives rip off the poor to give to the rich. You rip it off the bloke at the bottom to give to the rich. They would like to turn us into another Argentina.

What about these 16% across-the-board cuts, the ones in education for example? How will the system survive the types of cuts that they are talking about? Let us have a look at the result of 4 years of federal Labor government in relation to education. Between 1983 and 1986, the numbers of 15-year-olds to 19-year-olds undertaking full-time education increased from

just 600 000 to well over 700 000. In the tertiary sector, the number of people increased by some 36 000 to around 300 000 this year. Expansions like that are essential for the future growth and the personal development of our young people. We must ensure that the crazy tactics of the opposition in the federal parliament are not given a chance to destroy the solid growth that the Labor government has put into play. A strong, stable and secure level of funding has been provided by the federal Labor government. There have been special programs, such as the participation and equity program and the disadvantaged schools program. They have given us the ability to promote fair access to education.

The Hawke Labor government has actively promoted high-quality education in schools and has ensured that the programs that it has put in place have led to retention rates for Year 12 students nationally jumping from an appallingly low 36% in 1982 to over 48% in 1986. The federal Labor government is not going to rest there. By 1992, it will be up to 65%. We have come to know the politics of the conservatives. They want to deprive the young of their right to advanced education and destroy the capability of this country to take itself into the 1990s and the 21st century and compete on an equal footing.

Mr Speaker, enrolments in TAFE have risen by some 130 000. Apprenticeship intakes have risen by something like 50%. These are examples of the Hawke Labor government working actively to ensure the education and training of this country.

Mr Manzie: All round the country except in the Territory.

Mr EDE: In the Northern Territory, the amount spent per capita in TAFE is something like 2.3 times the amount that it is nationally. That is an example of the money that is being spent here. If you would like to give me an extension of time, I will detail what is being done in that specific area.

I want to talk a bit more about this fraudulent tax policy that the federal Leader of the Opposition proposes. Let us have a look at some of the items that he says will save him all this money. Look at his proposal for cutting benefits for supporting parents when the youngest child reaches the age of 10. When they move on to unemployment benefit, it will not make any difference to the amount of the money that the actual person receives ...

Mr Perron: You cannot get unemployment benefits when you are 10!

Mr EDE: Mr Speaker, the amount of money that is paid to the supporting parent plus the add-ons for the child would be the same as if the person was on supporting parents' benefits. There will be no change in cost to the recipient but the big cost will be in the cost of administering it. If the honourable members knew anything about these things, they would know that unemployment benefits is one of the most expensive of the various income support systems to run. What is happening is that he is taking people out from the supporting parents' benefits and putting them on unemployment benefits. He will increase the costs of the running system, Mr Speaker.

There is the matter of cutting out unemployment benefits for the first 6 months if somebody resigns from a job. All that will happen is that the person will apply for a special benefit and he will be entitled to get it.

Mr Perron: Is that right?

Mr EDE: That is right! He will apply for a special benefit and will be entitled to get it.

Mr Perron: Isn't he tightening up special benefits?

Mr EDE: Mr Speaker, the only way he can do that is if the government changes the system to the extent where it is prepared to have people starve in the streets.

Mr Perron: You don't support that 6-month delay?

Mr EDE: It is a nonsense. There will be no change to the amount because people will obtain their special benefit. It is a good catchcry to say it in public but the fact of the matter is that no money will be saved by it. It was examined by the federal Labor government and the reason it was rejected was because there were no savings in it.

He is saying that he will save hundreds of millions of dollars by examining the system and having another look at the people who are on unemployment benefits or on special benefits. He will also eliminate the tax rort people. What has never been explained to me is how he will do this. All this is in addition to all the work that has already been done. The Department of Social Security has been examining welfare fraud right around Australia and has cut it down to the bone. The federal Leader of the Opposition says, given everything that Hon Brian Howe has done, that he can deal with the problem even more strictly. How is he going to do that when he is simultaneously talking about cutting 18 000 public servants out of the system? This never ceases to amaze me. He is going to put in all these new systems and stop all the rorts by reducing the number of staff available to do that. It just does not add up. It is the most incredible and ridiculous system that I have heard of for many a long year.

He is also talking about getting rid of other departments like Housing and Construction. He can do that, but somebody still has to administer the Commonwealth States Housing Agreement.

Mr Perron: The Commonwealth government does not build any houses. What are you talking about?

Mr EDE: You do not build any houses either and we keep you in here.

The federal opposition has the amazing idea that this will be more efficient. It will take a function, which is currently being carried out by one department, and break it into 6 different parts. Somehow that will be more efficient because the work will be done in 6 places instead of being done in 1. That is patent nonsense. The costs will be passed on to the states which will all be going broke and whingeing about it for years and years to come. The whole business is a piece of arrant nonsense and it will rebound on the federal Leader of the Opposition and land him right on his political backside. That will probably be the last that we will see of the federal Leader of the Opposition, come 11 July.

Mr SETTER (Jingili): Mr Speaker, I thought that this debate was about the Liberal and National Party policies. The motion before the Assembly reads: that this Assembly notes with concern the impact that the policies of the Liberal and National Parties would have on the Northern Territory.

We have been listening for the last hour or so to the socialist puppets opposite talking about Labor Party policies. The Leader of the Opposition spent 15 minutes of his speech trying to justify the policies of his mates in Canberra. He did not do a very good job. He spoke, first of all, about Westpac. He tried to put forward an argument about the Westpac representative in New York but, as the Chief Minister pointed out, that argument was refuted 2 weeks ago. The Leader of the Opposition is still clinging to it because he has nothing better. He then went on to talk about the floating dollar. Whilst in the long term the floating dollar may be a good thing, the shudder it put through the economy of this country was an absolute disaster. We saw the dollar fall, in relation to the American dollar, from more than 90¢ to 64¢ or 65¢. That sent a shudder through the economy of this country and it is only in recent times that the dollar has struggled up to around US70¢. That is not because our economy has been strengthening but because the American dollar has been falling relative to the Australian dollar. The increase in the value of the Australian dollar is certainly not due to the Labor government's policies.

The Leader of the Opposition talked about freeing up the economy. That may well be a fine thing but the exercise has not been conducted in the right manner and the result is the high interest rates that we see today. After committing themselves to first homes, young families are unable to afford the repayments. Those high interest rates are driving these young people to the wall, forcing them to sell off their properties and putting them on the poverty line.

The Leader of the Opposition said real labour costs have fallen. I do not see that happening; I see businesses going to the wall because of the policies of his bedfellows in Canberra. He talks about a strong liaison with the union movement. I used the word 'bedfellows' and that is very true. They are in bed together: the ACTU and the Labor Party. They are lovers, and don't let anybody deny it. The policies of the Labor government in Canberra are not developed in the houses of parliament. They are developed within the walls of the ACTU office where Mr Hawke and Mr Keating are told how high to jump. We have seen the results of that during the last 4 disastrous years.

It is interesting to note that, even though this is an opposition motion, only 2 opposition members have spoken on it. They are nothing better than puppets of Canberra. They are absolute gutless wonders and they do not fight at all for the Northern Territory in Canberra.

Mr SMITH: A point of order, Mr Deputy Speaker! I think that the remark of the member for Jingili is quite unparliamentary and he should be asked to withdraw it.

Mr DEPUTY SPEAKER: The member for Jingili will withdraw that remark.

Mr SETTER: Mr Deputy Speaker, I unreservedly withdraw that remark. I was referring to opposition members' lack of intestinal fortitude with regard to fighting for the rights of the Northern Territory in Canberra and I am sorry if I became emotional over that, but it makes me so angry to hear them carry on when I know very well that they really do not mean it. They are just putting up the best possible front under the circumstances.

Let us go back to 1978, when we had what we thought was a Memorandum of Understanding. It stood up under the Fraser government and it worked very well for several years. When the Hawke government came to power, the memorandum was not enshrined in concrete. It became just an agreement and it

was suddenly open to modification. Since then, the Labor government has backed down and backed down until we find that our funding arrangements are on the same basis as that of the states. Treasurer Keating threatened to do that a year or so ago and he has now done it. About 3 years ago, we saw our funding cut by about \$70m overnight. Last year, we saw exactly the same thing: we lost another \$70m. With our narrow-based economy, it is very difficult for us to replace that \$70m. At the same time, our NTEC subsidy was slashed.

In addition, the Commonwealth said that it would not continue with the Commonwealth-funded superannuation scheme and that we were on our own. There was no consultation and no prior warning. Bang! In went the axe, just like that. Is that the way that a Commonwealth government should treat a Northern Territory government? Certainly not. It would not have the gumption to do that to the states because the states have their own constitutions which prevent that sort of thing from happening. I can hardly wait for the day when this Northern Territory is indeed a state in its own right, has its own constitution and can prevent the masters of the Leader of the Opposition slashing into us the way that they have done in the past 3 years. This year, we have been slashed by \$104m. Where do we find that sort of money? We had the Treasurer's economic statement earlier today, and he is doing his best to address that issue. It is not easy for the Treasurer and it will not be easy for anybody out there in the community. There is no question that the Northern Territory now shoulders a much greater per capita burden than any of the states. That is unfair and unreasonable. We would be quite prepared to share a reasonable burden, but our burden is inequitable. There is no question about that.

Let me just hark back to 1983 and that smiling face with all its wonderful charisma. Do I need to mention who it is? No, I do not. There is the smiling face: he is bringing Australians together. Would you believe that? He is bringing Australians together. I cannot think of Australia ever being more divided than it is today, yet the Prime Minister is saying that he will bring us together. That is a joke, an absolute disgrace.

The Liberal and National Party policies have been brought out over the last several months. The most recent one was yesterday's taxation policy. More policies will be coming out over the next couple of weeks and I am quite sure that, on election day in 4 or 5 weeks' time, Australians will see through the charade of the Hawke Labor government. There is no question in my mind that they will vote for the policies of the Liberal and National Parties.

Let us have a look at the taxation policy released by John Howard yesterday. I am aware that there has been a mixed reaction in the media and that is no wonder because people like to feel comfortable. They have been used to a certain system of government and they think they know what is happening. They resist change. Of course, the taxation policy of the Liberal and National Parties exemplifies quite a radical change and it is understandable that people are a little hesitant. As the reality of that policy sinks in and it is explained, people will understand it and I am quite sure that the majority will swing around to supporting it.

The policy is designed to reduce personal taxation. That is very important because the taxation system that we have in this country has been a disincentive to people who want to get off their butts and earn a dollar and make their way in the community. This is not possible with the socialist policies which endeavour to bring everybody back to the same level. The other thing that this will do is stimulate the business community and, of course,

the business community is the major employer in this country, although that is not so under the socialists, because they have increased the size of the public sector. We have seen the Australian Public Service growing out of all proportion over the last several years and this has been paid for by the taxpayer.

Mr Speaker, let us have a look at the Premiers Conference. The Prime Minister indicated that the federal government would cut \$4000m from the deficit. But, when we have a look at it, Commonwealth spending is to be reduced by very little indeed. The real burden will be borne by the states and the Northern Territory. The other \$3000m will come from programs that were to have been put in place but which will not be.

Mr Perron: And selling off assets. The easy way out.

Mr SETTER: Selling off assets was another option. There is no real reduction in Commonwealth spending.

Let us have a look at the Labor taxes, Mr Speaker. They are very interesting. I will indicate a few of them: capital gains tax, assets tax on pensions, fringe benefits tax, abolition of negative gearing and tax on lump sum superannuation. Slowly, slowly, we have seen the socialisation of Australia, and mark my words, Mr Speaker, it will not end there. If, by some slim chance, the Hawke Labor government is returned at the next election, it will continue down that path to the point where we will be totally in the grip of socialist policies and will never be able to get out - and that is the danger.

I ask myself why it is that, prior to 1983, under the Fraser government, we required a certain proportion of tax in this country and yet, since the Hawke government has been in power, the number of additional taxes has increased quite dramatically? Why does it need all this extra money? Why didn't Fraser need it? Why has Hawke required those funds? Let us have a look. We have seen a complete explosion in the welfare sector of this community. All sorts of trendy programs are being funded through this extra taxation. The money is being taken from the real income earners of this country, the taxpayers, and put into myriad welfare programs so that more and more people can be supported by the state. That is the direction that the federal government wants us to take so that the state can take control. If we look at the Communist countries around the world, that is exactly what happens. The state has its foot on the peoples' necks all the way down the line.

The federal government has expanded the Australian Public Service, as I said before. Every time it introduces one of these additional taxes, it requires more public servants. Every time it introduces one of its commissions - the Commission for the Future, the Human Rights Commission, the Constitutional Commission etc - a new infrastructure is required.

Mr Leo: The Human Rights Commission performs a valuable function.

Mr SETTER: But it has been expanded dramatically under this government, and you know it. They all require their infrastructure and several hundred public servants. It all costs money, your money, my money and the money of taxpayers out there in the community.

Let us have a look at a classic, Mr Speaker: the Australia Council. What a wonderful organisation that is. It comes under the portfolio of Arts,

Heritage and Environment. I will quote a couple of examples of the way the Australia Council doles out the funds that it receives from the taxpayers. A \$5000 grant was made under the Department of Prime Minister and Cabinet through the Office of Youth Affairs to the National Network of Young Lesbians and Homosexual Men. This grant was given with the approval of the Prime Minister's Department to pay the cost of holding the first national conference of this group. That is the sort of organisation we should be funding.

Mr Leo: I am glad you agree.

Mr SETTER: It makes me sick; it really does.

Mr Ede: You didn't go, did you?

Mr SETTER: There is no way I would be there, pal, I can tell you that. But I can imagine that a few of your mates might be.

Mr Hanrahan: He is happy to promote the degeneration of society.

Mr SETTER: That is exactly right.

Let us have a look at a few others. The Community Arts Board: in 1982-83, the Sydney Gay Mardi Gras Association received \$6000 towards the costs and salary of an artist in residence. The Literature Board: in 1983-84, the Sydney Gay Writers Collective Anthropology Study received \$2000. It is fantastic; the mind boggles. In November 1985, the Community Arts Board granted the Sydney Gay Mardi Gras Association \$5000 of your money and my money towards arts worker fees for its pre-festival workshops. The Gay Actors Ensemble received \$6700 from the Theatre Board and the Community Arts Board gave another grant of \$7500 to the Sydney Gay Mardi Gras Association. Half of these grants went towards conducting the Sydney Gay Mardi Gras. What a worthwhile organisation that is. Let me go on to something else.

Mr Perron: Do you support gay liberation, homosexuals and lesbians, Danny?

Mr SETTER: Let's hear it.

Mr Leo: It is obvious that Rick does. He said it was a worthwhile organisation.

Mr SETTER: That was said tongue in cheek, I can assure you. There is no way I support that sort of organisation.

Tongue in cheek once again, let me turn to another one of these very worthwhile grants. Here is a very worthwhile recipient - Labor Senate candidate John Halfpenny's union, the AMWU, received \$4280 for a video artist in residence. This is on top of a host of other grants to the AMWU totalling almost \$90 000 for such purposes as union leaders' workshops, production of trade union banners - boy, oh boy - and design of industrial handtools and industrial democracy programs - industrial anarchy programs would be more like it. Other trade unions to benefit include the Australian Clerical Officers Association - \$3600 for a women's banner. I know the Miscellaneous Workers Union up here received \$4000-odd to paint a mural.

Mr Speaker, let me turn to the Office of the Supervising Scientist. What I consider to be a frivolous waste of taxpayers' money was set up to monitor the development of the Ranger uranium mine in the Alligator Rivers region.

One would assume that the Office of the Supervising Scientist might comprise a couple of scientists and a few support staff. This organisation has developed into a plaything for 76 people which, in 1985-86, cost \$5.535m. I was out there late last year with Senator Bernie Kilgariff, and I was speaking to one of the scientists there. He told me that, not once in the last 6 years have they discovered any environmental damage to the area outside of the mining excision. It is costing the taxpayers \$5.535m for 76 staff members to play games. Is that spending the public's money wisely?

I could go on and on. I could give dozens and dozens of examples of the absolute waste of this socialist Hawke Labor government. I say that the Liberal and National Parties' policies are the policies that will turn this country around. They will provide the right direction for this country for the next 3 years. Certainly, I support their policies and absolutely abhor the direction that this country has taken over the last 3 years under the Hawke government.

Mr LEO (Nhulunbuy): Mr Speaker, to date this has been an extremely interesting debate, particularly with the fruits of the deliberations of the member for Jingili. I would like to concentrate on the slightly more rational comments from the Chief Minister.

Mr Speaker, if anything has confirmed the lie that the CLP represents the Territory, then today's debate certainly has. Not since the word euthanasia was invented, has a leader of people so warmly and lovingly embraced their assassin. There are no other words to describe the address of the Chief Minister. The Chief Minister, in his demented misery ...

Mr SPEAKER: Order! The honourable member will withdraw that last remark.

Mr LEO: Yes, Mr Speaker, I certainly will.

The Chief Minister attempted to entice the collective populace of the Northern Territory to slit their wrists to put him out of his misery. The Chief Minister, and successive Chief Ministers and numerous members of this government continue to hide their incompetence behind the mask of jingoism. Their misery stems from the fact that there are governments in Australia who are making the public purse work, who do not carry on in the extraordinarily profligate way that this government does. Their misery stems from the fact that there is a government that has made savage cuts to Australia's public spending. However, it is attempting, in a reasonable way, to manage the future of this country. The address of the Chief Minister should put to rest in everybody's mind the lie that has continued to be perpetrated in the Northern Territory that the CLP is the Territory party, because this Chief Minister has so warmly welcomed the assassination of the Northern Territory on behalf of his government.

I read with some degree of interest a second-page article in the NT News which is broadly accredited to the CLP's candidate in the forthcoming election. The headline indicates that the average Territorian will be \$44 per week better off under Mr Howard's proposed tax regime. Not once in that article did Mr Howard's proposals on health care rate a mention. Not once in that article did Mr Howard's proposals on the fringe benefits tax and the fact that my constituents, and the constituents of most of the people in this Chamber, will be obliged to pay a tax on fringe benefits. At the moment, the fringe benefits tax is paid by the employer. You can take a philosophical view of that if you like. Whether or not I agree with it, the simple, cold facts of life are that, whatever fringe benefits apply to employees in the

Northern Territory will be taxed in the unfortunate circumstance that Mr Howard is elected. There was not one word in that article about that.

Mr Howard's proposals on fringe benefits tax will affect people in isolated areas in particular. Mr Howard's proposal to sell an important component of the telecommunications system in Australia, AUSSAT, will also particularly affect people in isolated areas. There is not one word on how that will affect communications charges in the Northern Territory. I cannot put a figure on it. If that monopoly is destroyed - and Telecom is a monopoly and we may as well all get used to it - and if the cross-subsidisation which currently applies to communication charges is destroyed and that affects communications for isolated persons within the Northern Territory, the Chief Minister and this government will certainly have embraced the assassins of the Northern Territory. There is not one word in that article about what will happen with the sale of AUSSAT.

There was not a word in that article about the effects on TV programming for people in isolated areas with the sale of AUSSAT. What will happen to the hope that my electorate and people in other isolated electorates hold for receiving reasonable television coverage of events that happen around Australia?

There was not a single word in that article about the fact that, if the federal government is to slash \$7300m off its expenditure, inevitably some part of that will have to be borne by the states and the Territory. We have seen in the Treasurer's own statement the effects that that can have on the Territory. There is not one word in that article on the effects that increased taxes and charges will have on the Northern Territory. If payments to the states and the Territory are reduced, there is no way of avoiding increases in taxes and charges. Nobody would deny that the federal government has viciously slashed its payments to the states. Try to grasp the dramatic effects that further slashes will have on wage earners - the people who will be \$44 a week better off according to the CLP's candidate.

There is absolutely no prospect of Mr Howard's initiatives ever being of advantage to the Northern Territory. If you come from Vaucluse in Sydney or from the highbrow estates in Melbourne, there is some prospect that you will receive remarkable benefits from Mr Howard's proposal. If you are an average wage earner from an isolated community in Australia, there is not a chance in a million that you will receive any benefit from Mr Howard's proposal.

There was not one word in that article about Mr Howard's proposed increases to airline registration charges. Mr Speaker, contemplate what that will mean to the Northern Territory, but not simply in terms of flying in and out on your annual holiday. An enormous amount of freight is brought into the Northern Territory via airline companies. It costs me nearly \$5 to buy a Sydney Morning Herald in Nhulunbuy at the moment. We will never be able to afford a newspaper. We will be obliged to put up with the pulp that is pushed out here and that will be all we will ever get to read. Those will be the consequences of Mr Howard's proposals. From the fact that the Chief Minister so devoutly embraces the proposed assassination of the Northern Territory, I can only conclude that he is demented. The consequences of supporting the proposals as put forward by the federal opposition are no less real than I have described.

Mr Speaker, I am particularly incensed about one aspect of the federal government's latest cuts to the states and the Territory. As was enunciated in the Treasurer's proposals this morning, one of the ways that he intends to

cope with these cuts is by reducing all services other than water to communities of less than 50 people. I want to know desperately if that means that Aboriginal children on outstations will not receive an education. If that is what it means, that is an absolute abomination. We have seen \$6m pumped into a building that required preservation - that is the only reason that the damned University College exists - yet my constituents in outlying areas will not even receive a basic primary education if that is what that means. If that is what that discontinuance of services means, if that is equity in terms of cuts, this government is not only moribund, it is morally contemptible.

There are a large number of people living in very small communities in my electorate. They have gone to those small communities to try to avoid the ravages of cultural confrontation. We all know about them: substance abuse, violence and so on. They have taken deliberate steps to go to those communities to try to avoid those things and so that their sons and daughters do not end up in jail at Berrimah and become a burden on the Minister for Health and Community Services. If they are to be further penalised because of their very genuine efforts to come to grips with this monstrous problem that is facing them, this government is morally corrupt. It will have ignored the plight of those desperate people.

I make no bones about it in this Assembly or anywhere else: if the consequences of these cuts means that my constituents can never hope to be able to compete within the broader community of the Northern Territory, then I do indeed feel the bile rise in my throat. As far as I am concerned, the Chief Minister can bitch and moan about the equity of the cuts that the federal government has applied. If my assumption is correct, I have just witnessed inequity at its very worst from this government.

Mr COULTER (Treasurer): Mr. Speaker, it is interesting to hear the comments from the member for Nhulunbuy. Let me quickly go through the government's funding for Aboriginal people. It equates approximately to 43% of \$746m that the Grants Commission has identified that we spend on services. The Grants Commission claims that we spend 43% of that money on Aboriginals. In excess of \$300m is allocated to Aboriginal people. We are talking here today about \$2.7m of that \$300m. In terms of our health budget, 46% is spent on Aboriginals. 29% of the education budget and 77% of the welfare budget is spent on Aboriginals. Some 65% of our police effort is spent on Aboriginals. Some 78% of our law budget is spent on Aboriginals. In correctional services, some 80% of our budget is spent on Aboriginals. Those are the recognised Grants Commission figures and I offer them to honourable members for their digestion, however rough they may be passing through their throats.

The member for Port Darwin might hand me a book called 'Aboriginal Achievement' which he has there. Millions of dollars are received by the Aboriginal people from royalties from Ranger Uranium Mine, from the Aboriginal Development Corporation, the Department of Aboriginal Affairs and so on. They are the richest 22 000 people in Australia and their poverty is proportionate to the number of dollars we spend on them. The more dollars we spend, the more poverty they live in. What we are talking about in these cuts is \$2.7m from the \$300m. What about the other 78% of the population in the Northern Territory? We spend 2.75% more on Aboriginal people than we spend on the rest of the population. There are a few figures for members opposite to think about. The Chief Minister said this morning that some \$8000 per head is spent on Aboriginals in the Northern Territory. We can no longer fund this holiday camp mentality, this outstation movement, where people move for the wet season or the dry season or when the fishing is good or when the kangaroos are

plentiful. It is over. It is finished, Mr Speaker. Under these circumstances, we can no longer fund that movement.

Mr Speaker, moving on to special purpose payments, we seem to have lost sight of what the Commonwealth was and what federation was about. The federal government had some responsibility in foreign affairs and defence. It was also responsible for communications under the Postmaster-General. There were those 3 basic areas that it had to look after. There are now 73 categories in special purpose payments which are given to us as tied grants that we have to spend. There are 73 categories in recurrent expenditure and 71 in capital works. These encompass such things as immigration services, sinking funds on state debt, emergency services, colleges of advanced education, technical and further education schools, education, pre-schools, school-to-work programs, participation in equity program, Medicare, nurse education, drug education, blood transfusions, health, national diseases, funds to combat AIDS, home care services and home and community care, and the list goes on. As has been mentioned on a number of occasions, particularly by the Chairman of the Commonwealth Grants Commission, Justice Else-Mitchell, the absorption of many special purpose payments into general purpose funds would be a more economical and administratively efficient way of distributing Commonwealth tax revenue. It would also have the advantage of heightening the measure of responsibility of the states for expenditure.

Let us look at the Department of Aboriginal Affairs, the Aboriginal Development Commission and the welfare organisations that I have talked about many times in this Assembly. I mean the infrastructure that has been set up to ensure that Aboriginal people are held - and the member for MacDonnell would appreciate that word because he talks about the chaining of Aboriginal people - chained under the social welfare umbrella set up by the Department of Aboriginal Affairs. These people do have the opportunity to become involved in meaningful full-time employment and job opportunities but, because of the crushing pressure of all the social welfare organisations that come upon them from time to time, they find it difficult to get out from under the social welfare umbrella. It is an industry that has been set up and supported by the federal government to ensure that Aboriginal people never stand on their own feet. That is enough about this \$2.7m in a \$300m budget. The fact is that the Northern Territory government will no longer follow Aboriginal people with wheelbarrows full of generators and landing towers for airports. The game is over.

Mr Howard has delivered his tax policy. It would be simple for tall Johnnie Howard - I understand that he is 1½" taller than Mr Hawke who perhaps should be called Little Bob - to get Australia going again. It would be a simpler job than any other Mr Howard has ever had. He simply has to remove all the things that the federal government has imposed on us. We have talked about the fringe benefits tax and the capital gains tax. In Japan, there is provision for people to spend up to 2% of their salaries on entertainment. That has spawned a thriving entertainment industry, but in Australia we have the reverse. We have shut the industry down and the chefs, caterers, food suppliers and dishwashers are not there. We have collapsed an industry. Motor vehicle sales are down by 30% in the Northern Territory and 24% nationally because of the fringe benefits tax. Removing the fringe benefits tax would revitalise 2 industries immediately.

In terms of capital gains, we know what has happened. I spoke to a pastoralist whom the member for MacDonnell would know. He is thinking about buying a property in Western Australia. I was at the Katherine races with the member for Katherine and the pastoralist came up to us and said: 'I would

like to buy a place over there but, because of the capital gains tax and everything that is on at the moment, and the way conditions are now, I am not prepared to do it'. That is the effect of the capital gains tax. It does not apply only to penthouses on the Gold Coast. It applies even to the cattle industry and to risk-takers - those people who are prepared to go out and take risks. There is no incentive for them to do so any longer. People can simply put their money in the bank and get 17% to 22% interest on it. They can just sit back. They do not have to worry.

All Mr Howard has to do is remove the capital gains tax. What will happen? Everything will get going again. People will be prepared to go out and invest their dollars knowing they will not get ripped off. If you want to get Australia going again, as Hon Paul Everingham said some months ago, all you have to do is bring back a bit of good old-fashioned greed. That will get the place up and running in a couple of months. It will not take very long to get out of the social welfare mentality of the federal Labor government and let people with real initiative and drive get going again. When the capital gains tax goes, the pastoral industry will be alive and well again and people will be investing in property development.

What about the assets test? That was a good one, wasn't it? What did the assets test do for Australia? When that is removed, people will start to feel secure and comfortable again. Look at negative gearing. That has been great for the building and construction industry, hasn't it? The Leader of the Opposition says that the Labor states are doing well. I will tell you one of the reasons why they are doing well, Mr Speaker. Western Australia received a special grant at the Premiers Conference because it is on a take-or-pay system with the North-West Shelf gas and it could not take it. It was up for \$98m. What happened? The Western Australians ran to the federal government and it gave them \$98m just like that. That is how Labor states manage to look good but, if you have a look at their building statistics, they reflect the same sort of situation that exists in the Territory at the moment. But there is no real problem. Just get rid of negative gearing and the assets test and we will be in business again.

The list goes on. It is all here in the paper that the federal Leader of the Opposition has presented. All that needs to happen is to undo everything that the Hawke government has done and we will be in business. It is not a problem. It is not difficult. Members opposite talk about floating the dollar and the positive effects which have come about because the federal government had the nerve to do it. We do not know what our dollar is worth any more because, just before last Christmas, the federal government changed the formula for calculating our deficit. It was looking a bit bad so, in its usual way, it simply changed the formula. We now have a new formula for measuring the trade deficit. Later, the Reserve Bank came in to prop up the dollar and the truth is that today we do not know what our trade deficit is.

We do not know what the federal government's budget is and what sort of a deficit it has. The \$400m cuts it talks about are cuts from notional projections on forward estimates. We do not even know what they are. We are to have an election on 11 July and, 30 days later, the federal government will bring down its budget. How secure do you think the Northern Territory electricity subsidy is? Did the Leader of the Opposition even mention it in his speech? Not once. Did he castigate the federal government for its removal? Not once. He is simply an apologist for the federal government and we have seen him in action many times. The truth is that we cannot trust the current federal government to deliver a budget in August. We do not know what it will do to us at that time and the rest of Australia realises that as well.

People are not silly and they understand that John Howard is a man who is prepared to reduce government by taking away the various taxes and impediments to development that have been placed on us by the Hawke government. The difference between the 2 policies is very simple. The Labor policy is one of regression: less money and less development. It has been happening now for 2 years. Australia could not take that for another 3 years. The country would disappear in monetary terms. Look at our balance of trade problems and where we are now ranked on the international credit list. Imagine another 3 years of Hawke. We will cease to exist. The member for MacDonnell talks about Aboriginal people living in third-world conditions. That will be our status in the international marketplace if we re-elect the current federal government. The Howard policy is to cut the shackles and say: 'Enough of this nonsense. We know Australia is a great place. We know the Northern Territory is a great place. We know the Territory has \$40 000m worth of minerals locked up because of a nonsensical federal government policy'.

The Leader of the Opposition spoke about uranium floor prices and asked if a Howard government would remove the \$33 a pound floor price. Let us not talk about uranium. Let us talk about the platinoids that are available at Coronation Hill. Let us talk about the 11 t of gold that is available at Jabiluka. Even the Leader of the Opposition would have the economic sense to agree that gold is not doing too badly on the international market now and that markets for platinoids are available due to the problems of the political upheaval in South Africa. The markets are available. It is time to go. It is time to get up! But can we go at the moment? No, because the federal government has its foot on our throat.

I was a little bit unkind to Senator Peter Walsh in my statement here this morning. I have had many discussions with Peter Walsh and he has been quoted as saying that the Northern Territory is basically a parasitic economy. It is more parasitic than it needs to be because of federal influence. If the federal government took its foot off of our throat and allowed us to get on with mining, there are billions of dollars to be earned. We have not even scratched the surface yet in the Northern Territory. John Howard knows and understands that. If we can control the mining rights, all sorts of minerals are there for the taking. The Leader of the Opposition says that the markets are not there for uranium. I can assure him that there are markets. Many minerals are in short supply in the world today.

We should move offshore a little bit. We have heard the Chief Minister talk about the taxes that have been placed on exploration activity for oil. The Bass Strait oil supply is drying up rapidly and will decrease even faster in the years to come. What do we see in terms of exploration activity in Australia today? Nothing. We have the lowest level of activity since the 1950s. We had 3 or 4 rigs coming into the most prospective hydrocarbon fields in Australia today. I am speaking of the Ashmore Reef and the Joseph Bonaparte Gulf. Those 4 rigs probably represent the greatest activity that we have had for a long time. This federal government must recognise that, but what does it do? It runs out and taxes them to stop them from exploring. It wants to take away incentive so that greedy people do not get rich. It wants to stop people from drilling \$20m wells which might yield \$200m. It wants to stop capitalistic attitudes with its taxes. High-risk, high-yield investment is something that the federal Labor government does not understand.

It would be easy to get the Northern Territory going with the tax package that has been provided to us by John Howard. There are mixed reactions in the southern press and it is clear that a few people are doubtful, but the people I have spoken to are saying: 'Hang on a minute, this fellow is making a

little bit of sense. Of course, that is what has happened to Australia. All these taxes and charges have stopped us from getting on with the job of development'. Territorians are Australia's pioneers. I can assure members that, at the business seminars I have run in the south and in the Northern Territory in recent weeks, there has been a strong commitment in the business community to realise the potential of the Northern Territory. Territorians are not going to go down the chute because of the federal government. The time has come for Territorians to lock arms around each other. There are only 155 000 of us here. We have to see this hard time out, realise our potential and where our growth industries are, and get on with the job of developing the Northern Territory.

Mr Speaker, when I was in South Australia recently, I turned on the Today Program on the television. I will tell you how alive and well people are there. Do you know which advertisement was shown most frequently during this peak-time program? It was an advertisement for a funeral parlour: plan for your death now. That is the up-and-coming state of South Australia. That would never happen in the Northern Territory. We are alive and well because we have a conservative government, the CLP government. It does not represent the high-taxing socialist policies of the Labor Party, and don't be fooled by this left-wing garbage that is being peddled around. 10 or 15 years ago, we would have called them communists, and that is precisely what they are.

Mr BELL: A point of order, Mr Speaker! I think if you consult the Deputy Clerk you will find that referring to people as communists is unparliamentary.

Mr COULTER: The word has been taken out of the dictionary. We have civilised it.

Mr SPEAKER: If the Treasurer was referring to members of this Assembly, he should withdraw the word unreservedly.

Mr COULTER: Mr Speaker, I was referring to what is commonly known as the left-wing of the Labor Party. 'Left wing' is a substitute for the word 'communist'.

Mr SPEAKER: To clear the air, the Treasurer should withdraw the remark unreservedly.

Mr COULTER: Mr Speaker, I unreservedly withdraw that remark.

Hon Gerry Hand is about to take over the Victorian Labor Party. He now has the numbers to do that. Kidman wanted to turn Victoria into a horse paddock. That is what he thought of it. Mr Speaker, I can assure you that Victoria has gone back to sleep as well. New South Wales is asleep, with all its bounties and protectionism and the \$1000m it receives to run its railway system. The sad point for Australia is that, unless people in those 3 states wake up to what is happening to them and their sons and daughters flee from those states to the Northern Territory, they will have real problems in terms of facing the future, developing in the future and getting this great nation of ours going. That philosophy and the strategies needed are provided in the policies John Howard announced recently.

Mr BELL (MacDonnell): Mr Speaker, I do feel particularly sorry for the 160 000 of us who live in the Northern Territory when I sit here and listen to something like that. My only reaction is that, if that is the way the Treasurer conducted himself at the Premiers Conference, I am surprised that twice as much was not removed from the Northern Territory's allocation by the

Commonwealth. That was one of the most appalling displays I have seen in this Assembly.

Before I start on what I have to say in response to this particular motion, I will spend a few moments rebutting a couple of the points that the Treasurer made. In the 6 years that I have been in this Assembly, I do not think I have ever witnessed such a divisive display from any member of this Assembly on any subject whatsoever. The sort of bipartisanship that we had in debate on cross-cultural issues pertaining to the law yesterday is sadly contrasted with what the Treasurer had to say today. It does not make me angry, it makes me very sad that somebody who represents the Northern Territory on some of the highest committees, in some of the highest decision-making groups in this country, has such a jaundiced view of the very place he represents. It makes me very sad. I know the realities of life for Aboriginal people in central Australia. Mr Speaker, I think you have a fair idea of them yourself, and I am sure that it causes you as much distaste as it causes me to hear the sort of attitude that we heard from the Treasurer this afternoon.

In the context of this debate, I do not intend to discuss the policy announced by the government this morning with respect to many communities in my electorate with fewer than 50 people. I need to give more mature consideration to the impact that that will have on the lives of those people. In response to the Treasurer's offering this afternoon, I want to comment on these figures - 'so much on Aborigines' was what he had to say - '46% on health, 78% on the law budget, 80% on correctional services, on Aborigines'. Mr Speaker, I throw out a challenge to the Treasurer, and I am quite sure that he won't be able to meet it. I challenge him to put up or shut up, to show how he derives those figures, because I know - I don't suspect it; I know - that he cannot do it.

The Minister for Lands and Housing has only recently taken over that portfolio. He might like to discuss with the now disgraced but still honourable member for Port Darwin or he might even like to discuss with a now departing but also honourable former Minister for Housing, the Commonwealth States Housing Agreement. I will have more to say about that when I continue. The minister may be aware that in excess of \$9m was allocated to the Northern Territory for Aboriginal housing under the Commonwealth States Housing Agreement. Yes, I get a nod from the Minister for Lands and Housing; he is with me so far. The minister will also know that a considerable percentage of that more than \$9m was spent on general Housing Commission housing in the urban centres of the Northern Territory. That is correct - I see the Minister for Lands and Housing is still nodding in my direction. Mr Speaker, I will bet pounds to pennies that those are the sorts of figures that the Treasurer is including when he extrapolates these figures. My point is that the egg is scrambled. The Treasurer cannot extrapolate those figures in any meaningful way. It is mathematically impossible and socially undesirable to do so. If it is mathematically impossible and socially undesirable to do so, it is also politically undesirable to do so.

The issue of separatism for Aboriginal people was raised with the comments by the fellow from the Tasmanian Aboriginal Centre, Mr Michael Mansell. We had strong disagreement about the sort of separatism that was implied by that but that is exactly what the Treasurer is trying to excite in the hearts and minds of Territorians and it is despicable. I said it was politically undesirable. I said it was politically undesirable also because frequently we have government ministers talking about statehood. If the Treasurer intends to start calculating how much is spent on Aborigines and how much is spent on

white Territorians, there is absolutely nothing that is so well calculated to ensure that our move toward statehood is thwarted. I think I have dispatched the comments of the Treasurer. I am sorry I took so long.

Mr Speaker, we have heard comments ad nauseam from the Chief Minister about the cuts to the Northern Territory budget, as there have been cuts to the states' budgets, in Commonwealth allocations for the next financial year. I am not satisfied in anywise that the cuts have been evenly distributed, but if I am not satisfied about that and if I am concerned, as I am, that the Northern Territory has been asked to bear a slightly greater burden than other states, I am even more concerned about the manner in which the Chief Minister and the Treasurer have promoted their arguments. Not only has their mathematics been astray, as the Leader of the Opposition demonstrated, but the terms in which they promoted that debate have been calculated to get up the nose of anybody outside the Northern Territory and to ensure that attitudes are even more vindictive. It is very easy to ignore the expenditure by the Commonwealth government in the Northern Territory and the genuine efforts of the Commonwealth government with respect to the Northern Territory. Let me refer again to the Commonwealth States Housing Agreement. The Northern Territory received \$31.413m from the federal government, out of a total of \$693.7m for the 1986-87 financial year. That compares with a figure of \$20.713m out of \$406m in 1982-83. I am sure even the Minister for Lands and Housing will concede that that is a pretty impressive increase, under the Hawke Labor government, to public housing in the Northern Territory.

Although total federal funding for the Northern Territory has slowed down, due to the movement towards a per capita funding arrangement for the provision of untied funds, the Northern Territory still has the highest dollar-per-person distribution of federal funding, through the Commonwealth States Housing Agreement, for public housing in Australia. That is my first point. I do not think the Minister for Lands and Housing will be able to get to his feet in this debate and suggest that, for example, the First Home Owners Scheme in the Northern Territory, introduced by the Hawke Labor government, has not had a substantial impact on the availability of housing for ordinary Territorians.

Mr Speaker, we have had doom and gloom thrown up at us. In all sorts of areas, there is a general economic downturn. The government has insisted that that is entirely the fault of the Hawke Labor government. Let me just refer honourable members to some of the facts. Although we have a downturn in the building industry in the Territory and although vacancy rates are increasing, for all sorts of reasons, I do not really believe that the Northern Territory government is convinced by its own rhetoric that all of that is the fault of the Hawke Labor government. The fact is that, because we are a small section of the Australian population, providing services like housing on an essentially free-market basis, means that the market in the Northern Territory has markedly different features from those of the housing market in other corners of the country. I would like to point out to honourable members that it is not all doom and gloom despite what government speakers have had to say.

An area of economic activity in this country in which I take some interest, the housing market, is improving. The fiscal policies adopted by the federal government in this regard, particularly its management of interest rates for home loans, have started to bear fruit. I pointed out an article that appeared in the 16 April edition of The Australian entitled 'Home Loans Soar to Hit Record Levels':

The value of home loans from all big lending bodies have soared to record levels after a hesitant start to the year. Figures released by the Australian Bureau of Statistics show housing finance commitments increased by \$135.6m or 13.5% to \$1140m in February, the highest level recorded since August 1985. Housing industry representatives have been concerned about the lack of activity in the new dwelling sector with new home buyers delaying purchases and existing owners refinancing previous loans. The representatives suggest high interest rates and recent tax changes, including introduction of the capital gains tax and abolition of negative gearing, are responsible for the lower level of new housing activity. But recent ABS figures show the number of private sector dwelling activities approved fell for one period, but the figure for housing approvals is in line with lower housing forecasts and government measures designed to slow domestic demand and turn around the trade deficit.

Sustained growth in dwelling approvals and commencements would depend on lower interest rates stimulating access to the market by low to moderate income earners. The federal government is committed to providing the economic environment under which this would be achieved.

It is about time that, once in a while, government members in this Assembly gave some credit where credit is due. All the time we hear carping criticism about the federal government's capital works program in the Northern Territory. I am not happy with the situation with the Darwin Airport. I am not happy with the situation with the Alice Springs Airport, but let us not forget that the federal government's capital works program in the Northern Territory has increased over the last 4 years from \$12.13m in 1983-84 to \$90.5m in 1986-87. That is an astonishing public investment in the Northern Territory. Nevertheless, all we hear from these blokes is carping criticism that the federal government can get nothing right. I am surprised they get a penny out of it. The sort of aggressive, whingeing attitudes we see in this government are really more than should be borne.

Mr Speaker, much comment has been made about the tax policy that has been promoted by the federal opposition. I have one query, particularly since the economic statement is likely to bear fairly heavily on some of my constituents. The Chief Minister has been suggesting that the federal opposition's tax policy is the best thing since sliced bread. He is suggesting that the fiscal policies of some future Liberal government are the only things that will save the Territory and the country. Since there has been a decrease of \$58m, on our figures, in the Northern Territory budget for 1987-88, is the Chief Minister able to provide us with any written evidence that the decreases in the Territory's allocation from the Commonwealth will be in anywise improved by John Howard? Has he undertaken to do that in writing? I do not believe so. The Howard view of the world certainly is not joyous. Certainly, it would not be joyous to Australia nor would it be joyous to the Northern Territory.

Amendment agreed to.

Mr SMITH (Opposition Leader): Mr Speaker, I want to address a few temperate remarks, although that is difficult, to the quite outrageous comments made by the Treasurer. The Treasurer likes to pride himself on being a cowboy and having a fresh and vigorous approach to life and government in the Northern Territory. The only thing that I have against cowboys is that he thinks that he is one of them. There are times when he does himself and, more

particularly, this Assembly no credit whatsoever. Unfortunately, one of those times was this afternoon.

Mr Speaker, I will pick up just 2 of his comments. To say that 22% of the Aboriginal population of Australia are the richest people in Australia beggars the imagination. To say 12 000 people out of that 22 000, who live in communities of less than 50, have a holiday-camp mentality is a further disgrace. How can anyone, let alone a minister of the Crown, let alone a former Minister for Community Development in this government, say that the Aboriginal people of the Northern Territory are the richest in Australia and, further, that those who choose to live in communities of less than 50 have a holiday-camp mentality?

The facts are these. Over half the homeless people of Australia live in the Northern Territory and the great majority of them happen to be Aboriginal people. Not only that, the infant death rate amongst Aboriginal groups is the highest by far in Australia. In fact, it approaches third-world standards. Not only that, we have inadequate education facilities in these communities. As the member for Stuart points out at regular intervals, even though we are only 13 years short of the 21st century, we cannot guarantee these communities have a safe supply of drinking water. That is a complete and incredible disgrace. We cannot guarantee safe water to these communities. We cannot provide them with decent housing. We cannot provide them with decent education. We cannot provide them with decent medical services. The standard of services that we offer to these people is a national and international disgrace yet we have a Treasurer, on behalf of the government, saying that they intend to cease all services except the provision of water to those communities. I confidently expect that this will become a major national and, probably, an international story. How can any government, in a supposed democracy, in a wealthy country like Australia, say to 12 000 out of its 160 000 residents that it will not provide any services to them. 12 000 of the 160 000 have just been wiped off the map as far as this government is concerned. The government says that it will give them a safe water supply but it will not give them the services that it provides to everyone else. It will not provide them with decent housing or basic education and medical facilities. That is just not good enough.

Mr Coulter: Try talking to Senator Button, who won't take any notice of anybody here.

Mr SMITH: That is not the point.

Mr Coulter: That is the point.

Mr SMITH: That is not the point in this exercise. The Treasurer shifted ground considerably when he said that we were spending enough on Aboriginals in the Northern Territory. Not only that, he made the outrageous suggestion that these 12 000 people, to whom we are not going to give any further government assistance except to provide them with water, are the richest people in Australia. The richest people in Australia, yet they do not have houses to live in or basic education facilities or basic medical services, and this government is prepared to accept that that is a good situation and it will withdraw the limited amount of funds that it provides to them. When it is remembered that we are talking about 12 000 people, and they have only been getting \$2.7m as it is, that is a disgrace in itself. But to take that amount of money away, and to make the categorical statement that it intends to cease all services to these people is to bring on this government the contempt of the national community and, I suspect, very shortly the contempt of the international community. It is a complete and utter disgrace.

It is particularly disgraceful because, in many cases, these communities are acting to extract themselves from the problems that we are all aware of in the larger Aboriginal communities. They have quite rightly decided that the only way to get away from petrol sniffing and alcohol, the major problems in Aboriginal communities, is to move out of those communities which do not fit in with their traditional way of life anyway because those communities were set up by the white man a number of years ago. They move out to smaller communities of their own. And what is the result of that? The Northern Territory government is saying that it will not provide any assistance to these people.

Mr Perron: Did the traditional way of life have medical sisters and doctors and the traditional bore, pump and generator?

Mr SMITH: Here goes the Minister for Industries and Development. Again, he is demonstrating his appreciation of people's lifestyles and his appreciation of what the 20th century means.

Mr Perron: To have a lifestyle of your choice.

Mr SMITH: Of course, they are entitled to a lifestyle of their choice, but they are also entitled to the basic services that this government makes available to its citizens. They do not want anything more, but they certainly do not want, and do not deserve, anything less than the basic services that are provided to other Australian and Northern Territory citizens.

Mr Speaker, that is the matter which we are debating today. No doubt, there will be further national notoriety for this government as a result of the actions that it has taken on this particular issue in this budget. Apart from the completely outrageous statement by the Treasurer, this debate has been about the proposed benefits that a Howard Liberal government might bring to Australia. I would like to ask honourable members opposite when we will get to the question of what the Howard Liberal government will do about air fares in the Northern Territory. I said quite clearly yesterday that my reading of the fringe benefits tax provisions was that air fares would continue to be subject to that tax. The only change would be that the employee would pick up the tax. Despite much prompting of members opposite, I have not heard anyone deny that and I think that, on that fact alone, the Howard tax proposals are bad news for people in the Northern Territory.

One of the interesting things that the Chief Minister said was that the tax policy had been personally tailored for the Northern Territory community. I can see that there is an argument that the tax policy has been personally tailored to suit the CLP nominee for the House of Representatives election. As a result of this tax, he will now be able to claim his golden Rolls Royce as a tax deduction, as he busily uses it to take him from home to work. He will be able to claim entertainment tax on his lunches, as he takes his business clients out for a meal after the election. He will be able to claim company tax, as he continues his operations on behalf of his company. Certainly, it has been personally tailored to suit people like Mr Peter Paroulakis, the Country Liberal Party candidate, and his rich mates. But it certainly has not been tailored to suit the people whom he so cutely referred to on Territory Extra this morning as 'the poor people'. 'The poor people' is what Mr Paroulakis calls the ordinary citizens of the Northern Territory and that shows the sort of regard for and the sort of relationship Mr Peter Paroulakis has had with the people of the Northern Territory in the years that he has been here. He can, with some condescension, talk of 'the poor people' of the Northern Territory when he means the average citizen of

the Northern Territory who has concerns that Mr Paroulakis has never had to think of, like whether he will get an air fare out of his employer so that he can go on a holiday. That has never had to occur to Mr Peter Paroulakis who, of course, is rich enough. He can go for a holiday whenever he likes, and does. I remember that, last year, he spent 2 or 3 months in Crete, lucky man.

The point is that Mr Peter Paroulakis has no earthly chance of representing the interests of people in the Northern Territory because he does not understand the people of the Northern Territory. He does not understand their needs or their aspirations. That was reflected very clearly in the Territory Extra debate this morning. I have given just that one example, the air fares. Because members opposite are not prepared to make a statement, I would ask Mr Peter Paroulakis to provide the people of the Northern Territory with a very clear statement on what John Howard's attitude is to that question of air fares.

Mr Hatton: I don't think that there will be anything to worry about. I don't think they will have them, thanks to Mr Hawke.

Mr SMITH: The Chief Minister doesn't think that there will be anything to worry about. Is the Chief Minister indicating to the people of the Northern Territory, in a back-handed way, that he is going to remove the air fare entitlements of public servants? If that is the case, it is a pity he did not speak on the budget or ask the Treasurer to say that in the budget debate. It is clear that public servants and others who receive air fares in the Northern Territory will not have anything to worry about, and that is only because John Howard and his team will not be elected.

Mr Speaker, in helping the people of the Northern Territory make a choice on that particular matter, the CLP candidate has a clear obligation to state precisely whether, in fact, the air fare benefit that people currently receive will fall within the fringe benefits tax net. As we all know, the fringe benefits tax still remains; it has merely been amended. Secondly, if it does fall within the fringe benefits tax net, who is to pay the tax - the employer or the employee?

Mr Hatton: Who would you think? Stop misrepresenting the facts.

Mr SMITH: I would think it is going to be the employee.

Mr Hatton: God, you are hopeless!

Mr SMITH: It is a very simple question, Mr Speaker, and I will read out the relevant section of Mr Howard's statement again for the Chief Minister. 'Where a non-cash benefit is clearly and deliberately provided as a substitute for cash remuneration, that benefit will be taxed as income in the hands of the recipient, as it should'. Those were the key words: 'as it should'. There does not appear to me to be any other interpretation that could be placed on that particular ...

Mr Hatton: So what? That was the situation before the fringe benefits tax legislation.

Mr SMITH: It was not.

Mr Hatton: Yes, it was. It was exactly what the law said.

Mr SMITH: The situation before the fringe benefits tax situation was that the government of the day chose not to impose a tax on that benefit and, of course, the Chief Minister knows that. The difference now is that, in his statement, John Howard is clearly saying that the government of the day will impose a tax on that benefit and the recipient will pay it. The result for people in the Northern Territory is that many of them will not be able to afford to go for a holiday. That is the difference. If this government is prepared to come out and say that the end result will be that people will pay 32% of their benefit in tax, and they will not be able to afford to take their family with them on their holiday, I would like it to say it.

Mr Hatton: I said it last year.

Mr SMITH: He said it last year. Why doesn't he say it again?

Mr Ede: He isn't game to.

Mr SMITH: The Chief Minister is not game to say it again because he knows that it is the greatest vote loser in this package from John Howard. Tax people's air fares, Mr Speaker, and you touch them on the quick. That is what is going to happen with this particular item. Mr Speaker, that is reason enough for anyone in this Assembly to vote against the amended motion before us today.

The Assembly divided:

Ayes 15

Noes 5

Mr Coulter
Mr Dondas
Mr Firmin
Mr Hanrahan
Mr Harris
Mr Hatton
Mr McCarthy
Mr Manzie
Mrs Padgham-Purich
Mr Palmer
Mr Perron
Mr Poole
Mr Reed
Mr Setter
Mr Vale

Mr Bell
Mr Ede
Mr Leo
Mr Smith
Mr Tipiloura

Motion, as amended, agreed to.

LIQUOR AMENDMENT BILL
(Serial 41)

Bill presented and read a first time.

Mr BELL (MacDonnell): Mr Speaker, I move that the bill be now read a second time.

The history of what is proposed in this bill deserves some explanation for honourable members. Until 1982, the discretion concerning forfeiture of motor vehicles seized in dry areas under the Liquor Act was with the court. Honourable members will recall debate about a particular example of this which

took some 12 months to resolve. It is for that reason that I propose this private members' bill today.

As I said, the history of this amendment has been a long one. Until December 1982, discretion was with the courts. At that time, the relevant provision was amended so that forfeiture became automatic when conviction was recorded. The then member for Fannie Bay, Ms Pam O'Neill, moved an amendment to retain the court's discretion on forfeiture. In that particular debate, another amendment was foreshadowed by the government which would have placed the discretion with the Chairman of the Liquor Commission.

I have 2 points to make at this stage in the debate. There have been several Northern Territory governments since then, but their attitudes to this issue have not been clear. That is my first point. My second point is that a statutory authority like the Liquor Commission is not an appropriate body to exercise the sorts of responsibilities normally vested in courts. I believe that decisions about the forfeiture of motor vehicles should be made in open court. It is a crucial cornerstone of the justice system that justice be done and be seen to be done. People should not get the idea that, by making representations to particular influential people, they can influence what should be objective decisions. We had an example of this during debate in these sittings. I refer, of course, to the Morling Inquiry. We were discussing the rights and wrongs of this Assembly legislating to quash convictions. In that context, we were talking about the distinction between the role of the legislature and the role of the judiciary. This is a similar argument. We should forget about the issues of dry areas and alcohol abuse at the moment. The issue here is the appropriate distinction between the role of the judiciary - the role of the courts - and the role of the bureaucracy.

To my mind, it is the role of the courts to decide whether a vehicle should be forfeited or not. It is the role of the bureaucracy to administer according to determinations set down in legislation. It is not the role of the bureaucracy to decide whether a motor vehicle forfeited under the Liquor Act should or should not be forfeited. It is not good government for people to feel that the decision is essentially subjective and depends on how many phone calls they make to the Chairman of the Liquor Commission, how many letters they write or whether, in their letters, they dot their i's and cross their t's. I hope I am making myself clear in this regard, Mr Speaker. The Treasurer made some fairly disquieting and contradictory comments in this regard.

I hope that, by introducing this bill - and I make no bones about the fact that the bill has been introduced before - the principle will be argued. I believe the principle is an important one. It has nothing to do with the question of how well the Liquor Act or the restricted area legislation is working. It has nothing to do with the problems of alcohol abuse. It is a simple question of how governments should act. In 1982, the government foreshadowed that it would place the discretion with the Chairman of the Liquor Commission. Regardless of the merits or otherwise of that, the government failed even then to amend the legislation. It withdrew its amendment and the effect was that, without any active policy decision to make forfeiture automatic, forfeiture became automatic by default. I see the Minister for Lands and Housing peering at me quizzically, but I well remember when that bill went through the Assembly back in 1982.

Mr Speaker, you can now see the principles involved and, in case you are under the illusion that I am the only person concerned about this, let me point out that the Supreme Court has described this legislation as having the

potential to create quite gross injustice so I hope that the government is not locked into a position of opposition to the bill. Amendments were introduced in April 1983 by the then Leader of the Opposition, in 1984 by the member for Stuart, and in 1985 by the member for Millner. I certainly hope that my persuasive powers and blandishments will soften the heart of the Treasurer so that he will see the merits in the case.

Mr Coulter: The softest part of me is my teeth, Neil. You know that.

Mr BELL: Oh dear!

I now turn to the details of the amendments. Clause 4 accords discretion to order forfeiture in 2 circumstances: first, where the owner is the person convicted and, secondly, where someone other than the owner is convicted but the court is satisfied the owner supplied the vehicle knowing it would be used to transport liquor into a restricted area. Clause 5 makes provision for vehicles to be released pending trial of the charges where the owner has not been charged and the court is satisfied the vehicle will be available at the time of trial.

Clause 3 introduces a device for the return of seized goods. It allows goods such as vehicles to be detained for up to 7 days before they are technically seized by notice in writing. The purpose of that particular clause is to facilitate the return of a vehicle or other goods where police inquiries indicate that the owner was not implicated in the offence and forfeiture is therefore unlikely.

As I have already pointed out in debate in these sittings and in other comments I have made to the Assembly, there is a desperate need for amendments of this sort. There have been serious injustices. There have been occasions where the effective fine imposed on people for taking 1 flagon of wine into a dry area has been \$20 000. I cannot stress that too much. Let me say here that I have no hesitation in supporting the dry areas legislation. It deserves every accolade from me as a member who represents many communities that have decided to make themselves dry areas. That general section of the Liquor Act has not solved all the problems and I do not think anybody expected it to. I was present at Areyonga when the dry area was debated in the community. I sat patiently on the edge of the crowd and listened to the pros and cons of a community struggling to find ways of coping with the impact of alcohol.

I could speak at length about the impact of grog on those communities although this is probably not the time nor place to do so. I think that, in the context of this debate, it is sufficient to say that the restricted area legislation has been a positive piece of indigenous Territory legislation. It has been one of the glories of self-government and it is important that we make sure that it is applied justly. That the overall dry areas legislation is immensely valuable is strongly supported, but there is a problem with vehicle forfeiture.

I might mention now, for the benefit of honourable members, that the Mutitjulu community at Ayers Rock, as perhaps the Treasurer is aware, is keen to introduce dry areas legislation in the national park. It is aware of the capacity of this section of the Liquor Act to provide a measure of protection that might not otherwise be available.

As I say, this legislation is one of the glories of self-government. The Territory has led the way in providing this sort of control for communities.

However, we have to make sure that that section of the act concerning penalties is perceived to be just. To give an example, a ute on the road between Hermannsburg and Areyonga was seized. Its contents consisted not of 1 can of beer or 1 flagon of wine, but 38 casks of wine. Needless to say, I thought the people involved got off lightly with the loss of a fairly cheap ute worth about \$5000. They had come up from south to make a quick quid out of running grog into dry areas. Apart from the loss of the vehicle, the maximum penalty is \$1000 or a maximum of 6 months in jail. These people certainly did not get jail. I would have slotted them if I had been the magistrate and I make no bones about that. Such people are consciously running grog into places where they know people are killed because of it.

I have been there and seen the sort of alcohol abuse that goes on. Somebody gets a knife through the thigh because of some blue that happened 6 months previously. Everybody is right out of it. Under normal circumstances, the person who is stabbed would probably go to a health centre and be treated but, in this situation, everybody is so far out of it that he will probably bleed to death. It is not a question of one person intending to kill another: it is grog. I am not talking about isolated examples. Mr Speaker, I can tell stories that would make your hair stand on end. I can remember one occasion when grog came into a community. Spears were flying through the air and I remember seeing one bloke who, as a result of some grievance long gone, ended up with a spear through the thigh. It had penetrated an artery and blood was pouring out of his thigh like water from a perforated pipe. My support for the dry area legislation cannot be reinforced in any stronger way.

I turn now to the other class of circumstance that this bill is designed to affect. There is no public transport out in the bush. These people live in communities where they don't have a bus or a taxi service. There are no trains and there is no regular air transport service. They only have motor vehicles. Because they are poor communities, their vehicles are at the end of their useful life which is why piles of them can be seen outside any Aboriginal community. They are the most cost-efficient way of getting people around in the bush. In most cases, vehicle forfeiture is in addition to the penalty determined by the court under the appropriate section of the act: \$1000 or 6 months jail. Usually, vehicle forfeiture is equivalent to a fine of \$2000 to \$4000. In the context of what those communities can afford and what people deny themselves to buy those motor cars, that is a pretty steep fine, particularly in the case where only 1 or 2 cans of beer might be involved or half a flagon of wine and, quite clearly, there is no intention of grog-running.

Let me draw an analogy with drug offences. Off the top of my head, I am not quite sure how the mechanism works, but I believe the law takes into consideration the amount of marijuana possessed by a person. I think the expression is a 'trafficable amount of marijuana'. If somebody has a trafficable amount of booze, I have no sympathy for them. They are grog-running and I have no sympathy. However, if they are effectively fined \$2000 to \$4000 for carrying a small amount of booze that is essentially for personal use, I reckon that is tough. If that is tough, let us look at the circumstance where a community has been fortunate enough to obtain a bus. Perhaps, through an application for funds through the Aboriginal Benefits Trust Account, a community has been fortunate enough to obtain a Toyota long wheel-base. You see them all the time around the bush. I am quite sure that in your home electorate of Katherine, Mr Deputy Speaker, there are many communities that rely on such vehicles for mobility in the complete absence of any other form of public transport. How much does a long wheel-base Toyota cost these days?

Mr Poole: \$53 000.

Mr BELL: \$53 000, I am bid by the member for Araluen. Therefore, in those cases where somebody has a long wheel-base Toyota and is unfortunate enough to be picked up with a can or 2 of beer or half a flagon of wine, the effective fine ...

Mr Coulter: Or a pallet and a half of white cans.

Mr BELL: I will pick up the Treasurer's interjection. Obviously, I am going to have to be slightly more pedagogic in his case. I hope he is concentrating. Perhaps he should pick up a pen and take notes. This is what a second-reading debate is about: to elicit the principles involved.

Mr Coulter: I can't write. That is how I got to be the Treasurer.

Mr BELL: I adjure the Treasurer not to interject. I am drawing a distinction. He interjected with 'or a pallet of white cans'. I drew a distinction between his pallet of white cans, which represents a trafficable amount of grog, and a non-trafficable amount. I think the Treasurer may have been absent from the Chamber when I referred to the recent case where a couple of whitefellers from Hamilton in Victoria were caught on the Hermannsburg to Areyonga road in a \$5000 ute with 38 flagons. I have no sympathy for them whatsoever. I would have slotted them, given them a couple of weeks in the nick just to let them know how serious the offence was.

Mr Palmer: Slotted them for what?

Mr BELL: Under the appropriate section of the Liquor Act, for the benefit of the member for Karama.

Mr Hatton: Isn't that an indictable offence? Don't you have to go to court?

Mr BELL: I am sorry. My response should have been directed to the Chief Minister.

To return to my example, the Liquor Act provides for a maximum penalty of \$1000 or 6 months jail. In that particular case, had I been the magistrate, I would have given them a couple of weeks in the nick and then sent them packing back to Malcolm Fraser country in Hamilton, Victoria.

To come back to my pedagogical exercise with the Treasurer, I hope he has internalised that distinction between trafficable and non-trafficable amounts.

Mr Coulter: I agree with you.

Mr BELL: In the case of trafficable amounts of grog, I believe offenders deserve to forfeit their vehicles. I hope we will get some support for this legislation from the Chief Minister because that is exactly the purpose of this bill: to ensure that decisions about forfeiture are taken by the court. However, at the other end of the spectrum, are cases where forfeiture of a \$50 000 motor car is in fact a very unreasonable penalty that denies transport to communities. There are even more unjust circumstances than that, where community vehicles may be seized because somebody who is driving is in possession of booze.

Members interjecting.

Mr BELL: I do appreciate these second-reading debates. You get a chance to pick up all sorts of interjections.

Perhaps this approach ought to be taken in second-reading debates. Instead of delivering prepared speeches perhaps ministers who introduce legislation should clarify the underlying policy decisions and speak on them extempore. I draw the government's attention to the practice in the House of Commons. My recollection is that, when a second reading is moved, members can bob up and ask questions of the mover in order to ascertain what policy decisions are involved. I am sure the Deputy Clerk would be able to give us some advice in that regard. I appreciate the interjections because I hope I have clarified the distinctions involved in these cases.

I remember a previous debate on those amendments when the member for Casuarina was Minister for Health. He defeated our amendment by referring to a letter from the Ntarrria Council in my electorate which strongly supported a strong law in this regard. That letter was the basis for knocking back the amendment. Let me suggest, and I think the Treasurer will be able to bear me out in this regard, that the Ntarrria Council's position would be slightly different now. In fact, the Ntarrria Council would support exactly this amendment. That is an issue which the Treasurer might like to comment on when he responds.

I do not wish to score political points in introducing this bill. We are here to solve problems. That is the purpose of this legislature and it is why people vote for us. I hope sincerely that we will be able to get some bipartisan support for this amendment bill. The situation has moved on. It is the best part of 5 years since the automatic forfeiture provision was introduced and I think the situation has changed. The government and the Liquor Commission have learnt more about the application of this particular section of the act and I would be the last person to interpret agreement with this amendment as a back down in any way. I would be the first person to congratulate the government were it to accept this amendment. Such action can only be seen by all Territorians as sensible. I hope that I have adumbrated the implications of this legislation and I hope that the Treasurer and Cabinet will see fit to accept this amendment. It is to nobody's advantage for this amendment to be rejected. I believe that I have a very close understanding gained on almost a day-to-day basis of the application of this section of the act and its forfeiture provisions. I believe I speak for all the communities in my electorate. They want to see the act work and they want to see it work justly. That is my major point.

My final point is that it is good government for the forfeiture of motor vehicles to be decided in open court. For those reasons, I hope that the government will support this amendment.

Debate adjourned.

POWER AND WATER AUTHORITY BILL
(Serial 25)
ELECTRICITY COMMISSION AMENDMENT BILL
(Serial 26)
WATER SUPPLY AND SEWERAGE AMENDMENT BILL
(Serial 27)
PUBLIC SERVICE AMENDMENT BILL
(Serial 28)

Continued from 7 May 1987.

Mr LEO (Nhulunbuy): Mr Speaker, I will make it clear at the outset that the opposition supports the passage of these 4 pieces of legislation. They will unify the service delivery sections of 2 different departments: the water supply and sewerage section of the Department of Transport and Works and the electricity supply function carried out by NTEC.

We had one grave reservation about the potential effects of these bills on the employees within the 2 authorities affected. I am pleased to say that, after some consultation with the industrial organisations which cover the employees involved in the delivery of these services, an accommodation has been reached between themselves and the government. I think that that is a victory for common sense. It is a victory for the more expedient rationalisation of the services. It is a victory certainly for the necessary efficiencies that will have to be undertaken within the Northern Territory. Indeed, I would have to say that, if the next round of efficiencies that have to be undertaken by the Northern Territory government can be accommodated and achieved with the same degree of mutual agreement, it will be to the benefit of the entire Northern Territory.

There is little else to say about the bills except that the opposition has noted the amendments that have been foreshadowed by the Minister for Mines and Energy. I will indicate that we have no difficulty with those amendments. They enhance the legislation which is before the Assembly. I have suggested to the Minister for Mines and Energy a mechanism which, if it can be afforded by the Assembly, will expedite their passage through the legislature.

Mr POOLE (Araluen): Mr Speaker, effectively these bills establish the Northern Territory Power and Water Authority. This follows another initiative taken by the government to streamline the public service and statutory authorities. These bills will bring NTEC and the Water Authority under 1 board, 1 chairman and 1 minister. Anything that reduces costs of services to consumers, such as common reading of water and electricity meters and the amalgamation of accounts functions, must be welcomed.

This new authority will help to establish the water and power areas of government on a solid commercial footing. The authority will also play its part in developing Northern Territory gas commercially. I understand the authority will be split into 3 operational areas: 1 group for the power industry, 1 group for the water industry and 1 group looking after the administration and management services. I used to work for the Northern Canada Power Commission many years ago. That organisation ran both the power and water functions in the North-West Territory and it did so very successfully. There is no reason why we cannot do the same thing here in the Northern Territory of Australia.

Mr Speaker, I am sure that you know that both power and water are the sleeping giants as far as costs to the community are concerned. On the one hand, we encourage people to use these resources to achieve economies of scale but, on the other hand, we should be encouraging people to use less and avoid the high costs of expanding those services. Already we have noted problems in the generation of power by the new equipment at Channel Island Power Station and I suspect - and I think the report presented today proved it - that the major reasons for the power failures will be traced back to staff working with new equipment, a problem not unknown to electrical authorities throughout Australia. With all the recent changes, the new authority will have to concentrate on training staff in the development of management skills. The changes obviously upset the status quo but, in the end, I am sure these changes will give the authority the opportunity to identify and assess

management and develop its capabilities in far greater detail than has been done before.

These bills set down some principles for the practice of methods to achieve a greater commercialisation of activities. The problems of providing resources to replace assets will have to be addressed by the new authority. By adopting the principle of user-pays, it will be demanded by the public that the provision of services to consumers is effected in the most efficient manner and at the least cost. I am sure this will happen as the new authority finds its feet.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Speaker, the bills before us today must be considered together but my remarks will be directed to the Power and Water Authority Bill only. The consolidation of water and electricity supply systems for the retailing of gas, water and electricity as identified in this bill seems, on the surface, to be a good idea. I know that, for some time, different people have been kicking around the notion of bringing together the functions of selling power and water to the public under 1 authority.

However, I have been in this Assembly for about 10 years and, in that time, I have developed a certain cynical outlook on the introduction and passage of certain legislation. I have now been encouraged to think that this legislation will be all-enduring. I know the Chief Minister has said, with great fanfare, that he will reduce the level of the public service. He has done away with 8 government departments and produced 3 big government departments in the interests of economy. I believe that everybody has his own ideas and his own babies that he wants to nurture and bring to maturity. It is not beyond the bounds of possibility that the next Chief Minister or the one after that will say something like: 'Why do we have 1 authority dealing with the sale of power, water, gas and sewerage services to the public? Why don't we separate the electricity functions from the water supply and sewerage functions? Then we would be back to the system that we used to have some years ago'.

When we first came to Darwin in the late 1950s, the water interests were combined and the electricity was separate. The mining interests were separate.

Mr Coulter: Who was the head of Water Resources then?

Mrs PADGHAM-PURICH: Noel Eden in 1959.

Mr Coulter: I thought it might have been Phil Purich.

Mrs PADGHAM-PURICH: No, he was a long time later than that. If the minister would like me to declare an interest, I will declare an interest. The bloke I happen to live with was the Director of Mines Branch. He had some expertise in the mining area and also in the water resources area. Does that satisfy the honourable minister?

Mr Speaker, as we read the legislation, there is still a division in the water interests. We still have what was called Water Resources under the mantle of the Department of Mines and Energy. The sale of water comes under this new legislation. It used to be under the Department of Transport and Works. I wonder if duplication may creep in. I will discuss certain parts of the legislation where I think it may.

I understand from people working there that the Water Resources workshop will still continue at the 2½ mile. I have also been told that a new workshop will be set up at the old Stokes Hill Power Station for the Power and Water Authority. Perhaps the minister could tell me whether that is true or not. If we have 2 workshops, both dealing with water, we may have duplication and added expense. As the Chief Minister has said, we must cut down in these straitened financial times that have been imposed on us by Canberra.

Mr Speaker, I will deal with the clauses on which I have some queries. Under the heading of 'Terms of Appointment', clause 6(2) reads: 'Where a period of appointment is not specified in the instrument of appointment of a member, the member holds office, subject to this act, for 3 years'. It does not say whether a member has to remain a non-member for, say, a year before he can be eligible for reappointment. I believe that should be clarified because, at the moment, it seems to be rather confusing.

Clause 6(3) says that where a member of the authority vacates his office or is removed from office under the legislation, he shall continue in the office until his successor is appointed. One might say that that is a pretty good idea because it gives continuity. However, if a member is removed from his position on the authority because of misbehaviour or incompetence, it seems rather unusual that he shall continue in his office, still doing those undesirable things, until the next member is appointed.

Clause 7, 'Termination of Membership', says: 'Without limiting the generality of section 6(6) the Administrator may remove the chairman or a member from office' - for misbehaviour or incompetence or whatever. If the member continues in office until his successor is appointed, that will leave the authority in a very dicky situation. I believe that that was not the intention of the legislation. I would also query why it is the Administrator who removes the chairman or a member from office. Clause 16 says: 'The authority, in the exercising of its powers and the performance of its functions, is subject to the directions of the minister'. I would have thought that the minister would remove the chairman or a member from office. That would be more fitting than the Administrator. I would like the minister to explain why a member who may have been removed because of misbehaviour shall continue in the office until his successor is appointed. It seems most inappropriate.

We were told that the staff of the Work Health Authority would come from current public service positions. This may have been true up to a point. I query whether the legislation bringing the Work Health Authority into being was carried out more in spirit than in reality. I would like to be assured by the minister that, when this Power and Water Authority comes into being, there will be a rationalisation of staff positions and, in view of the Chief Minister's interests in reducing the financial burden of the public service on the community, that the Power and Water Authority will be staffed by persons from other parts of the public service.

Clause 14 relates to functions of the authority. One of the functions is to purchase and sell electricity. It does not say that one of its functions shall be to purchase and sell water. It just says it will manage water resources. If it does not say that one of its functions is to sell water, why note that one of its functions is to sell electricity? It does say it will buy and sell gas.

Mr Coulter: That is what the amendments are all about.

Mrs PADGHAM-PURICH: To be perfectly honest, I have not read the amendments.

Mr Coulter: We amalgamated the departments on 12 March.

Mrs PADGHAM-PURICH: Thank you, minister. As I am speaking and you are not, I will now come to clause 14, 'Functions of the Authority'. Paragraph (g) refers to the enforcement of 'standards set out under any law in force in the Territory relating to electrical workers or contractors'. The functions of the authority are to advise the minister on all matters concerning electricity and on all matters concerning water and sewerage services, but I do not see any mention of advising the minister on all matters connected with gas.

I do not want to see duplication. Clause 14(1)(j) concerns the function of evaluating 'the present and future needs of the Territory in respect of fuel, energy and power for the purpose of generating electricity'. There is a risk of duplicating work already carried out by the Department of Mines and Energy. Clause 15 covers the powers of the authority. Clause 15(2)(c) says the authority has the power 'to determine the conditions, other than tariffs, upon or subject to which any electricity, water, gas or sewerage or other service will be supplied or provided by the authority'. The minister stated in his second-reading speech that the Power and Water Authority will be a commercial operation, and I would have thought that one of the functions of a commercial operation was to determine the tariffs.

I also believe there may be duplication in clause 15(2)(a) which says the authority has power 'to, either solely or jointly, apply for and hold such licences or permits as are necessary for the investigation, prospecting, surveying, exploration and mining of any material ...'. Again, I believe there could be a duplication of work already being done by the Department of Mines and Energy.

I do not have any basic objections to this legislation, Mr Speaker. I believe it is basically a matter of suck it and see.

Mr COLLINS (Sadadeen): Mr Speaker, I will be fairly brief. I do not see any great problem where goodwill is extended to the government's intentions of creating public service economies by restructuring in areas like this. I would, however, raise a couple of points in relation to the minister's second-reading speech. I refer to the establishing of both the water and power areas of government on a sound commercial footing and his statement that the authority is to be guided by commercial principles. The minister said: 'We are moving towards the user-pays principle.' In my view, a sound commercial practice means that you are making a profit. A public monopoly is in a pretty good position in respect of making a profit, especially when it deals in prices for elastic commodities like electricity and water.

I would ask the minister to clarify a point which I am sure people in the general community would be very interested in. I recall being told by officers of the Water Authority during the last election campaign that it costs somewhere between 65¢ and \$1.05 per kL to pump and supply water to people. At the moment, consumers pay 20¢ for the first 500 kL and 25¢ per kL after that. Will the user-pays principle lead to much higher water costs in the future? I would like to know about the government's attitude to that because I am sure the minister knows that there was a fair bit of complaint last year when water prices rose. Will they eventually move to 65¢ a kL?

Another point that interests me concerns minimising the cross-subsidies within and between consumer groups. My interpretation of that is that people in Alice Springs should be paying the cheapest electricity rates because they have the most efficient power station in the Territory. I am sure the people of Alice Springs would love to pay what it actually costs to produce their electricity.

Mr Hatton: They might not want to pay the actual cost if it were higher.

Mr COLLINS: That is exactly what I want to know. What do you mean by minimising cross-subsidies within and between consumer groups?

Mr Hatton: Smaller communities are subsidised by larger communities.

Mr COLLINS: What is the situation now?

Mr Hatton: Darwin is subsidising communities outside it.

Mr COLLINS: That has really made it quite clear to me, Mr Speaker. Cross-subsidies within and between consumer groups are minimised. You reckon Darwin is now the most efficient power station because of the gas.

Mr Hatton: It is now.

Mr COLLINS: It would not have been in the past. I know that electricity charges in tiny communities with huge expenses and diseconomies of scale are being subsidised by the larger communities. My reading of this is that it says the reverse. Can the minister clarify this?

Mr COULTER (Treasurer): Mr Speaker, I will be brief. I thank the honourable members, in particular the opposition spokesman on mines and energy matters. His concerns related mainly to industrial matters and he has had briefings with union representatives and people concerned with those matters. He is content that matters are proceeding satisfactorily. We have 2 or 3 issues that have been identified and are yet to be resolved. We hope for an early resolution of them and I see in tonight's paper that the Chief Minister has been in touch with Mr Tullgren and they seem to be getting on very well together.

With respect to the issues that the member for Koolpinyah raised, it is really a matter of reading legislation when it comes before this Assembly. The facts are simple. On 19 March, the Water Resources Division was transferred from the Department of Mines and Energy to the Water Authority. That has happened already. There is no split: we have 1 unit. We sought legal opinion on the ability of NTEC to sell gas and that is in order. The amendment is just to cover ourselves to ensure that it has the power to buy and sell gas.

Mrs Padgham-Purich: Can you answer my question about continuing in office until a successor is appointed?

Mr COULTER: One of the questions was about rationalisation and the duplication of staff. The whole reason for undertaking this exercise was to provide greater efficiency and rationalisation of staff. I can assure the honourable member that that is happening at this moment.

In respect of the member Sadadeen's concerns about cross-subsidisation, it is nothing more than what is happening now. Efficiencies can be achieved in

terms of meter readings for power and water. In the near future, we will have gas meters in central Australia. We have already started with the Boral Sagasco proposal to reticulate gas in Alice Springs. We will be avoiding any duplication.

Mr Collins: What about the cost of water?

Mr COULTER: The cost of water is the same right throughout the Territory. Of course, there is an electricity cost for pumping water and the cost of treating water. We would like to reach a point where the user pays and we could double the water accounts. That would be in the true spirit of user pays but it is not practical to do that. There will be a substantial subsidy for some time until we can build Mount Steele to store water. Where we are using bores that require considerable energy to pump the water out and push it long distances, we will always have the cost penalties that the southern states do not have because they have dams high in the hills.

Motion agreed to; bills read a second time.

In committee:

Power and Water Authority Bill (Serial 25):.

Bill taken as a whole.

Mr PERRON: Mr Chairman, I have undertaken on behalf of the minister to take carriage of these bills through the committee. I seek leave of the committee to move amendments 2.1 to 2.7 together.

Leave granted.

Clauses 4, 14, 15 and 31:

Mr PERRON: Mr Chairman, I move amendments 2.1 to 2.7.

Mrs PADGHAM-PURICH: Mr Chairman, I would like to speak to clause 6(3) which relates to a member continuing in office until his successor is appointed. Can the minister relate that to clause 7 which says that the Administrator has the power to terminate the membership of a member for misbehaviour or incompetence. How can he relate those 2 clauses to each other with any common sense?

Mr PERRON: Mr Chairman, the honourable member raises an interesting question. I refer her to clause 6(3) which says: 'Notwithstanding subsections (1) and (2), every member, unless he sooner vacates his office or is removed from his office under this act, shall continue in office until his successor is appointed'. In other words, if the Administrator removes him from office, clearly he does not continue in office until his successor is approved.

Amendments agreed to.

Clauses 4, 14, 15 and 31, as amended, agreed to.

Bill, as amended, agreed to.

Electricity Commission Amendment Bill (Serial 26):

Bill taken as a whole and agreed to.

Water Supply and Sewerage Amendment Bill (Serial 27):

Bill taken as a whole.

Mr PERRON: Mr Chairman, I seek leave to move the amendments in amendment schedule 3 together.

Leave granted.

Schedule:

Mr PERRON: Mr Chairman, I move amendments 3.1 to 3.4.

Amendments agreed to.

Schedule, as amended, agreed to.

Bill, as amended, agreed to.

Public Service Amendment Bill (Serial 28):

Bill taken as a whole.

Mr PERRON: Mr Chairman, I seek leave to move the amendments in amendment schedule 4 together.

Leave granted.

Clause 3:

Mr PERRON: Mr Chairman, I move amendments 4.1 and 4.2.

Amendments agreed to.

Clause 3, as amended, agreed to.

Bill, as amended, agreed to.

Bills reported; reports adopted.

Bills passed remaining stages without debate.

STAMP DUTY AMENDMENT BILL
(Serial 16)

Continued from 7 May 1987.

Mr SMITH (Opposition Leader): Mr Speaker, the opposition supports the bill.

Motion agreed to; bill read a second time.

Mr HANRAHAN (Lands and Housing)(by leave): Mr Speaker, I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

JURISDICTION OF COURTS (CROSS-VESTING) BILL
(Serial 32)

Bill presented and read a first time.

Mr MANZIE (Attorney-General): Mr Speaker, I move that the bill be now read a second time.

The purpose of this bill and the reciprocal complementary Commonwealth and state legislation is to establish a scheme of cross-vesting of jurisdiction between federal and state courts, including the Northern Territory. The bill is the result of extensive consultation between the Commonwealth and the states, including the Northern Territory, in the Standing Committee of Attorneys-General. In particular, the Special Committee of Solicitors General spent considerable time and effort on the development of the legislation. The bill is an attempt to resolve difficulties that presently exist in determining the jurisdictional limits of federal and state courts and will not detract from the existing jurisdictions of those courts. The bill is complemented by Commonwealth legislation, which has been passed by both Houses of the Commonwealth parliament, and legislation in each of the states. In this regard, legislation has been passed in Victoria and introduced in New South Wales. The other states are now proceeding with legislation.

The reasons for this scheme are that litigants have occasionally experienced inconvenience and have been put to unnecessary expense as a result of: (a) uncertainties as to the jurisdictional limits of federal and state courts, particularly in the areas of trade practices and family law; and (b) the lack of power in these courts to ensure that proceedings which are instituted in different courts, but which ought to be tried together, are tried in the one court. My reference to 'states' includes the Northern Territory. These difficulties can result in litigants with a genuine dispute requiring judicial determination having to search for a court or courts with jurisdiction to resolve the dispute. Although the cross-vesting scheme will only apply to a few matters, the areas where the difficulties occur cause great inconvenience to litigants. For that reason alone, a system to resolve these difficulties required development.

The cross-vesting scheme contained in this bill and complementary Commonwealth and state legislation seeks to overcome the above difficulties by vesting federal courts with state jurisdiction, by vesting state courts with federal jurisdiction and by vesting state courts with each other's jurisdiction. This means that no action should fail in a court through lack of jurisdiction. It should also ensure that no court will have to determine the boundaries between federal and state jurisdictions.

The bill seeks to cross-vest jurisdiction in such a way that the state and federal courts, by and large, will keep within their proper jurisdictional fields. To achieve this end, the legislation for the cross-vesting scheme makes detailed and comprehensive provisions for transfers between courts which should ensure that proceedings begun in an inappropriate court, or related proceedings begun in separate courts, will be transferred to an appropriate court. The provisions relating to cross-vesting should therefore only be applied in those exceptional cases where there are jurisdictional uncertainties and where there is a real need to have matters tried together in the one court.

Ultimately, the success or failure of the cross-vesting scheme will depend upon courts approaches to the legislation in accordance with its general

purpose and intention as indicated in the preamble to this bill and the complementary Commonwealth and state legislation. Courts will need to be ruthless in the exercise of their transferral powers to ensure that litigants do not engage in 'forum-shopping' by commencing proceedings in inappropriate courts or resort to other tactical manoeuvres that would otherwise be available to them by reason of the fact that state courts would have most of the jurisdiction of the federal courts and the federal courts would have the full jurisdiction of the state courts. The courts themselves are expected not to take advantage of legislation to aggregate business to their own courts in matters that are otherwise not within the respective jurisdiction. I am confident that all courts will apply the legislation in accordance with its spirit and the purposes reflected in the preamble.

Under the cross-vesting scheme, no court will need to decide whether any particular matter is truly within state or federal jurisdiction because, in either event, the court will have the same powers and duties. This is because, in any particular proceedings, in so far as the matters involved are within state jurisdiction, the powers and duties will be conferred and imposed by the state act and, in so far as matters are not within the state jurisdiction, the powers and duties will be conferred by the complementary Commonwealth legislation.

Provision is made in the cross-vesting scheme to recognise the special role of the Federal Court in matters in which it now has, apart from the jurisdiction of the High Court, exclusive original or appellate jurisdiction. In particular, the scheme's legislative mechanism provides for the compulsory transfer by a state Supreme Court of any 'special federal matter' unless it appears to the Supreme Court that, by reason of the particular circumstances of the case, it is both inappropriate for the matter to be transferred to the Federal Court and appropriate for the Supreme Court to determine the proceedings. 'Special federal matters' have the same meaning here as under the complementary Commonwealth legislation. The expression refers to matters of special Commonwealth concern, being matters that at present are within the exclusive jurisdiction of the Federal Court. Two examples of special federal matters are matters arising under the Administrative Decisions (Judicial Review) Act 1977 and matters within the original jurisdiction of the Federal Court by virtue of section 39B of the Judiciary Act 1903, this being jurisdiction with respect to any matter in which a writ of mandamus or prohibition or an injunction is sought against certain Commonwealth officers.

The role of the Federal Court is also recognised in relation to appeal matters which presently lie within the exclusive appellate jurisdiction of the Federal Court. The bill makes reference to acts listed in the schedule to the Commonwealth legislation. These include the Bankruptcy Act 1966 and the Commonwealth Electoral Act 1918. Appeals in matters under these acts will remain within the exclusive appellate jurisdiction of the full Federal Court.

Finally, great importance must be attached to the purpose and intention of the scheme as described in the preamble to the bill. After a trial period of 3 years, each party to the scheme has the right to withdraw from the scheme upon giving of notice to the other parties. This is reflected in clause 15 of the bill.

Mr Speaker, I commend the bill to honourable members.

Debate adjourned.

TRAFFIC BILL
(Serial 42)

Bill presented and read a first time.

Mr MANZIE (Attorney-General): Mr Speaker, I move that the bill be now read a second time.

Mr Speaker, the bill provides for a new Traffic Act to replace the existing outmoded one that dates back to 1949 and incorporates a patchwork of not less than 50 amendments strung together over the years. Members will appreciate that the need for a complete overhaul and consolidation of traffic legislation was well overdue. I am pleased to say that, so far as the act is concerned, this task is now largely complete. Substantial progress has also been made on a complete redraft of the traffic regulations which will allow the government to commence a total package of up-to-date traffic legislation early in 1988.

Considerable time and effort has gone into the review of traffic legislation culminating in this bill and the regulations to follow. The legislation sub-committee of the Road Safety Council played a key role in this exercise with representation from the Automobile Association of the NT, Darwin City Council, the police, the Law Society and the Department of Transport and Works. The Parliamentary Counsel also sat in on a number of the sub-committee's meetings.

The drafting of the bill and regulations included the incorporation of the following key principles.

1. To place an overriding obligation on drivers to avoid accidents and to encourage the orderly and safe movement of traffic.
2. To have the framework and main features in this act, with the detailed provisions contained in the regulations.
3. To allow for driving offences concerning motor vehicle registration and driver licences to be included in the Traffic Act.
4. To remove the remaining technical specifications for vehicles, particularly their lighting standards, from the Traffic Act and place these in the Motor Vehicle Regulations.
5. To enable the competent authorities, that is authorities responsible for traffic management on the roads and footpaths, to provide for traffic in their own right within the framework of the Traffic Act and regulations, but with provision for the minister to override their decisions where necessary to ensure conformity with common standards and interpretations.
6. To reduce the scope for technical defences by wrongdoers while respecting the rights of individuals to the extent that this is practical when they take on responsibilities affecting their own safety and that of other road users.
7. To require all traffic signs be obeyed, with the onus of proof that they were not lawfully erected or were inconsistent with their traffic control purpose to be on persons charged with disobeying them.

8. To control signs, lights and other conditions, both on and off roads, which may constitute a traffic hazard.
9. Provision for the minister to declare an area to be a control area, to allow trial of new traffic approaches not covered by the legislation.
10. Adoption of the National Road Traffic Code in so far as its provisions are consistent with Northern Territory requirements.
11. That the act and regulations state only what is illegal, except where the illegality is qualified in the legislation.
12. To place a responsibility on a driver not to drive or to cease driving as soon as he can when a passenger commits an unsafe act.
13. To retain the maximum fine of \$10 000 for driving an uninsured vehicle but to update penalties for other offences including the provision of minimum penalties for driving uninsured vehicles.
14. A power for competent authorities to remove abandoned vehicles from public places and public streets and for police to remove vehicles in a hazardous situation.

Mr Speaker, having outlined the key principles, I will now outline the main components of the bill. It has 8 parts.

Part I is largely procedural and provides that, unless the contrary is expressed, the act in so far as it applies to or in relation to a driver, vehicle or pedestrian, applies only on a 'public street' or in a 'public place'.

Part II, 'Administration', provides for a Director of Transport to be appointed by the minister together with powers of delegation and appointment of inspectors. This will remove the minister from the day-to-day responsibilities of administering the act. It also allows appointment of a deputy with full powers, if the director is not available, and for competent authorities to delegate their powers.

Part III, 'Control Areas', gives the minister power to declare areas to be control areas, exclude the application of certain traffic rules and identify alternative rules to apply. This will allow trial of new approaches to traffic control that would otherwise require changes to the law or extensive sign posting. The provisions can be applied for a period of up to 12 months and that period can be extended. The intention is that, if the measures are successful, the legislation can be amended to provide specifically for them. As a safeguard to the use of this new initiative, there is also a requirement to lay a copy of the declaration of a new control provision before the Assembly, to allow it to be reviewed and revoked, if necessary, in the same manner as other subordinate legislation.

Part IV, 'Erection and control of traffic control devices', essentially provides the authorities responsible for roads and footpaths - that is, the competent authorities - with the power in their own right to erect traffic control signs and devices and generally make provision for traffic. As a control, it also provides the minister with power to require removal of any provision that does not comply with appropriate standards and safety

requirements. The concept of an overriding control at state level is standard in the states. However, the method of control identified here will minimise the red tape involved. It is aimed at encouraging authorities to get it right themselves in the first place or, if uncertain, to seek advice rather than divert resources to a routine approvals system. It is envisaged that, in consultation with interested authorities, my department will develop guidelines to encourage the best practices.

It will be an offence to erect an item that could be confused with a traffic control item or cause a traffic hazard on a public street or in a public place. Both the Director of Transport and competent authorities will have power to require removal of such devices from a public street or a public place. The director will also have power to require removal in other situations and to recover the costs if he has to arrange removal. Power is also given to competent authorities to recover costs of repairing or replacing traffic control items. Traffic control devices are deemed to be lawfully erected and consistent with their traffic control purposes and must be obeyed unless the contrary is proved. It should be noted that the actual traffic rules, which are based on the National Road Traffic Code and Australian standards, will be spelt out in the regulations. They will still allow latitude for local considerations.

The National Road Traffic Code is a set of rules for traffic and driver behaviour endorsed by the Australian Transport Advisory Council (ATAC) which comprises Commonwealth, state and territory transport ministers. It provides a model for state and territory legislation to encourage a uniform set of rules nationally, based on best practice.

Part V, 'Driving under influence of intoxicating liquor or drugs', provides the framework for control of drink driving. It extends the zero alcohol provisions introduced in the Traffic Act Amendment Bill 1987 to unlicensed and disqualified drivers. Further, it raises the licence disqualification penalty for refusal to submit to a breath analysis to the same level as that for an offence for exceeding 0.15. Also it raises the penalties for exceeding 0.08 and 0.15 as part of a general updating and rationalisation of penalties in this area. The random breath-testing provision is broadened in a manner similar to the Tasmanian system by removing scope for technical defences.

Part V of the bill outlines the rights of persons required to provide a breath or blood sample. The main difference from the current act is that the bill reduces the scope for artificial defences not pertaining to guilt or innocence. Also considerably more of the detail will now be contained in the regulations. I would point out that, at this stage, the government has chosen to concentrate on making the current 0.08 provisions and drink driving controls more effective rather than lowering the limit to 0.05. Other initiatives are being developed as part of a review of driver licence requirements.

While discussing part V of this bill, I would like to detail some of the changes that this will make to existing penalties for drink-driving offences. Honourable members would be aware that the prevalence of drink-driving in the Territory has been a matter of growing concern to the government and the community. This legislation attempts to address some of the problems. The offence of driving under the influence of intoxicating liquor or drugs or with a high blood-alcohol content presently has no minimum period for disqualification of licence. This legislation will impose a minimum period of disqualification of 6 months for first offenders and 12 months for second or

subsequent offenders. It is also proposed to increase significantly the minimum disqualification period for drink-drivers. The minimum period of disqualification for driving with a blood-alcohol content of more than 0.08 will be doubled from 3 months to 6 months. The maximum fine which can be imposed for this offence will be increased from \$500 to \$750, but the maximum jail sentence which can be imposed will remain at 6 months. Honourable members will be aware that the imposition of fines and jail sentences are, of course, entirely at the discretion of the presiding magistrate. The maximum penalties for driving with a blood-alcohol content of more than 0.15 will remain at jail sentences of up to 12 months and or fines of up to \$1000. However, the minimum period of disqualification of licence will be doubled from 6 months to 12 months.

In line with these changes, the government believes it is appropriate to increase the minimum licence disqualification periods for second or subsequent offenders. As such, a driver who has already been convicted on a drink-driving charge who is convicted for having a blood-alcohol content exceeding 0.08 will face a minimum period of disqualification of 12 months; the present minimum is 6 months. Re-offenders who are convicted of exceeding 0.15 will be disqualified for 18 months instead of the present period of 12 months.

Part VI identifies more serious offences, other than drink driving, which are considered better placed in the act. These cover offences such as dangerous driving, driving when unlicensed or disqualified and driving vehicles that are unregistered or uninsured. Minimum penalties are provided for convictions for driving uninsured vehicles. These emphasise the government's concern at the extent of the problem and the importance it places on all motorists paying their fair share of the costs of the Motor Accident Compensation Scheme rather than have the premiums for those who do pay inflated by those who do not.

Eligibility to drive is also tightened up by excluding persons subject to a disqualification in another state or territory. This will remove the anomaly whereby persons convicted in their own state or territory and disqualified from driving will also lose their licence, and hence their eligibility to drive in the NT, but persons convicted in another state avoid that fate if the authority that issued their licence has not cancelled it while the disqualification is in effect. As an example, a New South Wales licensed driver committing an offence in New South Wales would be liable to lose his licence. However, if another person with a New South Wales licence committed the same offence in Queensland, the court there could only disqualify him from driving in Queensland. In the first case, the New South Wales licence holder would not be able to drive in the NT until he regained his licence; in the second case, the person could drive in the NT until the New South Wales authorities learnt of the Queensland offence and withdrew his licence. The change will place both drivers on the same footing. It will also prevent NT licence holders driving in the NT while an interstate disqualification is in force. This will also remove a major incentive for persons to hold licences in several states at the same time.

Part VII, 'Prosecution of offences, penalties', provides for the laying of complaints, a general defence and sets out requirements for proof of speed. It also provides for disqualification from driving and cancellation of licences, including a more flexible treatment for provisional licence holders. There is a tightening up of the treatment of persons appealing against a disqualification or licence cancellation. These will stand until a court has satisfied itself the appeal has been properly lodged.

Provision is also made in part VII for the minimum licence disqualification periods set out in the act to apply not only on conviction but also if the court makes an order under the Criminal Law (Conditional Release of Offenders) Act instead of proceeding to a conviction. This is in line with the government's earlier action to remove provision for special licences from the current Traffic Act. That was done to ensure persons who drank and then drove while above the legal limit would face, at the very least, a specified minimum licence loss. It was also to ensure that the public recognised there would be no getting around this penalty. It was noted at the time that future use of the conditional release of offenders provisions would have to be monitored to ensure they were not applied in a way that cut across this government's intention. Unfortunately, this has been the case. Further action is now necessary to ensure the full licence loss penalties are applied whenever the case is proven. However, the courts will still be able to invoke the conditional release of offenders provisions for other purposes. Consistent with this change, if an order is made under the Criminal Law (Conditional Release of Offenders) Act, it will be treated as a conviction with respect to determining the licence loss for a second or subsequent offence.

Part VIII includes provision for approval of traffic infringement detection devices; duties and powers of police; coverage of the regulations to include persons driving, riding or leading animals, vehicles or bicycles; regulatory offences; clarification of what is a second or subsequent drink-driving offence; general penalties for offences against the act of \$2000 or 12 months imprisonment; regulation-making powers; saving of appointments, approvals and other aspects arising from the current act; and the repeal of the current act together with the regulations. Two schedules are provided. Schedule 1 outlines minimum licence disqualification periods and schedule 2 outlines the previous ordinances and acts to be repealed when the new act commences.

Mr Speaker, in summary, the major feature of the bill will be to bring our legislative framework up to date and provide it in a form better able to cope with further developments to enhance traffic control and road safety. It will have a minimum of bureaucratic requirements and, at the same time, it will identify more clearly the rights and responsibilities not only of road users but also of the competent authorities; that is, those responsible for roads and footpaths. Our adoption of the National Road Traffic Code will represent an important lead by the Northern Territory in encouraging a situation in which drivers throughout Australia react in the same way to a given traffic situation wherever they are driving. This is of particular importance to the Northern Territory with its mix of traffic from all states and the ACT and the propensity of many to drive according to the rules of their own state.

As I have already mentioned, the main detail will be in the regulations rather than the act. In the near future, a draft of the regulations will be made available to members and other interested parties to provide a better understanding of how the legislative package will fit together. This should aid consideration of the bill and facilitate early finalisation of the regulations after the bill has been passed. Mr Speaker, in concluding, I believe the bill before us will provide an important aid to safe driving and traffic control practice. It will help enforcement and yet protect the law-abiding. It will place much greater emphasis on encouraging good road user attitudes and performance. I commend the bill.

Debate adjourned.

COMPANIES (APPLICATION OF LAWS) AMENDMENT BILL
(Serial 31)

Bill presented and read a first time.

Mr MANZIE (Attorney-General): Mr Speaker, I move that the bill be now read a second time.

The purpose of this bill is to amend the Companies (Application of Laws) Act to provide that approved accounting standards and declarations and directives of the Ministerial Council for Companies and Securities apply as instruments in force in the Northern Territory. The Territory joined the National Companies and Securities Scheme on 28 January 1986 and legislation to implement the Territory's legislative obligations commenced operation of 1 July 1986.

When the Companies (Application of Laws) Act was drafted early in 1986, it was intended to provide, in sections 6 and 7, that all legislation, regulations and supporting instruments that then applied under the Companies Act and Regulations of the Commonwealth would apply in the Territory. The Commonwealth has recently informed Territory authorities that, although sections 6 and 7 perform their primary objective, 3 specific types of instruments have not been included. The terms of the Companies (Application of Laws) Act are not wide enough to include approved accounting standards, or directions and declarations of the Ministerial Council for Companies and Securities made before the commencement of the act.

The Accounting Standards Review Board, acting pursuant to section 266B of the Companies (Northern Territory) Code may, by notice in writing published in the Commonwealth Gazette, approve an accounting standard. When an accounting standard is approved, it applies to companies in relation to the first financial year ending on or after a specified date. These accounting standards are approved after reference to the accounting professional associations and, upon approval, have legislative backing. The accounting professional associations have set accounting standards which are, in the main, followed by their members but which do not have the force of law. Most accountants in the Territory have followed the standards set by their associations. The approved accounting standards apply to all company accounts and, therefore, regulate persons who are not members of any professional accounting association. Because the standards are approved by the Accounting Standards Review Board, they are sufficiently distinct from the provisions of the Commonwealth act and regulations not to have been adopted by the Application of Laws Act. Those standards set before 1 July 1986 need to be adopted in the Territory to provide continuity to later standards which do, of course, apply here.

The Ministerial Council for Companies and Securities may declare, by notice published in the Commonwealth Gazette, a profession or calling to be one that may be carried on by an unincorporated association or partnership and not be subject to the provisions of the Companies Code relating to incorporation. The Ministerial Council may also direct, by publication of particulars in the Commonwealth Gazette, that a name is a name, or a name of a kind, that may not be accepted for registration under the code. The uniformity of names that are not desirable for registration is one of the foundations of the cooperative scheme and allows for recognition of companies throughout Australia. The complexity of the legislation enacted to apply the national companies and securities legislation was such that many technical problems were expected to arise. The Territory legislation has so far

revealed the need for only a few minor finetuning amendments and our draftsmen are to be complimented on the quality of their drafting of this difficult legislation. I commend the bill to honourable members.

Debate adjourned.

NATIONAL COMPANIES AND SECURITIES COMMISSION (NORTHERN TERRITORY PROVISIONS)
AMENDMENT BILL
(Serial 30)

Bill presented and read a first time.

Mr MANZIE (Attorney-General): Mr Speaker, I move that the bill be now read a second time.

The purpose of this bill is to amend the National Companies and Securities Commission (Northern Territory Provisions) Act to enable hearings of the National Companies and Securities Commission to be held in the presence of less than the full quota of 3 full-time members, and to make consequential amendments to the National Companies and Securities Commission (Northern Territory Provisions) Act resulting from the commencement of the Futures Industry (Northern Territory) Code in the Northern Territory.

The Territory joined the National Companies and Securities Scheme on 28 January 1986. Legislation to effect this membership commenced on 1 July 1986. Part of this legislative package was the National Companies and Securities Commission (Northern Territory Provisions) Act which contains many administration provisions dealing with matters such as the holding of hearings, the giving of delegations and the conduct of officers and delegates of the commission. The National Companies and Securities Commission Act is the Commonwealth act setting up and regulating the activities of the NCSC.

The bill I am proposing is similar to that enacted by all Australian states and the provision of the bill has been approved in principle by the Ministerial Council for Companies and Securities. Thus, there is a requirement for the Northern Territory to enact the legislation in accordance with the formal agreement. Included in the bill is a provision which enables the commission to delegate to 1 or 2 members the power to conduct hearings and take contempt action without the need for the presence of the full quota of 3 members. It is envisaged that this power would be used mainly for investigatory hearings rather than full inquiries. It is necessary that enabling legislation is passed by all states and the Northern Territory before the complementary Commonwealth provision can be enacted.

Hearings by the delegate state and Territory Corporate Affairs Offices only require 1 authorised person to be in attendance. The bill also provides restrictions on staff of the National Companies and Securities Commission and Delegate Corporate Affairs Offices dealing in futures contracts. Currently, restrictions apply on these people in using knowledge obtained in dealing with securities such as shares. The Futures Industry (Northern Territory) Code commenced operation on 1 March 1987. It is desirable that restrictions be imposed in the Northern Territory similar to those applying in other jurisdictions against using information to trade in futures contracts. Clause 9 of the bill requires staff to disclose interests in a futures contract. Currently, staff must disclose interests in shares and therefore clause 9 extends this requirement to futures.

Mr Speaker, I commend the bill to honourable members.

Debate adjourned.

ADJOURNMENT

Mr HATTON (Chief Minister): Mr Speaker, I move that the Assembly do now adjourn.

I rise tonight to pay tribute to 2 politicians who have contributed more than most to the Territory and its development: Paul Everingham and Bernie Kilgariff. Both these men have sat in this House as members of the Northern Territory Legislative Assembly, and both have represented the Northern Territory in federal parliament in Canberra. Paul and Bernie finished their distinguished parliamentary careers in Canberra last Friday.

In Bernie Kilgariff's case, that parliamentary career spanned 27 years and many of the advances in housing, health and education which Territorians have made over the years are a direct result of Bernie's unstinting efforts. After war service with the 6th Division in New Guinea, Bernie Kilgariff set up as a small farmer and businessman in Alice Springs. He and his wife, Aileen, went on to develop the Oasis Motel in Alice Springs, the first accommodation complex to encourage and cater for a pioneer tourist industry.

He was a pioneer in every sense of the word. He cut airstrips for Eddie Connellan's fledgling airline from raw scrub in central Australia. He was a pioneer in the Territory's tourist and hospitality industries. He was instrumental in guiding the Northern Territory Housing Commission to new standards of accommodation, at affordable prices, for generations of Territorians. He was a pioneer in education and the arts. Bernie Kilgariff broke new ground every day of his political life.

When Bernie Kilgariff first came to this House in 1960, Territorians had even fewer political rights than they have today. A distant government in Canberra dictated every facet of Territory life and the Legislative Council, with a preponderance of Canberra appointees, rubber stamped the decisions of distant bureaucrats. Bernie Kilgariff came to this place all those years ago when anybody with ideas on democracy and self-government started from way behind the 8-ball.

During his 15 years here, Bernie Kilgariff saw this parliament evolve from a sick joke on democracy, stacked with public servants in Canberra appointments, to a fully-elected Legislative Assembly in 1974. Bernie Kilgariff was very much involved in bringing that change about. He stood shoulder to shoulder with pioneering politicians, such as Tiger Brennan, Dick Ward and Ron Withnall, to fight for the rights of Territorians. Those men resigned their seats and stood successfully for re-election. They walked out of this Chamber. They struggled against the rule of the pro-consuls of Canberra by any means at their disposal. They finally triumphed, and every member of this Assembly and every Territorian owes them a debt of gratitude.

Bernie Kilgariff served as the Speaker of this Assembly in 1974 and 1975 until he stood down to contest the federal election of that year. Bernie Kilgariff was one of the first 2 senators for the Northern Territory to go to Canberra. He stood for re-election 4 times after 1975, and each time Territorians returned him to federal parliament as the senior senator.

Bernie played a significant part in the life of the federal parliament from his first day in Canberra. During those 12 years in the federal capital, he put the Territory first, last and always - unlike some other

parliamentarians I could name. After serving on a range of influential parliamentary committees, Bernie Kilgariff was re-elected by his colleagues as the coalition government Whip in the Senate. He retained that position for the coalition, both in government and opposition, until he left parliament last Friday, and he was still in there punching for the Territory, literally on his last day in parliament. He highlighted another Labor government scam on the Territory which sees levies placed on NT uranium exports which are not applicable to uranium from Roxby Downs in the Labor state of South Australia. He exposed another Labor pea-and-thimble trick on fuel pricing which victimises Territorians.

Apart from a distinguished parliamentary career, Bernie Kilgariff served the Territory as a member and Chairman of the Housing Commission from 1959 until 1972. He was a member of the Alice Springs Hospital Advisory Board in the mid-1960s and President of the Alice Springs Heart Foundation in 1971. Bernie Kilgariff has served as Chairman of the Royal Flying Doctor Service, Alice Springs Division, Chairman of the Alice Springs Community College, and Chairman of the Centralian Children's Holiday Camp Scheme and is a member of the YMCA and Legacy. Despite this incredibly busy lifestyle, Bernie and Aileen managed to raise 11 little Territorians, most of whom now are big Territorians and are playing their part in the community.

Paul Everingham also left federal parliament on Friday and Paul, like Bernie, played a pioneering role in the political development of the Northern Territory. Paul came to the Territory in 1966 and set up a legal practice in Alice Springs. The legal practice grew like Topsy in various Territory centres and interstate, as a result of the well-known Everingham drive, but Paul still found that he had spare time on his hands on Saturday afternoons. He said it was too far to go to the beach for a swim and therefore founded Radio 8HA, the first commercial radio station in the heart of Australia.

He entered politics in 1972, via the Alice Springs Council, and chalked up the first of a number of firsts in his political career. Paul Everingham was elected as an alderman in the first elected Alice Springs Town Council then, 2 years later, having moved with his wife and 4 children to Darwin, he stood for the seat of Jingili and became a member of the first fully-elected Legislative Assembly in the Northern Territory. He became the leader of the Country Liberal Party in this Assembly in August 1977, accelerated the drive to self-government and became the Territory's first Chief Minister on 1 July 1978. Frustrated by Canberra's broken promises under a Labor government, 6 years later Paul Everingham became the first successful political leader in Australia to step down from his high office, knock off the political opposition in the local federal seat and go to Canberra as a member of the opposition.

Paul Everingham left many landmarks behind him and I have no doubt that they will be debated in this Assembly for years to come. The fact is that, when Paul Everingham became Chief Minister, the Territory was Australia's forgotten back paddock. Our road system was inadequate in the Dry and impassable in the Wet. The trickle of tourists brave enough to venture here had to carry a cut lunch and a thermos flask, and be prepared to take their chances on finding an insect-free bed for the night. Any form of tertiary education was at a premium. Investment was at a standstill and there were not too many jobs to be had outside of the public service. By the time he left, Territorians had an all-weather road network from border to border and tourist numbers were heading towards the 1 million a year mark. International-class hotel accommodation was available in all major Territory centres and planning for a university college was well in hand.

Paul Everingham was and is an achiever. Unfortunately, a promising political career was cut short by personal reasons. He paid a very high price for his time in politics and I hope every member of this Assembly will join me in wishing him well in the future. Paul Everingham came to the Northern Territory in 1966 and, after this election campaign is over, he will have left it to all intents and purposes, except as a frequent and welcome visitor. I would like to go on record as saying that he left the Territory a far better place than he found it, and he will go down in history as one of the great politicians of the Northern Territory.

Members: Hear, hear!

Mr BELL (MacDonnell): Mr Speaker, I take note of the comments of the Chief Minister in respect of the 2 retiring Country Liberal Party federal politicians, Bernie Kilgariff in the Senate and Paul Everingham in the House of Representatives. I would like to point out to the Chief Minister that there is a third long-serving member of the Senate who is also retiring at this federal election. I believe that it is appropriate that all 3 of those men have their achievements placed on record. I believe this is particularly important since the Chief Minister chose, for whatever reasons, not to mention Senator Ted Robertson's efforts in representing the Territory in various ways.

Mr Hatton: He hardly sat in Canberra.

Mr BELL: Since the Chief Minister chooses to interject and cannot keep himself under control, I will tell him that I think that it is appropriate at the end of people's careers to give credit where credit is due. I intend doing so and, if the Chief Minister will allow me the opportunity, I will do so without interjections from him.

Ted Robertson came to the Northern Territory from Western Australia. He was a school teacher, a school inspector and an administrator with the Department of Education for many years. He contested the House of Representatives seat for the Australian Labor Party in 1969. In 1975, he was elected as a senator for the Northern Territory. In addition to the accolades that have been given by the Chief Minister to Paul Everingham and Bernie Kilgariff, many of which I heartily endorse, I believe that Ted's contribution in representing the Territory in Canberra needs to be placed on record. I quite happily do so. I offer my congratulations to Ted and Audrey and place on record my appreciation of the efforts that he put in on behalf of the Northern Territory. For much of his political life in the Northern Territory, Ted was an opposition politician. From 1975 till 1983, he was an opposition senator. That was not an easy row to hoe and his efforts as a senator for the Northern Territory deserve fulsome commendation.

Ted has not always picked up the popular issues. He has expressed his concern publicly about the less popular issues such as B52 flights through Darwin. That is not a big vote winner out there in the northern suburbs or anywhere else. However, Ted has had the guts to stand up and suggest that some aspects of Australia's role in the US alliance are not necessarily in the country's best interests or are, at the least, deserving of question. I believe he deserves to be commended for the courageous positions that he has adopted in public life.

Unlike the Chief Minister, I feel quite happy in adopting a bipartisan position in a debate like this. I am quite happy to place on record my appreciation for the efforts of both Paul Everingham and Bernie Kilgariff on behalf of the Northern Territory. My disagreements with them were probably

better reported than were the occasions when I agreed with them, and there certainly were many of those. I place on record my appreciation of their achievements along with those of Senator Ted Robertson. There are a number of other issues that I have unfortunately been unable to address during the Assembly sittings today and I hope to do so now as quickly as possible.

Mr Speaker, firstly, I would like to refer to the Aboriginal Development Branch which is associated with the Office of the Public Service Commissioner. I remind the Chief Minister of his comments in this Assembly on 20 November 1986 and of his fulsome praise of the unique group intake scheme. He also referred to the need for trainees. Fortunately, I have been able to have a briefing with respect to the activities of the Aboriginal Development Branch and I am aware of concerns about the impact of relocations in the public service and also the possible effects of staff cuts and limitations on accommodation. At some appropriate time, I would appreciate the Chief Minister giving an undertaking that that program will be ongoing.

A second issue I wish to raise is one on which I was hoping to ask a question this morning. However, I did not get the nod. The Minister for Lands and Housing might like to comment on this during the adjournment debate. I would like him to let me know whether he is aware that 2 separate lines have been bulldozed for the Knuckeyes Lagoon arterial road and that this has caused unnecessary destruction of natural bushland and a significant loss of amenity to landholders in that area. I draw the minister's attention to the problem that has confronted the people who live on Lot 1610 and Lot 2242 in that area. I understand that both those lots had a road path bulldozed through the front of their properties. In the case of one of those properties, the landholders had decided to site their house towards the back of the block because there had been a large area of natural bushland at the front. That has been laid waste and they now find that there is a line being pegged down the back of their block which will even more seriously damage their amenity.

Mrs Padgham-Purich: Don't they know they have a local member to support them?

Mr BELL: I certainly hope that the member for Koolpinyah will take up this case.

Mrs Padgham-Purich: It is not in my electorate and they have not been in touch with me.

Mr BELL: I hope that the Minister for Lands and Housing can give some satisfactory explanation as to why preparation of that road has proceeded in that particular way.

The third issue I wish to raise concerns a stopped cheque. A stopped cheque is not particularly unusual, except when it is a cheque drawn on the Northern Territory government account. I received representations from the recipient of this cheque. It does not involve a large amount of money. It was a cheque for \$212.80. It was banked and its recipient was most surprised when payment was stopped on it. I am not suggesting for one minute that the Northern Territory government is in such financial difficulty that it is forced to stop payment on a cheque for \$212.80. However, suffice it to say that, for ordinary householders with families to support and mortgages to pay, the stopping of a cheque for \$212.80 is a serious problem.

I table a photocopy of the stopped cheque, which has been returned with the bank's stamp on it, and also a photocopy of a document from the bank

stating that, in addition to having to suffer the indignity of having a cheque for \$212.80 stopped, this particular denizen of Fannie Bay has to pay a dishonour fee of \$5.50. Since the Treasurer has returned to the Chamber, I suggest the least he can do is repay the dishonour fee. If he is prepared to undertake to do that, I am prepared to act as go-between.

The final issue I want to raise relates to the Minister for Lands and Housing's comments in question time this morning in response to a Dorothy Dixier with respect to the Lake Amadeus claim. From the minister's comments, it was patent to me that he was lacking knowledge about the history of this particular case. I suggest that he check back through the files and look at the record of negotiations that occurred between one of his predecessors and Tempe Downs Pty Ltd. I suggest that he also look at Assembly debates in June 1981 because, of course, Tempe Downs, Lot 1096, now makes up Kings Creek Station, the Lake Amadeus claim area and the Kings Canyon National Park. They are all related to this issue, as the Chief Minister would be well aware.

The minister sought to make life difficult for me this morning, as did government members, when I tried to question him closely in this regard. The fact of the matter is that neither the minister nor any member of the government should whinge about any agreement being difficult to make. I am not prepared to put up with that. Neither the present Minister for Lands and Housing nor the Chief Minister, who formerly occupied that portfolio, have any right to complain about difficulties in reaching agreement. The problems have been created by the government of which they are a part. I should say that I do not hold either of these 2 individuals responsible. I have been in this Assembly for 6 years and seen many changes in its membership. Some ministers who have been involved in this matter have been honourable and others have been less so. I do not lay the blame on the present minister and his Chief Minister, but they certainly cannot beat the traditional owners or the Central Land Council around the head, given the behaviour of their former colleagues. We heard the Chief Minister fulsomely praising Paul Everingham earlier. He certainly could have done more in relation to this issue, as could the then Leader of Government Business.

Mr DONDAS (Casuarina): Mr Speaker, I rise to offer my congratulations to both Paul Everingham and Bernie Kilgariff and also to recognise the contribution made by Senator Ted Robertson. Being one of the 5 survivors of the 'Class of 74', as it is now called, I am more familiar with the performances of both Paul and Bernie. The remaining survivors are the member for Barkly, Mr Tuxworth, the member for Fannie Bay, Mr Perron, and the member for Braitling, Mr Vale. As the Chief Minister said earlier, those early days were certainly something that all of us who were involved can be proud of. Of course, Bernie went on to another parliament where he never stinted on his time in serving his Territory constituents.

On the other hand, Paul had considerably more to do with the development of the Territory than did Bernie. We all remember the cartoons and headlines in the early years of self-government, from 1 July 1978 onwards. The one cartoon that I will never forget depicted Paul Everingham in a china shop and the caption was 'A bull in a china shop'. That is how it was in those early days and, when one thinks of it, it was only 9 years ago. Many good things have happened and Northern Territorians will preserve many good memories of Paul Everingham and his efforts towards the development of the Territory.

Bernie Kilgariff was in this place before any of us, as a member of the Legislative Council. He resigned to contest the 1974 election successfully. The Chief Minister has given us Bernie's career history. I would like to take

this opportunity of congratulating Paul and Bernie on their retirement from federal parliament now and of wishing them both well. Paul has announced that he will be setting up a legal practice in Queensland and I am quite sure he will pick up the threads in the legal profession there in much the same way as he did in the Northern Territory and will make many contacts. In fact, the Chief Minister did make some comment in regard to his personal contribution. Paul's personal contribution was the supreme sacrifice, as one might say, and the costs were certainly very high both in a monetary and personal sense.

In his retirement, I believe Bernie still has a role to play in the Northern Territory with his vast experience, his knowledge of the Northern Territory and his contacts within the community. I am quite sure that, even though he has retired from the federal parliament, he is not yet ready to be put out to pasture.

Mr Speaker, I wish to raise one other matter very briefly and it has been canvassed in the Assembly in the last couple of days. I refer to the Finnis River block H land transaction. As I said to the member for MacDonnell yesterday, it is very dangerous to make accusations inside this Assembly. It is all right to make an accusation against a parliamentarian, a member of this Assembly, because he has an opportunity to defend himself. I do not have any problems with that. If there are axes to grind or any problems in relation to my performance or the performance of any other member, I believe that members have the right to question and to seek the information that they require.

However, bringing in an innocent party or a third party, who does not have the capacity or the ability to defend himself in this place, is very dangerous. I believe that the article that appears in tonight's NT News certainly has made a couple of people in the business community very angry, especially those people mentioned in it and the company that is mentioned. The only thing I would like to say to the member for MacDonnell is that, if he has anything further to say or any further accusations to make regarding this transaction, would he please make a statement outside the Assembly so that we can consider our legal options at that time.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Deputy Speaker, today we have heard the Treasurer and other members of the government speak about the hard times that have come upon us and how we will all have to tighten our belts and pull our socks up etc so that we can face the hard future that is ahead of us. However, I believe that neither the government nor senior public servants have given very much, if anything, to the status of small business at the moment. By 'small business', I mean very small business as we find it in the rural area where there are many small enterprises involving 1 or 2 people, such as a man and his wife, and perhaps a son as an apprentice. That is what I call small business.

The position of small business in the rural area and in other places is becoming very unsure and unstable. Because of the number of objections to the current system and the complaints that have been registered against it by my constituents, I have called a public meeting for next Monday night in the rural area so that small business people can air their views and we can come up with means by which the restrictions and the legislative provisions inhibiting their businesses can be relieved.

An injustice is meted out to small business by the strangling nature of bureaucratic red tape with which it has to deal. It is slowly and surely killing people's initiative, both to start little jobs or little businesses and to enlarge those businesses. I know the government has a Department of

Industries and Development which has a branch dealing with industry and small business. I have spoken with a representative in the small business section. He was very helpful and he told me exactly what help the government offers to small business people when they are thinking of setting up and what help and advice it offers to people who have set up a small business and have struck difficulties.

Mr Deputy Speaker, there is no single government department or instrumentality which knows what other government departments are doing in terms of introducing regulations and legislation, imposing more fees on small business and undertaking more inspections and reports. Each government department that imposes these restrictions operates alone and nobody in one government department seems to tell anybody in another government department what is going on. They are all out for their own pound of flesh but, unfortunately, the body of small business is becoming pretty skinny as a result and there is not much flesh left. These government departments go merrily on, slowly grinding small business into the ground.

I will give a few examples. This may appear boring to many honourable members who are used to dealing with big business - it is much more interesting - and large sums of money. I do not deal with situations like that. I deal with small people, ordinary people, and their problems, especially small business people in the rural area. I will take one example of a couple who have a garage. The husband runs the garage and the wife does the bookwork. I believe they employ 1 or 2 people part-time. They are really struggling and that is not because they are not good workers. They are good workers. Whilst this lady is competent and well-educated, she finds that the work she has to do is very time-consuming. I will quote one example of the many she gave to me when she came to see me.

She was in the workshop one day when a man walked in who introduced himself as a representative of the Work Health Authority. He said to her: 'I am from the Work Health Authority. I have just inspected your hoist. It will cost you \$20. I will send you the bill'. She was a little annoyed at this. She pointed out that her husband was the only person who used the hoist. It was his business and it would be his life that would be in danger if the hoist was not safe. She asked why they should have to pay the \$20 fee.

When this legislation was introduced, I recall that the minister stressed again and again that it would not cost business anything. Here is a fee that, among other fees, is immediately imposed on small business people. Mr Deputy Speaker, you might say that it is only \$20. If you say it quickly, it does not amount to much; it is only that orange note. However, coupled with this was the problem of their insurance. Previously, they had paid their insurance premiums over a period - I think their insurance was through TIO - but the system had changed. They had to find the money for their insurance, public risk, workers' compensation and other insurance in one sum. They had to find \$1500 within 2 days or they would be uninsured. To find \$1500 in a couple of days put quite a stress on their financial situation.

Another little imposition has been brought to my attention in respect of a change from the good old days. A gentleman who had an electrical job done at his place came to see me. The contractor filled in a form of intention for the work to be done. When the work was finished, another form had to be filled in and physically taken to NTEC to say the job had been finished and the work was ready for inspection. In the old days, when the contractor had finished a job, he would ring up NTEC and arrange a time suitable to both parties for the inspector to come out to inspect the work.

The form can be sent by post but the electrical work cannot be used until the job has been inspected. In effect, that means that the electrical contractor has to take the forms into town which, from the rural area, involves a 2-hour return trip. During those 2 hours, the contractor is not working for himself, but filling in forms. I had a complaint along similar lines from another electrical contractor. He complained about the time wasted in taking the paperwork to town so that the person who wanted the job done could take advantage of the finished work.

It has always been of concern to me that people living in caravan parks pay commercial rates for electricity whereas people living in ordinary houses pay a cheaper rate. The domestic rate for electricity is between 11¢ and 12¢ a unit. The commercial rate is between 14¢ and 15¢ a unit. If a caravan park owner wants to offer the advantage of domestic rates to his customers, he can install small meters. Several years ago, these cost \$80 to \$100 each. If he wants people to be metered directly, he has to put in an NTEC meter at each site. It will cost him \$300 to \$400 per site to make electricity available to residents of the caravan park at domestic rates. This is a gross imposition on small business and it is all centred on the owner of the caravan park. The commercial rates apply to his business and the system is designed to ensure that he does not make \$1 more than he should.

Why should somebody who sets up business pay more for electricity than people living in a house? That itself is a gross imposition on any business initiative. I do not care whether it is the same in the rest of Australia or not. We adopt too many restrictive practices in the Northern Territory just because other states have them. I believe this matter should be looked into but, given the reality of our straitened financial circumstances, I doubt that any change will occur. I know several people who are conducting small businesses from their home. To conduct these businesses, they use electricity. They use it at domestic rates and, in that situation, I do not care what anybody else says but I say good luck to them. I do not believe their initiative should be stifled.

Mr Perron: What about the initiative of someone who rents a shop?

Mrs PADGHAM-PURICH: I will discuss that later.

Considering all the restrictions which have been drawn to my attention by people involved in small business in the rural area, I believe that we will be returning more and more to the old-fashioned cash economy. Whilst an elected member should not encourage people to break the law by not filling in forms, not reporting certain practices and not being available for certain inspections, I believe in free enterprise. I stress 'free'. If a person is prepared to get off his behind and work, he should be encouraged instead of being stifled by restrictions, red tape and a mass of legislation and regulation. I will not have time even to begin to elaborate on the restrictions placed by the Liquor Commission on the sale of liquor from various types of establishments.

I do not know whether my meeting will attract many people or only a few. Whether attendance is large or not, that will not alter the fact that government places too many restrictions on small business. I will continue to pursue my line of helping small businesses. They are the backbone of the Northern Territory. Many are located in the Darwin rural area and they need assistance. They do not want handouts. All they want is the opportunity to make an honest dollar.

Mr PERRON (Fannie Bay): Mr Speaker, I would like to say a few words about the 2 retiring members of parliament who formerly served in this Assembly.

I first met Bernie Kilgariff when I came to this Assembly in 1974 along with yourself, Sir. I recall Bernie, former Speaker Les MacFarlane and Goff Letts as the father figures. They were certainly running the show and ran us in those days. We were trying to find our feet and learn what it was all about. We found that it was really just a great big debating society. In those days, the Legislative Council had no authority to do anything other than talk about things and pass legislation. It was a bit of a farce, but Bernie was part of that era which brought self-government to the Territory. I guess we younger fellows were fortunate to reap the benefits of the work done by Bernie and others in those early years.

Bernie was around in the days of the election we won with 17 seats to 2. That was pretty stunning stuff. I think only Lee Kuan Yew has ever been able to beat that sort of result. Bernie is now retiring with great dignity and the respect of members of the federal parliament, both government and opposition. I believe he still has a very significant role to play in Territory life and I congratulate him and wish him well.

Mr Everingham is someone I know quite well, of course, having served as his deputy for several years from just before self-government until he retired from this parliament and moved to federal parliament. Paul is a very skilful politician. He has rare qualities, qualities not found in very many people. Some people would say they are qualities they would not want to find in too many people. He is a person who is easy to love and also very easy to hate. Many of us did both from time to time. He is a hard taskmaster.

In 1977, he became our leader overnight when we lost 5 of our 7 executive members, as we called them in those days. We sat around looking at each other wondering what to do next because all of the leaders and their deputies were gone. Goff Letts had been the leader and Grant Tambling had been deputy leader. Everingham was elected leader and I became his deputy. We entered into self-government negotiations almost immediately, together with 3 public servants that I can remember. Martin Finger was attached to us to assist us through the mire. Allan Ashley, who later became our first Under Treasurer, was here on secondment from the Commonwealth to write the Financial Administration and Audit Act, which is still our act. Otto Alder, whom honourable members all know, was not a very senior officer in the Commonwealth Public Service and he willingly came across and assisted us. There were those 3 public servants, Everingham and myself and whatever assistance we could gather around the place. I think Jim Dorling was there helping us too. We managed to put together that little team and undertake the negotiations for self-government which led to the Memorandum of Understanding. Those were certainly very proud times for us.

To return to Paul Everingham, he is a great believer that the Territory must look to Asia to further its future. He is an enormous believer in tourism. He recognised its value and placed an emphasis on it long before politicians around the rest of the country. He was prepared to argue for and devote substantial sums of money to the tourist industry, an industry which in those days - and they were not very long ago - other governments did not take very seriously except possibly in Queensland.

There are a couple of things that, probably, Paul Everingham is not known for, but that I will always remember him for. One of them was his skill and expertise when he arranged for the peaceful and legal export of uranium from

Australia. He did it virtually by himself. I accompanied him on a trip to Sydney at the time. Fortunately, he was armed with the knowledge that we were completing some work at East Arm that would ensure that uranium left Darwin whether we had union cooperation or not, and that information may have helped a little. We met with the Waterside Workers' Federation and with the Seamen's Union at first, and Paul told them that he would much prefer to see uranium go out over the wharf, using union labour, or go out through Frances Bay. It did not worry him much. He did not want to have policemen using heavy tactics with picketers and so on. He wanted peaceful exports, and that was going to happen.

We got an interesting reaction there. I believe that the unions were coming to realise that it was inevitable that uranium would be exported and therefore a loose agreement was arranged. We then called in 3 mining companies who were involved in the uranium industry. We met with them in a suite in the Sheraton Wentworth in Sydney, at night, and it was almost comical. We would meet with these gentlemen in a room and Everingham would lay out the strategy and the tactics of what would happen, and whose uranium would be going where.

In those days, we expected further uranium mines to come on-stream at any time and contracts had already been made with barge companies and so on. Indeed, one mining company had bought a barge to export its own uranium. I think that is no secret to people. We were interfering with these contracts and understandings. We would send a couple of uranium miners into 1 room of the suite and say: 'You work on that question while we talk about this'. For several hours, we shuffled people in and out of rooms, closing and opening doors and ordering more trays of coffee. These people were very shrewd and tough businessmen, but agreement was reached after several hours. It was an enormous achievement for Everingham. He was incredibly skilful at bludgeoning people until they bled and then coaxing them so that they would not walk out of the room and destroy the whole thing. That was the brilliance of the man. He will never really be recognised for that, I guess, because I and a couple of other people were the only witnesses to it all, but there it was.

The other enormous achievement of Paul's was obtaining a commitment from both major political parties in Australia to construct the Alice Springs to Darwin rail link. After 70-odd years and 60 years of that commitment to build the north-south rail link lying on the desk in federal legislation, Everingham decided that he would politically corner the coalition government at least and obtain a commitment from it to build the railway line. He mounted a national campaign. Honourable members will recall it. There were newspaper advertisements and trains and bits of railway lines, some chromed and some not, for paperweights. All these things were Everingham's idea. He ran a national campaign of speeches and advertisements, all leading up to annual conventions of political parties where motions were prepared and people were organised to pass motions and so on. And there it was. We obtained a commitment to build the railway link in the next term.

Of course, the Labor Party had to come along. 'We will build the railway line. Only a Labor government can be trusted'. We all remember the advertisements. But the point is, Mr Speaker, that we do not have the railway line. However, let us set that aside for a moment. It was Everingham's skills and ability that obtained that commitment from both political parties. I believe there would be few people in this country who could have done that. Few men would have said to themselves that they would go out and do that. Most people would have thought there was no chance of obtaining a commitment because one had not been obtained in 70 years.

A couple of significant legislative steps in this Assembly will go down history as great achievements by Paul Everingham. One of them was the Criminal Code. Few people realise the initiative that was involved in that Criminal Code. It was a very long exercise and it can be attributed to Paul. Even though Jim Robertson finished the process off as Attorney-General, it was Everingham who started it off. The other was the Motor Accidents Compensation Act through which he revolutionised what used to be known as third-party insurance. Following an inquiry, he brought in this new concept and abolished common law although he was a lawyer. He abolished common law for the first time in Australia, I think, and we are still pretty unique in Australia in that regard, and unique in an advanced way.

He was very difficult to keep up with for those who ever travelled with him. He was such a worker that he would go across the United States, for example, visiting 5 cities in 5 days and, Mr Speaker, if you have ever tried to keep up a pace like that, in between meeting people and getting through airports and booking into pubs, you would know that it is nearly impossible. When you travelled with him interstate, he would not transit an airport without having organised, a day or a week before, for someone to be at the airport to talk with him during a 20-minute stopover. He would be organising people to do things. You could not walk past Everingham in the Chan Building without picking up a job. When I was walking towards him, he would be looking at me down the hall and I would think: 'This guy is sizing up what to give to me'. As you walked past him he would say, 'Look, why don't you go over there with something' or 'Ask so-and-so to do such and such'. He had this ability to get everyone in his vicinity doing things for him. He could be on the phone for 20 minutes from Sydney to his Darwin office, dictating memos that would have half the public service working for a week. He just has that ability. I guess that is why he got so much done.

In some ways, he is a very rude man. I will recall a couple of instances. He used to rattle visitors through his office at about 15-minute intervals. When you had important people that you saw with him - and Chief Ministers see important people - it was hard to get a visitor out of your room quickly, if you were busy, because you had to be nice and polite. But Everingham had a way about him. I recall being in the room with him one day with a gentleman who had come up from south to see him. This fellow had just had a cup of coffee delivered to him, and Everingham sort of wrapped up the conversation and the chap was there with his cup of coffee in his hand and Everingham was walking him to the door by the arm. Surprisingly, he would get away with this sort of thing. The gentleman would go away happy that he had seen Everingham, the Chief Minister, yet anyone else would have spent the rest of his life saying how rude this man was who shuffled him of the office with a cup of coffee still hot in his hand.

Another time, a local developer, who was very excited about his development, got in to see Everingham. He had a set of plans for his exciting development. He really was quite beside himself. The plans themselves probably cost \$100 000. He was in there talking to Paul about his development and said, 'I've got these plans to show you'. Everingham said, 'I don't want to see your plans. Just get out there and build it'. He really did not want to see the plans. He was uninterested in such detail and he could not see that the guy was just busting himself to show the Chief Minister his pretty picture that had cost him \$100 000. To Paul that was an absolute waste of time. He had someone else to see: 'Get out of my office. Build what you said you were going to build, so we can get on with the job'. In that way, I I guess that he was both loved and hated.

He was controversial to the end and whatever you might say about Everingham, love him or hate him, he did not profit from his period in politics. He lost financially, very significantly, compared to the standing he had pre-politics. He lost personally, as I think most members know, and I am pretty sure that, in many eyes, he has lost in standing as well, because of moving from being the Chief Minister of the Territory to being a backbencher in federal parliament and then to retirement from that position. That is a sad way for a man like Everingham to go. However, I will remember Everingham as an enormous contributor to the Northern Territory.

Mr SMITH (Opposition Leader): Mr Speaker, I would like to pay my tribute to the 3 retiring politicians. I know Senator Kilgariff in passing but I have not seen him in action at close quarters. It is quite clear that he has had a distinguished political career in the Northern Territory, both at Territory level and national level, and I wish him and his charming wife, Aileen, the best in whatever they decide to do next. If I may be so bold, I would suggest that, when the time comes to seek a new Administrator, perhaps Senator Kilgariff's name could be put forward, because I think he would be an admirable choice, particularly with his charming wife.

Paul Everingham is a controversial and almost larger-than-life figure. Certainly, he has played a very important role in the development of Territory politics and no one can take that away from him. It would be churlish to say that he was not a driving force in the development of politics in the Northern Territory since self-government. His time as Chief Minister was often controversial, but I think it is fair to say that he probably drove the Territory in a certain direction faster than anybody else could have done it, and probably achieved more for the Territory in his time as Chief Minister than anybody else could have achieved during that period.

To balance the record, we are starting to see some of the weaknesses in the Everingham style. We seem to be lumbered with a couple of economic albatrosses that his enthusiasm and, perhaps, impetuosity might have landed us with. But, Mr Speaker, if you look at his career in a balanced way, I think you would have to say the positives far outweigh the negatives, and the Territory owes him a considerable debt. His place is secured in the history of the Territory when it comes to be written in a few years time.

Senator Ted Robertson was elected to the Senate in 1975 together with Senator Kilgariff. He went into the Senate after a distinguished career as an educator in the Northern Territory and Western Australia. He served in a senior position in the Department of Education during what were quite exciting years, particularly after the Whitlam government. I can remember them quite vividly because the Commonwealth Teaching Service was formed then and Mr Ted Robertson - as he was then - was closely involved with that.

Senator Robertson has copped a considerable amount of flak from the press and members opposite for the role he has played in Canberra. I suspect that, if you are a member of parliament from the Northern Territory, it is probably easier being in opposition than being part of the government. Recent history indicates that, no matter which political party is in government in Canberra, the Territory does not do all that well, particularly when times get tough. I think part of Senator Robertson's problem has been that he has been part of a federal government that in times of economic stringency has taken the stick to the Northern Territory and made some decisions that have been most unpopular with Territory people.

Ted Robertson's main strength has been the amount of work he has been able to achieve for individual constituents. He is a quiet but very persistent worker on behalf of individuals. He has been a handy point of reference for me on a number of occasions when there have been a number of issues that I found too hard, particularly immigration issues. I would bundle myself off to see Ted and, unfailingly, he would take up those cases and make the proper representations to the minister so that those constituents got the best service possible.

He is also a very active attender of social functions. I know that some politicians like social functions and think they are important and others do not. Ted is very assiduous about attending functions and you could always rely on seeing him at ethnic group functions or other functions that were happening when he was in town. I think that people have appreciated his efforts and those of his wife, Audrey, to ensure that they have had a highly visible presence.

He took a strong stance on a number of issues. The member for MacDonnell has mentioned 1 or 2 of those. He took a stand against B52s being based in Darwin, but I particularly admire him for his stand, which he still maintains consistently, in support of Fretilin. That is to his credit. Despite the fact that the Labor Party changed its policy in relation to self-determination for the people of East Timor, Ted Robertson has stood up consistently and supported the rights of East Timorese people to self-determination. That is one of the things that will be remembered for a long time by people in the Northern Territory, particularly the refugees from East Timor who live mainly in the Darwin area. He has been a strong and persistent advocate of their cause and I think he deserves congratulations for his work in that respect.

During his last few years in Canberra, he has been the Opposition Whip and, in that position, he has been able to exert influence on behalf of the Territory beyond the capability of a normal senator. I wish Ted and Audrey all the best in whatever they decide to do.

Mr Speaker, I think Audrey Robertson deserves a mention of her own. She is only very small physically but she is certainly power-packed. She has been behind Ted in all that he has done. She has been a great support to him in all his activities and has established for herself a considerable reputation as being both a shrewd and a very energetic political operator in her own right.

There are 2 other matters that I want to touch on tonight. The first relates to Hungerford Refrigeration. Last night I read out a letter from Ward Keller which was sent to me on behalf of Hungerford Refrigeration. Tonight, for the record, I want to read my response:

Re: Hungerford Refrigeration Pty Ltd

I have received your letter of 10 June 1987. I am of the view that your letter could be construed as a breach of privilege of parliament in that it attempts to intimidate myself, as a member of parliament, in the exercise of my parliamentary duties. I do not intend to pursue this matter at this time but, should your client pursue this matter further, I will raise it as a contempt of parliament.

Mr Speaker, contempt of parliament is a very serious issue. I think a case can be made that a particular paragraph of the letter I received last night was a potential contempt of parliament. I have thought about the matter

carefully and have resolved not to pursue that course of action at this stage, but I want to make it very clear to Ward Keller and Hungerford Refrigeration that, if any further efforts are made in an attempt to intimidate me in the carrying out of my tasks as a member of this parliament, I will have no hesitation in taking the appropriate action.

Mr Speaker, I table both those documents.

I also want to speak tonight about a program called DBATE: the Deakin Bachelor of Arts Teacher Education Program. Last Thursday, I was fortunate enough to attend a ceremony at the Batchelor College where the first 3 Aboriginal graduates in the Deakin Bachelor of Arts Teacher Education Program were inducted. For the record, they are Robin Ramsay, Norma Joshua and Bakamana Yunupingu. I was equally fortunate on Saturday to attend a ceremony at Yirrkala where Bakamana Yunupingu went through a tribal celebration of the award of Bachelor of Arts from Deakin University. That was a most fascinating experience. A traditional, centuries-old culture met with what, in some senses, is also an ancient culture although it is new to Aboriginal people, and that was celebrated by Bakamana, his family and community group in their traditional way. It was quite a moving and obviously very important occasion at Yirrkala.

I congratulate those 3 students for what is a very significant achievement. It is difficult enough to get a university degree if you belong to the culture which offers the degree and you are doing it full-time. But, when you are of a different culture, and studying on a part-time basis, sometimes by correspondence, it is even more difficult. Those people have done an excellent job.

My point of concern is that Deakin University, which got the course up and running, is in the process of being frozen out by the Darwin Institute of Technology. I understand that there are moves for the Darwin Institute of Technology to take over the role pioneered by Deakin. In my view, that is a retrograde step at this time. Deakin University has gone to considerable trouble in developing a course that is unique. It is a course that has been developed after close consultation with Aboriginal people and Aboriginal communities. It is a course that is aimed at matching course content with the participants' life experiences. It is a course that is acknowledged as being sensitive to the Aboriginal culture and social framework and it recognises the barriers that inhibit success for Aboriginal people participating in mainstream tertiary education. It starts from where the students are at and it is demonstrably flexible, innovative and very supportive of the students in the difficulties they might have.

The concern at the prospect of its being transferred to the Darwin Institute of Technology at this stage is that those same values may not be transferred with the course. I do not deny that it is appropriate for a tertiary institution in the Northern Territory ultimately to conduct this type of course, but I do think it would be most unfortunate if, after 2 successful years of the Deakin University experiment, the responsibility for the course were taken away from Deakin University and given to the Darwin Institute of Technology or any other institution. I am not picking on the Darwin Institute of Technology. The course has been developed on some pretty special values which relate to the life and work experiences of the people involved in the course. They are values that have been very closely thought out. I have the severest doubts - as, more importantly, do the people who have the closest involvement with the present scheme - as to whether those values can be transmitted to a course run by the Darwin Institute of Technology.

My message to education people in the Northern Territory is to move slowly on this particular issue. I accept, as everybody does, that these courses ultimately should be run by tertiary institutions in the Northern Territory. However, equally we should accept that what Deakin has done is something pretty special. It has been able to turn out 3 university graduates in its first year of operation. That is something that the Darwin Institute of Technology has not been able to do at diploma level in the 5 or 6 years that it has been around. I would urge educational administrators in the Northern Territory to take their time and to work very closely with the Deakin University people to ensure that, when the time for handover comes, it is a smooth handover which is carried out in close cooperation with the Deakin people. It is the essential values of the course that have made it so immensely valuable, popular and welcome among Aboriginal students, and these must be transferred with the control of the course. If care is not taken to do that, everybody will be sold short and a very valuable educational opportunity will be lost.

Mr SETTER (Jingili): Mr Speaker, I thought I would take a few moments this evening to speak about the retirement of Hon Paul Everingham and Senator Bernie Kilgariff. I believe that both are men of vision and have made an enormous contribution to the development of the Northern Territory, politically and economically, over their many years of political involvement. I have known both men for quite a considerable time and, during that 12 years or so, have gained enormous respect for both of them. I will not dwell this evening on their political involvement because I know others have spoken on that. I thought I would comment in relation to my personal association with them over that period.

I first met Paul back in 1973 when I had just arrived in Darwin. I was an Apexian in those days and I was buying a house. I asked a fellow Apexian whether he knew of a good solicitor in town. In fact, it was David Hibbert, who is currently an engineer with Water Division, who told me to see Paul Everingham. Paul had a little office in Edmunds Street, where Fannies Disco is. It was a tiny office which had just enough room for a desk, Paul and his client.

From that day on, we have had quite a close association over the years. I came to know Paul quite well through Apex. It wasn't very long before I learned that he was a member of the CLP and I myself joined the CLP. In fact, when Paul first stood for election for the Legislative Council in 1974, I lived on Rothdale Road in Moil and, together with my 2 young sons, I assisted Paul letterboxing in Jingili. It is quite ironical that I am standing here today as the member for Jingili. Shortly after that, we formed the North Darwin Branch of the Country Liberal Party which, of course, was located in the northern suburbs. Prior to that, there was only the Darwin Branch in this city. I got to know Paul much more closely then because, being the member for Jingili, he was also a member of the North Darwin Branch. I am still a member of the North Darwin Branch. However, we have just formed the Casuarina Marrara Branch of the CLP and that was endorsed by Central Council last weekend. I am about to transfer to that branch but, at the moment, I am still a member of the North Darwin Branch. Paul and I have been members of that branch since those early days.

Subsequently, probably 5 years or more ago, I became Chairman of the North Darwin Branch and, therefore, was responsible for the electorate of Jingili that fell within the North Darwin Branch. We worked very closely together through those various elections. It was quite ironical that, at the time of Paul's impending retirement from Northern Territory politics, I stood for

preselection, was successful and eventually won the seat in a by-election 2½ years ago. Right throughout that time, Paul and I, have had a very close contact in one way or another. Paul was good enough to assist me considerably during the by-election. He went around with me, introducing me to various people, door-knocking and so on. He stood all through the day of the election assisting me. Quite naturally, he wanted to ensure that the CLP retained that seat. It did then and did so again at the last Northern Territory election.

I have followed Paul's career quite closely and, as history tells us, subsequently he was preselected by the CLP to stand for the seat of the Northern Territory, which he won, and he has sat in the parliament in Canberra for the past 2½ years. I feel very sad that Paul has left politics. I note that he will take up a legal practice in Brisbane. In spite of what he says, I do not think we have heard the last of Paul Everingham politically and time will tell whether my prediction comes true.

With regard to Senator Bernie Kilgariff, we have known each other for about the same period of time and I have come to respect Bernie Kilgariff tremendously during those years, even though he has lived in Alice Springs. We have run across each other regularly. Alice Springs is a very attractive city and I enjoy my not so frequent visits there. Nevertheless, Bernie has lived in Alice Springs and, therefore, we did not see as much of each other as I would have liked. Certainly, during my period in parliament, he has offered me support whenever it has been asked of him. We have liaised on a number of issues and he has made contact with various people in Canberra on my behalf. One example that comes to mind is my concern regarding kava. I know that Bernie Kilgariff, as a senator for the Northern Territory, has taken that matter up with various ministers. I am sure that, as time goes by, we will resolve that particular issue. Nevertheless, Senator Kilgariff did give me considerable assistance in that matter.

About 18 months ago, he and I represented the Northern Territory when we visited Ambon for the Anzac Day ceremony. During that visit, we took the opportunity to conduct trade talks with various Ambonese businessmen and government officials. He was a great support to me on that occasion. Late last year, he and I visited the Jabiru Kakadu area. We took a run through the various communities and we had a most rewarding and interesting time together talking to mine officials, the Office of the Supervising Scientist and the various people who live in that area.

I would like to particularly thank Bernie Kilgariff for the support, guidance and counsel that he has given me down the years. I wish both Senator Kilgariff and Hon Paul Everingham good luck and bon voyage for the future.

Mr TUXWORTH (Barkly): Mr Speaker, I had intended tonight to speak on matters financial because the opportunity did not arise today after the Treasurer had introduced his mini-budget. However, in view of the fact that mention has been made tonight of 3 retiring politicians, I think it would be most ungracious of me not to contribute my comments about these gentlemen at this time.

Senator Ted Robertson is a man with whom I have agreed about twice in the last 12 years. The one thing I have always had to respect Senator Robertson for was the fact that he believed. I did not like what he believed in and I did not like the ferocity with which he believed it but, Mr Speaker, you had to take your hat off to him for being a politician who believed in things and who pursued his beliefs, whatever the consequences and whatever the cost. When you consider some of the heat that was turned on to Senator Robertson

over things like the fringe benefits tax, because he believed in it and he followed the party line, then that is a believer and you have to give him credit for it.

I do not believe that his contribution to the Territory has been as great as it could have been. Nevertheless, he did pursue his duties in a very vigorous way so far as his party was concerned. He never wavered from the party line and, in ALP terms, that would make him a good party man. The other thing that is most memorable about him is that Senator Robertson is a most courteous person. You can go from one end of the Northern Territory to the other and, whatever people think of Senator Ted Robertson, they would all remember him as a courteous person.

Mr Speaker, I think it is appropriate that I comment about my former leader and now former federal member, Paul Everingham, a man whom I worked with and under for quite some time. You can relax, David, I am not about to say anything that is newsworthy. Paul Everingham and I have had our differences over the years, both during his period as Chief Minister and after. I would have to acknowledge Paul Everingham as a man who had a vision. He most certainly had drive. Anybody who worked with him understood that. But, his absolute disdain and contempt for detail were the things that were hardest to cope with.

I do not want to elaborate too much on the Paul Everingham years and my association with him because, as you know, I am writing a book and I intend to cover these years very comprehensively there. I will cover them very fairly and objectively in a very enlightening way. They will not be controversial in the sense that I will be reflecting badly on Paul Everingham at all. I will be giving the perspective of somebody who worked with him at the time and, as the minister mentioned a moment ago when he was paying his tribute to Paul Everingham, everybody who worked with him had a different relationship with him and a different perspective on him and the memories vary accordingly. I had good and bad and I will record those in due course.

Mr Speaker, I would like to spend my remaining few minutes paying tribute to Senator Bernard Francis Kilgariff. He is a senator for a few more weeks, and he is a man who has left his mark, not only on the Territory and this Assembly but, very indelibly, on me as a person. I had a casual acquaintance with Bernie Kilgariff before I entered politics. I used to see him in the airport in Tennant Creek and we would have 10 minute chats as the plane went through. After I became a member of this House in 1974, Bernie Kilgariff was one of the wise old heads that led us young fellows around and made sure that we did not get into too much trouble. It was from the Chair that you are sitting in now, Mr Speaker, that he exerted his greatest influence. Straight after the cyclone, when trauma was at its height and this House came together to pass legislation about the reconstruction of Darwin, the re-entry of people to the Northern Territory and a whole range of other matters, the pace and tempo of the Legislative Assembly was set by Senator Kilgariff. Power was more often off than on, the roof leaked and water ran through the place, and the first sittings were noteworthy for their informality.

Mr Dondas: Borrowed clothing.

Mr TUXWORTH: Borrowed clothing, footy shorts, singlets and T-shirts, thongs and sandshoes. The Clerk ran from desk to desk with a portable microphone and a little tape recorder. That was how Hansard was recorded on that occasion. All that was a tribute to the man of the moment, the then Speaker, Bernie Kilgariff. He knew how to dispense with all the formality at the right time and get away with it.

Subsequently, Bernie Kilgariff became our deputy leader and had quite an influence on the party during his short period in that office. When the time came for the Country Liberal Party to pick a man to go to Canberra, it was very hard to go past Bernie Kilgariff. While we all knew we were going to lose a good man, we thought he would do well for us in Canberra and he did.

One of Bernie Kilgariff's most outstanding qualities is his patience and tenacity. I say that in terms of a man who represented the Northern Territory and acted as a government Whip in the Senate for many years. The burnout rate of Whips in the Commonwealth parliament is pretty high, but it did not seem to have that much effect on Bernie Kilgariff. He just kept on going. All the time he was government Whip, organising senators and working with the Cabinet and shadow Cabinet, he was also representing the Northern Territory. He did not do that just in terms of speaking in parliament. He was everywhere. He has always been everywhere. If you ever wanted to find out what was really going on in the community, the fellow to send in to spend a bit of time on the ground and talk to people was Bernie Kilgariff. He could be there for a short time and come back and tell you all the news. That is a great ability in a politician and he had it. He did it with a strength that very few people I know have ever been able to match. I throw this challenge down to anybody who wants to succeed him. If they can keep the pace up for half the time he did and at the same pace he did, they will be doing really well.

During all the time Bernie Kilgariff was representing us in Canberra and carrying out his parliamentary duties, he managed to raise a large family of 11 children and run a business in Alice Springs. Indeed, he pioneered an industry in Alice Springs. That is also a tribute to the man, his strength and the steadfastness of his conviction about himself, his family, this Assembly and the Northern Territory.

Very shortly after the cyclone, when accommodation was pretty hard to come by, some of us had to share digs. I finished up sharing digs with Bernie Kilgariff. At one stage, things were so tough and the government of the day was so hard on us that it would not even give us a car, let alone a typewriter or a dictaphone. Bernie and I decided to go halves in a car. It was a very good investment and, in the end, he sold it for more than we paid for it. Those years of sharing digs were invaluable to me because they gave me an insight into the man - a man of great inner strength and with a great capacity to hold his own counsel. He can listen to anything and everything and hold his counsel. He never tells people what to do or how to do it. He might give them a hint and point them in the right direction, but he will leave it to them to make up their own minds and do their own thing. That is a rare quality in anybody today because so many people are quick to jump in and tell you how to run your life and to be a policeman of the world.

I do not think Bernie Kilgariff has left public life in the Northern Territory. The Leader of the Opposition made a very generous gesture a moment ago by indicating that he felt Bernie Kilgariff would be a good Administrator for the Northern Territory. Whether he ever will achieve that office, I do not know, but he would be eminently suited to it. Whatever he does, I believe Bernie Kilgariff will do it for the people of the Northern Territory as he has for the last 25 years. He will look after them as best he can in whatever capacity he can with the generosity that he has shown to every one of us in the past.

I would like to conclude my remarks by saying that, behind very successful politician, there is generally a very long-suffering woman. Aileen Kilgariff is a person who should not be left out of tonight's tribute because she has

done a great deal, put up with a great deal and made her contribution to the Territory in the last 25 years in the same manner as her husband has done. Aileen Kilgariff is a famous woman and a legend in her own lifetime. Wherever you go in the Northern Territory, people know of and hold Aileen Kilgariff in the highest regard. She has borne her share of crosses. She has raised a family and run a business and been without a husband during most of that period. That is a pretty generous gesture for any woman to make in her married life: to give up her husband for most of the time.

I conclude now by saying that I wish Aileen and Bernie all the very best in their retirement and the next phase of their life. They will be with us for a long time and they deserve the time and the enjoyment that they will have together because they have worked hard for us and they have earned their turn now.

Mr TIPILOURA (Arafura): Mr Speaker, I rise in this evening's debate to pay my tribute to the former members of this Assembly, Bernie Kilgariff and Paul Everingham, and to Senator Ted Robertson. I do not know them personally but I met Paul on a number of occasions during my days as a police aide. I have also met Bernie during the last couple of years through my involvement in Nguju Council. I know Bernie has done a lot for the Aborigines in the Territory and I would like to give my regards to Bernie and wish him all the best in the future in the Territory, and also to Paul.

I want to pay a tribute to someone else who has done a great deal and is receiving an Order of Australia medal. His name is Brother Radford John Pye who spent 46 years of his life in the Territory amongst Territory Aboriginals in the Top End. He came here as a brother MSC in February 1941. He has worked for Bathurst and Melville Islands, Port Keats, Daly River and Santa Teresa, mainly on the Catholic missions in the Territory. In a total of 46 years of his dedication and service in the Northern Territory for Aboriginal people, he has achieved much for a man of his age and he has put in a great deal over the years. He worked for nothing but he did a lot for us, mainly for the Tiwi people on Melville and Bathurst Islands. One thing he brought about that stands out pretty clearly is our sports on the Tiwi islands. I find it hard to understand how a New South Welshman came up to the Territory and played the Victorian Aussie Rules football code. Nevertheless, we have footballers now who, in the past 20 years, have contributed a great deal to the NTFL and we have 1 footballer in Melbourne, by the name of Maurice Rioli. Without the efforts of Brother Pye, these people would not be playing the sport today. I would like to give my congratulations to Brother Pye and to urge honourable members, if they can, to attend the ceremony tomorrow on Bathurst Island.

Mr COLLINS (Sadadeen): Mr Deputy Speaker, I too would like to offer my congratulations to Senator Bernie Kilgariff for a job well done. He was the first member for the electorate of Alice Springs and I was the last and I think it fitting that I should say a few words about Bernie.

Others have covered his history very well, and others may have known him more closely than I did, but the name of Kilgariff is synonymous with Alice Springs. It is one of the first names that came very clearly to me when I came to Alice Springs as a teacher in 1970. Quite a number of Bernie's family attended the Alice Springs High School and suffered under my tuition, and they all seem to have turned out pretty well in spite of me. One got to know Bernie and Aileen because they were at virtually every function that Alice Springs has been famous for.

I would just like to reflect on the sort of person that Bernie Kilgariff is. He is a very fine man indeed. He is held in very high regard in the town of Alice Springs. He has always been consistent with his politics, he has always kept the same line, and he has always been clear and logical about the things that he has believed in and has explained himself very well indeed. As I have said, the people of Alice Springs hold him in very high regard. He has done a magnificent job for the Territory. He has not stinted in any way, shape or form. He has travelled the length and breadth of the country many times. He knows the people. I agree with the suggestion of the Leader of the Opposition that, in time, we could not do better than have Bernie as our Administrator. Of course, that would be up to Bernie and whether he would like that job. I think the honourable member for Arafura made it very clear that the Aboriginal people got to know Bernie and that they respect him and hold him in very high regard. That would be a very important attribute for an Administrator to have.

I have always found Bernie to be a very good friend and, in spite of the fact that we no longer belong to the same political party following my political troubles, I do not really think that has dented the friendship between the senator and I. Certainly, I hold him in the very highest regard. He is the elder statesmen that I believe that political parties need to give stability and guidance and to keep heads cool when things get a little on the silly side.

Aileen Kilgariff is a magnificent person and a great support to Bernie. If he had had a wife who was not content with having her husband away from home so often, he would have found his job far more difficult. The Territory owes Aileen Kilgariff a great deal for the sacrifices that she has made. It is also beaut to see that, when Aileen and Bernie get together, they are a very loving couple. They hold one another in the highest regard and they are an example of a family couple for the whole of the Territory.

On behalf of the people of Alice Springs, I salute Senator Bernie Kilgariff and Aileen for the magnificent job that they have done. I know that we will be seeing a lot more of them and that they will continue to contribute to the life of the town of Alice Springs and to the Territory generally, and that they will always have the warm affection of people in the Northern Territory.

Motion agreed to; the Assembly adjourned.

Mr Speaker Vale took the Chair at 10 a.m.

DISTINGUISHED VISITOR
Mr Tom Bell

Mr SPEAKER: Honourable members, I draw your attention to the presence in the gallery of Mr Tom Bell, a former member of the Northern Territory Legislative Council, who is visiting the Northern Territory. On behalf of all honourable members, I wish Mr Bell a very warm welcome.

Members: Hear, hear!

LEAVE OF ABSENCE

Mr FIRMIN (Ludmilla): Mr Speaker, I move that leave of absence for this sitting be granted to the member for Leanyer on account of illness.

Motion agreed to.

SPECIAL ADJOURNMENT

Mr HANRAHAN (Leader of Government Business): Mr Speaker, I move that the Assembly, at its rising, adjourn until Tuesday 18 August 1987 at 10 am or such other time and date as may be set by Mr Speaker pursuant to sessional order.

Motion agreed to.

LEGISLATIVE ASSEMBLY MEMBERS' REMUNERATION BILL
(Serial 46)

Bill presented, by leave, and read a first time.

Mr HATTON (Chief Minister): Mr Speaker, I move that the bill be now read a second time.

Honourable members are by now only too well aware of the savage and unconscionable financial cuts that were imposed on the Northern Territory by the federal Labor government at the recent Premiers Conference, where \$101m was arbitrarily lopped off the NT allocation. For the third year in a row, the federal government has broken agreements on funding levels for the Territory. The cut to Territory finances was 10.1% in real terms, compared to a 6-state average of only 7.5%. For the Territory to cope with this cut without any reduction in expenditure, it would have had to increase its revenue collections by approximately 45%.

The community is already heavily taxed. The Hawke government is, without a doubt, the biggest-taxing government Australia has ever had. An increase in taxes of the order of 45% is clearly not an option that Territorians can afford. The Treasurer has already announced details of the imposition of the 3.5¢ per litre fuel tax, which will yield \$7m, and the tourism marketing duty, which will yield \$2m. That is a total of \$9m in additional revenue. This still leaves \$92m in expenditure cuts required to make up the shortfall. To fund these cuts, my government has agonised long and hard. We have slashed the capital works program on roads and housing and have set ourselves the task of saving \$37.5m through internal economies. Education and health are 2 areas that have had to be cut. Even after all these measures are taken into consideration, there remains a shortfall of \$21.5m.

My government is not prepared to saddle future generations with the burden of a mountain of debt brought about by deficit budgeting. One has only to look at the disastrous effects of the national debt run up by successive federal governments to see quite clearly the folly of such a course of action. We had 2 options: either reduce the benefits paid to public servants or reduce the number of public servants on the payroll. The second option would have involved immediately reducing the size of the public service by 650 jobs, or twice the number if we were forced to make the normal redundancy payments. I am not prepared to put that many families through the trauma of joining the ranks of the unemployed.

Last night, the Minister for Labour and Administrative Services announced sweeping cuts to public sector conditions of service. My Cabinet colleagues and I are acutely aware of the effect of the cuts being required of public servants. It is not a decision that we have taken lightly, but one which has been imposed on us by a vindictive, malicious and discriminatory decision of the federal Labor government. I repeat that the alternative is large-scale public sector redundancies throughout the Territory.

Having asked public servants to accept a substantial cut to their terms and conditions of service, it is only proper that we in the Assembly - also persons paid from the public purse - accept our fair share of the cost-cutting. In determining where the cuts should come, my Cabinet colleagues and I considered the level of basic salaries received by parliamentarians as well as the additional allowances received by office-holders. We noted that a parliamentarian's base salary is only slightly above that of an E3 level public servant, without any entitlement to annual leave, holiday fares, the 17½% leave loading, district allowance or housing assistance. We have decided that it would be inequitable to reduce backbenchers' salaries, given the total absence of ancillary benefits available to them. Cuts required to public servants will come from ancillary benefits, not from their base salaries.

As our contribution, my colleagues and I have agreed that all ministerial-level salaries should be cut by \$3000 per annum, with effect from 1 July. As Chief Minister, I will take a personal pay cut of \$5000 per annum. These cuts will apply to all ministerial-level salaries and will include the Speaker and the Leader of the Opposition. On the subject of the Leader of the Opposition, the member for Millner has been decidedly coy in making public his commitment to supporting the government's lead in this matter. I invite him to support my government's initiative in imposing pay cuts on ministerial-level salary recipients and to express his abhorrence at the unfair and discriminatory treatment which the Northern Territory has been subjected to.

As I indicated in my televised address to the people of the Northern Territory last week, all is not doom and gloom for the future. Economic indicators are encouraging, but the public sector cannot expect the private sector to make all the running. We must all contribute our share to overcome the disastrous effects of the Hawke government's totally unwarranted and unprecedented attack on Territory finances.

My government fully recognises the unpleasantness of the course of action being imposed on public servants who have joined our service in good faith on an agreed set of terms and conditions of service which, under normal circumstances, they could expect to continue. I ask each and every one of them to recognise the basic truth that we simply have no choice in this matter. If people wish to lodge a complaint against those who have caused

this action, they have the perfect opportunity to do so by casting their vote against Labor candidates in the election on 11 July.

Now is the time for all Territorians, be they in the private or public sector of the work force, to take a reasonable and responsible approach. It is an opportunity for Territory public servants to do something positive to protect their jobs and those of their workmates. By so doing, they will help us to rebuild a base for the continued development of the Northern Territory for the betterment of all Territorians. I can assure all honourable members that my government is continuing to look for savings elsewhere in government spending. We have already identified areas where substantial savings can be made through more efficient and effective operating procedures. Even with the savings already identified, we still require a further \$10m of cuts to be made, quite apart from the \$21.5m in staff savings, to balance this year's budget. We are actively investigating means of achieving these reductions that do not involve cutting into essential services to the community.

In conclusion, I wish to restate my government's absolute commitment to reducing public sector staff costs by \$21.5m as part of the \$92m cuts in overall expenditure. Public servants and public sector unions should be under no delusions that this amount is negotiable. Our options were clear: either conditions of service had to be reduced by an appropriate amount or a large number of public servants would have lost their jobs. I appeal to the unions to adopt a responsible approach in their response to the reductions that we have had to make in conditions of service. Otherwise, the responsibility for dismissed public servants will rest fairly and squarely with them.

This bill represents our contribution to the cuts. I look now to the unions to join us in ensuring that we can absorb the budget cuts without a wholesale reduction in public service numbers.

Debate adjourned.

VALIDATION (MINING TENEMENTS) BILL
(Serial 47)

Bill presented, by leave, and read a first time.

Mr COULTER (Mines and Energy): Mr Speaker, I move that the bill be now read a second time.

A recent Warden's Court decision places in jeopardy actions undertaken on the grant of mining tenements since commencement of the current Mining Act in 1982. The Mining Warden recently handed down a decision on a case brought before the court by Territory Resources NL against Australian Coal and Gold Holdings and Grants Patch Mining NL.

The matter brought before the Warden's Court by Territory Resources involved a boundary dispute between the parties, with Territory Resources seeking a decision from the warden as to whether the other party had mined from titles held by Territory Resources. However during the proceedings before the court, legal argument drifted away from the prime objective of the matter and entered into argument as to whether the correct procedures had been undertaken by the Department of Mines and Energy in granting of the disputed titles. In reaching a conclusion on the issue of the granting procedures, the warden found that the department had been remiss in deviating from the requirements of sections 59 and 86 of the Mining Act which prescribe the manner in which a warden's recommendation on certain classes of mining

tenement applications must be processed and considered by the minister prior to the minister deciding on the grant of title.

Mr Speaker, in general terms, section 59 of the Mining Act requires that, as soon as practicable after reviewing an application, the warden must submit to the minister a report recommending the granting or refusal of title. In accordance with other associated provisions in the act, the minister, after considering the warden's recommendation, is empowered to grant or refuse the title applied for. In the tenement cited in the Territory Resources case, the warden concluded that the Department of Mines and Energy had not presented to the minister, in the prescribed manner, the warden's recommendation on applications made by the applicant. It further determined that the subsequent action undertaken by the minister to grant mining titles to the applicant could not be sustained.

Whilst the warden's findings in respect of these tenements has serious repercussions in relation to the development activities which have been performed by the company since the date of the presumed grant of title, the judgment has more far-reaching implications in terms of the status of every mining tenement application which has been dealt with since the commencement of the current Mining Act in 1982. The manner adopted in dealing with the disputed tenements is consistent with the standard procedures which have been used in most, if not all, applications submitted to the Department of Mines and Energy since July 1982.

Honourable members will appreciate that extending the findings of the warden in the Territory Resources case to the hundreds of applications and subsequent grants of title made since 1982 would create a problem of catastrophic proportions for the Territory mining industry. In the past few years, we have seen major mining developments proceed involving capital expenditure of many hundreds of millions of dollars. It would be intolerable to suggest that the authority previously given to proceed with those ventures is now under suspicion.

If the government accepts the warden's findings, mining operations which have taken place on tenements granted in this way would be technically illegal and subject to prosecution and imposition of penalties for mining without authority. Furthermore, many of the mining tenements involved will have been subject to dealings with titles in the form of transfers upon sale, inclusions within joint ventures, being mortgaged as security and subject to deceased estates. Invalidation of the grant of the mining tenement would affect all subsequent dealings and place in question considerable sums of money advanced by other parties for mining development activities.

The warden's decision is subject to appeal, and I am reliably informed that the principal party involved, Territory Resources, will be taking such action. Without conceding at this stage whether the warden's decision is correct or otherwise, the Territory government cannot sit idle and wait to determine an appropriate course of action totally dependent on the outcome of an appeal from a warden's judgment. Any appeal process would take many months to be finalised and, in the meantime, hundreds of millions of dollars of investment in mining development would be insecure and totally without the necessary protection and guarantees of law.

The current dilemma has extraordinary implications for the whole of the Territory mining industry and the government is convinced that it must intercede and take immediate remedial action to protect decisions which it had taken in good faith entirely within the spirit of the Mining Act. I would

like to make it quite clear that the status of applications for mining tenements submitted under the provisions of the Mining Act is not affected by the warden's findings. It is only the processing of the grant of titles, evolving from those applications, which is currently in doubt. The bill which I have presented will validate the grant of mining tenements to Territory Resources and all other persons who have tenements which have been processed in a similar manner since 1982. The legislation will not take away from any person nor will it give any concession or rights to anybody above those which the government considers were validly granted. It will simply maintain the status quo existing prior to the recent Warden's Court proceedings.

In addition to the matter of validating actions undertaken by the minister in the grant of titles, the bill includes a further provision allowing for the grant of mineral claim over an area of land in excess of that prescribed under the existing Mining Act. This provision has been included particularly as part of the validation of Territory Resources' titles. The original application, the subject of title now held by Territory Resources, was lodged under the former Mining Act 1939-1981 which was repealed and replaced by the current Mining Act. Transitional provisions in the current act allowed for the transfer of outstanding applications under the former act and for those applications to be processed under the current act. Whilst it was thought that those applications could be processed in respect of the total area originally applied for, it has now been suggested that this may not be the case and that applications should have been processed in respect of a lesser area. The Mining Act of 1939-1981 allowed for application to be made over an area of 121 ha whereas the 1982 act allowed for a mineral claim to be granted in respect of a maximum of 20 ha only. The amendments proposed will remove any doubt with regard to the question of maximum area and validate the grant which was previously made, irrespective of any argument concerning the area to which the applicant was entitled to be granted title.

I am sure that honourable members will readily accept that it is essential that this remedial legislative action proposed by the government, which is being taken in conjunction with a revision of procedures within the Department of Mines and Energy, must be finalised as a matter of urgency. In that context, I give notice that the government will be seeking a suspension of standing orders to ensure that this bill will pass through all stages at this sitting of the Legislative Assembly.

Debate adjourned.

POISONS AND DANGEROUS DRUGS AMENDMENT BILL
(Serial 36)

Bill presented, by leave, and read a first time.

Mr DALE (Health and Community Services): Mr Speaker, I move that the bill be now read a second time.

This bill is to make a small amendment to the act. The act has provisions to control the possession and use of cannabis and the cultivation of cannabis plants. Section 6(1) of the principal act contains a definition of 'cannabis' but it has been found that this definition is too restrictive. As well, the act refers to the genus *cannabis sativa* L and this is incorrect because *cannabis sativa* L is a particular species amongst a variety of cannabis plants. It was intended that all species, sub-species and varieties of cannabis were to be controlled but the act refers to *cannabis sativa* L and no other. This proposed amendment will lead to better control of cannabis by

referring to all plants of the genus cannabis. It will enable prosecutions for the use, possession or cultivation of cannabis to be pursued more successfully. It will be my intention to take this matter through all stages at this sitting. I commend the bill to the honourable members.

Debate adjourned.

SUSPENSION OF STANDING ORDERS

Mr COULTER (Treasurer): Mr Speaker, I move that so much of standing orders be suspended as would prevent the Validation (Mining Tenements) Bill (Serial 47) passing through all stages at this sitting.

Motion agreed to.

VALIDATION (MINING TENEMENTS) BILL (Serial 47)

Continued from page 939.

Mr LEO (Nhulunbuy): Mr Speaker, I had the benefit of a briefing from the Secretary of the Department of Mines and Energy and I was amply warned of the presentation of this legislation. We understand the necessity for it. Certainly, chaos would reign supreme if it were not passed at this sitting. We do not see any reason for promoting any more chaos in the Northern Territory than that which is presently being promoted by the government.

It is true that certain practices which have been carried out in relation to the granting of mining leases in the Northern Territory have been found, in a recent court case, to have been illegal. To avoid wholesale chaos, it is necessary that those practices be validated. Whilst they were conducted in good faith and all but the appropriate title was attached to the document, in every other respect, the granting of those mining leases conformed with all the requirements of the Mining Act.

With those few words, I indicate the opposition's support. It is unfortunate when the Assembly is confronted with validating legislation, of whatever nature. It is certainly necessary in this case and there is no way of avoiding it. However, I would ask all ministers who have carriage of legislation to ensure that the officers of their departments at least read the relevant acts. If it is necessary, officers should obtain briefings from the Department of Law to ensure that they understand the acts they are operating under and we will not be continuously confronted by validating legislation.

Mr COLLINS (Sadadeen): Mr Deputy Speaker, I rise to express my disappointment that this bill has been brought on with such haste. I confess that I did not listen all that carefully to the minister's second-reading speech because I understood that the bill would not be debated until August. I was therefore very surprised when the Leader of Government Business brought it on straight away. At least we could then have looked at it over the lunch recess. It would have been common courtesy to give members a copy of the minister's second-reading speech. I am not here to obstruct the mining industry or to create chaos but, surely, it would have been more appropriate to consider this legislation after lunch when we would have had the opportunity to study it. The minister could also have distributed copies of his second-reading speech to enable us to go through it thoroughly.

It is all very fine to have given the opposition a briefing. However, I do not like to be in a position where I have to trust the minister's assurance that everything is straight.

Mr Coulter: Just trust me, Denis.

Mr COLLINS: That is what Mr Hawke says, and I certainly do not trust him. I think this matter has been very poorly handled and that the government could improve its performance.

Mr COULTER (Mines and Energy): Mr Speaker, I thank honourable members for their contributions to this debate. The disappointment is shared equally by myself. The opposition mining spokesman had the opportunity of receiving a briefing from departmental officers and I provided him with copies of the legislation. We agreed to proceed in this manner this morning. The structure of Assembly membership may make it necessary to allow for briefings for independent members. I give them my pledge that I will make such briefings available wherever possible.

My second-reading speech made it quite clear that we have to move to implement this particular piece of legislation. The title of the bill indicates that it is a validation act, and there has been no doubt about our intentions in that respect. The opposition spokesman on mining has conceded that the legislation is necessary.

As I have said, no one likes to introduce validating legislation into this Legislative Assembly, but the important issue is that the intended interpretation of the Mining Act is not the one which has been made. The purpose of today's legislation is to clarify that intent and that is what we are doing.

Motion agreed to; bill read a second time.

Mr COULTER (Mines and Energy)(by leave): Mr Speaker, I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

STAMP DUTY AMENDMENT BILL
(Serial 44)
TAXATION (ADMINISTRATION) AMENDMENT BILL
(Serial 45)

Continued from 11 June 1987.

Mr EDE (Stuart): Mr Speaker, in this debate I wish to speak to the bill which has been introduced with the Stamp Duty Amendment Bill - the Taxation (Administration) Amendment Bill. The government is using this bill to implement a bed tax in the Northern Territory. The Leader of the Opposition will be moving an amendment to that bill and he will speak on that in due course. I wish to make a few points in regard to the proposed bed tax and ask a few questions which I hope the minister will be able to answer when he replies to the debate.

The first point I wish to make is that, according to my information, there is no bed tax anywhere else in Australia, although I am aware that similar taxes exist in some neighbouring countries, including Singapore. I would draw members' attention to the fact that alternatives to this tax were available to

the government. For example, if it had decided to make a much more genuine attempt to coordinate its marketing with the federal department and other states, it could have saved more than \$2m. However, we all know that the minister responsible for this legislation, together with the Chief Minister, has acquiesced in the federal Opposition Leader's statement that he will abolish the federal department.

It seems to me that this government has a very strange set of priorities. At the same time as it is inflicting this tax on the industry, it is supporting the abolition of the federal department which has the ability to provide quite substantial coordination of international marketing and promotion of tourism for the benefit of the Northern Territory and the states. We have all heard of the amazing increase in tourism which has taken place during the life of the Hawke Labor government. The projections show that, by the year 2000, the tourist industry will outstrip mining and all other industries as a generator of overseas income.

It has been argued that the amount could have been raised in a different manner if the user-pays principle were applied to the activities of the Tourist Commission. I find it particularly anomalous that this tax will affect all operators in the tourist industry, including the smaller ones who are often the most efficient and who receive no government subsidies. In fact, they are squeezed by the subsidies provided to 4-star hotels which are able to artificially lower their room prices, forcing smaller and more modest operations to lower their room rates so that they are squeezed unmercifully during the shoulder and off-season. In its economic statement, the government made no decision to reduce the \$18m per annum which it pays to the 3 Sheraton hotels in the Northern Territory. We are asked to accept that \$2m will be raised by the new tax but, as we saw on TV the other night, the minister does not know what year it is, which makes me wonder about how accurate his figures are.

The minister has stated that he will remove subsidies and other forms of assistance to the industry if it refuses to collect the tax. That seems an empty threat in view of the fact that reduced subsidies and overseas promotion would most affect the 4-star operators, the Sheratons, which the government currently subsidises. It would then have to subsidise them to a higher level. It would not be cost-effective and is, quite probably, an empty threat. As I said earlier, the tourist industry always has the option of removing the subsidies it pays to the Northern Territory government through the concession rates it provides for travelling government officials - and we all know that there are plenty of them travelling at any given time - and the free accommodation which I believe is provided to officers of the Tourist Commission. It cuts both ways.

As the Leader of the Opposition said, the concept of the bed tax is not, in itself, anathema to the opposition. Our problem is with the way it is to be implemented. There has been a complete lack of consultation with the industry beforehand and a complete lack of any discussion concerning its effects upon the contracts which tourist operators have entered into, in good faith, with people overseas and interstate. People have pre-booked accommodation at fixed prices and the industry will not be able to vary them without suffering a loss of good faith. The government is quite prepared for that to happen, but Northern Territory private enterprise is not. It is quite possible that the operators will have to bear the additional costs themselves and I have been told that many intend to do that. The small operator is already squeezed by the subsidies provided to the Sheratons and the like and this tax is an added impost. The Leader of the Opposition will be introducing an amendment which, we hope, will overcome that particular problem.

I would like to ask some questions regarding the amount of tax that is to be collected. I have been told that there were about 860 000 bed-nights to December 31 last year. I was of the understanding that these are actual bed-nights rather than room-nights. In fact, however, this is a room tax and the figures are for room occupancy rates. Many family groups have 5 or 6 people in a room whereas, in many other cases, there is only 1 person to a room. If we take an average of 2 people per room and compute the figures for bed-nights to 31 December, it is evident that the figures include almost 600 000 caravan-nights, to coin a phrase. A significant proportion of people in caravan parks are not tourists, the people to be covered by this legislation, but long-term stayers. They are people who are either working here for a short period and do not have permanent accommodation or people who are suffering as a result of the slow-downs in housing which have occurred as a result of this government's policies. If we take the remaining figure of 200 000 to 300 000 and do our sums again, we find that the actual amount which is likely to be raised by this tax is more in the vicinity of \$1m than \$2m. Once again, it is an example of the rubbery figures that have got us all into our present financial situation.

As we said last time and will continue to say, the cut that the Northern Territory government suffered at the hands of the federal government was not \$101m. It was \$56m. I admit that is above the \$50m which the Chief Minister in his wisdom said he was prepared to cop. That was rather a strange approach to the negotiations. No doubt, for his own reasons, he was trying to curry some favour with the Premier of Queensland, who was running a similar line at that stage. He went in saying that he was prepared to drop \$50m and the federal government lopped off an extra \$6m.

As we have repeatedly pointed out, the grant that was given to the Territory last year has to be adjusted for 2 one-offs. One was the capital grant that was given for the Channel Island Power Station. None of us expected that we would be paid for the Channel Island Power Station every year for the next 150 years. It was a capital grant. The other was the one-off superannuation grant. The total of those, adjusted for inflation, is \$45m. There was no way that those grants to the Territory government would be repeated this year. One-off payments, by their very nature, are paid for one year and not repeated. The federal government deducted the \$45m of one-off payments from last year's total allocation, did its sums, and subtracted an additional \$56m.

This government is adept at producing rubbery figures, like the ones we have before us now. They are just like the rubbery figures in last year's budget. We stated at the time that there was no way in the world that the government was going to reach its revenue projections. We stated that there was no way in the world that the government would hold expenditure within the limits set down in the budget.

Mr Hatton: We did not calculate for the fringe benefits tax we have had to pay.

Mr EDE: I will take that on board. The fringe benefits tax was in well before the implementation of the last budget. If this government did not have the ability to look at legislation that had already been in operation for 4 months and allow for it in its budget projections, it is obviously more incompetent than even I had allowed for. It is particularly difficult to imagine that it could be even more incompetent than I have believed it to be, but that is obviously the case. It knew of the fringe benefits tax 4 months before the budget and it could not even take it into account in their

considerations. Look at the figures. They demonstrate exactly what I am saying. During the 9 months to 31 March 1987, which are the most recent figures we have, expenditure increased by \$125m and revenue increased by \$39m. That is exactly what we said would happen when last year's budget was debated. We said then that the revenue figures were rubbery and could not be achieved and we said that expenditure could not be held within the projected levels.

Mr Dale: How did you account for the negative grant? Have you accounted for that?

Mr Smith: It is there. It is accounted for.

Mr Dale: Accounted for? You knew it was going to happen, did you?

Mr SPEAKER: Order! The honourable member will be heard in silence. Both sides of the Assembly will have a more than adequate chance to debate the issues.

Mr EDE: Thank you, Mr Speaker. We are in our present situation because this government has to raise \$45m to \$50m each year, on an ongoing basis. The government did not bite the bullet before the election. Instead, it decided to put up a rubbery budget, one which would balance on paper but which would defer the unpleasant results until after an election. Here we are after the election, and exactly what we predicted has come to pass.

Mr Collins: Tell me what Hawke's doing.

Mr EDE: In the May economic statement, Mr Hawke said exactly what he would do before the budget. That was a piece of honesty which I thought the member for Sadadeen would have applauded him for.

As I have stated and as will be pointed out by the Leader of the Opposition in his contribution to this debate, all the figures in this economic statement represent an attempt by the government, at this late stage, to overcome the problems that it inflicted on Northern Territory taxpayers through its rubbery budget last year. The bed tax is part of the government's attempt to do this. If the measure had been put together more capably, there would not be quite so many problems. There is an argument for asking tourists from overseas or interstate to bear some of the costs of the services provided by taxpayers in the Northern Territory. The disappointing aspects of the legislation relate to the lack of consultation about the measure and its side-effects in respect of people who have prepaid or pre-booked at fixed rates.

We hope that the government will agree to our amendment and that the minister, in his reply, will answer the questions I have raised. I also hope he will have the grace to apologise to the industry for the inept and incompetent way that he has handled this issue and will attempt to patch up his relationship with the industry that has the potential to be, not the second or third-largest employer in the Northern Territory, but the largest. The tourist industry has the ability to generate, by the end of this century, 4 or 5 times its current revenue in the Territory.

We have a plan, which we put forward at the last election, for the development of the tourist industry. There is a need for a total planning concept to bring everything together. The government does not do this and this legislation is an illustration. The tax hits the whole industry and the small operators in particular, at the same time as the government is giving handouts to its big mates.

In conclusion, the bed tax is another example of this government's thinking. A bed that costs \$40 per night attracts the same tax as one which costs \$120 a night. That is quite inequitable. It means that the lower-budget tourist and the operator catering to that end of the market will bear a disproportionate percentage of the total costs. Those operators will find it that much more difficult to continue in business and to continue to generate wealth for Territorians.

Mr HATTON (Chief Minister): Mr Speaker, I would like to open by giving honourable members a quote:

There is no doubt that the Australian people understand that basic fact and understand that governments simply cannot go on providing the level of works and services that may have been envisaged in times before that economic fact was visited upon us. In other words, I think the Australian community knows that the whole community must bear part of this adjustment burden, and that means that all levels of government have got to work together and share the necessary restraint.

That was the Prime Minister in his speech to the conference of Commonwealth and state ministers in Canberra on 25 May this year. It is an exercise in circumlocution and it is difficult to understand what he is actually saying. The economic fact referred to by Mr Hawke was that the national economic capacity of Australia had been reduced by \$9000m because of the international money market. The economic fact faced by all Territorians is that the federal Labor government has reduced the economic capacity of the Northern Territory by \$101m in a single gouge. The inevitable and only result is that this government is forced to make the necessary economic adjustments. Unlike the federal Labor government, this government seeks to make these adjustments in a manner that is fair and equitable across all sections of the community. Some of these adjustments are unpalatable, but they are imperative if this government is to maintain prosperity for Territorians.

The government has elected to introduce a tourism marketing duty. This duty has been falsely described as a 'bed tax', as if the government were somehow biting one of its biggest dollar earners. The levy of \$2 per night per accommodation unit, to a maximum of 7 days, is just that. It is not going to be levied on beds or on a per capita basis. The administrative procedures designed to implement the levy are simple and will minimise any regulatory impact on tourism operators. The revenue gained from this levy will not be paid into general revenue and thus be dissipated on other government activities. The revenue generated will be paid into a tourist marketing trust fund for the benefit of the tourist industry. This government will not imitate the federal Labor government whose departure tax collects twice as much money as it allocates to the Australian Tourist Commission.

As the Treasurer informed members of the Assembly in his economic statement of 11 June 1987, the only way the Territory could cope with a real funding reduction of 10.1% without any reductions in expenditure would be by increasing our revenue-raising by approximately 45%. The states, by comparison, are being asked to accept a 7.5% reduction which would necessitate an increase in revenue of only 12.5%. The difference is unbearable. The Northern Territory is a growing economy and it is an accepted fact that, as it develops and population grows, the revenue collection must increase to meet criteria set by the Grants Commission. However, extraordinary measures need to be taken in the face of this savage treatment by the federal Labor government.

Obviously, the shortfall that is imposed on the Territory cannot be met by gigantic increases in taxes and charges, nor can it be met totally by a massive reduction in expenditure. The Territory government seeks to deal with the federal Labor government's fiscal blitz by sharing the impact as equitably as possible. Ministers, public servants, private enterprise and the general community will each have to accept its share. The tourist industry in the Northern Territory is a shining light, but let us remember that it was this government that gave the necessary boost to support the initiative and drive of entrepreneurs.

The tourism marketing levy is estimated to raise \$2m. The Tourist Commission currently spends \$2m on subsidies to the industry in the Territory over and above the promotion levy. The tourist industry is being asked to contribute only 20% towards the cost of the promotion of its own industry. A maturing industry would have had to accept these promotional costs, as do many other private enterprise industry associations. For once I am able to congratulate the Leader of the Opposition for adopting a constructive and pragmatic view in supporting the measures announced by the Treasurer in this Assembly.

Northern Territory tourist operators have done a tremendous job to develop the Territory economy. They are now being asked to accept an adult responsibility and share in the cost of promoting the Territory as a tourist destination. This levy is not an impost. It will create a fund which will be utilised by the tourist industry for the further successful promotion of Territory tourism.

I will take the opportunity to deal with a couple of matters. There have been allegations that there was no consultation with the industry prior to the introduction of this legislation. Can I advise honourable members that the Minister for Tourism raised this matter and discussed it with the Tourism Advisory Council which is made up of industry operators. The council accepted the proposal in principle. There were concerns, in those early discussions, about the actual date for the introduction of the levy. However, prior to further discussions on that, the industry adopted a total opposition to the levy in any form whatsoever. I ask people to remember that we are asking the tourist industry, through a mechanism, to contribute this year about 20% of the cost of marketing its own project.

In this day and age, it is simply not possible for us to continue to totally fund an important promotional exercise to support and encourage the further growth of the industry. We are determined not to reduce advertising and marketing programs for the tourist industry, but we are asking the industry to assist us with the costs of that program. There is no doubt that there will be continuing opportunities for growth in tourism. We will be spending some \$10m on marketing in the next financial year to support that industry, and it is important that we do that in the context of these difficult times.

I advise the member for Stuart that his figures are a load of nonsense. The Treasurer will deal quite specifically with that. It is quite clear that our funding is \$101m short and that is not because of an unbalanced budget. The fact is that we are getting considerably fewer dollars this year from the federal government than we did in 1986-87. Allowing for inflation, we are getting substantially less from the Hawke government than we are legislatively guaranteed under the States Grants Act of 1985 which guaranteed to the states and the Northern Territory 2% real growth in funding for 3 years in a row in return for voluntary restraint on semi-government borrowings. That law is still in place.

Mr Smith: Is John Howard going to honour it?

Mr HATTON: Listen to him crow over there, Mr Speaker. He is dead scared to hear the facts. I am not afraid of the facts. Because of the mess our economy is in, all governments must accept cuts in expenditure. I do not resile from that, and never have. I might say that the Labor premiers were equally supportive of the need to do that, but what I say and will continue to say is that the Northern Territory has been discriminated against in terms of our proportion of the cuts which is almost twice that of the states. We have this nonsense of a negative special grant and an overall cut of 6.9% in our general revenue funding. When you realise that the Western Australian Premier walked away with only a 5.6% cut, it is clear that party politics were involved in that little game. In addition to the 6.9%, the cute little figure of \$14.4m came off, as well as the amounts which the Deputy Leader of Opposition spoke about. The amounts were straight off the top, and they were substantially bigger cuts than the rest of the states took, excluding the issues of specific purpose payments and semi-government borrowings.

We also have a downturn in our internal revenue-raising this year because the motor vehicle industry has had a downturn. Businesses are not buying cars because of the fringe benefits tax. Entertainment taxes have caused difficulties in the restaurant industry. The capital gains tax is biting into business again. The abolition of deductions for negative-gearing is affecting building and construction activity and biting into business incomes. Economic activity is declining and this has reduced our revenue income. We have balanced our budget this year and we are determined to do so again in 1987-88. We will have to make some very hard and unpleasant decisions in order to do that. Equally, we must maintain our drive and our effort to create jobs and support the development of industry.

I know that this duty is difficult for hoteliers and caravan park operators to accept. I know that they will have problems when they go to tour operators to inform them that room rates will be adjusted by \$2 per night. I understand that, but it is even more important for the industry that we maintain the marketing and promotional campaign to reinforce the success of Crocodile Dundee, the Last Frontier mini-series set in central Australia and the sealing of the south road. We must continue to promote the Territory while it is in the mind of the world. That will cost money and all we are asking from the industry is a contribution of 20%. Private enterprise investment in tourism is projected at \$300m and that investment will create an additional flow of tourists and jobs in the industry. The industry will continue to prosper if we promote it. Difficult as it is to tell the industry that this tax must be imposed, the fact is that it is a vehicle to promote the industry's continuing development in a responsible manner.

Mr TUXWORTH (Barkly): I rise this afternoon to address the Stamp Duty Amendment Bill and the Taxation Administration Amendment Bill. I am vehemently opposed to the introduction of both because of their impact on the Northern Territory community.

I will firstly say a little about the impact of petrol prices. The proposed increases mean that people who live outside Darwin will pay between 70¢ and 75¢ a litre. People in Darwin, who pay 50¢ to 52¢, will find it almost impossible to comprehend that people elsewhere in the Territory will be paying in excess of 68¢ per litre and in some places as much as 75¢. People cannot afford these prices, by any stretch of the imagination. If the government believes that the community has the capacity to put another 3.5¢ a litre into the government exchequer, it is misguided.

Mr FIRMIN (Ludmilla): A point of order, Mr Speaker! The member for Barkly is not addressing the correct bill. The petrol tax comes under item No 2 on the notice paper, the Business Franchise (Tobacco) Amendment Bill. We are now addressing the Stamp Duty Amendment Bill and the Taxation (Administration) Amendment Bill.

Mr SPEAKER: There is a point of order.

Mr TUXWORTH (Barkly): Mr Speaker, I accept the point of order. I was trying to kill 2 birds with 1 stone.

Mr Harris: You can have another go later.

Mr TUXWORTH: As the member for Port Darwin says, I can have another go later. He can be assured that I will.

For several reasons, the proposed tax on accommodation in the Northern Territory has to be the most incredible tax that we have ever considered in this House. The first is that the government actually has the hide to introduce it. For the last 3 or 4 months, it has done nothing but kick the hell out of governments which have put up taxes around Australia, in particular the federal Labor government. I agree with it about the rate of increase in taxation. It has to stop. But it has to stop here too, not just in other places. It is hypocrisy for the government to claim that the Hawke government is terrible because of its tax performance, but it is okay to bring in a bed tax in the Northern Territory, a tax that no other state levies. It is crazy, Mr Speaker.

This government has set the parameters for the development of the tourist industry in the Northern Territory, and it has asked the industry to follow in that direction. With the goal of bringing in a million people per year by the 1990s, the government developed and invested in infrastructure, set up tourist bureaus, and so on. It may be possible to achieve that number of tourists but, if the government proceeds with this tax, it will not happen.

The government, particularly the Minister for Tourism, has created an impression in the community that the tourist industry, especially the accommodation industry, consumes government funds. Some tourist enterprises do, but not all of them. It has been intimated that they do not contribute much to the economy. I can tell you, Mr Speaker, that, while the tourist industry does not pay a direct tax in the sense of a bed tax, a mining royalty or a registration fee, operators in that industry certainly have their fair share of costs and charges. In the last few months, the tourist industry has been lumbered with a pedestal tax - a tax of \$75 for every toilet bowl in an accommodation unit in the Northern Territory. Tell me that is not an imposition on the tourist industry, Mr Speaker. Water rates have gone up. Electricity charges and council rates have also gone up. Payroll tax is something of a burden for the really big operators. All operators face the possibility of a new insurance premium foreshadowed by the Treasurer in his economic statement. And we now have a bed tax.

Let's put to rest once and for all the myth that the tourist industry is not contributing to the coffers of the government. If it was not contributing at its present levels, there would be far fewer people in the Northern Territory and those of us living here would be paying much more for what we are getting. Bed taxes are not supported by the tourist industry anywhere in Australia. The bed tax has been shunned for years by state politicians with any knowledge of the tourist industry because they know it would be the death

knell of that industry in their states. No tax is supported but many taxes are accepted as reasonable. The tourist industry has been arguing for years, against state governments which wanted to bring in bed taxes, that they would seriously prejudice the industry and make it more difficult for it to expand. That is true and we will learn that lesson here whether we like it or not.

The proposed bed tax has many anomalies and I will deal with some of them in the committee stage. Its administration will turn out to be a farce. How are we to administer the collection of funds from the Daly Waters Pub, the caravan park at Borroloola, the roadhouse on the Barkly Highway and facilities in other remote places without the enormous expense of government inspectors going round like super-duper-pooper-snoopers looking inside everybody's rooms and checking their books? It is not possible. What will happen is that the major operators in the industry will become the major providers of funds to the industry because they are the easiest ones to catch.

Mr Speaker, you have lived out in the bush for a long time and would know, as would the member for Araluen who has spend so much time trying to sell Northern Territory beds around the world, that this tax will do enormous damage and its collection will be wellnigh impossible 40 km outside Darwin and Alice Springs. There has to be a measure of justice in a tax. In this case, the government has sailed into a fledgling industry. There was no consultation, as everyone knows. Without any notice, people who have committed beds in their hotels and motels to wholesalers and package tour operators for 3 years ahead are told that they must allow for a bed tax of \$2 per night.

When we left our motel in Tennant Creek, we sold bookings 3 years ahead and left them for the incoming management. Each one of those contracts obliged us to give the bus companies involved a fixed price for a bed in our motel, 3 years in advance, so that they could sell their packages all around Australia and in some other parts of the world. The government is now saying to every Territorian who is operating a motel or hotel and has developed a package tour and forward-sold it for 3 years at a fixed price: 'We have a gun at your head. You are a mug and now we are going to take \$2 out of your pocket for every night's accommodation you have sold'. That is pretty unreasonable for people who have been forward-selling for 2 or 3 years. It is unjust. They should not be asked to take that amount out of their own pockets because they were never given an opportunity to pass it on. Even if they decide to pass it on now, they would need to have the consent of the bus companies or the wholesalers. The bus companies have the capacity to contact all their customers and advise them that the cost of their stay in the Northern Territory has risen by \$20 or \$30 because of a government tax. That is impractical, unjust and unworkable. It is a joke, and anybody with any knowledge of the industry would not let it happen.

I am greatly concerned about the impact of this tax on the Australian tourist industry. For many years, the Australian tourist industry has been fighting state governments who have been looking to bring in a bed tax to bolster their funds. So far, industry has won the day and, as I said, governments have refrained from imposing such a tax. The Northern Territory is now opening the door for the introduction of this tax in every state, make no mistake about that. We have established pioneering approaches in many fields which have been picked up by the states within 2 or 3 years. This was the case with our mining legislation, our safety legislation, our casinos and a whole range of other things. The states will not be slow to pick up this legislation and say to the industry that the Northern Territory has the tax already and therefore it should not complain if they impose it as well.

The tourist and accommodation industry in the rest of Australia has a dilemma. If it sits down quietly and goes along with this, it knows there will be a bed tax within 2 years in all states. The industry has a vested interest in ensuring that our local tourist industry takes a huge knock from the introduction of this bed tax so that it is never used anywhere else in Australia. The member for Araluen can confirm that marketing is organised by big operator chains who can get together overnight and say: 'Let's steer our business out of the Territory for 12 months. We will point people towards the Gold Coast, Perth, Fiji or Bali. We will tell customers that the bed tax is an impost that they cannot afford, the price of petrol is more than they can afford to pay and there are better places in Australia to visit'. The result will be a downturn in our tourist industry which will not just eliminate the revenue that we are all talking about collecting, but will drive a lot of businessmen to the wall. It will put a lot of people out of jobs - people who can ill-afford to be without jobs.

If we wanted some form of income collection from the tourist industry, it might have been reasonable to look at the matter in consultation. This tax is a disaster. Let me just point out the effect of a \$2 bed tax on cheap accommodation. Many people who come to the Northern Territory spend from \$5 to \$15 a night on a bed because that is all they can afford to pay. They cannot afford any more. What do you think those people are going to say when they find out that the cost of a night's accommodation is not \$5 but \$7 and the government is getting the extra \$2? What is that going to do for the good image of our tourist industry? What happens when they cannot afford it? Where do they go then? The impact of a \$2 bed tax on cheap accommodation defies the imagination. How the government ever got sucked into this is anybody's guess!

I started off by saying that the government set the scenario for the development of tourism in the Northern Territory. We gave the industry the parameters. We organised some development. We went chasing airports, built better roadhouses and did all sorts of other things. Industry came along behind us and invested. Many small business people were involved, not just the multi-million dollar enterprises. These people put \$200 000 or \$300 000 into their caravan parks or motels and they created jobs, whether it was a matter of 2 jobs or 20 jobs. Those positions are now on the line because the future of those investments will be prejudiced by this legislation.

Having enticed people to follow the course set by the government with its investment of massive amounts of promotional funds, it is pretty unreasonable to turn around and say that we cannot afford that promotion any more in these hard times. The government is not just saying that promotional activities will be cut; it is saying that those activities will continue and the industry will pay for them. Mr Speaker, if you had told those small investors a few years ago that, after they constructed their motels and had their investment locked in, the government would withdraw its funds for the promotion of tourism and send them the bill, what sort of investment do you think we would have had? We would not have had much at all and, if we proceed with this bill, investment will dry up. People will say that, if you go to the Northern Territory, invest your money and get your bricks and mortar up, the government will come along in a couple of years and slug you with a tax that will make the whole show worthless. If we cannot continue to fund tourist bureaus and promotion at the same level, that is unfortunate and maybe we should stop it. Maybe we should not have so many TV commercials or send so many promotions overseas, but it is pretty unfair to tell the industry that it will have to pay for the government to continue spending merrily.

The industry has some pretty interesting questions to ask about the \$2m which supposedly will be raised. Who is going to supervise its expenditure? Will it be the industry or will it be public servants? Will it be a collection of people? That is not an unreasonable question, given that the industry will be putting in \$2m. People would also like to know what end of the market the money will be spent on. Will it all be spent on the small, developing hotels, motels and caravan parks in remote areas or will we spend some more on the Sheratons and Yulara? People in the industry do not want to spend any more on the Sheratons and Yulara. Mr Speaker, how do you think the owner of a little 40-unit motel feels when he picks up a copy of Time magazine or The Bulletin and finds \$7000 per page spreads promoting hotels which have \$10m pumped into them every year just so that they can stay open?

Applause from public gallery.

Mr SPEAKER: Order! I advise all members of the public gallery that no disturbance whatsoever will be tolerated. If there is any repetition of that, I will have no option but to have the Chamber cleared.

Mr TUXWORTH: Mr Speaker, the fact is that there is absolutely no justice in this. The problem is that the people who thought up this legislation do not have even \$2 of their own money invested in the industry and they have no idea how hard it is to run a tourist operation here and keep it profitable.

Mr Perron: Where have you been for the last 10 years?

Mr TUXWORTH: Where have I been? Let me just say that I made a pretty fair contribution to the tourist industry, in a small way, and I am proud the place that I started ...

Mr Perron: Does that include Yulara?

Mr TUXWORTH: Mr Speaker, I will come back to that, but let me just come back to what I was saying. I was proud of the operation that I was involved in. The people that came after me built it into an even better one. I will tell you how hard it was when I built it. It was hard to get money. The banks would not lend and we had to go to a finance company for a loan at 16%. There was no local builder and we could not get one to come up from Alice Springs. It was all risk. While we were building it, the other motel owners told us that, if we installed air-conditioning we would go broke. They also told us we would go broke if we paid more than 12% for our money.

It is very hard to start a tourist development in the Northern Territory, and I would have thought that the minister who interjected would have known that because he has been trying for some time to establish his own little venture to tide him over in later times. If he has the entrepreneurial skill to go out and do that, good luck to him. But let us not put down those people who have their lives and their fortunes locked into investments all over the Northern Territory and who cannot stand a \$2 bed tax because they are struggling.

Mr Speaker, a moment ago I spoke about the galling feeling that people in the industry have when they see the government's involvement in the Sheratons, the Yulara and other properties. Decisions to become involved with those properties were taken deliberately on the basis that they would stimulate the growth of the industry and that, in a short period, the government would be out of them. The reality is that the government is not out of them and it is protesting that there is no way it can get out of them. It will pump a small

fortune into them. It is pretty hard to tell people in the community that their small businesses can go broke while the Beaufort Hotel owes \$2m for water and electricity - a sum which we hope to get back when the liquidator gets all the money owing from creditors. It is pretty hard when some people in the community have to suffer cuts to their pay and conditions so that the government can maintain its payments to the Sheratons and Yulara. There has to be a point where we see sanity.

Mr Hatton: You were involved in the Sheraton and Yulara deals.

Mr TUXWORTH: I was, and I do not resile from that for a moment. Given the information we then had, the decisions were good ones. But times are different now. The reality is that the figures did not stand up and it is time to get out. I heard all that mealy-mouthed stuff the other day about how we cannot get out of those agreements. That is balderdash. If we do not get out of them, they will drag the Northern Territory down the plughole. It will not be just the tourist industry; the whole of the Territory will disappear.

Mr Dale: Are you morally right on this?

Mr TUXWORTH: Mr Speaker, here we are pumping in all this money. How much is it? About \$10m for Yulara, \$2m or \$3m for the Alice Springs Sheraton, \$10m for the Darwin Sheraton ...

Mr Dale: You don't agree with it now?

Mr TUXWORTH: Mr Speaker, I think we should get out. That is how much I agree with it.

Mr Dale: Well, why don't you?

Mr TUXWORTH: If I had an option, I would auction them.

Mr Coulter: There's the door!

Mr TUXWORTH: Mr Smarty-pants says, 'There's the door'. Anybody who does not agree with the government can walk out the door. It just could be that we have reached the point of insolvency and we cannot afford to go on with this nonsense. If we want to save ourselves, we have to hold an auction and get out. Throughout Australia today governments, big companies, little companies and people with small household budgets are asking themselves what they have to give up in order to survive. The Northern Territory is in exactly the same position. We have to start getting out of some of these things or we will not survive.

I accept the point made earlier concerning our treatment at the hands of the Commonwealth government for the last 3 years. It has been dreadful, unfair, vicious, vindictive and unnecessary. That treatment is not going to stop. We have had it for 3 years in a row and if, God forbid, Labor wins the election, it will continue ...

Mr Smith: God forbid that John Howard should win!

Mr TUXWORTH: God forbid that Labor should win, because we will have more of the same. If we are subjected to that, our capacity to meet these other obligations will be less and less. The longer we put it off, the worse it will be.

I want to return to the bed tax because it will do us enormous harm. I am really concerned that we might incur the wrath of the major tourist promoters in this country and see many of our tourists deflected away into other markets in a deliberate attempt to show that, whenever you have a bed tax, things are bad. If that happens in the Northern Territory, the industry will be able to run to the state governments and say: 'See what happens when you introduce a bed tax. We should not have one here'. The ministers will say: 'That is right'. We cannot afford to take the chance that that might happen. Who will be here for the second year if our caravan park industry and our motel industry happens to have a really hard time between now and next March, through no fault of its own, because of a tax it does not support?

Mr Speaker, it is time for us to see common sense. I say to the government that there is no doubt that it has to cut back. Everybody knows that and there are plenty of opportunities to do it. One of the things that it cannot do is to have it both ways. It cannot go around kicking the head of the federal government for taxing everybody to death whilst it simultaneously brings in 2 new taxes of its own and will merely raise moneys that will be pumped into the Sheraton to keep its doors open. That is unjust, unreasonable and insupportable.

I believe that I am going to stand alone in this. No one in the Assembly is going to support me. That is okay. I am happy to be a lone ranger on this issue because it will not be very long before the industry is doing what those people outside were doing. It will go to the wall too if this nonsense does not stop. Mr Speaker, I do not just reject the bills, I condemn them.

Mr POOLE (Araluen): Mr Speaker, for many years the Northern Territory has had a very vibrant and viable tourist industry. Indeed, since 1980, our annual visitation has increased from about 280 000 people to nearly 750 000 today. This increase did not happen by accident. It happened mainly because this government was prepared to commit considerable sums of public moneys to attract tourists on behalf of the industry.

I well remember the enthusiasm with which the industry received the 1980-81 Tourist Commission budget. The commission budget grew from under \$2m in 1979 to a peak, 2 years ago, of \$13m. That money was spent directly for the benefit of the tourist industry. I readily acknowledge the part that the industry itself has played in promoting the Northern Territory with free accommodation for travel agents and Tourist Commission staff, free meals, free air fares and its general improvement in standards. However, let me point out that that contribution was made, almost without exception, by the larger operators in the early days. It is only in the last couple of years that the smaller operator has come along and played his part.

A minority of establishments in the Northern Territory contribute great sums. I can remember the casino management telling me some years ago that it spent some \$97 000 in free accommodation in 1 year. Indeed, a few years ago, many operators took the opposite attitude and charged full tote odds when the Tourist Commission organised groups of interstate guests such as travel agents or international tour wholesalers to come and look around the Territory. Specific locations such as Ayers Rock and Kakadu have suffered considerably in the past few years, primarily because they have limited accommodation.

The government, in its turn, has assisted tourist promotion associations to a considerable financial extent. I would suggest that it is the only industry in Australia which is actually paid by government to lobby government. In some respects, the lobby groups have really failed to meet

their obligations to their own industry. I well remember talking to a minister a few years ago when, as Chairman of the Tourist Commission, I wanted to reduce a subsidy of some \$15 000 to a local regional tourist association, primarily because it had held only 2 meetings in 12 months. The member for Barkly has a short memory because he was the minister who refused to allow me to do so.

Mr Speaker, I put it to you that the Tourist Commission has done a number of things with public moneys in the Northern Territory. It has, for example, extended the tourist season in the Top End. When I first came to the Northern Territory 8 years ago, the tourist season in the Top End was very short. It is now 7 or 8 months long instead of the then 3 months. The Tourist Commission also expended considerable sums on southern and overseas promotions, assistance with travel costs and brochure assistance. I remember the scheme in which the commission printed small operators' brochures at no cost in order to assist them when they were starting out in the industry. The government has also spent public moneys in establishing training schools such as Gillen House in Alice Springs and the tourist industry courses at the Darwin Institute of Technology.

The bed tax is not unknown in the tourist industry. In France, Hong Kong, Singapore, Germany, Holland, Italy, Japan and, I believe, almost every state in the United States, you will pay some form of state or government tax if you stay in an accommodation house or buy a meal or a drink. When the industry complains about a \$2 tax being charged to the users of its facilities, I despair. We are not asking the industry to come up with the money and we are not talking about increasing rates. I know full well, having had 20 years experience in the tourist industry, that when you quote room rates in advance, you quote a fixed price. A sensible businessman always gives himself the opportunity for an out in respect of state or federal government charges. A standard clause is used throughout the tourist industry. As far as room rates are concerned, it is irrelevant whether 6 months' notice or 15 months' notice of the imposition of this tax was given to the industry. I regret that there has been a need to introduce it, but I support it because I believe the industry has to start paying its way.

Mr Speaker, it is a select tax. It costs \$2 per night for a room and \$1 per night for a caravan. It is not a particularly expensive tax and it is not difficult to explain to a family which is coming to the Northern Territory for a holiday that it must pay an extra \$7 or \$14, depending on the type of accommodation it stays in. That is not a great amount. I believe the general public accepts that the government cannot go on spending money and promoting an industry without the industry paying something in return.

I know that a certain section of the industry recommends cuts to the commission's budget. I simply point out that, since 1979, industry sales through the Northern Territory Tourist Bureau have risen from about \$1m a year to \$12m or \$13m a year in 1985-86. I noted the remarks of the member for Stuart about the Australian Tourist Commission and the fact that domestic marketing should be coordinated. I was a member of the Australian Tourist Commission at the time it decided to enter into domestic marketing. I argued very strongly against that and I lost my case. I believe that its entry into the domestic market led to total confusion and the spending of taxpayers' money solely to promote the image of the federal Minister for Tourism and the Prime Minister of the day. It really did not achieve anything. The Northern Territory Tourist Commission was actually asked to contribute \$750 000, if my memory is correct, and we refused to do that.

The member for Stuart also believes that the Northern Territory Tourist Commission should coordinate its overseas selling with that of the Australian Tourist Commission. I simply point out that, if we had gone the way of the Australian Tourist Commission a couple of years ago, we would be paying for a sales representative based in the Singapore office of the Australian Tourist Commission, solely allowed to sell in Taiwan and Korea. That was the very reason that the Northern Territory Tourist Commission decided to go it alone and appoint its own representatives.

Over the last few years, overseas visitors, who are a very important component of total visitation because they come during the off-season, have grown in number from about 20 000 to over 100 000. A tax of \$2 per night is something the average overseas tourist probably expects to pay. Whenever you travel overseas, you pay it. You will find that out if you stay in Paris for a week. Many people do not realise that, in Paris, you pay a tax of 15%, which is a service charge, and you pay a 5% tax to the government to assist it in its tourism marketing. It adds up to 20% and it is a lot of money.

It is not as though this tax was going into consolidated revenue where it will be spent on other areas. It is simply a tax that we are asking the industry to collect on our behalf. I know that will be a pain and I know it will not be popular because, as the Minister for Industries and Development said a few moments ago, nobody loves taxes. We have never introduced a tax that has been welcomed by anybody and I do not expect that to change. However, I say to the industry that it is time it started to look at its marketing operations and started to contribute to paying its way. I know that is an unfair comment in relation to quite a few operators in the Northern Territory. It is certainly not an unfair comment, however, to address to the industry as a whole. It is not unfair to tell the industry that it is time it paid for its own association. It is not unfair to tell the industry that we can no longer afford to ship its members down south and pay accommodation and air fares, as we have been for many years, although not in all cases.

The level of assistance given to the industry by government is far, far greater than is commonly known. Considerable amounts of money have been spent and it is time for the industry to stand on its own feet. It is time for the industry to turn around and say to the government that it will help to collect this tax and forward the receipts to the government so that we can increase visitation numbers and keep business at its current level. It is the only tax I have ever heard of where receipts will be used solely in support of the industry from which they are collected.

I remember approaching the industry 5 years ago on the matter of convention areas. I talked to all the regional tourist associations and asked them to join with the Tourist Commission in setting up a convention bureau. I played my part, whilst in private enterprise in Tasmania, in establishing a convention bureau and I note that tourist convention bureau directors are currently holding their annual meeting in Darwin for the first time. This is the only region in Australia which does not have a private enterprise convention bureau which members of the industry contribute to and run on their own behalf. I would simply remind the local industry that, if it cannot contribute and cannot support the government in its tourism marketing efforts, I personally would start looking at things like selling off the Northern Territory to private enterprise and letting the industry go its own way.

I am quite sure that, in these harsh economic times, the average citizen of the Northern Territory will not sit at home and let the government continue to spend large sums on the promotion of tourism for the benefit of what is

admittedly a large industry in the Northern Territory with some very wide ramifications for the general community. It will be very difficult to convince the average citizen that government expenditure in the tourism marketing area really benefits the man working on the road or digging holes. I would not say I commend this bill, but I support it. It is necessary and the industry has to play its part in helping the government meet its financial obligations.

Mr COLLINS (Sadadeen): Mr Speaker, the matter of conveyancing comes up in the context of these cognate bills. It relates to the fact that, by keeping documents interstate, some people are dodging Territory stamp duties and defrauding the Territory of moneys. I fully support the clause of the Stamp Duties Amendment bill which will put a stop to that practice.

While I am on the subject of conveyancing, I believe the government should be doing more in this area to help ordinary people. People are hurting because of the cuts that have been inflicted on us by the federal government but, in the Territory, they also have to put up with a monopoly in conveyancing. It is all in the hands of lawyers and ordinary people have to pay through the nose. I have mentioned in this House previously that I paid a lawyer to do some conveyancing for one of the little farm blocks I bought. I did the second one myself with a little guidance from a friend. In the vast majority of cases, the job of conveyancing is a tremendously simple one. The lawyers have their word processors out the back where the little girl takes off one name and puts on another and, rat-a-tat, out comes the document for \$300, thank you very much.

On previous occasions, I have mentioned the conveyancing schemes available in the states, particularly the Western Australian scheme which allows a broader section of the community to enter the industry and where a fee of \$100 for conveyancing services is quite reasonable. Non-legal people could make good money if such a system were introduced here, and it would certainly save a few bob for the ordinary Territorian who needs a few advantages. It is time the government broke the conveyancing monopoly and let ordinary people have a go so that the consumer can get a fair deal.

In the same vein, I remember a paper which was given to members of the government party a few months ago when I was a government member. It related to bank charges on mortgages when people transact land sales and building property sales. I believe that is an area which really needs to be looked at. When I was setting up the mortgages on the farm blocks, I had to pay a charge of about \$600, and that is daylight robbery. For the sake of ordinary people, it should be investigated.

I would ask the government seriously to take those 2 matters on board, despite the donations of lawyers to political parties. I have no proof whatsoever that lawyers make those donations, but I remember the former Leader of the Opposition, Bob Collins, condemning me roundly for suggesting that conveyancing could be done far more cheaply than it is. One observes that there are a large number of Labor lawyers who no doubt contribute to that party. Bank charges and the monopoly on conveyancing are 2 areas where the government could act in a very real and positive manner to help consumers, who are smarting from all the cuts that have been inflicted on us.

I now turn to the matter of the so-called bed tax which is actually a room tax. I well understand that the government has been put in a position beyond its control. The Territory has been hit very hard but, in this Assembly, we

often act like chess players moving bits and pieces about and forgetting that we are actually dealing with people in the community. The people will have their countering moves. We have heard suggestions today - and they may be only threats - that concessional room rates no longer will be provided for Tourist Commission and government officers. That is a move which people in the industry could make. As the member for Barkly suggested, it is possible that, in order to prevent the same bed tax being applied throughout Australia, the tourist industry will shun the Territory. It is a possibility that frightens me. Our industry is too important for that to happen.

Initially, it seemed that the bed tax would be a simple matter. I was at the Regional Tourist Promotion Association meeting in Alice Springs when the minister addressed it. I am sure that he agrees that there are many anomalies. The same tax applies whether the room costs \$10 or \$120. That seems inequitable and unfair. The feeling of the meeting was that it would be far better to take a percentage of the charge. After the minister had left, there was further debate which I certainly did not take part in. The association moved to oppose the tax in toto. That is a move which I have come to support. I will tell you why, Mr Speaker. One of the members of the Alice Springs Regional Tourist Association spoke to me on the night before the meeting and said that the industry would not feel so badly about it if it had some control over the \$2m which is expected to be raised. If it could have some say in the spending of that money, it would be all right. The member for Araluen had some reservations but it was fairly obvious that he was defending the imposition of this tax.

I would like to quote from yesterday's Centralian Advocate. The article is headed: 'Privatisation - Do We Need It?' It quotes from a speech made by the Deputy Chief Minister at a luncheon in Alice Springs:

Why should government manage a host of services and functions that industry can do leaner, better and at less cost? When activity is exposed to market forces and competition, goods and services are normally delivered more efficiently, cheaper and in a manner beneficial to consumers.

Amen, Mr Speaker. I would agree with that, but I find it rather frightening because, on the same page, the minister shows his lack of faith in private enterprise when he says: 'It will be interesting to see if industry takes up the challenges and funds the services with responsibility'. He went on to explain some of the things that he felt would be cut. I believe that the industry has the capacity to look after itself and make its own judgments. The member for Araluen in effect was suggesting that the Tourist Commission was the best vehicle for promoting the industry. It is time for the government to take a small step in faith and say to the tourist industry that it will not collect this tax but will spend \$2m less on tourist promotion. The industry itself will then have to take a share - the Chief Minister said it was 20% - of the burden of that promotion.

If an operator's accommodation is 95% full all the time because he charges a low price, why should he have to contribute \$2 or pass on that impost, which is a very large percentage of his low costs, to the people who stay at his facility? Why should he have to do that, knowing full well that he is not going to obtain much benefit from the promotion? The people who will benefit from the promotion will be those offering high-level, high-cost accommodation - those who need \$7000 full-page advertisements. Those are the people who will pick up the benefit here.

If the government is fair dinkum about being smaller, it would take up my suggestion. It would mean giving to the operators themselves \$2m of what I believe is a total of \$14m spent in that area. The government should have a little faith and let these people show that they are capable of looking after themselves and spending the money to promote their own enterprises in the way that they see fit. That is the sort of freedom which they need. It requires only \$2m out of \$14m, and the government should take it on if it is at all serious about smaller government. I am sure we all remember the Chief Minister's speech expounding on that theme. We have to give the responsibility to the industry. The Minister for Mines and Energy said this morning that we must get the federal government's foot off of our neck. It permits South Australia mine its uranium but it will not let us open up new mines. I could not agree with him more but the same applies to this government. Let it get its foot off of the neck of the tourist industry. Let it have faith, as the minister said in his address about privatisation, that the private sector can do it better, more efficiently and to the greater satisfaction of the marketplace.

There is a very simple solution for the government: forget the bed tax. The government will only become the target for a whole lot of dynamite which it does not need. It is receiving enough flak from the public service. Public servants are expected to take cuts. I think that is a fair thing and I say to the tourist industry that it is fair for it to take a share of the burden. It is an important industry which employs a great many people and provides considerable spinoffs, but it should take its share of the burden and allocate some funds in the areas it sees as appropriate. The government should not dictate whether the industry spends \$2m, \$3m or \$5m or whether some of its members spend nothing at all. That should be up to the industry.

That is the easiest way for the government to tackle the issue. It has to have the faith to believe that the industry is capable of doing it. Nobody else is more vitally interested in the industry than its members because, if they fail, their industry fails. As the minister said in his speech about privatisation, the industry will be able to do it in a leaner, more efficient and effective manner, with a great deal of satisfaction.

I support the government's move on conveyancing and would ask it to take on board the 2 matters I raised in the interests of ordinary people in the community. However, I cannot and do not support the bed tax. There is a very straightforward and commonsense way for the government to handle the issue. Other people have had to take cuts so let the tourist industry take cuts and let its members demonstrate, in a small way, that they are capable of standing on their own feet and doing the Territory proud.

Mr HANRAHAN (Tourism): Mr Speaker, I will just settle the matter of conveyancing for the member for Sadadeen. I remind him that the pros and cons of conveyancing are currently the subject of considerable study and I am quite happy to gather that information together, sit down with him at his convenience and discuss the issues.

Mr Speaker, I will start by addressing the comments of the member for Sadadeen because I would be the first person to take a giant step forward and say to the industry, to the Hoteliers Association and to the tour operators based in the Territory, that I will open negotiations tomorrow to sell the Northern Territory Tourist Commission and its operations to them. To maintain the current marketing momentum, it will cost them \$13m per annum. I would be very happy to start those negotiations for the industry collectively to take up full or partial responsibility for those operations. I stress the word

'collectively' because that is the hard part, the part that I have great difficulty grasping - that the industry would take on responsibility collectively.

I invite the industry to come to me. I will start discussions. However, with the sole exception of the Convention Bureau, the removal of any segment of the Northern Territory Tourist Commission operation would do nothing more than fragment a coordinated effort, not only in all states of Australia but in the rest of the world. The industry should not think, because it is being asked to accept some of the burden, that the government will draw back from its responsibilities. The industry realises that, without taxpayers' dollars to back it up, it would need some form of revenue mechanism to help it pay for its own marketing. Those funds do not appear out of nowhere.

Let me simply say that the government is happy to talk and always has been. Let me refute some of the suggestions that have been bandied about - not necessarily by the industry - and submitted for public digestion in various forums. Once we have a final piece of legislation, hopefully this afternoon, information will be sent out to everybody in the industry. The Northern Territory Tourist Commission is working with the Treasurer to ensure that that will happen sooner or later.

A tourism marketing duty will come into effect on 1 August 1987. It is levied at the rate of \$2 per night per occupied room. The word 'room' means that, if there is a bunkhouse that has 2, 5, 10 or 15 people in it, the charge is still \$2. There is no charge on an unoccupied room. The system of duty is by the affixing of an adhesive stamp to an invoice in multiples of \$2 or more. The stamps will be purchased from the Commissioner of Taxes. A line of credit will be extended to operators in the industry to ensure that there is no up-front cash impost. There will be no extra staff and no extra administrative burden on the government. It will be handled by officers currently involved in the stamp duty operation in the Treasury.

As the member for Barkly pointed out, all taxes present the opportunity for avoidance and the government accepts that. That is why we have laws and penalties for breaking the law. It is not intended that there will be a mass of inspectors descending on accommodation houses all over the Territory. I guess it will largely be an honour system. We have a fair idea of what is happening in the industry, however, and there are registration clauses in the legislation which require an operator of an accommodation house, by definition, to be registered with the Commissioner of Taxes. Forms will be available from the commissioner.

Youth hostels and camping grounds, by definition, are exempt from the duty. As I have already stated to the industry, applications for exemptions can be made to the Treasurer. In the very forefront of our minds will be the inequities in relation to low-cost accommodation of \$10 or \$12 per night. The government is aware of some of the problems and is moving to address them.

The registration requirement is in the legislation. The industry wanted us to allow the duty to be incorporated, over a period of time, into a room rate so that it would be easier to collect and there would be fewer selling problems. The government will allow that to happen by application to the Treasurer. The remittance will be allowed on a quarterly basis and there is no doubt that the duty is commissionable, which is one of industry's concerns. A maximum of 7 nights per room per accommodation house is dutiable.

I would like to deal in general terms with what the member for Barkly said. I must confess that I was disgusted at his speech. It was political opportunism at its grandest. He is a former member of Cabinet which makes decisions for an on behalf of the people of the Northern Territory. For him to walk away from collective decisions which were made in the best interests of the people of the Northern Territory and to waffle now with the pathetic excuse that things are different today is absolutely disgusting. It is a measure of the man, and he certainly deserves no credit from honourable members for that statement.

I will take it one step further. The member for Barkly is more than aware of the intricate financial arrangements and the reasons for the establishment of Yulara and the Sheraton Hotels. Mr Speaker, if he wants to stand up and call me a liar, I have the facts to prove it.

Laughter from public gallery.

Mr SPEAKER: Order! Serjeant-at-Arms, please clear the gallery. The Chair will be resumed at the ringing of the bells.

Sittings suspended.

Mr Speaker Vale resumed the Chair.

Mr HANRAHAN: Mr Speaker, if I had spent all night thinking about the worst thing I could possibly say, I could not have managed to do it as well as I just did. Of course I am not suggesting that I am a liar. I am suggesting that, if anyone wishes to call me one in relation to the circumstances I have been explaining, I certainly have the facts in the files to prove that that is not the case. I was going to remind the member for Barkly, who is not here to listen, that it was he himself who sent me and other gentlemen, in August 1985, to reorganise the structure of the government's investments in Yulara and the Sheraton Hotels. The member for Barkly is well aware of this government's ongoing efforts to ensure that those assets are managed in a proper way on behalf of Northern Territorians. I feel sure that the Treasurer will have more to say about this in his reply. There is no question in my mind that the efforts of the member for Barkly need to be deplored by honourable members because he certainly has done himself no credit by walking away from decisions of which he was very much part. I need only ask who was Chief Minister when the rates of pedestal tax were increased. Was it the member for Barkly or was it not?

Mr Speaker, this duty is not payable by the operator for and on behalf of the person using the room. It will be paid by the person using the room, the visitor to the Territory. The money will go into a trust account which will be used to help market the Northern Territory. As I said to the industry the other day at its protest meeting, I will do everything in my power to ensure that the general revenue that is currently allocated to the Northern Territory Tourist Commission is not reduced because of the revenue raised by this duty. It should be obvious to anyone that there are ever-increasing costs to government in terms of sustaining its marketing efforts.

We started 3 years ago with a Tourist Commission that had only about half its present budget. This year, we will spend \$13m to market the Territory in Australia and worldwide. There is no doubt that the efforts of the Northern Territory Tourist Commission are to be applauded and commended by all. I am sure the industry and the operators who are concerned about the imposition of this duty would not in any way vent their frustrations on the efforts of the

Northern Territory Tourist Commission. I am sure that they are fully aware of the commission's efforts and the support it gives to the industry as a whole.

I take the view that, because of the importance of the industry to the Territory economy across the board, under no circumstances should there be a fragmenting of the marketing effort. I have said quite plainly and very publicly to the industry that I will be expecting it to bear some of the costs in the future. I would hope that, through the raising of this revenue, we may be able to assist the industry further. However, if the industry still maintains the view that it would like to take up the challenge and start to look collectively at certain areas that it can fund, without creating a situation where the overall marketing of the Territory suffers, I will be the first to sit down with its representatives. I doubt that any operator, in the accommodation or direct operations sectors of the industry, would say that he does not benefit in some way from the efforts of the Northern Territory government and the Northern Territory Tourist Commission's marketing dollar.

Let me comment on another matter raised by the member for Barkly. I refer to the question of responsibility for the expenditure of the revenue raised for the collective marketing of the Territory. I can say quite categorically that there is no other government body in Australia responsible for expending taxpayers' funds on tourist marketing which has a structure like ours whereby there is a Tourist Commission with a Tourist Advisory Council and the local tourist promotion authorities having a direct input. Anybody in the industry who does not realise this has not been listening. The industry has direct input into the commission, which advises the government on policy and is responsible for government expenditure on marketing.

The Tourist Commission has a board which is comprised of 5 people. They are industry representatives from Darwin and Alice Springs, plus the commission's chairman who has been in the game for 20 years. Industry representatives are on the commission. They make policy recommendations, they frame budgets and they make expenditure decisions such as whether we will open up an office in Frankfurt instead of London. They receive direct input from the Tourist Advisory Council which is made up of the chairpersons of the Tourist Promotion Associations throughout the Territory. That is direct industry input into the Northern Territory Tourist Commission, and it is direct input in respect of what happens with every dollar. It is an absolute furphy to suggest that the industry collectively does not have a say. It is an untruth. The industry has its say and this government has always recognised the importance of that. The input of these experienced people has brought benefits both to the industry and to government.

Some of the so-called anomalies and inequities in the levying of this duty have been put forward in an atmosphere of emotion and frustration. I accept, in part, that the industry has a problem with the collection of the duty. In the initial stages, we have bent over backwards to allow latitude and flexibility in the arrangements and the industry can certainly come forward with its ideas. To suggest that we are asking people in the industry to collectively pay the duty for and on behalf of the people staying in accommodation is not correct. As the member for Araluen explained quite adequately, there is no doubt that there will be problems in some circumstances where major forward bookings have been taken. The impost, however, is not beyond the bounds of reasonableness. We are simply asking the industry collectively to assist with the collection of a duty which will ensure that the government can maintain its marketing efforts.

I go back to what I said at the start, Mr Speaker. I have no hesitation whatsoever about sitting down with industry representatives if they can collectively assure me that they can get together and take over the financial responsibilities of marketing the Territory. That does not mean total government withdrawal, but I would like to be assured such a move would not lead to the fragmentation of the Tourist Commission's marketing efforts. They are too important to the industry generally to allow that to happen.

I do not believe it is possible for the government to go any further in appealing for industry cooperation. As I said, I have always maintained an open-door policy and industry representatives can come and see me whenever they like, as they have done. I thank them for their telexes and advice over the last 2 weeks, but I support the introduction of the legislation. I thank honourable members of the opposition for their support. I am sure the Treasurer will deal with some of the aspects contained in the amendments coming forward this afternoon. Amendments are also proposed by the member for Koolpinyah and the Leader of the Opposition and I am sure the Treasurer will deal with those in detail.

Mr Speaker, I hope that, at some time in the future, the industry's view will soften and become more favourable than it is at present. There is no doubt that the last thing the Territory economy can stand is a fragmentation of the marketing dollar which is bringing so many people to the Territory. I will never accept that the imposition of this duty is going to create such mass destruction in the industry that people will stay away. It simply is not true.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Speaker, in rising to speak today, I address my remarks to the Taxation (Administration) Amendment Bill. I have circulated an amendment which I will move at the appropriate time. This legislation will affect small business people and other people in my electorate.

I am against the spirit of this legislation and its implementation because it seems to me to be starting to wring the neck of the goose that lays the golden egg. We have not killed it yet but we are on the way to doing so. Perhaps the longer I stay in this Assembly, the more cynical I become, but it seems that, if anything makes money, we start to tax it. I have had quite a bit to do with small business. Small business is struggling and has been for some time. As soon as small business people start to invest their money in their businesses and start to make money, they are taxed. I am not saying that the Northern Territory government is alone in doing this; the federal Labor government does the same thing.

Mr Dondas: It costs \$1 to cross the Sydney Harbour Bridge now.

Mrs PADGHAM-PURICH: I am not travelling on the Sydney Harbour Bridge. Neither are my constituents or anybody else here. It is immaterial to this argument.

Mr Deputy Speaker, I am not really concerned with operations like the Sheraton, the Beaufort, the Four Seasons and other large hotels. My main interest is in small businesses, the small-time tour operations and caravan parks run by owner-operators. I am not unsympathetic to the problems of large operations, but I believe that they have a greater range of options in financially absorbing this tax. When this tax is implemented - and I have no doubt that the government's numbers will ensure that - small business people will face another disincentive.

Tour operators and caravan parks cater for ordinary people who may or may not have complete holiday itineraries when they set out from home. As these people go from place to place throughout the Territory and Australia, they use local knowledge. They ask local tour operators for information and they use that knowledge to choose motels, caravan parks and tours in other places.

The industry recently held a meeting which I attended, as did the Minister for Tourism. It was said there that southern tourists will not continue to come to the Territory in their present numbers because it will be in the interests of operators in the tourist industry down south to try to stop the flood of tourists to the Northern Territory. There are many more people on the road this dry season. I know that because I travelled down to the Adelaide River Show on Saturday and I must have driven behind every granny and grandpa with a caravan on the road. They were all doing about 40 km or 50 km per hour. Never mind, it is all good for Territory industry.

Mr Coulter: Do you want to get rid of them too?

Mrs PADGHAM-PURICH: I said it is all good for Territory industry, as long as I do not meet them on the road.

Mr Deputy Speaker, I believe what was said at the meeting, which is that tour operators down south will discourage tourists from coming to the Northern Territory. If tourists want to come to the Top End, they will be encouraged to go to Western Australia or Queensland. This is because tourist operators down south will see that, if this tax continues in the Northern Territory and nothing is done about it, it will be introduced in their own states before too long. Of course they will not want that. I believe that next year will not be as good for caravan parks and small motels as this one. Tourists visiting the Territory do not stay at one place very long. They usually stay for 2, 3 or 4 days at each motel or caravan park and they pay for every night of a holiday.

I have caravan parks in my electorate and the people who stay in them often come into my office for information, to have a bit of a chat or to make arrangements for voting. I speak with many of them. They are retired people and some are on pensions. They go to a place and stay in their caravan at a caravan park until their next pension instalment comes through. Then they go on a bit further. These are not the sort of people who plan their itinerary from go to whoa before they set out. They will have referrals from caravan park operators about what is ahead of them along the road. I can see that there will not be as many people coming to the Territory next year. The only out that I can see for caravan park operators is ...

Mr EDE: Mr Deputy Speaker, I draw your attention to the state of the House.

Bells rung.

Mr DEPUTY SPEAKER: There is a quorum present. Please proceed.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Deputy Speaker, I appreciate the interest of the Deputy Leader of the Opposition in ensuring that members listen to what I have to say. I should probably not be trying to encourage people to avoid the tax but my concern is for small business operators who, I believe, are getting a pretty rough trot now through other facets of government regulation. The only option for avoiding the duty would be for the caravans to be put on a block outside the caravan park and for people to camp

in tents. The legislation says that the impost does not have to be paid by permanent residents of caravan parks and I think we may see an increase in nominated permanent residents in caravan parks.

At the meeting that I attended, I spoke with a small tour operator who said that the tax will immediately cost him \$14 000 because he has taken bookings 2 years and 3 years ahead. After that, he said it would cost him about \$120 000. He has taken firm bookings to which he cannot add the new tax and therefore he will have to absorb it. He says 3 jobs will go.

Mr Perron: Who is this?

Mrs PADGHAM-PURICH: I am not going to tell you now.

Mr Perron: A caravan park?

Mrs PADGHAM-PURICH: No, he is a tour operator. He used to work in Block 8.

Mr Perron: I see.

Mrs PADGHAM-PURICH: No, no.

Mr Collins: No names. No pack drill. It does not pay.

Mrs PADGHAM-PURICH: Mr Deputy Speaker, I have not mentioned the large hotels but I believe, given their business expertise, that the minister could have consulted them in an adult way in the course of proposing this legislation. They could have been presented with the government's problems, told the Tourist Commission budget would be cut and then asked for their opinions on where the money could come from. It is all very well for the Minister for Tourism to say now that he will consult with the industry. If it is good enough for the Minister for Labour and Administrative Services to consult with the TLC, although no agreement was reached, it is surely good enough, even as a matter of common politeness, for the Minister for Tourism to consult with an industry which makes as much money as the tourist industry.

I know that the legislation will probably be passed because of the numbers the government has in this Assembly. Whilst I am prepared to fight anything as long as I believe there is a reasonable chance of winning, I recognise that sometimes the inevitable happens and things do not go my way. Whilst accepting the inevitability of this legislation's passage, the amendment which I propose and which all honourable members have read, includes a sunset clause. Under this clause, in 3 years' time, the government would consider the effect of the imposition of this tax on the tourist industry. I have put forward the period of 3 years because it will be within the term of the current legislature. I believe that the government can sometimes be reasonable. In this case, it should meet the industry at least halfway. The industry did not want this tax and the inclusion of a sunset clause would go some way to accommodating the industry.

The legislation raises the question of what will happen to the money collected from the tax. A reading of the legislation indicates that it will go into a tourism marketing trust fund. The Minister for Tourism either said or implied that it would be controlled by the tourist industry through the Tourist Commission. For the life of me, I cannot see that in the legislation itself, because proposed section 80G says:

The Treasurer shall establish a trust fund (within the meaning of the Financial Administration and Audit Act) to be known as the Tourism Marketing Trust Fund. The Tourism Marketing Trust Fund shall be credited with all duty paid pursuant to this act that is identified by the commissioner as tourism marketing duty.

It does not, however, say who will administer the money. I think it only fair that, if the tourist industry has to raise the money, it should administer the expenditure of the money.

I was very concerned when the Minister for Tourism said that no extra staff will be added to administer this tax. He was obviously referring to Treasury staff. I believe that quite a large police force will be necessary to administer it. Proposed section 80A, headed 'Interpretation', contains a definition of 'accommodation house'. It says that it can be a motel, hotel or other commercial enterprise but that it does not include 'an apartment, flat or residence which, in the opinion of the commissioner, is usually let for purposes other than the provision of short-term or temporary sleeping accommodation as a commercial enterprise ...'

I would like to be told I am wrong, but I believe the Commissioner of Taxes has to have a register of every flat, donga and demountable which is being rented throughout the Territory, and that he will have to determine what is short-term, what is temporary and what is long-term. This might not be a problem in Darwin, but I suggest to the Treasurer that he will need an army of police to find out what people are renting in the rural area. I would not even hazard a guess as to how much rented accommodation is out there. There is a donga here and a donga there, a shed here and a caravan and a half there. Some people live in unusual habitations out my way and, according to this legislation, the Commissioner of Taxes has to have a list of such places. I reckon the Treasurer has Buckley's chance of compiling a register of all this accommodation. I would hazard a guess that his constituents would not be very pleased to read about this. When the police, acting on his orders, come onto properties to check whether accommodation should be included on the Commissioner of Taxes' register, he will not be very popular.

Mr Coulter: I will tell them that you sent them.

Mrs PADGHAM-PURICH: Oh no, you will not. They will know I would not have sent them. They know my views on public service intervention with the lifestyle in the rural area.

I am surprised that the government, given its straitened financial circumstances, has not yet looked at another growth area in the hospitality industry. I am surprised that the Treasurer or the Minister for Tourism has not picked it up. I am talking about the very active and flourishing escort agency business.

Mr Coulter: A roll-over tax.

Mrs PADGHAM-PURICH: I had not thought about that. I thought that the government might be introducing a bed tax in that industry soon because I understand its operations are usually conducted on a temporary rather than a permanent basis. Perhaps the government will introduce a hands-on tax or, as the Treasurer says, a roll-over tax, and a little, profit-making industry will go bang!

In conclusion, Mr Deputy Speaker, I believe this whole bill was considered in haste. It was presented after less than full consultation with the industry and it will be implemented with consequences which the industry will suffer. Unless the Treasurer can persuade me otherwise, I am convinced that the industry will have no control over the money taken from it in tax.

Mr PERRON (Industries and Development): Mr Deputy Speaker, I would like to say a few words in support of this legislation. I would like firstly to refute some of the nonsense perpetrated in the media lately to the effect that this government does not care about or understand the tourist industry.

I suggest that most of the people who have made such statements in the media have been here for less than the 9 years since the Territory attained self-government in 1978 when, for the first time, Territorians achieved control of their budget and began to establish priorities locally. Right at the beginning, we recognised the value of tourism to the Northern Territory. In those early days, it was quite clear that we would not set the world on fire with our manufacturing industry or, at that time, our fishing and agricultural industries which were then in their infancy. The pastoral industry, of course, had been in existence for a very long time and was bubbling along. In those days, the mining industry was doing really well. But, as we saw it, the future for tourism in the Territory was tremendous. We knew that we had the infrastructure here in the form of natural resources and attractions, particularly Ayers Rock, Kakadu and Katherine Gorge, to make the Territory a world destination for tourists.

A great deal of government effort since self-government has been directed at assisting the tourist industry. It would be impossible to calculate the sum we have expended on supporting and fighting for the tourist industry. It would certainly include a substantial part of the effort we have put into trying to retain public access to much of the Northern Territory, despite the Aboriginal Land Rights Act. Sadly, much of that effort has been unsuccessful. It would include many of the fights we have had with the Commonwealth, both under Fraser and under Hawke, over the control of national parks in the Northern Territory. It would include the fights over the Kakadu plans of management and the fights about getting some tourist infrastructure into Kakadu so that it could accommodate the hundreds of thousands of people that we envisaged would be visiting carefully monitored environments under carefully controlled plans. A great effort has been directed towards fostering the tourism industry in the Northern Territory. We have had continual fights with airlines about increased fares and attracting increased overseas airline services to the Northern Territory. We have travelled around Australia and the world at considerable expenses, mounting exhibits at tourist wholesalers' fairs and other forums. At times, we have done that very successfully, winning awards for our promotional efforts. All this was on behalf of the tourist industry.

We knew the competition was good. The world was not going to suddenly start beating a path to the door of the Northern Territory just because we had suddenly received self-government and been discovered. There is a lot of competition in the tourist industry, particularly with places like the Great Barrier Reef and other famous attractions around Australia, let alone the international attractions.

However, we wanted to carve our niche and obtain a significant slice of the action because we saw the value of tourism in the Territory. We went as far as opening offices in many cities around the world. The Northern Territory Tourist Commission has offices promoting the Territory in London,

Frankfurt, Tokyo, San Francisco, Los Angeles, Singapore and all Australian capitals. These are quite expensive to keep open. However, we believe that they give value for the dollar and, in doing that, we have gone further than any of the states. Indeed, if you look at the Northern Territory's commitment to tourism in relation to our total budget, you will find that it exceeds that of every state in Australia. That has been the case for years and I believe it will continue to be so.

We recognised some time ago that it was difficult to foster additional international flights coming through Darwin if we did not have some additional capacity in the up-market tourism sector. We set out to bring to the Northern Territory the very large hotels which are in place today. We receive an enormous amount of flak for our support of those projects but we stand by them today as sensible and responsible investments in tourism by the Northern Territory government. It annoys me, as I guess it is supposed to, to hear nonsensical claims from so-called experts that this \$2 tax will destroy the industry because people will not come to the Territory. Statements like that are an absolute joke.

The member for Barkly really overstepped the mark, given his background of involvement in some of these projects. He took the line that the Territory industry will be ruined if this proposal goes through. Why didn't he make such exclamations, when he was a minister, about the prescribed payment tax which the federal government introduced. People may say that it did not impact specifically on the tourist industry, but what about fringe benefits tax? That had a direct impact on the tourist industry, particularly in a remote area like the Northern Territory where accommodation and other benefits are needed to attract staff. We did not hear the member for Barkly saying then that the industry would be ruined and would not survive another day.

A capital gains tax was introduced recently. The special taxation on superannuation would have an effect on the tourist industry in Australia. The federal government raised the tax on lump sum superannuation from 5% to 30%. That does not really do much for disposable income. Indexed sales taxes and excise taxes were introduced by the Labor government a few years back so that we would not even notice them rising. Every 6 months, the Commonwealth raises taxes on liquor and cigarettes. Fuel and a whole range of things rise by the half-yearly inflation rate. You do not hear a word about it any more; it is going up all the time. We have had big hikes in import parity pricing over the past few years. That is an impost on the whole of Australia's industry. The abolition of entertainment expenses as a tax deduction would have had an enormous effect on the tourist industry. It certainly had a big effect on the restaurant industry. Did we hear the member for Barkly saying that these factors would destroy the industry or that no one would venture out of his home and stay at a hotel again? No.

All of a sudden, because the Northern Territory proposes to impose an additional tax in this area, it will ruin the whole industry. There was no advance notice of the taxes I have just spoken about. He said that his experience in the industry was such that it made firm-price room bookings 3 years in advance and all of that money would be lost. He is a fool if he ran his motel in that fashion. What did he do when the local council rates went up? During the period he had his motel in Tennant Creek, local government began there. Taxes which had never existed before, council taxes, were imposed. At self-government, the Territory government introduced a range of taxes to bring us into a rough but low parity with the states in terms of taxation. We introduced those taxes during the period the member for Barkly had his motel. During that period, he was booking 3 years ahead on fixed

prices. He did not have much notice of the new taxes I have just mentioned - certainly not 3 years' notice. Nor did he have 3 years' notice of the whole range of taxes imposed by the federal government, but a \$2 tax imposed by the Northern Territory government will destroy the industry. Absolute nonsense!

The member for Barkly has a pretty thick hide, as most honourable members know. He went as far as to say that, if the Territory brought in this tax, it would be the death knell of the industry in Australia because it would quickly flow to all the states. State governments are pretty big boys and they ought to be able to make up their own minds whether or not they want a tax or a duty, as we are calling it here. The states have the power to impose this duty and they have always had that power. They might introduce it in the next 6 months or the next 6 years. Who knows? I do not particularly care whether they do or not. We are talking about the situation in the Northern Territory. He argues that we should not do this because the big fellows like New South Wales, Victoria and Western Australia might all follow suit and we might be starting a stampede. I do not think that he should give us that much credit. The states obviously can impose taxes as they desire. It is stupid to say they only need the little push over the edge that a Northern Territory example can give. The Northern Territory has no trading hours legislation but the states do not seem to be able to get rid of theirs. They ought to take a lead from us in that respect and try to do some good for this country.

The member for Barkly's answer to the plight that the government is in because of the Hawke-Keating government's doublecrossing is to resist increasing any taxes in the Northern Territory and simply cut tourist promotional funds. I wonder whether the industry would have been willing to lie down and take it quietly if we had decided to take \$2m off tourist promotion. It would claim, as it has every right to, that the industry does a great deal for the Northern Territory. It creates jobs. It does not create pollution and Ayers Rock is not worn out by being photographed. The industry brings in overseas dollars and we should not cut funds spent on its promotion. It would have been reasonable for the industry to put forward that argument.

I believe that it would be doing a disservice to the Northern Territory to pull back on the investment that we already have in the tourist industry. As I said, we started in a small way back in 1978. We started putting money into tourism 9 years ago and we have gradually put more and more into it, and not simply directly through the Tourist Commission vote which has grown very substantially. I think it was \$14m a year or 2 ago and it is now about \$13m. In addition to those funds, goodness knows how much has been spend in those 9 years in other ways, such as on roads infrastructure. All that other expenditure has been part of our commitment to tourism.

We should not pull back from that commitment and say that we will take a bit of a breath and let the industry run by itself for a while. We should follow through our investment and promote the Territory as hard as we can. Tourism is still a tremendous industry for the Northern Territory. The Minister for Mines and Energy tells us about the great things happening in our mining industry and how healthy it is, but tourism is another industry where the sky is the limit. The Territory will have a million visitors per year in the 1990s. As the years go by, millions of visitors will come to the Northern Territory and the industry will be of enormous benefit to ourselves and our children.

There is a chicken-and-egg argument about tourism in terms of what comes first, the facilities or the tourists. This is where the 2 Sheratons and the

Yulara come in. I will just say something about them because we hear so much about the supposedly wasted money which the government pays to those hotels annually. It appears clearly in the appropriation legislation as a sum of money for the support of 2 Sheraton hotels and Yulara, and that sum will appear in the budget for quite a few years to come. What has it achieved? We are paying today for \$160m of work carried out at Yulara 3, 4 and 5 years ago. Workers and materials from all over the country were involved. People churned away in the desert for years to build a magnificent, world-class resort. \$160m was needed and the money had to come from somewhere. It was not coming from private investors. The banks, the insurance companies and the superannuation trust funds were not rushing to seek a piece of the action out there in the desert where only a few tourists used to go. We had to take the lead.

If the government had not taken the lead and been prepared to go in deep, if the miserable carping of the opposition had prevailed, all we would have at Yulara today would be a little city of demountables trying to cope with the tourists. People were not game to put their hands in their pockets and go in deep, but we had faith in the future of the tourist industry. That is why we see \$7m, \$8m or \$10m in each budget, dribbling away to Yulara. It is paying for an enormous sum of money spent in the past.

The important thing is that, in about 1997 - and that is only 10 years away, almost the same time that has elapsed since self-government - current financial projections indicate that Yulara will have an estimated sale value of approximately \$290m. That is a sale value calculated on turnover, financial projections and so on. The superannuation trusts and the big international investors do their calculations and, if a property has a certain return, it is a viable investment. In 1997, we will be able to recover the sum of about \$290m which is being paid out year by year and which includes an interest component. That has been said before, although honourable members might not have heard it put quite like that.

The payments we are making today are buying the Northern Territory people an asset. That is what the money is going towards. In the meantime, that asset is housing thousands of tourists and employing thousands of Territorians. That is what Yulara is doing. We have 2 Sheraton hotels as well. Look at the Alice Springs Sheraton. In 1993, which is only 6 years away, if the financial arrangements are allowed to run their course - and in some circumstances things could change and it may be possible for it to happen a little sooner - the hotel can be sold to produce a full return on the government's investments over the years. Again, we are paying today for a very large expenditure a few years ago which produced a magnificent hotel in Alice Springs. If anyone has been to the Sheraton Alice Springs, he would have to agree with me. It is employing 200 or 250 Northern Territorians today and will do so for the next 6 or 7 years. Then we will get our money back. I hope that I am around when that money flows back from our investments and that I will have the advantage of being in a government which reaps the rewards of the foresight that has gone into those investments.

Let me look now at the Darwin Sheraton. Each of these projects has different and very complex financial arrangements involving different parties. However, the bottom line of the arrangements with the Sheraton in Darwin is that, if the hotel is sold in 1996, the government will receive, on current projections, all of its investments in the hotel to that date plus an 8.65% return. At that time, we will have the option of arranging for the hotel to be sold a little bit later when it has been trading longer and will be a more attractive investment.

How much return we will get on these investments depends, to a large degree, on how long we want to hold on to them. At present, they have been financially modelled on a situation in which the Territory investments will be returned. We can determine for ourselves whether they are returned with interest or whether we decide we are prepared to let them go rather than hang on to them for a few extra years. They will have provided a benefit to Territorians simply by operating and assisting us bring airlines to the Northern Territory and tourists from all over the world.

Instead of looking at the benefits, the opposition peddles nonsense in the community. Members of the opposition ought to be ashamed of themselves because, if they took an interest in the financial arrangements of these projects, they would know that you cannot simply tear up a wad of financial documentation which reflects an intricate series of taxation and financial laws, saying that you will get out of the hotels by selling them and that Territorians will be better off for evermore. That is a very facetious approach. I guess the opposition gets some political mileage out of it from time to time. That is fairly sad, because many people in the community just do not understand these complex arrangements. They are complex indeed.

I support the legislation before the Assembly. The industry will naturally pass on this \$2 tax to its customers. Obviously, every tax is passed on to the customers. We do not expect the industry to put its hand in its own pocket to pay it. Some people in the industry may decide that they will absorb the tax rather than pass it on to people who have made advance bookings, perhaps by reducing their own commitment to advertising - and most people have their own, independent commitment to advertising. We heard today that some national magazines carry advertisements for various hotels around the Territory. Some of that can be reduced if operators want to reschedule their budgets. That is their affair. For anyone to say that this tax will destroy the industry is absolute and irrational nonsense.

Mr COULTER (Treasurer): Mr Speaker, the Minister for Industries and Development is obviously quite concerned and worked up about this issue. In previous discussions I had with him, he suggested that he would only speak for a brief period, but obviously the nature of the matter is such that he has become quite worked up.

I would like to start with the member for Barkly's contribution to this debate. I will start with the most illogical contribution and work towards the most logical which, of course, was made by the Minister for Industries and Development. The member for Barkly talks about new taxes, yet he is the man who brought down a mini-budget in this Assembly on Tuesday 4 June 1985. He talks about new taxes, and that is relevant in the context of the Stamp Duty Amendment Bill because he made amendments to the same legislation himself. I do not resile from my part, because I was part of the government when he was the Chief Minister, at the time when these new taxes and charges were imposed on the people of the Northern Territory. Sometimes it is too easy for us to forget the things we have introduced.

When that mini-budget was handed down by the then Chief Minister, the member for Barkly, he began by saying: 'Mr Speaker, there is a real concern in the Territory and the states about the detrimental effects of smoking'. He fixed that. He increased the tax by up to 35% which saw a rise of 16¢ in the price of tobacco.

Mr Perron: And I gave up after that.

Mr COULTER: Yes, that worked fairly well.

Mrs Padgham-Purich: What is wrong with that?

Mr COULTER: Nothing. I am simply indicating the rise in taxes and charges under his leadership as the Chief Minister. He was concerned about motor accidents and the things that were happening on the roads. He fixed that. He increased licensing fees by 2% to make sure that it would cost more for people to sell liquor and he increased the price of alcohol as well. He then amended the Stamp Duty Act to tax electronic transfers on credit cards. That was a new tax at that time. We had not had it before in the Territory. The computer-banking tax and credit duties were changed so electronic banking facilities in the Northern Territory were introduced on 4 June 1985. Fees for water and sewerage went up. Darwin bus fares were claimed to be at a low level and therefore they were increased. Remember the school buses? Fares went up to 30¢ a trip and it goes on and on. That was the way the then Chief Minister went about increasing taxes and charges in Northern Territorians.

What we have here are 2 charges that will be imposed on us to produce a total of \$9m. The first measure is the fuel tax - which we will debate in a moment - and the second is the tourist marketing duty, which will raise about \$2m. Cuts in expenditure account for \$92m of savings in the mini-budget which I handed down recently and that is in stark contrast to the mini-budget of the former Chief Minister and Treasurer, now the member for Barkly.

When the Stamp Duty Amendment Bill was brought before us again on 29 August 1985, he said, and I quote from page 1560 of Hansard ...

Mr Smith: Were you against it then?

Mr COULTER: If you had been in the Chamber when I started this speech, you would know. Mr Speaker, if the Leader of the Opposition's attendance record in this Assembly, which is deplorable to say the least ...

Mr Smith: I could hear you outside.

Mr SPEAKER: Order! The honourable minister will withdraw that remark about the Leader of the Opposition.

Mr COULTER: I unreservedly withdraw that remark.

Mr Speaker, in August 1985 the then Chief Minister talked about the credit card transactions and the electronic debit transactions that were being brought in. A little later during that sittings, the Energy Resource Consumption Levy Bill, which provided for a new charge, was also introduced. As I said, I do not resile from those measures. I was part of the government that brought them in. But let us not have this nonsense from the member for Barkly about this government's economic statement introducing new taxes and charges when he was responsible for turning such activity into an art form.

Let us come back to some of the other speakers who contributed to this debate. It now costs \$1.50 if you want to cross the Gateway Bridge in Brisbane. Did the people on the Gold Coast throw up their arms and say that the tourist industry had been ruined? They did not say: 'They have closed down the Gold Coast. Man the barricades. Let us fight them. The government has ruined the industry'. They paid the \$1.50 and now they get to the Gold Coast quicker. The bridge has enhanced the region considerably and, in fact, it is now raising 100% more than was estimated. The toll on the Sydney

Harbour Bridge was raised by \$1. We are talking about 8 or 10 hours. You can stay in bed for as long as you like and we will charge you the same amount. If you drive across Sydney Harbour Bridge, you have the option of slowing down and getting your dollar's worth or speeding across. It still costs you the extra \$1. We are talking about \$2 a night for an industry on which we spend \$10m in advertising.

The member for Fannie Bay spoke about the mining industry and told us about the great virtues of the tourist industry. As Minister for Mines and Energy, I would not mind the same amount being spent on the promotion of the mining industry in the Territory. I support the tourist industry wholeheartedly but now we have people marching in the streets because we will charge \$2 a night. That money will not go into consolidated revenue. It will go into a trust fund which will be used for tourism promotion.

Mrs Padgham-Purich: Who will administer it?

Mr COULTER: The Treasurer. I am from Treasury and I am here to help you, remember? The Treasurer will administer it. Who else could you trust?

The point is that we will use that money to give them even more people to put into beds. Name me a country that does not have some sort of duty or tax that is paid by the tourist.

A Member: Nicaragua and Biafra.

Mr COULTER: Nicaragua and Biafra are the only 2 countries that are a little behind at the moment. My point is that in New Zealand, for example, you pay 12%. I am told that it is called GTS and it is a surcharge. Do you hear that the New Zealanders are up in arms? Don't tell me that is why they are all living at Bondi.

Do you hear that people are marching in the streets of Singapore? They have the same duty. It is absolute disgrace that people in the industry cannot recognise the benefits that are available. The other night I heard Mr Richard Sallis say on television that the industry has not been consulted. I had a bit of a talk to him at Adelaide River races on this subject. It just so happens that Mr Sallis was one of the people who was invited to the seminar for businessmen which I ran when this duty was first discussed. He was at the meeting when this duty was first announced. For him to say on television that there was no consultation is an absolute misrepresentation of the facts. Mr Lindsay Gray was also at that meeting and he spoke out openly against the duty.

The Minister for Tourism did not elaborate on Queensland's tourist marketing strategy. What happens there? The premier or his representative simply goes to the industry and says: 'We are going to promote in America this month. It will cost you \$500 000. I will go over there. I will do the marketing exercise for you'. They all cough up and he goes over there to promote the industry.

The tourist industry has been supported by this government to the tune of over \$10m a year in direct funding for marketing. It was not that long ago when the Tourist Commission consisted of 6 people and had a marketing budget of \$2m. The Territory government has put great emphasis into the promotion of tourism in the Northern Territory and it has worked.

The member for Koolpinyah is worried about the caravaners travelling up and down the road. I suggest that she had better get used to them because they will come in droves next year. That will come about partly because of the \$76m this government has spent each year on the development of roads infrastructure in the Northern Territory. It is now the best in Australia.

Honourable members will remember how, when you got to the Queensland border, you could have been forgiven for thinking about the flat earth society because you fell off onto a billygoat track. The same applied to the south road until recently. It was the South Australian government that was lagging behind and would not complete its fair share of the roadworks. There is a very good reason for that. It was frightened that everybody would leave South Australia and come to the Northern Territory. It delayed the road program as much as it could. Nevertheless, time has passed, the south road is finished and people are coming up at an enormous rate. If one considers what the Northern Territory government has done for tourism, I believe the industry is most ungrateful.

I will now address some of the more important issues covered by the amendments and outline what we seek to do. The Minister for Tourism has mentioned that an amendment put forward by the government will allow the duty to be paid 1 month in arrears. Another amendment also will change the implementation date from July to August. The member for Koolpinyah's concern with regard to the registrar is not a problem. The exclusion provisions are available and the powers of the commissioner to make decisions within the terms of the act is satisfactory.

If the money were to go into consolidated revenue to be used for purposes other than the development of tourism, I would have more sympathy with the criticism that has been levied at the government. We are still committed to the tourism industry in the Territory; we still believe that it is vital. We still believe that the dollars are there and that we have not even scratched the surface of development as yet. We can develop bigger and better facilities for tourism. Indeed, we are doing that right now.

In respect of this nonsense about selling the Sheratons or Yulara, why should we get out of them now? We have taken all the caning. Even the member for Barkly has taken all the criticism about them and now he wants to cut and run. There is no need for it. Yulara is filling up at an enormous rate. A previous Chief Minister, Paul Everingham, has been totally vindicated for his visionary attempts at developing an industry. They all said he was mad when he wanted to build Yulara. Now we want to cut and run. We do not have the nerve to stick with it for a few more years. We can hang in for a few years and get our money back or hang in there for a bit longer and get good returns on our money. If we got out now, our forefathers would be ashamed of us for our lack of courage and our lack of commitment to an industry that has enormous potential.

I am ashamed to be in this Legislative Assembly today and hear opposition comments about cutting and running. It is nonsense! We have taken all the caning. We have done the hard work. We have put in the development and the industry infrastructure that is required. What is required now is a cool nerve to stick with it for another couple of years. The contingent liabilities will become our contingent assets and we will be in business again. I commend this bill to honourable members as I believe it will even further enhance the development of the tourist industry.

SUSPENSION OF STANDING ORDERS

Mr COULTER (Treasurer)(by leave): Mr Speaker I move that so much of Standing Orders be suspended as would prevent the Stamp Duty Amendment Bill (Serial 44) and the Taxation (Administration) Amendment Bill (Serial 45), passing through all stages at this sitting.

Motion agreed to.

In committee:

Stamp Duty Amendment Bill (Serial 44):

Clause 1 agreed to.

Clause 2:

Mr COULTER: Mr Chairman, I move amendment 6.1.

This amendment would substitute August for July.

Mr TUXWORTH: Can the minister explain the purpose of that change?

Mr COULTER: Mr Chairman, it was thought that the implementation date of 1 July would create undue hardship for operators, particularly where programs and brochures had already been printed and issued. The extra month will give operators the opportunity to alert potential tourists to the increased charges.

Mr TUXWORTH: Mr Chairman, I rise to respond to that. It really reflects the naivety of which I was speaking before. The brochures which the minister refers to will be all over the place. Whether you give the industry another 30 days or another 60 days will not have any impact on the people who have them. The brochures are out there in the marketplace. The caravan park owner or the motelier or hotelier cannot pull them back, and you cannot contact the people who have them. If you want to offer a concession, it is reasonable to extend it for a period of years, to enable all those people that have forward-sold their rooms an opportunity to meet their commitments to customers without being out-of-pocket themselves.

Clause 2, as amended, agreed to.

Clauses 3 to 7 agreed to.

Clause 8:

Mr COULTER: I move amendment 6.2.

Amendment agreed to.

Clause 8, as amended, agreed to.

Remainder of bill taken as a whole and agreed to.

Taxation (Administration) Amendment Bill (Serial 45):

Clause 1 agreed to.

Clause 2:

Mr COULTER: Mr Chairman, I move amendment 7.1.

Clause 2 omits the word 'July' and inserts in its stead 'August'.

Amendment agreed to.

Clause 2, as amended, agreed to.

Clauses 3 to 11 agreed to.

Clause 12:

Mr COULTER: Mr Chairman, I move amendment 7.2.

This amendment inserts, after proposed section 80EA, the following:

(1) Notwithstanding anything to the contrary in this or any other Act but subject to this section, a person may, in respect of an accommodation house, on a form provided by the commissioner for the purpose -

- (a) apply to the commissioner for a supply of adhesive stamps to be used for the purposes of this Division, being a supply which is estimated would be used on tourism marketing duty invoices made out in the accommodation house during the period (not exceeding one month) specified in the application; and
- (b) undertake to pay for such adhesive stamps as are used on tourism marketing duty invoices during the period for which they were supplied in accordance with the conditions specified on the form.

(2) The commissioner may, on receipt of an application form pursuant to subsection (1) and after being satisfied of the status and authority of the applicant to give the undertaking mentioned in paragraph (b) of that subsection, provide the applicant, without requiring immediate payment, with a supply of adhesive stamps to be used in accordance with this division.

(3) A person who fails to comply with an undertaking given pursuant to subsection (1) and accepted by the commissioner under subsection (2) is guilty of an offence, for which the penalty is \$500.

Mr TUXWORTH: By way of clarification, Mr Chairman, I am referring to clause 12, 'New Division'. Is that the one you are still on?

Mr CHAIRMAN: Yes.

Mr TUXWORTH: I would like to refer to proposed section 80A, and direct some questions to the minister in relation to the words 'apartment, flat or residence' in relation to the interpretation of 'accommodation house'. I believe that leaving those words in there is very dangerous because it will leave an opportunity for the government, at a later date, to impose a big tax on each of those types of property if it wishes to raise further money.

Earlier this afternoon, we talked about temporary stays in the Northern Territory. I would hardly have thought that many visitors would stay in flats, apartments or residences or that we would need to consider a bed tax in that category of accommodation. The minister apparently feels that there is an economic basis for this tax. I am curious to know how much revenue he expects to raise in one year from a \$2 bed tax on apartments, flats or residences. That is my first point and, if he addresses that, I will come back to the others.

Mr COULTER: Mr Chairman, it is well known that in other parts of Australia facilities such as apartments, flats and holiday units are used as accommodation. The Gold Coast gives an excellent example of that type of development although we do not have it to that same extent in the Territory at the moment. Many people vacate their flats and rent them during peak tourist periods.

Mr Ede: You will be charging the outstations next.

Mr COULTER: Those places have been referred to as holiday camps from time to time and perhaps we will have to have a closer look at them if they ever become open towns in the Northern Territory.

In the case of apartment or flats, we are looking at their use as short-term accommodation. There is provision for some exclusions, such as youth hostels and so on. The holiday-unit approach could be adopted in the Northern Territory in years to come and the legislation enables us to keep an eye on that type of development.

Mrs PADGHAM-PURICH: Mr Chairman, I would like to ask the Treasurer the question I asked when I was speaking earlier. It concerns an apartment, flat, residence or other place that is let for accommodation 'which, in the opinion of the commissioner, is usually let for purposes other than the provision of short-term or temporary sleeping accommodation'. Are all such places to be placed on a register? There is Buckley's chance of all such places being included and, even if they are, what is the commissioner's opinion to be based on? What is short-term and what is not short-term? It is not clearly stated; it relies on the opinion of the commissioner. The legislation implies that all flats, apartments and residences have to be put on a register so that the commissioner can form an opinion of them.

Mr COULTER: Mr Chairman, I do not think that we should underestimate the ability of the commissioner to identify those apartments, flats or accommodation units that are serviced daily as accommodation units available for the tourism industry. The register to be compiled by the commissioner will take into account all those factors. I am sure that it is very easy to identify those people who are in long-term accommodation as, indeed, it is in caravan parks. We have made provisions to cover long-term residents in caravan parks who form a permanent population. I had 8 caravan parks in my electorate. I was trying to think how many caravan parks were in the member for Koolpinyah's electorate. I am well aware that there are a number of people living in caravan parks on a permanent basis. I do not believe that the commissioner will go into flats or upturn rainwater tanks to conduct an inspection for them to be classified as accommodation units under the act.

Mrs Padgham-Purich: How can he form an opinion if he does not check them?

Mr COULTER: Mr Chairman, as I said in my opening speech, we should not underestimate the intelligence of the commissioner. If units are found to be

accommodation units serviced for the purpose of providing tourist-type accommodation or, if they are advertised as such, they will be considered.

Mr TUXWORTH: Mr Chairman, I want to come back to the minister on the subject of apartments, flats and residences because he talked about the apartment industry in Queensland. I would point out to him that we are not interested in the apartment industry in Queensland. This legislation will not affect that in any way.

The minister has not addressed, in his comments to me, why there is a need for apartments, flats or residences to be subject to a bed tax at all, nor did he indicate - and I will ask him again - how much revenue he estimates will be collected from that type of accommodation. He must have some assessment to arrive at the figure of \$2m.

Mrs PADGHAM-PURICH: Mr Chairman, I am not really interested in the intelligence of the Commissioner of Taxes. I am assuming that he is going to be an intelligent chap.

Mr Tuxworth: A point of order, Mr Chairman! I asked the minister a question.

Mr CHAIRMAN: The Chairman has given a call to the member for Koolpinyah, and the Treasurer can answer your question whenever he likes.

Mrs PADGHAM-PURICH: Mr Chairman, the Treasurer said that he was relying on the intelligence of the Commissioner of Taxes to include only those apartments, flats or residences that are used for short-term accommodation. I am not interested in the commissioner's intelligence. I am interested in the policing of this legislation, and that is what worries me. There will be inspectors and there will be actual policing.

Mr Coulter: Come on, Noel.

Mrs PADGHAM-PURICH: No. I am sorry, but you have not told me that there will not be inspectors and policing. How will the Commissioner of Taxes find out about these apartments, flats and residences unless somebody goes and checks them all out?

Mr Perron: Perhaps he could look for advertisements. Did you think of that?

Mrs PADGHAM-PURICH: Who the Dickens is going to volunteer to pay tax?

Mr Tuxworth: Let the Treasurer speak.

Mr CHAIRMAN: Order!

Mr EDE: The Treasurer says that this could be handled by looking for advertisements. The legislation states that, in the Territory, a person shall not 'establish, operate or manage an accommodation house or ...advertise an accommodation house ...'. In fact, the very establishment, operation or management of an accommodation house requires registration. It follows that my house in Alice Springs is probably an accommodation house even though I actually live there. There is nothing in the act to say what 'accommodation house' actually means. Do we take it at its literal meaning?

Mrs PADGHAM-PURICH: It is on page 5.

Mr EDE: That says 'accommodation unit'. No, here it is: an 'accommodation house' means a 'lodging house'. I live in a lodging house. An accommodation house is a lodging house. It provides or is held to provide sleeping accommodation. It does not have to be advertised. If somebody has a house of their own, from time to time, people may come to visit from down south or wherever. They may chuck in a few dollars to give a bit of a hand with the rent. My point is that the whole thing is so slack and loose that it will be impossible for the commissioner to gain a realistic view of what his duties are, without taking a total view. He will have to take in everything and then make a judgment on a particular issue.

Mrs Padgham-Purich: Yes, that is what I have said.

Mr EDE: Mr Chairman, I referred to the cost of these measures in my speech, as did the member for Barkly and some other honourable members. We have heard ministers saying that no cost will be involved; it will just be a matter of buying a couple of stickers and shoving them on an invoice. The fact is that, once registration commences, we move into an incredibly broad area where all sorts of people could be seen to come under the provisions of this bill. It seems that people may have to register simply because they have the odd visitor stay now and again, a business associate or whatever, and that person chucks in a few bucks to help with expenses. That is incredible, given the number of people who come to the Territory or travel around it on those terms, as I do myself. People pay a few bucks and what happens? Under this provision, people will have to register their dwellings and we will end up with three-quarters of the population on the register. The commissioner will have to maintain that register and then start to make judgments as to whether the bill applies to particular accommodation or not. Mr Chairman, we are looking at a bureaucratic nightmare.

Mr PERRON: Mr Chairman, I will attempt to bring some sanity back into the debate. I recall similar debates in the past and, unfortunately, the member for Koolpinyah has been guilty before of raising similar sorts of fears. For example, legislation covering cruelty to animals might have provisions which state that, if you have a protected animal in the boot of your car, you are committing an offence and can be arrested and put in jail. In a sense it provides for inspectors to be able to look in the boot of your car. That can be interpreted, as the member for Koolpinyah is prone to do, as meaning that we will have thousands of inspectors inspecting the boots of cars, morning and night. That is absurd.

In relation to taxes and stamp duty, honourable members will be aware that there is a requirement to pay a stamp duty on every hiring transaction that takes place in the Northern Territory. That is the law. If you hire anything, whether it be a grader, an aeroplane, a roller, an electric drill or a lawnmower, you pay stamp duty on it. Obviously, that is policed by the commissioner, being aware of who is in the hiring business and who is not. He probably does not pick up every single person and, if someone at Berry Springs lends his tractor to the guy next door and collects \$5 from him for fuel, I imagine the Commissioner of Taxes is not really terribly disturbed about it, even though it may be a technical breach of the law. He doesn't have inspectors out there by the thousand trying to police such things. One has to be rational.

Obviously people might sometimes have an overnight guest in their homes and pick up the odd dollar for letting them sleep there. I guess the Commissioner for Taxes would not be unduly perturbed at such activity. The member for Stuart has taken the argument to an extreme by suggesting that that

makes his house an accommodation unit. I suppose he eats in his house and sometimes entertains friends there. Does that make it a restaurant? Does it mean he is contravening the town planning zonings for restaurants? Of course not. He has taken the whole argument to absurdity.

Mr TUXWORTH: Mr Chairman, I am not obtuse about this. I am just trying to point out to the honourable minister and members opposite some of the administrative nonsense ...

Mr Perron: You said there would not be any industry because it would shut down totally.

Mr TUXWORTH: Mr Chairman, I would like to just finish what I was going to say, while the minister relaxes a bit. He might like to give the House an idea of how he would feel about the situation I am about to describe, and it is a real one. A woman lives in her own home where she is the sole adult. She is a deserted wife raising 2 children. To supplement her income, she allows children from remote areas to board with her when they come into town for special functions relating to education. They pay her so much a night. I have no idea of the figure, but it helps her. Does her residence classify as a boarding house, given that she obtains some income from it? I would not say she does it for profit, but she does it for an income. She does it regularly and she does it out of need. The way this legislation is written, she will have to get a book of stamps and say to these visiting kids: 'Thanks for your money and here are your receipts'.

If the Treasurer left out apartments, flats and residences, I would not mind, but leaving them in means that all people in the category I have just mentioned are in a prejudiced position. I would be interested in the Treasurer's remarks.

Mr COULTER: Mr Chairman, it is amazing how we get into the nitty gritty of things here, the absurdities, the one-off cases and the stories of the 'aunty in Brisbane' with the white-handled pocket knife and the pink-faced racing ferret, who will be affected by this legislation. Nobody considers the mainstream and where the action really is. This is quite simple. If members take the time to read the bill, they would see that proposed section 80A covers the issues. It is interesting. The member for Stuart spends most of his time outside of the Assembly, then trapezes in to give us the benefit of his wisdom on this bill, even though he did not even participate in the second-reading debate. He didn't even know what he was talking about ...

Mr Ede: I was the first speaker from this side.

Mr COULTER: The bill says, in very simple terms, 'as a commercial enterprise'. He told us that he would be in big trouble if somebody slept at his house or if he was saving a bit of travelling allowance by sleeping in the back of his car and somebody sharing the back seat with him put \$5 in the ashtray. It is just nonsense.

It is a fact that there are holiday flats established in Darwin now. Some of them are serviced and some are not, but they are a part of the tourist industry because they are available. This act excludes apartments and flats that are not used for that purpose. The member for Koolpinyah is on about a nonsense, about people trapezing in and out of the rural area. It is a cheap political ploy that she uses from time to time to highlight to her constituents that she is a defender of free enterprise and ...

Mrs Padgham-Purich: I am too, which is more than I can say for you, and more than your constituents can say for you.

Mr COULTER: ... will not tolerate inspectorial systems. This is a nonsense. It is occupying far too much of the committee's time. The bill is quite explicit in its details.

Mr TUXWORTH: Mr Chairman, it does not matter if it takes 10 hours for the committee to deliberate this or any other point. That is its purpose.

Mr Coulter: It won't. It is unlikely to do that.

Mr TUXWORTH: It may not, but that is what the committee stage is for.

Mr Chairman, I will again ask the Treasurer to give some indication of the revenue he expects to come from apartments, flats and residences, because he will have to do some fast talking to convince anybody here that that needs to be in the legislation.

Mr Coulter: Holiday camps are out; they are not in the bill.

Mr TIPILOURA: Mr Chairman, I will just ask the Treasurer if this will apply to the outstations which he calls holiday camps.

Mr COULTER: Mr Chairman, I note that I have now been supported by an Aboriginal person who said that the word 'weekender' is not used here. An Aboriginal person from down Peppimenarti way - I think it was Harry Wilson - mentioned today that he supported me about the holiday camp philosophy. He called them 'weekenders for traditional owners'. Those are the words he used to describe some of these areas. I can assure the member for Arafura that, at this time, the word 'weekender' is not used in the legislation for the purposes of obtaining the tourist marketing duty. There is no intention of including those facilities at this stage.

Mr TUXWORTH: I do not mind if the Treasurer says that he is not going to tell me, Mr Chairman, as long as he addresses the issue of the revenue base that he expects from these particular facilities.

Mr Coulter: Or if he says he does not know.

Mr TUXWORTH: If that is the case, we are obviously not going to make any more progress on that matter and I will move to subsection (a) of proposed section 80A and come to the words 'for purposes other than the provision of short-term ...'. I would appreciate the Treasurer addressing the phrase 'short-term'. I do not mind what period it is defined as referring to, but he should do away with the possibility of allowing the commissioner or other members of the service to make their own determinations about what is 'short-term'. I do not mind whether short-term is a day, a week or a month, but I think it would improve the legislation to say what it is.

Mr COULTER: Mr Chairman, I am happy to have the matter considered but, in terms of doing away with the phrase 'short-term', we are not prepared to give up the 1 and 2-night accommodation visits which comprise the bulk of visitations in certain areas. We would not be considering any amendment to that at this stage.

Mr TUXWORTH: The phrase 'short-term' needs to be clarified, not for the Treasurer's or the commissioner's benefit, but for everybody else's benefit.

If the Treasurer is prepared to consider it, I think it would be reasonable to have an amendment drafted which takes into account the phrase 'short-term' and at the same time allows the Treasurer to recoup the tax for 1 or 2 night-stands, if that is what he is worried about. To leave the phrase 'short-term' without further clarification will cause a lot of heartache in the industry when commissioners and inspectors make their own interpretations of what it means.

Mrs PADGHAM-PURICH: Mr Chairman, the member for Barkly is interested in the definition of 'short-term'. Of equal importance is the definition of 'temporary sleeping accommodation'.

Mr Tuxworth: We will get to that.

Mrs PADGHAM-PURICH: I do not want to be vulgar and bring interpretation to bear, but what is the difference between 'short-term accommodation' and 'temporary sleeping accommodation?' Does the minister know? What are we to assume?

Mr TUXWORTH: I thought I would rise to prevent you from putting the question so the minister can find his answer.

Mr COULTER: Mr Chairman, we will be proceeding with the phrase 'short-term' as it is stated in the bill. If the commissioner has any doubts about its interpretation, we will consider the matter at that stage. What we are talking about here is those apartments, flats or residence which, in the opinion of the commissioner, are usually let for the purpose of providing short-term temporary accommodation. These are places where people stay on a very short-term basis, perhaps overnight or for 1 or 2 nights.

Mr TUXWORTH: Mr Chairman, the minister has just argued my case for me. He has just said that a short-term stay could be overnight or it could be 1 or 2 nights.

Mr Coulter: It could be 3 months; it could be 6 months. What is short-term? You were a short-term Chief Minister.

Mr TUXWORTH: Your perception of short-term is that it can be 1 or 2 nights or as much as 3 months. It would be helpful if people in the industry, inspectors and the commissioner could know what is meant by short-term. If the minister cannot make up his mind about what short-term means in terms of this legislation, how does he expect people implementing it to read his mind and find out that there is nothing inside it?

Mr COULTER: Mr Chairman, it will be up to the commissioner when the evidence is placed before him. He will decide whether the facility is short-term.

Mr SMITH: Mr Chairman, that is simply not good enough. Honourable members have pointed out that we have 2 terms: 'short-term' and 'temporary sleeping accommodation'. It is not a question of short-term and temporary sleeping accommodation; it is a question of short-term or temporary sleeping accommodation. The minister has a responsibility to explain the difference between those 2 terms. He has a responsibility at least to explain what 'short-term' means. It is not good enough for the minister to say that short-term can include periods from 1 or 2 days up to 3 or 6 months. I can accept that short-term may be from 1 to 7 days, but to say that it could be 3 or 6 months will certainly create the problem referred to by the member for

Barkly. It will create an enormous amount of confusion and uncertainty in the minds of people who own apartments, flats or residences. It needs to be resolved here today. It is not a responsibility which should be given to the commissioner. It is a responsibility of the Treasurer and, unfortunately, it is just another example of his not being on top of the details of his portfolios. So will he please answer the question: what is short-term?

Mr COULTER: Mr Chairman, once the commissioner has had the opportunity to investigate the various units that will be affected by this legislation, and once there has been an assessment of which units or apartments may be considered, the government will allow for the provision of the definition of the words 'short-term' by regulation.

Mrs PADGHAM-PURICH: Mr Chairman, this is what I was going to say just before the Treasurer stood up. We are again having government by regulation. Decisions about legislation are being made by anonymous public servants, and I object strongly to that.

Mr Perron: Regulations are tabled.

Mrs PADGHAM-PURICH: Yes, they are tabled after they are brought in. We all know that.

Mr Perron: You can disallow them afterwards.

Mrs PADGHAM-PURICH: Mr Chairman, I know they can be disallowed after they are brought in. We know from experience that they are very seldom disallowed. The commissioner will be making decisions that I believe should be made by legislation. It should be tightened up. The minister has still not explained the definitions of 'short-term' or 'temporary sleeping accommodation'. He has just hummed and ha'ed about them. Does he mean that temporary sleeping accommodation is synonymous with short-term accommodation or not? Usually if a word in legislation is synonymous, it is written in brackets. We then know that one word explains the other. That is for those people who are thick and cannot understand the first word.

The minister has not explained what temporary sleeping accommodation is. I hesitate to be vulgar but am tempted to give my views on what it is. Does it mean sleeping down at Lameroo Beach? No, that is not really an accommodation house. But what is temporary sleeping accommodation? Is it the same as short-term accommodation or is it different?

Mr COULTER: Mr Chairman, there are some examples where different accommodation units have self-imposed short-term periods. For example, youth hostels in Australia have a ...

Mrs Padgham-Purich: They are exempt.

Mr COULTER: That is right. They have a short-term provision in their own rules, but their version of short-term may differ from somebody else's. As I said, because of the need for the commissioner to go out and assess the various forms of accommodation, we will define the term by way of regulation.

Mr TUXWORTH: Mr Chairman, we have the proposition that regulations will be drafted to determine the meaning of short-term. I believe that the definition of the term 'short-term' should be a political determination, not a bureaucratic one. I am asking the minister what his definition of 'short-term' is. When we have that sorted out, we can move on to 'temporary sleeping accommodation' which will pose more headaches than 'short-term'.

Mrs PADGHAM-PURICH: Mr Chairman, I think the member for Barkly has said what I was going to say. To my mind, 'temporary sleeping accommodation' is under a rug in the back of a car. I am sure it does not mean that here and I would like the minister to tell me what it means.

Mr TUXWORTH: Mr Chairman, obviously we will not get any more joy on this, which raises an issue which does not seem to be covered in the legislation. What provisions exist for appeal against determinations on what constitutes short-term or temporary sleeping accommodation or what constitutes a flat, apartment, house, boarding house or whatever? It would not be unreasonable for people in the community to have an appeal mechanism rather than just going to the minister and being told what to do. I am talking about an appeal mechanism where people can appeal to the commissioner if he has made a determination that they are not happy with. I would like to know how he proposes to overcome that.

Mr COULTER: Mr Chairman, we sometimes lose sight of just how small government is here in the Northern Territory. Most of the people involved in the industry are known to us from time to time. The accessibility of our ministers is well-known right throughout Australia. There is no need for us to be concerned here about people having the right of appeal or direct access to the minister. We saw 6000 people having access to various ministers at lunchtime here today. I believe that the provision for exclusion and people's ability to appeal to the minister is well catered for in this legislation and certainly, as Treasurer, I would be happy to take on board any appeal that may come to my attention.

Mr TUXWORTH: Mr Chairman, I would just like to register my view that there ought be provision for an appeal against the determination of the commissioner. It is not practical for owners of boarding houses and caravan parks all over the Northern Territory to be running to ministers for appeals against the commissioner's decision. It is nonsense - absolute nonsense.

Amendment agreed to.

Clause 12, as amended, agreed to.

Clauses 13 to 15 agreed to.

Clause 16:

Mr COULTER: Mr Chairman, I move amendment 7.3.

Clause 16 is amended by omitting the word 'July' from subclause 2(a) and inserting the word 'August' in its stead.

Amendment agreed to.

Mr TUXWORTH: Excuse me, Mr Chairman. Did you go through to clause 15 then?

Mr CHAIRMAN: We have just completed clause 16.

Mr TUXWORTH: Mr Chairman, could I beg the indulgence of the committee to go back to proposed section 80G?

Mr CHAIRMAN: I have already put the question that clauses 13 to 15 be taken together. The motion was put and carried and we are now on clause 16.

Mr TUXWORTH: I accept that Mr Chairman. Could I seek leave of the committee to recommit proposed section 80G?

Mr COULTER: Do it in the third reading.

Mr TUXWORTH: Mr Chairman, it would be better if we could discuss it in some detail now because I think the points that have to be brought out are worth discussing, and I seek leave to recommit proposed section 80G.

Leave granted.

Mr TUXWORTH: Mr Chairman, I have been particularly asked to raise with the Treasurer the issues relating to the proposed Tourism Marketing Trust Fund. The questions that have been asked relate to the make-up of the board that will administer the fund. Who will these people be? How will the funds be managed and to what areas of the industry will they be allocated? The other question that has been asked is perfectly reasonable: would the minister give an indication of the financial parameters that were used to arrive at the \$2m figure in terms of motels, caravan park sites etc?

Mr COULTER: Mr Chairman, it is intended that the Treasurer be the minister responsible for the trust fund and that I would make remittance available on advice from the Minister for Tourism.

Mr TUXWORTH: That raises the question as to where the Minister for Tourism will get his advice about the expenditure of the \$2m that has been paid in by the motel owners. Will the advice come from the Tourist Advisory Board or where?

Mr Coulter: From \$10m that he now spends ...

Mr TUXWORTH: I take the minister's point about the \$10m that he now spends, but I am talking about the \$2m that will come out of the pockets of the motel industry and its consumers.

Mr HANRAHAN: Mr Chairman, I answered this question in detail during the second-reading of this legislation when I explained the structure through which advice flows from the TPA to the Tourist Commission. It is obvious that the commitment of this money to the Tourist Commission would be in accord with the budget process. The budget is set and submitted by the tourist commissioners.

Let me give an example of why I would lean to the view of having some of the funds held for contingency purposes. The recent overseas marketing effort for the film Crocodile Dundee came about through an involvement with Qantas, the Queensland Travel and Tourist Corporation and the Northern Territory Tourist Commission. The only reason we became involved in that campaign in a major way was to ensure that Queensland did not have the opportunity to roam the world telling everybody that this wonderful place called Kakadu was in Queensland. That one-off special case cost us \$500 000 and that is the sort of instance where contingency money is needed. The remittance of the money from the Treasury trust account would be on the advice of the Northern Territory Tourist Commission relative to its normal budget process.

The money has been committed specifically to marketing. That marketing will include support for TPAs, our national television program, special brochures or the print media campaign. We are spending another \$500 000 on a special promotion of the sealing of the south road aimed at all the motor vehicle organisations throughout Australia.

The system of planning and consultation in the Northern Territory Tourist Commission functions very well and I think that the commissions efforts and its success over the last 6 or 7 years really speak for themselves. Any suggestion that the money will be wasted or will not be audited in a proper fashion are incorrect. The methodology is more than acceptable.

Mr CHAIRMAN: Order! I have given the committee a tremendous amount of latitude in discussing and re-discussing clause 12. We have already taken clauses 13 and 15. They have been put and passed. We are now dealing with clause 16. It is my intention now to put the question that the amendment to clause 16 be agreed to.

Mr TUXWORTH: Mr Chairman with respect, the committee gave me the power to recommit the clause.

Mr CHAIRMAN: No. It gave leave to discuss it and it has been discussed. We are now dealing with clause 16. I do not propose to hold up the committee stage on clause 12 now that we have already passed clauses 13 and 15 and are dealing with clause 16. I allowed the member some leeway in trying to obtain information in regard to clause 12. He has the capacity to raise it in the third reading of the bill for further explanation.

Mr TUXWORTH: A point of order, Mr Chairman! I think when you look at the Hansard you will find that I asked whether the committee would give me the indulgence to recommit clause 12 for consideration.

Mr CHAIRMAN: You sought leave to discuss proposed section 80G, not to recommit the clause. That is what Hansard will show you.

Mr TUXWORTH: Mr Chairman, I do not want to labour the point. I would just like to raise with you my concern that this is the sort of thing that will turn this bill into a nightmare.

Amendment agreed to.

Mr SMITH: Mr Chairman, I move that subclause 2(b) be omitted and insert in its stead the following: '(b) was made to give effect to a contract entered into on or before that day'.

The existing clause states 'was paid for in full on or before that day'. That day is now 1 August and we are talking about exemptions from the payment of the levy that has been imposed. It is the view of the opposition that some pre-existing commitments will escape the clause as it stands because of the wording which says that the booking has to be paid in full before 1 August. We can all envisage situations where firm bookings are made before that date but the actual payment is not made until after that date. I am currently in a similar position myself. Next week, I am going to Ross River for a night. That booking was made quite some time ago but the payment has not been made and will not be made until I get to Ross River, and that is normal procedure. The problem for the Ross River hotel-keeper in that situation is that he would have quoted on a price and I would have accepted the price. By the time I had got there, if it had been after 1 August, he would be paying a \$2 levy under the legislation as it stands at present.

We are suggesting that the appropriate and sensible course would be to extend the exemption to cover contracts entered into on or before 1 August. I realise that this is much looser but it will provide an out for those people who would otherwise have been caught. There is a significant amount of

pre-booking without pre-payment. It would be most unfortunate if people who had pre-booked without making their pre-payment were caught. That is why we have moved this amendment.

Mrs PADGHAM-PURICH: Mr Chairman, after what was said to me at the meeting of hoteliers and people in the motel and caravan park industries, I support the Leader of the Opposition's remarks. If this bill goes through without the amendment, 1 operator will be facing a bill of \$14 000 immediately. He is not a 2-bit operator who is here today and gone tomorrow. He has built his business up and is working hard. I heard the member for Fannie Bay say: 'Why do they need to worry? It is only the cost of hamburger'. It is not the tourist who will be paying it. If the tour operator has taken the bookings and has not been paid in full, the operator will have to pay the money. It is not just \$2 for the cost of hamburger. In this bloke's case, it will be \$14 000. He said it publicly so I am taking his word for gospel.

Mr POOLE: It is common practice in the tourist industry that, if you do not pay in advance and no contract has been entered into, you accept the door rate when you arrive. Contracts are only entered into for bulk-tour operations. They are not normally entered into in examples like the one the Leader of the Opposition used - when making a single telephone booking. It is not a contract and there is an escape clause in all brochures that says that prices are subject to rise and fall etc. There should be no expense to the operator because the operator will simply pass on the \$2 tax.

Mr HANRAHAN: Mr Chairman, I am speaking against the amendment. If one contemplates the amendment in terms of how the member for Barkly saw 'short-term', we face the problem of definition. Perhaps the Leader of the Opposition will give us the benefit of a definition of 'contract' in these particular circumstances. A contract can take many varied forms. Is it a telephone conversation, verbal advice, an exchange of letters or a brochure?

There is one important point that has been raised by the member for Araluen. We accept the fact that people will be arriving and getting an invoice. We are asking the operators to charge the \$2 and affix the adhesive stamp to the invoice. We accept that, in some cases, that is onerous. When we took this decision, we knew that operators could abuse the government all they liked when they were collecting it, and no doubt they will.

Mr Chairman, the amendment is not in accord with the efforts of other governments to raise the necessary revenue and I think we have had that argument enough. There is an expectation by government that, in those cases where people have not prepaid - and prepaid means an exchange of money - the cost of the room on or before the implementation of this legislation on 1 August, it will be the responsibility of the operator to collect that levy.

Mr EDE: Mr Chairman, far be it from me to give members opposite a lesson in contract law, but I will give them what little knowledge I have on the subject. It is very obvious that they do not even know those elements I am aware of. The first element is the invitation, which can be advertising, a pamphlet or whatever. We then go through the elements of offer and acceptance. As the Attorney-General will be able to tell honourable members in a moment, I am quite correct about this. The offer of a contract may come from the person who is seeking accommodation in the form of an offer to come and stay following the invitation to treat issued through a pamphlet. There are different ways that contracts can be formed but the elements are very precise, as they are for the acceptance. One of the prime elements is consideration. From memory, Anson's Law of Contract goes on for page after page about the meaning of 'consideration', but it is very clearly detailed.

We have talked in terms of a contract. As I understand the bill, it is quite clear that, if somebody pays a deposit on accommodation at a certain rate, that would constitute a contract under contract law. However, that would not be covered under this bill. The point is that the people in the tourist industry are honourable people who will want to abide by such contracts. This will apply in the situation which the member for Koolpinyah spoke about where somebody who has a contract will lose a lot of money. The people in the industry will not be like this government and throw out contracts willy-nilly. They do not have the ability to legislate to get around contracts. They have to honour contracts and they will have to bear the cost of that.

That is the point that we have addressed in this particular amendment. If there is a contract and its elements are established, there may be a situation in which an operator has a contract with a particular individual or group to the extent that he agreed to provide accommodation at a certain rate. People in this situation should be exempted from the provisions of the legislation.

Mr TUXWORTH: Mr Chairman, this goes to the heart of the points I raised earlier and I really do think it is a very serious issue. I listened to the member for Araluen and could only come to the conclusion that he said all those things with his tongue in his cheek. The reality is that the bus or airline companies send a telex and say they want to book 40 rooms for 200 nights in 1988-89, for example. They ask for a firm price for singles, doubles or whatever, in that year, and ask the operator to take into account any likely price rises that he will incur with wages, electricity and other costs. The operator telexes his price, detailing what it includes such as light breakfast etc. Eventually, the bus arrives. The driver normally pays the operator for the number of people on the bus as they come in or go out, under the terms of the contract telexed between the parties. This is how most small motels with up to 30 or 40 units operate.

What we are saying now is that, when the bus driver says he has occupants for 40 beds at \$50 a night, the motel operator has to say: 'I'm sorry, there has been a change. There is a \$2 bed tax that the government brought in last week or last year and I have to pay it'. The driver will answer that that is not his problem and that the operator quoted a firm price for the year, taking into account all price rises. What is the motel operator going to do for the \$80 or \$90? Is he going to stop the bus driver from leaving or get in the bus and do a whip-around among the passengers? This legislation is very unfair to people who have forward-sold camping areas, hotel rooms, tours or whatever. They will have to pay the \$2 a night because there is no way that they will get it out of Ansett or the others if they have committed themselves to a firm forward price. The legal cost of trying would be more than it is worth. If an operator took on one of the bus or airline companies, they would probably take their business elsewhere. It is just dreadfully unfair.

Mr COULTER: Once again, Mr Chairman, we hear from the 'yes, but' people in this Assembly about why we cannot do it and how it is all too hard. We have heard them here this afternoon. 'Yes, but you can't do this'. Nobody is suggesting why we should not do this. It is all, 'Yes, but'. Mr Chairman, if we had to rely on that philosophy we would get nothing done in this Assembly. A telephone call is not a contract. If the Leader of the Opposition has a problem with Ross River, I will provide him with \$2 to pay for his tax if it will upset him too greatly. He told us about the problem with the contract. It is too wide. It can be become confused according to who is on the other end of the phone. It would be quite easy for that to happen, especially with a name like Smith. The bill provides that there is no tax if pre-payment is

made and we believe that this clause should stand and that it will cause no problems. We will not support the amendment.

Mr TUXWORTH: Mr Chairman, I would like to pick up the minister's 'yes, but' argument because we are not 'yes butting' about his or my money. It is not the tourist's money we are talking about or that of a coach operator. It is the money of motel and hotel operators in the Northern Territory who have had no opportunity to protect themselves - and they could have - against this impost. That is what is unfair. The Minister for Health made an aside a moment ago saying: 'But can't the bus tours cancel, and don't they?' The reality is that sometimes the bus tours do cancel, and they pay for having booked the whole place out. Sometimes they don't pay because they can claim that there were circumstances beyond their control and sometimes they give a week or a fortnight's notice to say that they cannot take the rooms so that the motel-owner can sell them elsewhere. Normally, the motel operators have an arrangement with the tour operators about a cancellation fee. That relates to business between them.

However, what we are doing here is saying to motel operators who have been pretty inventive in forward selling at a fixed price: 'You are mugs and we are going to take it out of your pocket because you did not have the brains to see that we would bring in this tax'.

Mr SMITH: Mr Speaker, the member for Tuxie - for Barkly ...

Mr Collins: They will name the seat after him one day.

Mr SMITH: Yes, it is almost a personal fiefdom, isn't it. The member for Barkly has put it extremely well.

Mr Coulter: The difference is that he opposes it and you support it.

Mr SMITH: You are rapidly driving us into a position where we are going to oppose the whole thing too, if we can't come to some agreement on this.

Mr Chairman, I again put it to members opposite that we have a situation where it is the practice of large bus companies who pre-book, to pay when the buses arrive. They know they have negotiated a fixed price and they are not going to entertain an approach from the hotelier that, because of a government action, they should chuck in an extra \$2 per passenger. Certainly the bus companies are not going to go back to their passengers with the hat because that sort of behaviour would get them awfully bad reputations very quickly and they would lose future passengers in droves.

Under this legislation, the hotelier's only alternative is to pay the \$2 levy himself out of the profits he thought he would make from the pre-paid package deal. We all know that pre-paid package holidays are very competitive and the margins are squeezed right down anyway. It is ridiculous to expect hoteliers to take out an extra \$2 to pay this tax.

The Minister for Industries and Development will say that the bus companies should pay or the passengers should pay. He should look reality in the face. The bus companies will not pay. If the government wants the bus companies to pay, perhaps it should take them to court. It is not in the hotelier's interest to take them to court because, as the member for Barkly has said, they will go somewhere else next time. The poor hotelier is locked into a no-win position in these matters.

I urge members opposite to use a bit of common sense. We have indicated that we support the concept behind the bill, but the government will get it off to a very bad start and create an enormous reservoir of ill will if, as well as forcing the hotelier to slug customers an extra \$2, he is required to take the additional levy out of his already very narrow margin of profit when he has not allowed for it in the case of pre-booked accommodation. That is what this amendment is all about. Surely it is sensible and reasonable.

Mr TUXWORTH: Mr Chairman, I will just take a minute to turn this into dollars. Take the example of a motel that takes 1 bus per night and the passengers take 20 rooms. Normally, there would be 20 rooms which are paid for and a room for the driver and the coach captain which is not charged for but is worth \$40 a night. If coaches are coming to the motel 200 nights a year, the government is saying to the motelier that it wants him to buy \$8000 worth of stamps. That money has to come out of the income from bus tours which are the result of long-term commitments entered into and, given today's cost structure and the competitive nature of the market, it is a pretty heavy impost on any motelier. The government is saying: 'You mugs should have known we were going to clip you for 8 grand a year. You should have allowed for it in your prices. You are losing your touch'.

Nobody in the Northern Territory tourist industry would have believed that the government could do what it is doing. That is why the resistance is there. The people we saw this morning and people who have been meeting all over the Territory know that if they take 1 bus a night for 200 nights in the next year, they will have to pay an extra \$8000 in tax. If they had had been given just a little bit of notice, they could have allowed for this in their forward selling. They could have recouped all of it because everybody would have been on an even keel. That is the most unfair thing about the proposal. How would you feel if it was being done to you?

Mr POOLE: Mr Chairman, I was not speaking tongue-in-cheek, as the member for Barkly implied previously. I grabbed a couple of tour brochures from one of the largest companies in the Northern Territory. One states quite clearly: 'The operator believes the contents of this brochure are correct at the time of printing but all prices, itineraries and days of operation are subject to change or withdrawal without notice'. The other, which is put out by an affiliated company, says basically the same thing. They are standard clauses that most sensible tour operators put on their brochures. If you book an overseas holiday through Traveland or any other large travel agency, you will see a clause in the brochure that quite clearly states that some admission prices to features are included and others are not and that customers are liable for all state and federal government duties. I am talking now about the United States where it is quite common to see this type of disclaimer. There is one in every pamphlet.

Mr Smith: In the Northern Territory?

Mr POOLE: Yes, in the Northern Territory. It says that quite clearly. It is quite a common practice for people to pay a tax when they check out of hotels and pay for their drinks and telephone calls. It would be quite acceptable to those people to pay a \$2 bed tax. They do it throughout the world.

Mr TUXWORTH: Mr Chairman, those disclaimers are between the operator and the customer, not between the operator and the motel owner. The operator of the tour has an opportunity, when the ticket is being purchased, to say to the customer: 'The conditions indicated in the pamphlet have been changed and I

have to charge you a little more'. However, having taken a customer's fare of, say, \$3000 for an around-Australia trip ...

Mr Coulter: It is part of the condition that he has prepaid.

Mr TUXWORTH: It cannot be, because no one knows about the tax until the day it is brought in and the tour operator ...

Mr Coulter: The tour operator, not the hotel ...

Mr TUXWORTH: The tour operator would have paid and committed himself to the motel operator on the basis of the telexes determining a fixed price. That is normally all set in place a couple of years in advance. When the Territory motel operators ring the coach-tour operators and tell them there is now a \$2 bed tax, they will be told: 'That is fine. We have telexes stating that our price is amount x, taking into consideration all your potential increases for the next few years. If you have a price increase, you have a price increase. It does not affect us. We have a deal'. The tour operators print their brochures on the basis of the telexes they have exchanged with the motel operators.

Mr EDE: Mr Chairman, this is quite incredible. It demonstrates just how out of touch this government is. Members opposite sit there in their flash chairs scratching the backs of their heads and looking at each other with absolutely no sensitivity for the people who will be affected by this. Obviously, they have no knowledge whatsoever of practical matters out at the coalface among motel owners and tour operators.

We have said that we are trying to develop some professional expertise in the industry. We are trying to build up our credibility and to demonstrate that we operate well, but all the Treasurer can say is that people are supposed to breach their contracts and gain an enormous amount of ill will by slugging the coach operators for extra dollars even though they have a fixed price agreement. The government is trying to build up ill will which demonstrates to me that it basically does not care about the motel owners. It is smug and slick. It has put forward its legislation and it will not accept an amendment even though it has not put forward one reason why it should not be accepted.

It says it will not affect many people or that the operators can pass it on to someone else, but it has no knowledge of the industry. Members of that industry were here today. They attended a number of demonstrations and a number of meetings with the honourable minister opposite, telling him about the practicalities of the situation. The government is so stubborn and smug that it has decided to dig in its heels in and say: 'What are a few motel owners? What are a few small businesses around the Territory? They will be right. We will not worry about them. We have the Sheratons and so forth in our pockets anyway'. I give notice that this legislation will come back and haunt the minister if he does not climb down from his high horse and support the amendment.

Mr TUXWORTH: Mr Chairman, I would like to pursue this matter because it really is serious. We will have a situation where our tourist operators and hotel operators will be out of kilter with the bus companies and all the national markets because of a \$2 bed tax. Our people will be trying to collect it and the tour companies will be denying liability. Whatever we think about that, it is the reality. The motels will be trying to get it from the companies and the companies will disclaim it.

Mr Coulter: The motel gets it from the occupant. Read the bill!

Mr TUXWORTH: That is an important interjection because it highlights what is wrong. If you are a motel operator and you make a commitment to a bus tour that you will sell a room for \$20 a night, and the customer buys the bus tour around Australia for \$20 a night and gets to your motel and is told to pay an extra \$2 a night, he will say that the coach captain paid for his room. You then tell the customer that the coach captain forgot \$2 a night. You can get the \$2 a night from the customer who can then sue the company, under the Trade Practices Act, for the whole cost of the tour. If you quote to put 2 people in a room and you put 3 in a room, they can go back to the bus company and seek redress because a motel operator on the circuit has let them down.

There is no capacity to take the extra \$2 a night from the passenger when he arrives at your motel on a prepaid tour. You are taking it out of the motel operator's pocket. It is not fair and it should not go ahead. There is no justice in it. What we will find is that the tour operators will say that the Northern Territory government has introduced this duty of \$2 a night and it might be \$3 or \$5 a night in 2 or 3 years' time. He will take the easy option and send the tours to Western Australia or some other state.

Mr Hanrahan: Get off yourself.

Mr TUXWORTH: The minister interjects that I should get off myself. He does not have any investment. He has never had to sell. He has never had to go through it and it is a pity because he would have a lot more to offer this debate if he had. He is so far out of kilter with the practical working realities of this industry that it does not matter. If the government thinks that this legislation is going to stick, it does not know how far out of kilter it is.

Mr POOLE: Mr Chairman, for the benefit of the member for Stuart, I would just like to mention the way the tax will be collected. I would simply point out that his own federal Labor government doubled the departure tax at Australian airports some 2½ years ago without any notice to anybody. It had no effect whatsoever on the price of air tickets. It was a simple collection from the consumer and the consumer had to pay it if he wanted to use the services and depart from the country. It would be exactly the same thing if you arrived in Paris tomorrow and you found that the federal government of France had raised its service charges from 5% to 10%. The consumer would have to pay it.

Mr TUXWORTH: Mr Chairman, if you want to extend that to its conclusion, the motel operator will stand at the door when the bus arrives and refuse to hand over the key until the \$2 is paid. If that is the way that we are going to do business, let us get it out on the table and tell everybody. That is the argument he is advancing and it just does not hold water. We cannot get away with that. We have the most expensive destination in the whole country. The thing that is hurting us most is the cost of getting people in and out of our destinations.

Mr Poole: \$7 per customer.

Mr TUXWORTH: The honourable member says \$7 per customer per night. What about people who want to do a 50 or 60 day caravan parking tour through the Northern Territory and have to fork out for this tax? If you listen to the industry, it will tell you that the caravan traffic has increased appreciably. However, they are all the old mums and dads, the grandparents. They do not

buy a lot, they do not want a lot and they have not got a lot. They are doing a cheapie tour. Try your luck with them when the word gets out that we are banging on an extra \$2 a night for a stay in the Territory so the government can take the dough. We are putting ourselves in a really impossible situation.

Mr FIRMIN: Mr Chairman, this debate is just getting out of hand in respect to the contractual arrangements between customers, operators and overseas wholesalers. The member for Barkly has allowed us to presume that he was an astute business operator. Nevertheless, he would have us believe that when he entered into long-term contractual arrangements, he never gave himself an escape clause. Every other operator in the Northern Territory seems to. Certainly, ex-Senator Kilgariff, whom I spoke to in the gallery a moment ago, said that he has been using an escape clause for 25 years in the Northern Territory. To his knowledge, nearly all other motel operators in the Northern Territory use them and he believed the member for Barkly used them when he ran his motel units in Tennant Creek. If he is trying to tell us that that was a satisfactory way to run an operation then and it is not satisfactory for an operator today, I find that very difficult to believe.

As was pointed out by the member for Araluen, it is common practice throughout the world. Having travelled extensively over the last 25 years, I am probably quite well qualified to comment. I have received additions to my bills on arrival in various parts of the world as a result of changed circumstances. I have had additional amounts added to my bills on return to Australia from wholesalers from whom I had bought tours. I expected to receive those additional bills because I have entered into contractual arrangements, as do other travellers who travel worldwide and within Australia. I find his arguments spurious.

Mr TUXWORTH: Mr Chairman, it is interesting that the member for Ludmilla finds the arguments spurious. If he had ever run a motel and had to deal with the bus companies, he would know it was not spurious. There are escape clauses that go both ways, but they do not particularly apply to a bus load of people that has arrived at a predetermined price. Escape clauses do not come into it. You can go to the bus company and say that it ought to pay the extra \$2 a night. It will say: 'Do you want to go to court? We have an agreement'.

I have been through that. We have had to plead with bus companies that costs in wages and other things made it imperative for us to increase the quoted price of providing a breakfast or a dinner. They simply say that it is too bad. They say that, if we want to pursue the matter, they will book in elsewhere. That is what is unfair about it. The honourable member might have received bills from his wholesaler when he got home. He might be quite within his rights to refuse to pay or he might do the decent thing and pay the \$2. I assume that he would. We are talking about small moteliars who are really struggling. Anybody who believes that there is a pot of gold out there has it all wrong. They are battling and it is not within their capacity to start forking out the sort of money I talked about earlier.

Mr COLLINS: Mr Chairman, I see a weakness in the argument of the member for Araluen regarding the departure tax being doubled and everybody having to pay it. Of course people have to pay that tax because a government officer is there collecting it. If you do not pay it, you do not go overseas. In this case, moteliars are to collect the tax. Pressure can be applied to them in ways it cannot be applied to an officer of the Commonwealth government, who can shrug his shoulders and tell you to pay up or else not leave.

The committee divided:

Ayes 7

Mr Collins
Mr Ede
Mr Lanhupuy
Mr Leo
Mrs Padgham-Purich
Mr Smith
Mr Tuxworth

Noes 12

Mr Coulter
Mr Dondas
Mr Firmin
Mr Hanrahan
Mr Harris
Mr Hatton
Mr McCarthy
Mr Manzie
Mr Perron
Mr Poole
Mr Reed
Mr Setter

Amendment negatived.

Mr COULTER: Mr Chairman, I move amendment 7.4.

This will omit 'August', twice appearing, from subclause (3) and insert in its stead in each case 'September'.

Amendment agreed to.

Mrs PADGHAM-PURICH: Mr Chairman, I move amendment 10.1.

Because of the opposition to this legislation by the industry and in the knowledge that the government will push it through, I believe the government could consider reviewing the tax in 3 years' time to see how effective it has been. In that time, comment will have been gathered from the industry. I have set the date of the sunset clause at 31 July 1990 because that will be within the term of the current Assembly. It is only right that the government or the minister that introduced the legislation should reconsider it. This amendment will ensure that division 13A will be reviewed on 31 July 1990.

If necessary, the government could reintroduce the tax. I do not anticipate any problems there for the government because all the brouhaha will be over and done with and it will be a simple matter to reintroduce the tax. However, I ask it to reconsider the introduction of a sunset clause in fairness to the industry. Although the Minister for Tourism said the industry had been consulted, we were told publicly at the meeting that he attended that the industry had not been consulted. Why not make a general decision after consultation with the industry over 3 years?

Mr EDE: Mr Chairman, we support the amendment proposed by the member for Koolpinyah. Given the intransigence of the government in its dealings with this piece of legislation, it will by 1990 be demonstrably a farce and a complete catastrophe. The government will be forced to amend this bill before then.

The problem is that, in the meantime, people in the industry will go through a tremendous amount of heartburn, agonising and worry as they find that their slim margins are trimmed even further. We will face enormous repercussions from the interstate tourism industry which will make the Territory industry suffer in order to demonstrate its own opposition to bed taxes.

The amendment proposed by the member for Koolpinyah will at least provide some form of comfort for people in the industry and for people around Australia. It will show that while the Northern Territory has gone down this path and despite the government's refusal to adopt the very reasonable amendments proposed by the opposition, there is light at the end of the tunnel. It will be seen that there is a time when this legislation will cease to have effect and it will again come before this Assembly so that it can be determined whether it should be altered or whether the government will persist in its error. The opposition supports the amendment.

Mr COULTER: Mr Chairman, we do not support the amendment. Of course, the difference between the government and the opposition is that when when we intend to do something, we do it. Obviously, the member for Stuart has a new sense of direction now that the Leader of the Opposition is out of the Chamber. He is now saying that he does not support this legislation. There was a clear undertaking that there was support for the legislation but now he has changed his mind.

With the current rate of inflation, the \$2 duty will pale into insignificance in 3 or 4 years' time. After 11 July, things may change dramatically, but it may take a while for Mr Howard to correct the high inflationary trends that have been created by the present federal government. As a fixed charge over that period of time, this \$2 tax will appear insignificant. Because the tax will be fixed at that level for that period of time, there will be no amendment to the provisions.

Mrs PADGHAM-PURICH: Mr Chairman, that was an interesting remark from the Treasurer. Where does it say that it will be fixed?

Mr COULTER: Mr Chairman, it is not fixed in the actual Taxation (Administration) Amendment Bill. It is fixed in the Stamp Duty Amendment Bill: 'Subject to paragraph (b), for each day or part of a day shown on the invoice as being the period of the let of the accommodation unit, up to a maximum of 7 days - \$2'. It is laid down very clearly as a fixed charge. Indeed, the Minister for Tourism has advised industry of that. The government's intent is registered in the Stamp Duty Amendment Bill.

Amendment negatived.

Clause 16, as amended, agreed to.

Remainder of the bill taken as a whole and agreed to.

Bill reported; report adopted.

Mr COULTER (Treasurer): Mr Speaker, I move that the bill be now read a third time.

Mr COLLINS (Sadadeen): Mr Speaker, at the Alice Springs Regional Tourist Promotion Association meeting which the Minister for Tourism addressed, he said that the Tourist Commission had spent something like \$800 000, or 40% of the \$2m which is expected to be raised through this tax, to tell the world that Kakadu was in the Territory and not in Queensland. The minister left the meeting before it was finished. No comment was made by anybody at that stage but I can tell him that the feeling of those people was - and I strongly support them - that to spend \$800 000 telling people that Kakadu is in the Territory and not in Queensland is a sheer waste of money. If the tourists get to Kakadu, they are in the Territory. The tenor of the whole debate was

that the government would be able to spend that \$2m far more wisely than the industry could. If that is true, I will go 'he'.

Mr Speaker, I ask the Minister for Tourism why the government should manage a host of services and functions that the industry could provide in a leaner, better and lower-cost way. If, as indicated by the minister this afternoon, this money is to be used for contingencies like the one I mentioned - and he gave the example - then I say the government would be far wiser to take my original suggestion and take \$2m out of the budget for the commission and give the people in the industry a chance to stand on their own feet and spend their own money as they see fit.

Mr HANRAHAN (Tourism): This begs clarification, Mr Speaker. It proves one thing and that is that the member for Sadadeen simply does not listen. The contingency money was not \$800 000. It was slightly in excess of \$500 000.

Mr Collins: You used \$800 000.

Mr HANRAHAN: If you were in here this afternoon, you would have heard me say it.

We joined the campaign in relation to the promotion of 'Crocodile Dundee' in the United States, South America, Europe and the United Kingdom. Each separate promotion cost us \$250 000. The campaign was one of the biggest ever mounted by a combination of governments and private enterprise to promote Australia other than 'Put a Prawn on the Barbie', the campaign run by the Australian government.

I will use America as an example. The promotion was run by 60 of the top radio stations across the states. It received prime-time radio and television coverage for 3 months, with personal appearances by Paul Hogan and his manager, John Cornell. It involved prizes - double return air fares plus a week's accommodation in Kakadu for the winners. It involved Ansett Airlines, Qantas, the Queensland Travel and Tourist Corporation and the Northern Territory Tourist Commission.

One small element in this was that Queensland was saying quite freely that Kakadu was in Queensland. We have our own interests to protect; we are trying to promote the Territory. Kakadu is an essential part of our promotion. At the meeting, I used that as a simple example of one of the reasons why we need contingency money. We need to become involved in major promotions so that the Territory is represented fairly, squarely and equitably. It would have been an absolute disaster for the Territory not to have been involved in those promotions because they had such an outstanding success. The growth of tourism in the Territory today proves that.

We did not spend that amount of money specifically on that particular issue. It was one element of one of the biggest campaigns ever mounted overseas to promote the Territory and tourism in Australia generally. Mr Speaker, it is really drawing a very long bow to take that to its ultimate and say that we spent \$800 000 on that aspect of the campaign alone .

Motion agreed to; bill read a third time.

BUSINESS FRANCHISE (TOBACCO) AMENDMENT BILL
(Serial 40)

Continued from 11 June 1987.

Mr SPEAKER: The question is that the bill be now read a second time. Those of that opinion ... The honourable member for Barkly.

Mr TUXWORTH (Barkly): I did not realise you were so keen to stifle the debate, Mr Speaker.

Mr SPEAKER: Order! If the member for Barkly wishes to reflect on the Chair, I suggest he does it in writing.

Mr TUXWORTH: Thank you, Mr Speaker.

Mr Speaker, I rise to speak against the bill, particularly in relation to the petrol tax and the diesel tax of 3.5¢ a litre. I have maintained for quite some time now, and the government campaigned on this during the election period, that there should be no increases in taxes in the Northern Territory. I do not maintain that position lightly. I know the difficulty that the government is in, but the bottom line is that people out there have no capacity to pay without creating real hardship. The government may believe this is just another dip and it will be okay because there is plenty of money and plenty of people who will have to pay because they have to drive to work. All this means is that people will be forced into more hardship.

When you live in a place like Darwin, where petrol is 52¢ to 54¢ a litre, it is pretty hard to imagine that the rest of the Territory is paying in excess of 68¢ a litre. In some parts of my electorate, petrol is in excess of 70¢ a litre. I believe it is over 70¢ a litre at Ayers Rock. Whether the tax is absolutely necessary or not, we have to accept the reality that this is one of the most inflationary taxes that can be applied to the community.

It will also do more harm to the tourist industry that we would care to admit because promoters of the Northern Territory will very quickly have to come to grips with the fact that they are encouraging people to come here in the knowledge that petrol in the Territory will be between 62¢ and 75¢ a litre. Those sort of prices are beyond the bounds of reason and beyond the capacity of many people to pay. In the cities, people can choose not to travel too much but, once you have embarked on a trip around the Northern Territory in a caravan or on a tour, it is very hard to decide that you do not want to go any further because you have run short of money or the petrol is too dear. The tourist industry will be badly hit by the increases in the cost of fuel and people living in remote areas, who are already paying in excess of 70¢ a litre, will be very badly hurt.

Mr Firmin: Why don't you tell them who caused us to charge it?

Mr TUXWORTH: Mr Speaker, the member for Ludmilla asks why I do not tell people who caused the increases in the charges. There is no doubt that the Labor Party caused them, and it did so viciously and vindictively. The reality is, however, that we do not have the capacity to keep on recouping it through taxes. We have to stop spending and we have to stop taxing.

Mr Firmin: We do not have the capacity to collect any more revenues from other sources either.

Mr TUXWORTH: The bottom line is that you have to stop spending. There is no more capacity to tax.

Mr Coulter: We are talking about \$9m in revenue and \$92m in cuts.

Mr Tuxworth: I hear the Treasurer say that he will get \$9m in revenue. If that figure is as reliable as the \$2m we are supposed to get from the bed tax, it will need to be proven.

Mr Coulter: That includes the \$2m.

Mr Firmin: It is \$9m revenue-raising from all sources and \$92m ...

Mr SPEAKER: Order! The member for Barkly has the floor.

Mr TUXWORTH: Mr Speaker, I would be remiss in my responsibilities to my electorate if I allowed a bill of this nature to go through without putting that point of view. People there will be hurt considerably by the extra 3.5¢. The tourists who go through electorates like mine will suffer, as will all people who have to travel enormous distances in electorates such as mine. In places like Alice Springs and Darwin, where distances are not so great and there is some public transport, the burden is not so great because people can choose whether they really need to travel or not.

Time and again, particularly in the way the Commonwealth has exercised its powers over excise, petrol taxes have been shown to be the most inflationary taxes possible and here we are saddling up to bring them into the Northern Territory. We will find it very difficult in the Northern Territory if we believe that we can keep on introducing taxes like this and that people can stand the pressure without suffering hardship. In many cases, people will leave because of the extra costs.

I oppose the introduction of petrol and diesel taxes and I would like that placed on record. I think it is only a matter of time before we will have to review it.

Mr COLLINS (Sadadeen): Mr Speaker, I wish to express my regret at this tax of 3.5¢ a litre on petrol and on-road diesel. I lay the blame fully at the feet of the federal government. A certain Senator Walsh said that he wanted to see the Territory depopulated. He might not have his shotgun out but he will not do a bad job with this particular tax. In Alice Springs - and that is the area I am concerned about - petrol is about 62.5¢ a litre at present. Another 3.5¢ per litre will make it 66¢, which is about a 5.6% increase. In other areas, it will be considerably greater.

It will have an effect. It will not stop the tourist industry but it will be another impost, another little nail in the coffin, another little burden to be endured. We already have the sin tax, or should I call it the bed tax, which has passed through this Assembly, and now we have this one. I would like to register the complaints of people in the tourist industry who, having read the report and the Treasurer's statement, took exception to his saying that people on farms and in the mining industry, who use diesel off-road, are the productive sector. Tourist and bus operators took that as an insult and an accusation that they are non-productive. I believe these people are also a productive sector of the community and the comment is not acceptable to them.

The tax will add to the costs of the pastoralists who have to get their cattle out on road trains. It will be an extra cost for the people who

deliver freight in the Territory and that cost will be passed on to the consumer. It will affect the Aboriginal people, many of whom live many miles from town. I dare say most people will accept it and tighten their belts a little but, for a few, it could be the straw that breaks the camel's back. It is the sort of thing that will not help Territory development. I cannot see an answer to it. It has been forced on people by the Territory government. It is very regrettable. I wish it was not there. I believe the answer may well come on 11 July, a very important day if Territorians want to obtain a better and a fairer deal. I suggest that they vote conservative on 11 July.

Mr Smith: Which party, Denis?

Mr COLLINS: That is an interesting question. As far as I am concerned, people should maximise the conservative vote in an effort to get rid of the people who put the Territory in a position whereby the government has been forced to apply a 3.5c a litre tax on fuel which will put the screws on the Territory once again.

Mr REED (Katherine): Mr Speaker, I want to speak briefly on this bill. The Northern Territory government, through necessity, has introduced legislation and administrative arrangements aimed at addressing the reduction of over \$100m in funding provided to the Territory by the federal Labor government. The government's measures include decreases in funding for the public sector and raising \$9m through new revenue-raising measures. The Business Franchise (Tobacco) Amendment Bill will provide the legislative framework for the introduction of a fuel tax on retail petrol and diesel fuel sales.

Mr EDE: Mr Speaker, I draw your attention to the state of the House. There is no quorum. Once again, the government has failed in its obligation to provide a quorum.

Mr SPEAKER: A quorum is now present.

Mr REED: No one likes the thought of additional taxes or charges. However, in the present economic climate, they are an unfortunate necessity. Our small population limits the amount of revenue that can be raised and it is desirable that, in raising revenue, the burden be spread as broadly as possible across the community.

Mr EDE: Mr Speaker, once again, I draw your attention to the state of the House. Once again, I point out how inadequate this government is and how it does not treat the deliberations of this House with any seriousness.

Mr Harris: That is disgusting. You are not even in the House for half the night. You ought to be ashamed of yourself.

Mr Ede: I have been here a lot longer than you have, and it is your job to keep a quorum because you are supposed to be the government.

Mr SPEAKER: Order! The interjections across the Chamber will cease and the member for Katherine will be heard in silence.

Mr REED: Mr Speaker, the Territory's small population base limits the amounts of revenue that can be raised and I believe it is desirable that, in raising revenue, the burden be spread as broadly as possible across the community and that particular sectors of the community are not unfairly disadvantaged or penalised in comparison with others. The proposed tax of

3.5¢ per litre on fuels used for all on-road vehicles is expected to raise something in the order of \$7m. The tax will apply to all road-users and, as a consequence, will apply to a very broad cross-section of the community and therefore spread the burden of tax contributions.

I wish to commend the exemptions provided in the bill for fuels used in off-road vehicles and for the use of diesel for such purposes as power generation. This practice will alleviate the impact of the tax on the economy and, in particular, on business and industries operating in remote areas which are already burdened with high operating costs. I also commend the decision to implement the tax through an amendment to an existing act rather than establishing additional legislation and administrative arrangements. This action should simplify the administrative arrangements for fuel re-sellers, particularly those who are already meeting requirements of the act in the sale of tobacco products which will not be altered by amendments incorporated in this bill. I support the bill.

Mr EDE (Stuart): Mr Speaker, the opposition most certainly does not support this legislation. It attacks all the battlers in the bush who are the biggest generators of the wealth of the Northern Territory and the country generally. Unfortunately, they do not receive the benefit of that wealth because a large amount of it flows south as a consequence of this government's inability to keep it in the Territory.

People such as workers in the remote mines are very heavy users of petrol and diesel, whether on their shopping trips or the 70 km trips that some people in my electorate make to get a beer at The Granites. Those people are very heavy users of petrol and diesel and they will find it extremely expensive to wear the results of this tax imposed by the Northern Territory government. We have public servants living in remote areas who travel many thousands of kilometres every year, basically just to do their shopping or to have a break. They will wear this particular impost and will find it extremely difficult. People who live in remote communities are not the wealthy of the Northern Territory. People who live close to the services in Darwin or Alice Springs will not bear the impact of this tax to the same degree. It will be the people out bush who will bear the brunt of it.

The Treasurer is so rubbery that he does not realise that, if you travel 50 000 km per year, you use more litres than if you only travel 5000 km. I would like the Treasurer to dwell on that point for a couple of months. Maybe he will realise the logic of it. It will take him some time because he is not particularly bright. Perhaps, if he thinks about it, he will realise that travelling 50 000 km per year uses more fuel than travelling 5000 km per year. Bush people will end up having to pay much more than town people under this impost.

Pastoralists are not the rich and the wealthy of this world, as you know, Mr Speaker. Many of them are battlers. They might experience the odd good year but they also have many hard years and they use considerable amounts of fuel. They have to travel for their stores and supplies and they find it extremely expensive at present. The government gives no consideration to the battlers. It introduces these regressive imposts which hit the person at the bottom end of the scale far harder than anybody else. Tourists travelling through the Territory use a lot of fuel. The number of caravan tourists is increasing now that the federal government has fulfilled its promise to seal the south road. They are coming through in droves. What are they going to be hit with? An extra 3.5% in fuel costs.

It is all part of the same package that we were talking about this morning. We heard members opposite talking about how they intend to reduce district allowances drastically. They told us that we should not be opposing that because people in Darwin have everything they need for a fine life. I would like them to live at Kintore or Nyirripi or other remote communities to see whether things are quite so flash and whether people have all those services and facilities. This mob opposite does not think about that. They simply reduce the district allowance right across the board. They have wiped it out for everyone, no matter whether people live in the most remote area or in Darwin. Once again, that shows the contempt they have for people living in the bush and their complete lack of concern for the conditions that people live under there. Public servants in such places often live without any electricity and in quite inadequate housing. Some still only have kerosene stoves and fridges. Their terms and conditions are certainly not as flash as those in Darwin. The government did not take that into consideration when it decided on all these budget cuts.

We all know that the government is backing the Howard branch of the Liberal Party. We know the types of things Mr Howard is talking about doing. The Liberal Party wants to get rid of the freight subsidies. No member opposite has protested about that. Heaven forbid if the day ever comes when a Liberal government comes to power federally. At places like Elcho Island, the price of motor spirit would go up by 15.9¢ which is the current level of freight subsidy applicable. At a place like Lake Evella, the price would go up 29¢ per litre. That would really hurt communities in the Northern Territory. It would really hurt Territorians in remote areas, but we do not hear members opposite saying anything about that. They are so busy putting on their own 3.5¢ to get at the people out bush that they forget that their partners in crime, their friends in Canberra, are also trying to get into the so-called moneybags of people in places in my electorate.

I have a list of places here. You would know one of these places, Mr Speaker. It appears on the books as Mongrel Downs but it is now called Tanami Downs. The price of fuel there would go up by 9.8¢. I presume the hike at Rabbit Flat would be much the same. The price of fuel there is already exorbitant as people attempt to make a few dollars out of fuel sales. Nevertheless, people are very grateful to be able to purchase fuel at such locations. On top of the 3.5¢ per litre impost that this government intends to levy, there is the horrifying prospect - if ever a Liberal government got into power federally - that the freight subsidy scheme would be abolished and we would see them hit for another 10¢ a litre. It is quite obvious that the conservative parties, both here in the Northern Territory and in Canberra, have got together and decided to do a job on the bush.,

I hope that we will hear the member for Barkly speaking about this particular matter. I know people in his electorate will be affected quite drastically by this legislation and by the proposals that we see coming from Mr Howard, the federal Leader of the Opposition. We can only be thankful that we will never see him in government in Canberra and, hopefully, we will not see this government in power for too much longer either so that we can get rid of this inequitable and regressive piece of legislation.

Mrs PADGHAM-PURICH (Koolpinyah): Mr Speaker, I will only speak on 2 main aspects of this legislation.

Mr Coulter: Are you going to speak about the battlers in the bush?

Mrs PADGHAM-PURICH: No, I will not talk about the battlers of the bush today. You have battlers in your electorate too, but you do not give a damn about them.

Mr SPEAKER: Order! The honourable member will withdraw that remark.

Mrs PADGHAM-PURICH: I withdraw, Mr Speaker.

This legislation refers to the exact amount of surcharge that we will pay on our fuel. It is stated to be 3.5¢ per litre. A fixed amount of \$50 is mentioned in relation to fees and surcharges that will be paid. It is a pity that the previous legislation we debated did not have exact figures also. If it is good enough to have exact figures for surcharges and taxes written in one piece of legislation, it should be good enough in another.

I am very concerned about the fact that the Treasurer has said that there will be an impost of 3.5¢ per litre on on-road petrol and diesel and off-road petrol. He has stated that there will be exclusion from this impost for diesel used off-road in the mining and pastoral industries. I would like to think that I knew a bit more about primary industry than the Treasurer. If a distinction is drawn between the pastoral industry and other primary industry, that will introduce a highly volatile division in primary industry which has never existed before. I am not against the mining industry and the pastoral industry being excluded from the impost. Good luck to them if they do not have to pay that 3.5¢ per litre on their diesel. However, I would like to ask the Treasurer or the Minister for Industries and Development about their definition of 'pastoral'.

Mr Perron: Out in the bush.

Mrs PADGHAM-PURICH: 'Out in the bush' is not good enough. If 'pastoral' means earning one's income from cattle, which is the normally accepted meaning, that will cut out all other people engaged in primary industry. It will cut out grain growers, including those in the member for Victoria River's electorate whom I have notified of this tax. It will cut out all the people who are farming, and I have notified the farming group in the member for Katherine's electorate. It will cut everyone engaged in the horticultural industry, and I have several such people living in my electorate. It will cut out the apiarists and the pig and goat breeders - and I have to express an interest there. It will exclude everybody but the pastoralists unless the Treasurer or the Minister for Industries and Development can tell me that 'pastoral' means everybody engaged in primary industry.

I have spoken to the minister's advisers and assistants and I have suggested to them that they should put it to the minister that the definition of 'primary industry' be the same as that considered by the federal Commissioner for Taxation or something a bit better than that. I have to declare an interest here because my accountant submits my tax returns as those of a primary producer. I will be quite frank about that.

We cannot make the pastoral industry the elite of primary industry while all those poor so and so's of unwed mothers who happen to be growing mung beans or pigs or bees or sorghum or cucumbers or rockmelons pay 3.5¢ per litre for their off-road diesel. In case the ministers do not know it, people who are engaged in farming as against pastoral activities in primary industry probably use more diesel anyway. The farmer uses his tractor all the time for his cultivation, his fertilising and his spraying. If he is not using his

tractor, he is using his generator to keep his cool room going or to supply electricity to his workshop or his house. Both the generator and the tractor are powered by diesel. If this ordinary farmer is not relieved of the 3.5¢ per litre impost for his off-road diesel use, as has been promised by the Treasurer to the pastoral industry, I consider it most undesirable. I consider that the Minister for Industries and Development will not be doing his job as minister responsible for primary production if he allows this division to creep in and become institutionalised. I would like to hear a definition of 'pastoral use', in terms of the off-road diesel exemption, from either the Treasurer or the Minister for Industries and Development. It must include all primary industry.

Mr SMITH (Opposition Leader): Mr Speaker, as the Deputy Leader of the Opposition has said, the opposition opposes this legislation. Before getting down to the basis of our proposal, I must say that I was somewhat intrigued by the wording of some parts of this legislation, particularly the definition of 'petroleum': "Petroleum product" means (a) a petroleum and shale product used or capable of use in propelling a diesel engined road vehicle or (b) petrol or other petroleum or shale spirit having a flashpoint of less than 23° Celsius when tested in an Abel Pensky closed test apparatus'.

Mr Tuxworth: Haven't you got one of them?

Mr SMITH: No, I do not have an Abel Pensky closed test apparatus, but obviously every person will have to have one. They will become essential.

The other point that I found interesting was whether, in fact, off-road vehicle diesel use was covered as an exemption. I am advised that you have to read the definition of 'petroleum products' in conjunction with proposed section 3(10) to get that exclusion. I am advised that the exclusion is provided for and therefore I have no problems with that.

Mr Speaker, the opposition's essential reason for opposing this legislation is one that I have advanced on a number of occasions in the last few weeks: a fuel tax is the most effective way one could find, if one was so inclined, to feed the inflation cycle. Not only does the average motorist pay it once directly at the pump, but he pays for it in all the goods and services he purchases in the community after the tax is introduced. Quite clearly, particularly in the Northern Territory with our great distances, there will be an impact on the cost of goods and services and their transport through the Territory as a result of the imposition of this tax.

We did some work on the figures and, conservatively, we believe that the tax will add 0.5% to the consumer price index in the next 12-month period. When it is realised that, as at the end of March, the annual rate of inflation in the Northern Territory was running at 9.5%, that will push us into double-digit inflation, and I think that is a matter of concern.

We accept that the Northern Territory needs to raise more revenue. This results equally from the federal government's cutbacks and, as we have consistently pointed out, the Northern Territory government's own revenue predictions falling well short of what it had anticipated. But the government should have examined other ways of raising this revenue. If I heard the Treasurer correctly this morning, he said that the government would not be proceeding with the land tax or a fire services tax at this time. That is disappointing; I believe that those are appropriate taxes for serious consideration and should have been given a much higher priority than a fuel tax. As I said, the fuel tax will affect everybody in the Northern Territory

and will have a dramatic impact on the consumer price index and, consequently, the prices we all pay. Of course, for a large number of public servants, it is no laughing matter any more. We have given them a double whammy. We have taken a significant sum of money from them and, through this tax, we will also make it more expensive for them to live in the Northern Territory.

As the member for Stuart has said, the impact on the Northern Territory is much more significant than a similar tax would be if imposed in most of the states of Australia. That is because of the Territory's size and the isolation in which many Territorians live. For many people, it will mean a significant increase in their weekly petrol or diesel bill and money spent on petrol or diesel will mean that there is less to spend on other consumer items.

Mr Speaker, for all those reasons, the opposition firmly opposes the passage of this legislation.

Mr PERRON (Industries and Development): Mr Speaker, for the purpose of clarification I refer the admirable member for Koolpinyah to proposed section 3(1)(a) under the heading 'petroleum products'. The petroleum products which will attract the duty are those products 'capable of use in propelling a diesel-engine road vehicle' and paragraph (b) refers to petrol. In foreshadowing the introduction of this legislation, the Treasurer mentioned in his economic statement to the Assembly that all mining and pastoral off-road use of diesel will be exempt from the tax under these proposals. I am advised by the Treasurer that 'pastoral industry' is to be interpreted very broadly as covering the whole of the agricultural and related industries. It is important that it is understood that the exemptions apply to off-road fuel use only, such as for generating electricity, running bores and driving tractors, bulldozers and so on. However, as I read the legislation, people in the industry will be required to pay a tax on fuel for on-road use or, to quote the bill, 'fuel used in propelling an engined road vehicle will have duty applicable'.

Mr LEO (Nhulunbuy): The opposition's views have been clearly enunciated by the Leader of the Opposition. However, I wish to offer a few of my own. This legislation represents the continuing saga of the Berrimah line thinking in the Northern Territory. Recently, it has been amended to the Palmerston line. The facts of life are that 3.5¢ a litre will constitute a gross imposition on persons living outside of the Palmerston line. Nevertheless, it will also affect Darwin. If the persons who are presently transshipping goods from Darwin are to have 3.5¢ a litre added to the cost of their fuel, then they will tranship from Mt Isa, Port Headland, Port Augusta or wherever - from some other place in Australia into the centre of the Northern Territory.

The reason this legislation should be opposed is not because it will affect directly the electorates of any one of the people opposite but because it will affect Darwin generally as a wholesaling community. Nobody will buy fuel in Darwin to use it to tranship goods to Alice Springs, Tennant Creek or Katherine when they can easily buy fuel in Mt Isa which is 3.5¢ a litre cheaper and tranship to exactly the same places. It will result in a loss of trade for the wholesaling community in Darwin. That will be a direct consequence of the passage of this legislation.

In Nhulunbuy, it will have very little effect. Certainly, it will affect those of my constituents who live in outlying areas. There is no question that it will be an impost on people requiring vehicular transport to move to outstations, which are becoming less and less viable as a consequence of this

government's expenditure cuts. Certainly it will cost those people money. But I do not think the government appreciates that it will cost the community of Darwin, in the long term, a significant proportion of business entrepreneurial activity. Nobody will tranship goods out of Darwin to Katherine, Tennant Creek or Alice Springs if it can be done more cheaply elsewhere. That is a simple fact of life. They will tranship from Mt Isa or from Port Augusta. It will cost the community of Darwin a considerable loss in business activity.

I wish I had the government's facilities to explore avenues for raising revenue. This legislation will affect this community of Darwin - and I must tell the Assembly so that everybody is clear about it, that it is a community that I have very little time for. I come from a community in Arnhem Land that is doing things, as opposed to the collection of bloodsuckers that sits around Darwin.

Mr Perron: A nice view of Darwin's population.

Mr LEO: You can raise a point of order on me any time you like, Marshall, I don't mind.

Mr Perron: I probably would.

Mr LEO: I am sure you would.

The passage of this legislation will cost this community. It will affect Winnellie, where there is a considerable amount of wholesale activity. A good number of entrepreneurs have set up there in the expectation of transshipping goods.

Mr Dondas: How will it affect it?

Mr LEO: You would know if you had been listening. I will say it again. If fuel in Darwin is 3.5¢ dearer per litre than in Mount Isa or Port Augusta, where will people ship goods from? They will not tranship from Darwin. It does not matter whether it is tiles or concrete or foodstuffs. They will tranship directly from those places where fuel is cheaper. You will crucify your wholesaling activities in Darwin. I accept that Mount Isa may be more expensive, because of the cost of freighting fuel there. But I can assure you that is not the case with Port Augusta.

Mr Perron: They have a fuel tax there already.

Mr LEO: It does not have the same ramifications as this fuel tax. This fuel tax will cost my community very dearly. The wholesalers in Darwin are overcoming tremendous difficulties as it is. They have to first get their product into Darwin to wholesale it out of Darwin. This fuel tax will make their operations less and less viable. It will impose an added burden on whatever slim margin they presently hold in terms of transport costs. It will remove those margins totally. This tax does not merely mean picking up a few dollars for consolidated revenue. It means that a significant section of the Darwin business community will be adversely affected, possibly to the point of extinction.

SUSPENSION OF STANDING ORDERS

Mr COULTER (Treasurer)(by leave): Mr Speaker, I move that so much of standing orders be suspended as would prevent the Business Franchise (Tobacco) Amendment Bill passing through all stages at this sittings.

Motion agreed to.

Mr COULTER (Treasurer): Mr Speaker, I thank honourable members for their contribution to this debate. In rising to close the debate, I can assure honourable members that the decision to impose this tax was not taken lightly. In terms of our share of funding through the Grants Commission, it is assumed that we already have a fuel tax. The only state in Australia that does not have one is Queensland. It varies from 2.15¢ per litre in some states to a massive 7.5¢ per litre in Tasmania.

Capital city fuel prices are interesting. In fact, fuel prices in Darwin are much cheaper than in Melbourne, Adelaide and Perth. With the price war activity that has been occurring in Darwin of late, prices have dropped as low as 51.5¢ per litre. I have a great deal of sympathy for outback service stations and the price penalty incurred in getting fuel to them. We would all remember that Barry Caves - when it was open - was probably the dearest fuel outlet in Australia. I think it reached as high as \$1.20 or \$1.25 per litre. The cost of getting fuel into remote communities and areas is well known. However, for the purposes of the Grants Commission's assessment, it is already assumed that we have a fuel tax. The per litre rate of 3.5¢ is half that of Tasmania and approximately 1.4¢ higher than the next lowest fuel tax in the states.

The Northern Territory government did not want to increase taxes and charges. That is why we have before the Assembly a \$9m revenue effort in terms of new taxes and a \$92m cut in expenditure. I cannot help but think that people are forgetting that particular effort. We looked at where we were spending money and we took the hard decisions and made the cuts. People travelling from Port Augusta obtain fuel in city depots in most cases. The railway takes most of the freight even though the south road is open. Honourable members from Alice Springs would substantiate that fact. A lot of fuel goes to Mt Isa through the port of Darwin.

The Minister for Energy and Resources, Senator Evans, has predicted that we can look forward to a 2¢ per litre drop in fuel pricing as a result of his deregulation of the industry. For those of you who believe in election promises, I refer you back to 1984. At that time, the member for Sadadeen had a display in his electorate office in which the federal government promised it would reduce fuel prices across Australia by 3¢ per litre. The price has kept on climbing ever since.

The member for Stuart mentioned the petroleum freight equalisation scheme which was introduced in 1966 and abolished in 1973. It was reintroduced by Mr Fraser in 1976 and Mr Hawke recommended that it be phased out by 1983. The scheme is still there at present and we will see what happens.

The point is that the Grants Commission assumes that we have some of these taxes even if our revenue-raising effort is not as large as that of the states. For the purposes of our assessment, it is assumed that we have a fuel tax. The only state in Australia that does not have a fuel tax is Queensland. If one has a look at the capital city pricing in Queensland, you will find that, in most cases, it is higher than that in Darwin.

The imposition placed on remote areas is well known. I look forward to the day when we will have displaced fuel oils completely in the Northern Territory and are solely reliant on our own indigenous fuel and propane and LNG to fuel motor vehicles in the Northern Territory. There is a real possibility of that happening. In fact, a LNG plant is being developed in

Alice Springs at the moment. The motor truck that will take the liquid natural gas out to Yulara will itself be powered by LNG. There are several proposals put to us to propel the train from Darwin to Alice Springs on LNG. We have also entered into discussions with a number of boating companies to look at the experiments that are being conducted into powering our vessels by LNG and to use the gas as a refrigerant in the freezers and then pass it on to diesel engines to power those vessels.

The propane that will be available with the gas-stripping plant coming on-stream in Darwin will enable us to become involved in propane. I predict that, within 2 years, the use of propane in our own government vehicle fleet will be enormous compared with what it is today and we will be able to do away forever with the taxes and charges that are placed on fuel. The technology will soon be available to allow us to capitalise on and exploit that resource more fully.

I thank honourable members for their contributions to the debate. I realise that the passing of any new taxes is not a happy occasion for honourable members. In closing, I reiterate that this government is raising only \$9m by increased taxes and charges and is cutting expenditure by \$92m.

MESSAGE FROM THE ADMINISTRATOR

Mr DEPUTY SPEAKER: Honourable members, I have received the following message from His Honour the Administrator:

I, Eric Eugene Johnston, the Administrator of the Northern Territory of Australia, in pursuance of section 11 of the Northern Territory (Self-Government) Act 1978, of the Commonwealth, recommend to the Legislative Assembly Amendment Schedule No 8 which amends the Business Franchise (Tobacco) Amendment Bill 1987 (Serial 40) at present before the Legislative Assembly.

Dated 25 June 1987
E.E. JOHNSTON
Administrator.

Motion agreed to; bill read a second time.

In committee:

Clauses 1 to 4 agreed to.

Clause 5:

Mr COULTER: Mr Chairman, I move amendment 8.1.

This amendment will omit paragraph (f) and insert in its stead the following:

(f) by inserting in subsection (1), after the definition of 'voting share', the following: 'wholesaling of petroleum products' means selling petroleum products when those petroleum products have not previously been sold in the Territory; and'.

Amendment agreed to.

Clause 5, as amended, agreed to.

Clause 6:

Mr COULTER: Mr Chairman, I move amendment 8.2.

This amendment omits from proposed section 5(1)(a) 'how constitutes' and inserts in its stead 'who constitutes'.

Amendment agreed to.

Clause 6, as amended, agreed to.

Clauses 7 to 12 agreed to.

New clause 12A:

Mr COULTER: Mr Chairman, I move amendment 8.3.

This will amend the principal act by inserting in part V, after section 26, the following:

26A Appropriation of Amount of Rebate. Where a fee for a licence in respect of petroleum products is rebated under the regulations, the Consolidated Fund is, by force of this section, appropriated to the extent necessary to satisfy that rebate.

New clause 12A agreed to.

Clause 13 agreed to.

Clause 14:

Mr COULTER: Mr Chairman, I move amendment 8.4.

This will omit from proposed section 38(2)(a) 'remission of a fee' and insert in its stead 'remission or rebating of a fee'.

Amendment agreed to.

Clause 14, as amended, agreed to.

Clauses 15 and 16 agreed to.

Clause 17:

Mr COULTER: Mr Chairman, I move amendment 8.5.

This will omit from subclause (1) 'the month of July 1987' and insert in its stead 'each of the months of July and August 1987'.

Amendment agreed to.

Mr COULTER: Mr Chairman, I move amendment 8.6.

This amendment omits subclause (2).

Amendment agreed to.

Clause 17, as amended, agreed to.

Remainder of the bill taken as a whole and agreed to.

Bill reported; report adopted.

Mr COULTER (Treasurer): Mr Speaker, I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

PUBLIC EMPLOYMENT (MODIFICATION OF TERMS AND CONDITIONS OF EMPLOYMENT) BILL
(Serial 48)

Bill presented, by leave, and read a first time.

Mr McCARTHY (Labour and Administrative Services): Mr Speaker, I move that the bill be read a second time.

On 15 May at the Premiers Conference, Prime Minister Hawke and Treasurer Keating snatched \$101m away from the people of the Northern Territory. This act was the latest in a long line of broken promises and funding cuts. One does not have to stretch one's memory back too far to remember the loss of the promised \$100m for the construction of Darwin's air terminal. Is it easy to forget the loss of the promised \$600m railway between Alice Springs and Darwin? Then there is the \$240m that Territorians have lost over the last 3 years in funding cuts inflicted on them by the federal government. The loss of these major construction projects naturally meant a subsequent loss of income in the private sector, particularly in the construction industry.

To this point in time, the private sector alone has borne the brunt of the federal government's attack. The time has come for the burden to be shared by all Territorians. Public servants must bear their fair share of the pain inflicted on the Territory by Messrs Hawke and Keating. I turn specifically to the \$101m lost at the Premiers Conference of 15 May. The figure of \$101m even included a negative grant of \$27m, \$14.4m of which was taken away from us. It is incredible that that reduction should be called a 'grant' - a negative grant. That was a result of supposed overfunding for the 1983-84 financial year.

It is disturbing to note that this figure is not dissimilar to the amount the federal government has lost through its inability to sell off 12 Hercules aircraft to any buyer anywhere in the world. Those 12 aircraft, worth tens of millions of dollars, now sit rusting away at an airforce base in Victoria. It is not unlike the \$20m spent on the airport in Darwin before work was stopped.

The grand larceny of the funding cuts has had an immediate effect on expenditure and revenue-raising in the Northern Territory. The government has already announced a number of responsible measures in an attempt to recoup the money torn away from us. Those measures include \$21.5m in cuts to conditions of service for public servants. Understandably, this is causing emotions to run very high, but it is necessary for us to examine such cuts with cool heads and reasonable calculation. Territory public servants have long enjoyed a package of conditions found in no other public sector in Australia. The financial burden inflicted upon the Territory by the federal Labor government has made it impossible for us to continue with these luxuries. The harsh facts are that cuts have to be made or public service jobs done away with. This government is not in the business of throwing breadwinners out on to the street. Instead, we have opted to share the cuts equitably amongst the whole of the 15 000 Territory public servants. It would seem strange that the

Trades and Labour Council and the members opposite - what is left of them - who are so loud in their exhortations of the need for a great egalitarian society, should be equally vocal in their condemnation of cuts which are just and fair for all.

The Trades and Labour Council was invited by the Northern Territory government to contribute its findings and opinions on a range of options announced by the Treasurer in this Assembly on 11 June. Sadly, the Trades and Labour Council decided to waste its time and the government's time by embarking on an exercise that was no more than a publicity stunt. The document of proposed public service expenditure cuts produced by the TLC, with Territory government assistance, is long on rhetoric and short on facts. It lacks any economic credibility. As I said this morning, I provided accommodation for the TLC; I provided equipment and desks; I provided personnel and figures - all in an effort to get the TLC to come up with some reasonable options that we might be able to include in the overall package. But that was not the job that it set out to do.

During the almost 2 weeks it took for the TLC to complete its futile exercise, the government tried everything in its power to entice the TLC back to the negotiating table. The TLC refused every offer. The excuse given to me was that it was too busy working on its document. Despite the TLC's intransigence, we did manage some contact over a 3-week period. The majority of those meetings were taken up by preliminary discussions and, of course, there were 2 meetings in the last 2 days.

The initial position taken by the government was that \$21.5m had to be cut from public service conditions. I might say that, in the early meetings with the TLC's representatives, they did not even blink an eyelid when that was put to them. They accepted that \$21.5m would have to come from public service conditions. It was not until they got out there and thought about it, that they decided that they would come up with something different. It was put to them that these cuts could be made in areas such as annual leave loading, air fares, Northern Territory allowance, annual leave, drive-out time on annual leave and bylaw 54 housing subsidies. I made it clear that I wanted the TLC to return to me with a list of cuts in the conditions of service they considered would be most acceptable to their members.

Mr Speaker, the Trades and Labour Council never attempted to do this. Not even at its first meeting did it attempt to put the government options before its members. It set out to canvass its membership for ideas about what they believed the government could do to reduce expenditure by \$21.5m, without any impact on the so-called sacrosanct area of conditions of service. Despite the good intentions of the TLC membership, they lack the expertise and knowledge to decide where the axe should fall on government expenditure. The TLC exercise continued for 2 weeks in office space that I made available in an effort to assist it in the exercise. It was here that the TLC established its hotline on which public servants were able to ring to help the TLC compile its report. The end result of this exercise was a document listing some 8 areas that purported to save the government \$21m.

Even the most cursory examination of this document will reveal that the TLC headed off in completely the wrong direction in this exercise. Had the TLC followed the government's guidelines, we may have received a document worthy of our consideration and a document which may have assisted the government and unions to reach a negotiated settlement on the question of public service expenditure cuts. Unfortunately, the TLC wasted its time in gathering information which, by and large, the government already had or was

addressing in its own cost-cutting measures. I warned the TLC and indeed named areas which it could not look at because we had already taken everything we could out of them in other cost-cutting measures. However, it still went away and included those areas. It boiled down to the TLC double counting cuts in expenditure, and the figures produced by the TLC to support their various contentions failed to stand up under the scrutiny of checks by Treasury officers.

While this exercise was taking place, the government continued in its attempts to entice the TLC back to the negotiating table. I told the TLC secretary, Rod Ellis, that I would meet with him anywhere at any time. I told him that weekends were all the same to me. All that did not mean much to the TLC. Mr Ellis and the other TLC representatives flatly refused every invitation in the full knowledge that time for a negotiated settlement was desperately short. It was made abundantly clear to the TLC that the deadline for an agreement to be reached and the details finalised was yesterday, 24 June. As I have mentioned, the TLC appreciated that this deadline had to be met because of the need to put the necessary measures in place at today's sitting of the Assembly. As far as industrial relations are concerned, the course of deliberate stalling embarked on by the TLC was utterly reckless.

For industrial relations to succeed, the parties must sit down together and negotiate. The TLC, however, broke from this golden rule and set sail upon the most dangerous of courses. The red light should have started flashing in the minds of TLC officials as soon as they strayed from the accepted industrial relations courses. They all realised how short the time frame was yet they were prepared to gamble. Their gamble failed, and the consequences were felt yesterday when the government was forced to go it alone. The behaviour of the TLC team is even harder to fathom when it is taken into account that a so-called expert negotiator from the south was brought up to assist the local TLC representatives in their dealings with the government.

After having spent more than 6½ hours in the same room with the local TLC team and their southern expert on Tuesday evening, it was obvious why the union's bid to reach a negotiated settlement foundered on the rocks. I believe that, had the locals been allowed to do it their way, we could have worked things out. I certainly thought that was possible 2 weeks ago. When I first sat with the TLC and discussed this with its representatives, before they imported their hired gun from the south, it did seem possible to work it out. I thought there were fruitful discussions in the first couple of days. However, it put its faith in a hired gun from the south and showed no genuine concern for the interests of Territory public servants.

With the deadline less than 48 hours away, the TLC provided the government with a document which it claimed could achieve cuts in 8 areas of government operations. As I mentioned, the government team and I met with the TLC for more than 6 hours on Tuesday. In effect, all we managed to do was to discuss the TLC paper. I tried everything in my power to bring the discussion towards the government agenda which the TLC had in its possession for some 2 weeks. The TLC simply refused to discuss the government proposals. This stonewalling left the government with no option but to put a final offer to the TLC yesterday evening. Consistent with its approach over the past 2 weeks, the TLC rejected the offer outright and it now appears that it is contemplating a massive campaign of unnecessary and destructive industrial action throughout the Territory.

Mr Speaker, I turn now to the bill before the Assembly. Our cost-cutting moves will involve a number of measures. The first is the elimination of the 17.5% annual leave loading for all government employees other than those engaged on a shift-work basis. In recent years, the 17.5% leave loading has become an extremely controversial issue across Australia. Its history is remarkably chequered. In the early 1970s, legitimate claims were brought before arbitral tribunals aimed at equalising the income of shift workers whilst on recreation leave. Without going into a lot of detail, the issue at that time was the serious reduction in earnings for shift workers when they went on recreation leave. This was because penalty payments associated with the working of shift-work rosters were not paid whilst the employees were on recreation leave. In their wisdom, the arbitral tribunals at the time awarded that payment to the shift workers on recreation leave. Such is the crazy system of industrial relations that we suffer in this country that, in the course of time, that loading flowed on to all employees.

It was the action of the Minister for Labor in the Whitlam government which converted that shift loading to a percentage and granted it to all federal public servants. It was only a matter of time before that additional cost impost was placed on state governments for their employees. In other words, what happened was that a legitimate allowance decided on by arbitral tribunals for shift workers was eventually paid to employees who worked 9 to 5 Monday to Friday and did not suffer any reduction in salary whilst on recreation leave. Indeed, with the granting of the 17.5% recreation leave loading, those employees receive what is in effect an additional bonus. In the economic conditions that are currently upon us, such bonuses are no longer tolerable. This fact is lost upon the Northern Territory Trades and Labor Council. The government will move to approach the Arbitration Commission to delete all reference to a 17.5% annual leave loading from the appropriate awards affecting Northern Territory government employees.

In addition, the government has eliminated drive-out time on recreation leave. Honourable members may not be aware of this, but employees of the government are currently entitled to 8 days in addition to their period of recreation leave for travelling time if they proceed on recreation leave by means of private vehicle. This is in addition to the current quota of 6 weeks' recreation leave. It is the government's view that such a provision is no longer warranted. Many employees of the government travel by air on recreation leave and, if they should choose to travel by road, the Territory is serviced by an excellent road system.

In addition to provisions of the bill, the government will move to eliminate the payment of salaries and wages by cash. The costs associated with paying employees by cash are of a magnitude which the government is no longer able to justify. In addition, the disruption to efficient work within government departments which is caused on pay days by persons receiving cash pays will be eliminated. Further, the government will no longer have to bear the expense of security provisions for large amounts of cash. In these modern times of electronic fund systems, it is not tenable that the largest employer in the Territory should have to continue with the payment of employees by cash.

The government will move to tighten up the administration of bylaw 54 provisions on rental subsidies. To be brief, the public service terms and conditions bylaw 54 provides for rental subsidies to government employees who rent private accommodation prior to being housed either in Housing Commission premises or through private purchase by the individual employee. In order to reduce the government's expenditure on this rental subsidy, the government

intends to reduce the time limit for rental of private accommodation which attracts a subsidy and to eliminate the choice of locations of Housing Commission residences currently afforded to government employees.

The government is taking major steps in the area of the Northern Territory allowance which is paid to all government employees and has been paid for some considerable time. In fact, the allowance was first struck in early 1981. Its forerunner, known as the district allowance, was paid to people employed in the Commonwealth Public Service in the Northern Territory prior to self-government. This allowance has an extremely long history in the private sector, going back to the 1920s. Both in the private and public sector, it was originally justified on the basis of the isolation, climatic conditions and increased cost of living in the Northern Territory. In 1984, the allowance in the private sector became the subject of lengthy arbitration. The consequence was that a full bench of the Australian Conciliation and Arbitration Commission found that there was no further justification for the payment of such an allowance. The full bench found that people living in the Northern Territory could no longer be justifiably considered to be isolated, nor could it be considered that the climatic conditions prevailing in the Northern Territory were so arduous as to warrant the payment of an allowance. Further, it was not appropriate that an allowance be paid which established a cost-of-living differential between the Northern Territory and other states of Australia. The full bench, however, drew back from abolishing the allowance at that time. It froze the allowance at its then current rate and no adjustments have been to the private-sector district allowance since the decision of that full bench.

In 1986, a decision of another full bench of the commission agreed that similar treatment should occur in respect of the Northern Territory allowance paid to government employees in the Northern Territory. That allowance was frozen also. There are significant differences between the rates of district allowance in the private sector and the Northern Territory allowance in the public sector. These differences have absolutely no justification. In the first instance, it has been found by an independent tribunal that the allowance itself has no justification. Surely, members opposite must join with the government and agree that there can certainly be no justification for such a significant disparity in the rates of this allowance between the private and public sectors. Accordingly, the government has decided to reduce the Northern Territory allowance paid in the public sector to the private sector rates. This will mean that employees with dependants, who are currently in receipt of the Northern Territory allowance of \$2237 per annum, will have that allowance reduced to \$866 per annum north of the 20th parallel, and \$350 per annum south of the 20th parallel. Government employees without dependants will have their Northern Territory allowance reduced from \$1277 per annum to \$866 per annum in the northern region and \$350 in the southern region.

In respect of air fares, the government will put into place a package of new conditions. Firstly, there will be no air fares for persons recruited locally. Secondly, persons newly recruited from interstate will get 1 return air fare to the point of recruitment within Australia after 2 years of service. Should such an employee be returning permanently to that point of recruitment, that air fare will be one-way. Beyond that point, these recruits will receive no air fares. Existing employees will be given the option of taking accrued air fares or cash in lieu. This applies to air fares accrued to 1 July 1987. Employees who are in the process of accruing their next air fare will have the option of taking that next air fare when it becomes due or cash in lieu when the air fare become due. After the date of accrual of the

next air fare, employees currently in receipt of biannual air fares for themselves only or themselves and their dependants will receive the cash equivalent of the value of those air fares in their pay packet each fortnight. I point out that this is advantageous in that current employees get the value of their air fare as it accrues rather than after a period of 2 years' service. Current employees who receive annual air fares, and this only applies to nurses, will get the value of that air fare on a fortnightly basis also.

These measures in respect of air fares are equitable in that they reserve the rights of existing employees and indicate clearly the government's intention to new employees. This action is based on the government's view that air fares are a condition of employment that is no longer tolerable in today's economic climate. Nor are they warranted in today's Northern Territory. Air fares are a provision granted to public servants in the days prior to self-government, on a biannual basis, when public servants did a 2-year tour of duty in the Territory.

Since self-government, public servants have come to the Territory to live because the Territory is where they want to live. In those circumstances, it is inequitable that employees should be provided with an air fare which is a provision not matched by any other state government. I might point out that these provisions apply only to air fares taken in conjunction with recreation leave or on appointment or termination of employment and do not apply to any official duty travel.

The government realises that these quite significant changes to the conditions for government employees will require, in some instances, applications to arbitral tribunals for variations to awards and determinations made by those tribunals. The government will be lodging those applications next week. The government further realises that such significant changes have imprisoned in them a higher degree of complexity and may not initially be understood by employees. To eliminate any uncertainty or indecision, the government has decided to establish its own hotline. Advertisements will be placed in the press advising employees of the hotline and its purpose tomorrow.

I know that there are some people who feel very angry about the decisions that the government has been forced to take because of the horrific cuts that the federal government has deemed it necessary to mete out to the Northern Territory because we happen to be a part of Australia that it can do it to. It would not dare do this to a state but it has done it to the Northern Territory and we have had to bleed because of it.

Public servants out there are good people. They are people who come to the Territory, work in the Territory and really care about this part of Australia. Many of them have been born in the Territory. It is not easy for this government to take away conditions of service from those people. But it is not the fault of this government that we have been forced into it. We have had to bear the brunt of these very real, horrific, nasty, rotten cuts because Hawke and Keating have decided that that is the way to get their money.

The federal government has done nothing to save dollars in its own enormous public service that duplicates state functions in many ways. It has not attempted to take any cuts in that area. A Liberal National government after 11 July will do exactly that and get rid of some of the duplication that now exists. I certainly do not intend to be critical of public servants out there. We have 15 000 public servants in the Northern Territory and, by and

large, they do a wonderful job. But, at this stage, they enjoy conditions of service that, because of the cuts from Canberra, we can no longer afford. It does not come easily to me to be the person who has to stand up here and take those conditions away from good people. But we cannot afford them. The private sector is bleeding because we have taken away its livelihood by scaling down the capital works program this year. We have cut it in half and that will mean the loss of jobs in the private sector. A whole range of measures will mean that jobs will be lost in the private sector - measures that we were forced to take. It is no joy for me to stand up here and be the one to take these actions. In fact, it is something this government has been forced to do and, as the minister responsible, I must do it.

I should inform the Assembly that it is the government's intention to initiate a number of measures consistent with the intentions of this legislation and our determination to achieve the savings which we have identified as being necessary in public service terms and conditions. We will be moving to make application to the Arbitration Commission at the earliest possible opportunity for a variation in the award conditions necessary to effect these savings across the service. Secondly, we will ask the Public Service Commissioner to consider variations to the existing by-laws where such variations would similarly be necessary to effect the savings. Thirdly, we will seek from the Teaching Service Commissioner a determination in similar terms. I commend this necessary bill to honourable members.

Debate adjourned.

SUSPENSION OF STANDING ORDERS

Mr MANZIE (Attorney-General): Mr Speaker, I move that so much of standing orders be suspended that would prevent the Companies (Application of Laws) Amendment Bill (Serial 31) and the National Companies and Securities Commission (Northern Territory Provisions) Amendment Bill (Serial 30) passing through all stages at this sittings.

Motion agreed to.

COMPANIES (APPLICATION OF LAWS) AMENDMENT BILL (Serial 31)

Continued from 11 June 1987.

Mr SMITH (Opposition Leader): Mr Speaker, the member for MacDonnell sends his regrets. I must say on his behalf that this debate will be much poorer through his absence. These 2 pieces of legislation have the support of the opposition. These are necessary to bring us into line with the National Companies and Securities Code. It is essential for their efficient operation from 1 July that the bills be passed at these sittings.

Mr MANZIE (Attorney-General): Mr Speaker, I would like to acknowledge the cooperation of the opposition in this matter. We thank the Leader of the Opposition and the member for MacDonnell for their cooperation.

Motion agreed to; bill read a second time.

Mr MANZIE (Attorney-General)(by leave): Mr Speaker, I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

NATIONAL COMPANIES AND SECURITIES COMMISSION (NORTHERN TERRITORY PROVISIONS)
AMENDMENT BILL
(Serial 30)

Continued from 11 June 1987.

Motion agreed to; bill read a second time.

Mr MANZIE (Attorney-General)(by leave): Mr Speaker, I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

SUSPENSION OF STANDING ORDERS

Mr DALE (Health and Community Services): Mr Speaker, I move that so much of standing orders be suspended as would prevent the Poisons and Dangerous Drugs Amendment Bill (Serial 36) passing through all stages at this sittings.

Motion agreed to.

POISONS AND DANGEROUS DRUGS AMENDMENT BILL
(Serial 36)

Continued from page 940.

Motion agreed to; bill read a second time.

Mr DALE (Health and Community Services)(by leave): Mr Speaker, I move that the bill be now read a third time.

Motion agreed to; bill read a third time.

SUSPENSION OF STANDING ORDERS

Mr HATTON (Chief Minister): Mr Speaker, I move that so much of standing orders be suspended as would prevent the Legislative Assembly Members' Remuneration Bill (Serial 46) passing all through all stages at this sittings.

Motion agreed to.

LEGISLATIVE ASSEMBLY MEMBERS' REMUNERATION BILL
(Serial 46)

Continued from page 937.

Mr SMITH (Opposition Leader): Mr Speaker, this piece of legislation was popped on us today and, quite clearly, it was an attempt by the government and the Chief Minister in particular to buy off some of the pressures that have built up over this government's appalling attempts to hit the terms and conditions of public servants.

I find this legislation appalling from a number of different angles. First of all, Mr Speaker, if it had been a serious and well-thought-out attempt to ensure that Cabinet ministers, yourself and myself shared in the economic burdens of this Northern Territory, it would have been simple courtesy for it to have been contained in the Treasurer's economic statement

delivered to this Assembly some 3 or 4 weeks ago. But there was no mention of it there because it had not been thought of or, if it had been thought of, it had been rejected as a sacrifice that was unnecessary for people on \$70 000 or \$100 000. As the heat was turned up in the last couple of weeks through a number of mass meetings of dissatisfied public servants, the government obviously decided that it would attempt to turn the wick down and it would show that it was playing its part and leading by example. I want to read into the record some pious humbug uttered by the Chief Minister and quoted in the Sunday Territorian. I think the words 'pious humbug' are very appropriate.

'Mr Hatton said that he wanted to take the lead in the government's austerity campaign by volunteering for a collective pay cut'. Further down: 'Mr Hatton explained: "As Chief Minister, it is appropriate that I lead the way"'. This is 3 weeks after the economic statement had been delivered which indicated that public servants had to give up \$21.5m and he had the cheek to say that he was leading the way. "I lead the way in \$21.5m cuts we have asked public servants to take and my ministers have agreed to play their part". Here comes the sob story, Mr Speaker. "While we are not bleating about it, politicians don't get 6 weeks annual leave, any holiday air fares or the 17½% leave loading. Nor are politicians entitled to the housing assistance available to many Territory workers. These cuts are coming directly from our pockets"'.

I would like to ask the Chief Minister where he thinks the cuts he has imposed on public servants are coming from. If they are not coming from their pockets, I don't know where they are coming from. The problem with the cuts given to public servants is that they hit public servants in inverse proportion to their level of income. I will come to that in a minute.

Let us see, Mr Speaker, what the Chief Minister is volunteering to take the lead in. We will exclude his electorate allowance because I do not think we can regard that as salary. But let us include his other 2 salaries, his basic office salary for being the Chief Minister and his Chief Minister's allowance. He is getting \$101 000 and he is offering a \$5000 cut. As someone said to me, an equally valid way of expressing his salary is \$0.1m. Out of a salary of \$0.1m, he will generously forgo \$5000. He is prepared to forgo \$5000, almost \$100 a week, 5% of the salary and allowances that he receives.

Let us look at the Deputy Chief Minister who has done very nicely indeed out of this little slash. He gets about \$84 000 and he is forgoing \$3000, which is a cut of 4%. We then come to the ministers, myself and the Speaker. We are taking a cut, in round terms, of about 5%. Those figures are very important: 5% for the Chief Minister, 4% for the Deputy Chief Minister, 5% for ministers and others on that salary range.

I turn now to the cuts that the government intends to impose on public servants. The first thing that we need to remember is that public servants are not fat cats. The Public Service Commissioner's report for 1985-86 indicates that well over half the public servants in the Northern Territory - which is almost 7000 people out of a total of 13 000 - earn less than \$20 000 per year. We know that the cuts that have been put in place by the government are income-resistant. In other words, they do not change as income changes. The person on \$14 000 per year in the public service takes exactly the same level of cuts, except for a small variation in leave loading, as a person who is on \$50 000 or \$60 000 per year.

Let me give you an example. According to Trades and Labour Council figures, the average person with a spouse and 2 kids will lose \$38 per week, \$76 per fortnight or just under \$2000 per year as a result of these cuts. Those figures are conservative. My reckoning is that the average person will lose \$2160. That means that a person on \$14 000 will lose 14% of his disposable income. There are people in the public service who are on that salary and these planned cuts will take 14% of their disposable income. Do members of the government say that that is equitable? Do they say it is equitable when public servants take that share of the cuts that the whole community has to take? We do not deny that there have to be cuts across the whole community, but you cannot say it is fair and you cannot say it is equitable when the lowest-paid public servants are paying the highest price and when people on \$14 000 have to take cuts of 14%. For want of a stronger word, that is absolutely disgraceful!

A person receiving \$15 000 receives a cut of 11.5% to 12%. At \$18 000 the cut is 10% of disposable income and at \$20 000 it is 9% of disposable income. On an income of below \$20 000, the average person with a spouse and 2 kids will lose at least 9% of his disposable income. In other words, you are saying to them that out of the \$10 they had yesterday, they have only \$9 today. That is an intolerable situation to put anybody in, particularly in very tough economic times indeed and particularly when you pick on the poorest families in the public service, the families with the lowest incomes. It is particularly intolerable when we know that many of these people are single parents, struggling on their own to bring up families. One person at today's demonstration came up to me. She is a single mum earning \$14 000 or \$15 000 per year. The effect of the weekly reduction of \$32 or \$33 a week to her income will put her below the poverty line. That is an indictment of this government? It has come up with measures that are putting its employees below the poverty line!

We are seeing a re-run of the government's approach to the Work Health Act last year when, again, it was prepared to put people on lower incomes in a position where they would receive significantly less benefits under the new scheme than they did under the old. I am pleased to say that, after a long and involved debate in the committee stages, where we benefited from the rule that said you could speak as many times as you needed to make the point, the government accepted the point we were making. I must recognise the assistance of the member for Fannie Bay because I understand he was influential in changing the government's mind in that particular instance. This is a similar situation.

We have a government which has come up with a decision that will hit hardest the people who can least afford to be hit. It will avoid any significant penalty for the people who can afford it within the public service. It will avoid doing anything to affect the conditions of the fat cats. We all know that there are fat cats in the public service in the Northern Territory and in other public services. We all know that those fat cats have made themselves very comfortable. We all know that if there are to be savings and if we are to have a just and equitable public service where we value equally the efforts of all public servants and have a general concern for their interests, we need to look very closely at the fat cats and what they get. Of course, that is one of the areas that the Trades and Labor Council identified as worthy of very close examination. It said that up to \$2m could be saved in terms of executive allowances and abuses.

I am not in a position to say whether that amount of money can be saved or not, but I will give you some examples that have come to our attention in the

last few days. We have not run a hotline, but our phones have been running pretty hot with information. We have had people coming in the door with information on abuses within the public service. Consider these. We have been told of a senior public servant with a \$1000 telephone bill, \$600 of it for overseas calls. The reason is that he has children who are either living or studying overseas.

Mr Coulter: That is only an allegation.

Mr SMITH: It is not an allegation. It is a fact. Another senior public servant has run up \$1000 in AMEX card expenses, mainly at Peppi's and the Liquor Barn. How do you justify that?

Mr Dale: Who is it?

Mr SMITH: I am prepared to tell you who it is afterwards. How do you justify this? Recently, 2 or 3 senior public servants got top-of-the-range motor vehicles for their own private use. These were \$42 000 motor vehicles. If you want their names, I will give them to you afterwards as well. Those are just a few of the abuses that are occurring in the senior executive levels of the system. I am not saying that everybody is involved. I am not even saying that the Trades and Labor Council is right about there being \$2m of savings in that area, but there are certainly abuses and the knowledge of these abuses is certainly widespread within the public service. I ask you to consider the effect on morale in the public service, particularly when you are asking people on salaries of \$14 000 to give up benefits worth \$2000 a year. It is just not on.

Getting back specifically to the motions before us, the majority of public servants in the Northern Territory earn less than \$20 000. A significant number of those people could be described as average Territorians with spouse and family. People in that situation have had their disposable incomes reduced by a minimum of 9% and, if they are at the \$13 000 to \$14 000 end of the scale, they have had their incomes reduced by 15% to 16%. Contrast the sacrifice being made by those people for the good of the Northern Territory, with the efforts of the government in keeping the Sheratons afloat and providing money to Hungerford Refrigeration. I am sure the person on \$15 000 feels much better in the knowledge that his contribution to Hungerford Refrigeration is \$2000 a year. I am sure it makes such people proud to be Territorians and I am sure it will encourage them to stay and join in the prosperity that obviously will be the Territory's future. Compare their sacrifices of 9% to 15% with the sacrifice that the Chief Minister is making: 5% of his salary or \$100 a week - 5% of \$0.1m. That is a really generous gesture and I am sure that public servants are really impressed by it. He is leading us; he is showing us that he is prepared to take his fair share of cuts in terms and conditions of employment.

It gets worse. Let us look at the situation of a public servant who is in the same position as the Chief Minister in terms of having a spouse and 4 kids. On my figures, that person will lose about \$2200 per annum.

Mr Perron: Are they working 80 hours a week?

Mr SMITH: Some of them probably are. If they are not doing it now, they will have to work 80 hours a week just to keep their heads above water after these cuts. \$2200 per annum is \$42 to \$45 a week. That is how much less a person in the same family situation as the Chief Minister will get. Let us look at how much less the Chief Minister will get: \$100 per week, half of which goes in tax.

Mr Perron: And the rest.

Mr SMITH: Okay, I take the point. My thanks to the member for Fannie Bay for pointing it out. In real, disposable terms, the Chief Minister is down by less than \$50 a week. He is making these cuts and he will have less than a \$50-a-week cut himself. Contrast that with the person on \$18 000 who is in exactly the same family situation. He is cut by \$42 to \$45 a week. Is that fair and equitable, Mr Speaker? Is that a good example to the population of the Northern Territory? It is grossly unfair when a person on \$100 000 is suffering a disposable income loss of less than \$50 per week and a person on \$18 000, in exactly the same family situation, is suffering a disposable income loss of somewhere between \$42 and \$45. They are separated by \$82 000 in salary and allowances, and yet the difference in the commitment they are making for the good of the Northern Territory is about \$5 a week. Is that fair or just? Is that equitable? It is not. There is no one on that side of the Assembly who would even suggest that it is fair, just and equitable.

Mr Speaker, this brings me to the reason why I am opposed to the legislation as it stands and why I intend to move an amendment to put some equity, justice and fairness into any sacrifices which the Chief Minister wants to make. If members opposite who happen to be ministers want to join him in that sacrifice, at least they ought to have the common courtesy - or the guts, if you like - to make their sacrifice fair, just and equitable, instead of this charade they have put before us today in an attempt to convince us that they are sharing the burden along with all taxpaying Territorians. That is nonsense, Mr Speaker, absolute nonsense.

My amendments have been circulated. One of them entails a salary loss of \$11 000 for the Chief Minister. The Deputy Chief Minister would suffer a salary loss of \$9000 while ministers, the Speaker and myself would lose \$8000. With the passage of these amendments, members opposite may well be able to hold their heads up and say that they have been fair, just and equitable, and that they are prepared to take their fair share of cuts as members of Northern Territory society. Unless members opposite are prepared to do that and are prepared to support my amendments, they will show themselves up for what they really are: pretenders. That is what this bill is all about. You either put up or you shut up, and I will be very interested to hear the response.

Mr COULTER (Treasurer): Mr Speaker, we have heard the usual catchcry from the Leader of the Opposition. Obviously, given the type of people he has to parade before in his audience, that is to be expected. I understand the Labor Party conference has been put off. It has to put on a bit of a show in terms of what we are all prepared to do so that we all get down to the one level and all wear the same shades of grey.

In terms of disposable income, the Chief Minister actually ends up with about \$38 000. The Leader of the Opposition did not mention the 59% tax that the Chief Minister pays to keep people on the dole and to allow the federal government to fund the deficit it has created. That is what the Chief Minister is doing through the tax he is paying at the moment. That is what the election is about on 11 July. It is about tax reform in this country to give people who are working long hours and those who want to work overtime some incentive to get on with the job and get Australia going again. The reason why the Liberal and the National Party policy on tax reform is so popular is that people can understand it. If we want to get Australia going again, all we have to do is remove the high-taxing government in Canberra. When we get rid of the fringe benefits tax and the assets test and reintroduce

negative gearing, we will be back in business again. People are being taxed out of existence and the reason that we were ripped off at the last Premiers Conference was to fund the federal government's mismanagement.

The Leader of the Opposition talks about the poverty line. The figures were given clearly the other day. The number of the people below the Henderson poverty line has increased by about 700 000 in the last 4 years. That is what the Hawke government, the Labor colleagues of the Leader of the Opposition, represent in Australia today. They have put 700 000 people below the Henderson poverty line in 4 years. How dare he stand in this Assembly and criticise what we have done here in the Territory? We have provided job opportunities and continual growth.

Mr Smith: You are putting public servants on the poverty line in the Northern Territory.

Mr SPEAKER: Order!

Mr COULTER: It is outrageous that he should even contemplate trying to force something like this down our throats. He has become an apologist for the federal government in Canberra. He stands up and talks about what we are doing in terms of placing people below the poverty line when his own brethren in the Labor movement have put 700 000 people below the poverty line. There is no more incentive to get ahead in Australia. We have an over-taxing government that is financing a huge deficit. I have spoken many times in this Assembly of the plight that Australia is now in. We are all pleased when the balance of trade payments comes in at \$800m because that is below \$1000m. There is rejoicing and banners in the street. It is a disgrace.

Mr Ede: The banners in the street were out for you today.

Mr COULTER: The Deputy Leader of the Opposition will get his chance to enter into this debate as well. He traipses in and out of this Assembly and treats it with contempt. We are supposed to enjoy his knowledge and his prowess as a high priest of economic reform. He would like us all to be dressed in shades of grey as well and for there be no incentives as rewards. As I said this morning in this Assembly, you need the jaws of life to get into the Leader of the Opposition's wallet. He has masqueraded and paraded himself in public for days saying: 'I am not going to tell you what I am going to do'. He hoped he could get out of it, but today he is being compelled by the Trades and Labour Council and by the people who will make up the majority voting population at his Labor Party Annual General Conference which was delayed until after the federal election to give the Labor candidates some chance in the election. I note that the ALP's House of Representatives candidate has not yet shaved off his moustache like the Leader of the Opposition and the Deputy Leader of the Opposition. He hasn't got a chance.

Mr Ede: You haven't got one.

Mr COULTER: It is a wonder you have not been to him and told him he is not going to get anywhere: 'How can you learn to be successful unless you can lay eggs like me? Take off your moustache and you will turn into a wonder. People will love you'. Well, people will not tolerate the Leader of the Opposition coming up with a cheap political trick while talking about equity.

We got nothing out of him, nothing at all. The jaws of life are required to get into his wallet. He comes in here today, after they stack on a bit of a turn out there, and thinks that things look pretty serious. He decides he

had better do something about it. He had better jump on this train or he will get beaten up when he goes to the annual conference of the Labor Party where the Trades and Labor Council has the majority vote. The Opposition Leader does not want to look like a tall poppy. He has decided he had better get as much out of this as he can and look as if he is doing the right thing, otherwise he will be in big trouble. He is in big trouble because people out there no longer trust him and no longer believe in him. The support he offered to today's disgraceful demonstration outside this Assembly has been well and truly noted by Northern Territorians who were not at today's meeting. He does not have much sympathy. The telephone calls have already commenced with their words of support.

In terms of the number of people that the Leader of the Opposition is talking about, it is not simply numbers because they are all individuals and that is the difference between our parties. This side of the Assembly recognises the right of the individual and can demonstrate concern for individuals. We do not group people together. I do not take away the significance of these individuals but, in the \$15 000 and under category, there are 192 males and 535 females. If it were 1 person, this side of the Assembly would be concerned about it because we are concerned about the plight of the individual. However, in terms of the ...

Mr Ede: Under \$20 000?

Mr COULTER: Mr Deputy Speaker, the Leader of the Opposition spoke for 10 minutes on the plight of the person below \$15 000. Let's not jump into the \$20 000 category straight away, let's go back to the argument that the Leader of the Opposition presented to the Assembly today.

Whilst that is not a large number of people, each one of those people is important to this side of the Assembly, but we are not about turning people into all shades of gray or reclassifying people at the E4, E5 and E6 levels, in the executive. No wonder the TLC had trouble. If we added up the \$600 of overseas telephone calls, the \$42 000 cars and a few other things, it came to \$60 000 or something. The Leader of the Opposition is a bit short in a lot of ways but, in particular, he is a bit short of the \$2m that it was alleged that the executive level of the public service was spending.

In the over \$45 000 group, we are talking about 289 males and 42 females. The best that the Leader of the Opposition could come up with was a sum of some \$60 000 in alleged rorts. There was no information or details. Once again, we had wild allegations and smear tactics. He cast aspersions on all our executive levels in the public service. I have stood in this Assembly and spoken on many occasions of the faith and confidence that I have in the Northern Territory Public Service, particularly in the executive level.

Let me give the Leader of the Opposition some basics in terms of trying to recruit executives. Last year, I had the misfortune to have to try to replace the Secretary of the Department of Mines and Energy because the then Secretary had to devote more time and effort to the Trade Development Zone. I went to a number of consultancy firms that are available to governments throughout Australia in terms of head-hunting both nationally and internationally. After we spent a considerable amount of money trying to recruit a suitable person, we simply could not attract that kind of person to the Northern Territory. It was not because they knew who the Leader of the Opposition was. It was because the package that we were offering was simply not good enough to warrant such a person shifting from anywhere in Australia or overseas to come to the Territory. The hardworking executives that we have should be supported wholeheartedly because they are good at getting things done.

That may seem strange to the Leader of the Opposition with his negative attitudes. He is well supported by the Deputy Leader of the Opposition. We have had aspersions, muckraking and smear tactics from the Leader of the Opposition and the best he could come up with is \$60 000 or \$70 000 when he is talking about cutting \$2m. It is nothing short of disgraceful.

Why didn't he come up with all these bright ideas about how we could save money before? We sat in the Assembly a week ago there and he wanted to introduce waterproof tea bags to make them go a little further. There would be no biscuits and we heard about a range of cuts. It is not easy to cut \$92m worth of expenditure out of any budget. Ask my colleagues, who have sat down for the last 2 days to examine possible expenditure cuts in their departments, as they did in a similar exercise on 19 May. If you are looking for about \$9m or \$5m, it is difficult. Arguments ensue and my colleagues are very good at arguing for their various departments and authorities.

Last year, when we were putting the budget together, we were looking for an amount of \$4.9m for almost a month. It is not easy. The Leader of the Opposition talks about cuts of \$2m to the executive level. It cannot be found. It comes to \$10 000 for every executive. That is the level of overspending he is talking about. That is the rorts and the rip-offs that they are involved in. That is not true. We need facts and details. The details were not in the TLC document. The numbers simply did not stack up.

There was plenty of time for the unions to get back to us but they traipsed into the Minister for Labour and Administrative Services' office on the 11th hour. They still had nothing to offer in terms of the cuts. There were no other provisions or contingency planning by the unions. They had a document which they stood by and which was unrealistic. They were told that.

We gave notice in my economic statement in this Assembly that, unless the cuts could be achieved by 24 June, the government would be forced into a position where it could no longer honour its statement that large-scale sackings would not occur across the public service. Those cuts were not forthcoming. In that economic statement, I foreshadowed the areas that could be considered but did the Trades and Labour Council address any of those? No. It believed that we could get away with the same sort of tactics as the Opposition Leader has presented to the Assembly this evening. It cannot be done and it will not be done. The only alternative left to the government is the process that has been outlined by the minister this afternoon. We will not be supporting the amendments.

Mr EDE (Stuart): Mr Deputy Speaker, that was a pretty outrageous speech. The Treasurer started off with the incredible statement that he will applaud the reintroduction of negative gearing in our economy. He is going to reintroduce the rorts. He is going to get rid of capital gains tax.

Mr Smith: Business lunches.

Mr EDE: Yes, that is what will save the economy. We will have a return to the bad old days created through 25 years of conservative control of the economy, days whose legacy Labor has been battling for the last 4 years. Conservative policies caused our terms of trade to collapse and put this country at the mercy of the international economy. That is what the Treasurer wants to go back to. He wants the types of things that makes betting on real estate the way to make money rather than investment in productive, manufacturing industries.

This is the man who applauds a federal opposition which puts forward proposals which contain a \$7000m credibility gap. They have such an enormous hole in their projections that even the federal Leader of the Opposition was forced to back down and say that he needed it like a hole in the head. A hole in the head might be an asset but it is not the type of thing we need to discuss in this Assembly. What we need is for members opposite to have the guts to tell their federal colleagues that they will not accept the \$100m cuts that they have ready to dish up for the Northern Territory. That is only if you count it once. The federal Leader of the Opposition was counting it twice from what I can make out. It looks as though it might be \$200m that we will wear. That is the type of economics that we have come to expect from the Treasurer. Apparently, it is the type of economics that we can expect if we ever get John Howard back in government, heaven forbid the day.

He then went on to say that he had real problems in recruiting his executive level staff because the terms and conditions of employment were not good enough. I feel so sorry that he finds it so difficult to recruit staff to advise him. I take the point that he needs advice. I think that he needs the very highest quality advice because I know from people who have worked with him that it is extremely difficult for any of them to bring the reality of life home to him. I can understand the fact that he would have to pay somebody \$100 000 a year to be anywhere near him.

What about the people who are serving the average Territorian? They are the ones who bear the brunt of these cuts. It is all right for him to say that the ones who are serving him and putting up with his company must have above-average conditions and all the lurks and perks. As I said, I sympathise with them but I sympathise more with average Territorians who want some service from the public service. They will find that the public servants who are serving them will not be of the same quality as they are now because the government has cut their terms and conditions and has made it unattractive for people to remain in the Territory.

That is the attitude of this government and the honourable minister. It's himself and his mates first and the rest of the Territorians can go and jump in the lake. He said that they spent 2 days thinking about these cuts. I feel so sorry for them. They are going to spend many years regretting it. They spent a few months apparently looking for \$4.9m. They spent 2 days to work out how they will tear \$100m out of the economy and how they would take some \$20m off the public servants at the bottom end of the scale - the ones who are serving the average Territorians. That what the Treasurer is on about and it is the measure of the man. There is no doubt that what we have here is not a budget exercise and it never was a budget exercise. It is a straightforward attack on the conditions of service in the public service.

You could see it coming. You could see the way that the government and the press built it up. We all know the whole frontbench is a prisoner to one political journalist who works for a daily and weekend newspaper in Darwin. Every time they started to back off a bit and talk about negotiation, the whip would be out. There would be an editorial. There would be something in one particular newspaper by one particular journalist and they would all click their heels and say: 'We're back on your side again. We're right behind you. We won't worry about the budgetary reconsiderations. What we will do is attack those at the bottom end of the scale of the public service'. If they were looking at a budget exercise, the alternatives were provided by the Trades and Labour Council.

I am not going to wear the pat remark that we heard earlier from the Minister for Labour and Administrative Services, who said that the Trades and Labour Council proposals were not costed. We sat here tonight and looked at a statement from the Treasurer which we will be debating later tonight. With all the resources available to him, that statement is uncostered and unsubstantiated and lacks any detail whatsoever, despite the fact that he had months to put it together. The Trades and Labour Council, in a matter of 2 weeks, put together detailed savings involving over \$21m and this government could have taken that on board. We have not heard one statement from the minister concerning what is rubbery about the figures. He says it is a rubbery document, but does not give a single justification to back that up. Members opposite have not attacked any of the proposals or pointed out where they do not hold water. All they have done is make broad-brush statements about the figures being rubbery.

We know about rubbery figures in this Assembly because we saw the government's last budget. That rubbery budget is the source of all the problems that we are looking at today, and Territorians know it. We all remember. Remember how the government was going to increase motor vehicle registration fees by 10% and this would result in 40% more revenue? This was after we had already had about 5 months of negative growth in the number of new car registrations. Then we had the income from sewerage charges. Remember that, Mr Speaker? The actual percentage increase in estimated revenue was way beyond the bounds of reality, given the actual level of increased charges. We pointed out at the time that the figures were rubbery and members opposite said: 'Growth, growth, growth'. Growth was going to do it. As it turned out, they would have had to double the size of the economy in 1 year to meet the estimates. That is an example of rubbery figures, and we demonstrated that last year. All they can do now is chant their same tired old cliché that the federal government is to blame. As I said, that will not hold up.

I have said time and time again and I will continue to say, until suddenly a flash of blinding light may strike members opposite, that \$45m of the federal funding cut involved one-off payments provided the year before. I do not agree with the cut of \$56m which was separate from the one-off payments, but I hold the Chief Minister responsible for it. He went down there after saying beforehand that he was prepared to accept a \$50m cut. If I was sitting down as part of a federal government trying to balance its budget and the Chief Minister said that \$50m was okay, I would be delighted. I think they were actually fairly nice to knock off only \$56m.

Members opposite should not try to make out that the cut was \$101m because they will see that, even in his statement to this parliament, the Treasurer was extremely careful about what he said. Both he and the Chief Minister chose their words carefully - and honourable members ought to look at Hansard to see just how careful both of them have been - in order to avoid any accusation from us that they have been misleading the parliament. They change horses midstream. They will talk about \$101m in cuts but, as soon as they move on to discussing the actual money they need to raise, they say that there is a shortfall which has to be filled. If you take a narrow interpretation of what they are saying, it is correct. They are trying to link in peoples' minds the \$101m they say the federal government cut with the \$101m they are trying to raise. The fact of the matter is that the 2 are unrelated. They never expected \$46m of the \$101m because they knew that that amount related to one-off payments made in the previous year. They went to Canberra saying they would take a cut of \$50m.

Because of the rubbery budget last year, where revenue and expenditure projections were way off, the government had a shortfall. Its solution to the budget shortfall was to rob the piggy-bank to balance the books this year. It knew that the \$46m was made up of one-off grants. It has sold the farm, it has robbed the piggy bank and it has a problem going forward to next year. It has been running this line about the \$101m cuts hoping, as I said earlier, that lies often repeated will become truths. It is hoping in that way to con the people of the Northern Territory to come to incorrect conclusions when it is its own ineptitude and its own mismanagement of the economy which has put us in this particular situation.

Mr Speaker, I have a few other things that I would like to discuss tonight. I want to talk about some areas where members of the government could have made some changes. Last year, the government received the one-off grants and maybe it will manage to balance the budget this year. In that context, they are talking about the Chief Minister and his ministers taking some cuts, along with the Speaker and the Opposition Leader. My belief is that the whole mob of them, all government members, should take cuts. They are always talking about user-pays and responsibility and so forth. They are the ones that caused the problem and they should wear the consequences. I know I will not get away with that so I will talk about some other ways in which the government can save some money.

I will talk about some of the ways in which the government has wasted money over the years and I do this to demonstrate how this government has no respect for the public purse, no respect whatsoever for the money that it receives from Canberra and no respect for the taxes and charges paid by Territorians. It has to be looked at over a number of years. We have only to look at the Burgundy Royale deal for a start and the \$1m outstanding in electricity payments which, with water costs included, is rising by something like \$105 000 per month. That is how much that bill is going up. The average Territorian, who is wearing increased water and electricity charges, looks around and sees a company which is running up an unpaid bill of \$105 000 per month. You cannot blame Territorians when they become extremely angry. You cannot blame public servants who are on less than \$20 000 a year and receiving a 10% cut to their salaries, for being angry when they see that the rich and powerful are able to get away with murder under this government. The government paid Burgundy Royale \$1m in advance rent just to tide it over, and we have yet to come to what will happen to that money when all the liquidation procedures are finalised.

Mr Coulter: How would you save the money?

Mr EDE: I would begin by not redecorating all the ministers' offices every time there is another reshuffle.

Members interjecting.

Mr SPEAKER: Order!

Mr EDE: I might ask about the story concerning the lead lining put into the Chief Minister's office. I want to know the story there because I have heard that there was some work done by a certain contractor.

Let me turn to another matter: the aero-medical contract. I am not going to get into matters which are still sub judice. I simply point out one bald fact: while the court case is continuing, the company that now has the contract is receiving \$83 000 per month more than it would have received if it

had won the contract. That is a result of the incompetence of the Chief Minister and the incompetence of the then Minister for Health. We have not yet quite worked out who or what was responsible. The matter is before the courts and I will not go into it any further because, Mr Speaker, obviously you would have to pull me up. \$83 000 per month of Northern Territory funds are being spent in excess of what would have been spent if that particular company had won the contract, let alone what would have been spent if the other company, whose tender was far lower, had won.

I will now go back to the terms and conditions of senior executive staff. We know about the gardener from the Department of Law who cleans the judges' swimming pools, mows the lawns and so on. We know that they have domestic staff. What I want to know is how many other heads of department have those same terms and conditions? I want to know how far down the E levels these things go.

I would also like to know about the Housing Commission. Mr Speaker, do you realise that only a couple of years ago, when a house was left empty by the Housing Commission, it was an average of 2 to 5 days before it was reallocated? Do you realise that the gap has now blown out to 3 to 4 weeks? And do you realise that that represents a cost of \$1.5m per year in forgone rental? Do you realise how the efficiency of re-renting those properties has dropped?

Let us look at another interesting example. The Employee Assistance Scheme was put in place at Winnellie to help employees who have alcohol problems and so forth. I have received a signed letter about this. I may be wrong - although I have heard that certain people have boasted about it - in stating that this \$100 000 a year program which has been running since 1984 has only been used by 100 people. That is an example of this government's priorities and the sort of programs it maintains. That particular program was supposed to work on the basis of an agreement between the Office of the Public Service Commissioner and the unions. The unions have been pressing for years to get the agreements into place and to make that program functional. It could be a good program but, because no agreements exist, it is spending \$100 000 per year and in nearly 3 years it has been used by only 100 people.

We have plenty more examples. When one particular minister opposite moved to Darwin, his wife complained because she could not get around town. She was provided with a vehicle to drive. I hear that she cooked the vehicle. I would also like to query the National Party candidate in Alice Springs whose wife, last weekend, was driving around in a government vehicle checking out all the lawn sales. That is the laxity that this government demonstrates when it is looking after the taxpayer's dollar.

Another example relates to my electorate and was perpetrated by the Minister for Health and Community Services in his previous portfolio of Community Development. It may even have originated prior to that. The government paid consultants to look after all water supplies in the area, instead of using the Department of Transport and Works. One particular project was estimated at \$250 000 by the Department of Transport and Works. The consultants said it would cost \$300 000. A year later, from what we can make out, there is no money left to do the job. The consultants have used up \$150 000. They did not know how to do the work and they had no experience in working out bush. The expertise was all in the Department of Transport and Works but, because the government called in a mob of its friends from down south to take on the consultancy, there is now no money left to actually carry out the project. The community is Soapy Bore in the Utopia area. The place

is an absolute disgrace. It has stacks of water. There are 40 kids trying to get into the school, which has now been opened, but the school has no water. The reason is that the tank that was put in was an old cattle tank. It is situated at the bottom of the hill and the community is all around the hill. What it needs is a couple of bores and a proper squatter tank placed at the top of the hill.

Mr Perron: Are you available as a consultant?

Mr EDE: I am available. I will not charge \$60 to \$65 an hour which is the going rate these consultants are charging Aboriginal communities. This happened when we had all the skills and expertise built up in the Department of Transport and Works. It was put on the sidelines while the government paid \$60 to \$65 per hour to its mates in private enterprise.

Mr Harris: How many people are at Soapy Bore now?

Mr Perron: Where were they before they were at Soapy Bore?

Mr EDE: They have been there for many years. They are part of the old Utopia community which has lived in that area for many generations.

Let us have another look at education, which is quite interesting. Over the years, we have constantly been pounded with costs. There was great shock and horror about how much it cost per year to educate Yirara students. Remember that, Mr Speaker? The cost of educating the Yirara kids was too expensive and so was the cost for Kormilda kids. We had to sell off Kormilda and wipe out the programs at Yirara because they were so expensive. I think the figure was \$15 000 per person. The Treasurer may wish to know how much per student per annum it costs to run the Katherine Rural College. \$52 000 per student per annum is the current rate. Do you know what, Mr Speaker? It is not possible to get students to attend and therefore they are being imported from interstate. They are being imported from interstate so that we can provide them with education at \$52 000 per student per annum. The government was keen to close Yirara and to sell Kormilda College where it cost \$15 000 or \$17 000 per student per annum. It didn't take a look at Katherine Rural College which costs \$52 000 per student per annum.

Mr Speaker, there are many little ways in which this government could save money. For example, there are 4 suites down at the School of Hospitality and Tourism in Alice Springs. They are quite handy for the students to learn how to make up beds and to service rooms whilst they are there, but they are not used by visiting public servants. Visiting ministers could take a lead when they go down there and actually stay in those suites even if the government charged them a bed tax. It would still be a far more economic use of taxpayers' money. Four ministers or a couple of public servants and a couple of ministers could stay in those rooms. It would make it far more realistic for the students who are learning to make up the rooms to have to do it after people have actually stayed there.

Take the method of selling government vehicles. At one stage, the sale of government vehicles provided quite a handy means of transference to average Territorians of some vehicles that the public service no longer used. The government has its methods of costing the depreciation of such vehicles. The time frame in which they are turned off is different from that which the average individual has. Previously, these vehicles were sold off singly, but a few complaints were made by some of the government's mates in the second-hand car industry. They could see that Territorians were getting a

reasonable deal and they were not getting their cop. Of course, the government had to guard the cop of its mates and it now sells the cars in large batches so that it is beyond the ability of average Territorians to get a look in.

Mr Perron: How much are we going to save there? Did you put a figure on that?

Mr EDE: It is not only a matter of money but also an attitude of mind in relation to waste. It is like the Chief Minister. I am told that his former speech writer, after being suspended, went back to the DIT and was paid during the period of his suspension even though he was not working. Those are things that will not save a large amount of money, but which demonstrate the government's attitude: contempt for the average Territorian and contempt for public servants. This should not continue.

Mr Speaker, I am told that people in Darwin's northern suburbs expected to receive accounts from NTEC 3 or 4 weeks ago but they have not received them. I do not know whether that is just the incompetence that the government often demonstrates and its inability to set up the new power and water authority or whether, as it did before the last election, it is delaying bills until after the election.

MAPNET, the computerised mapping system, comes under the Minister for Lands and Housing. It is a great program. It is a good for Territory development, but why was it necessary recently to bring in an E4 to head up that program? I understand that the people who have been running the program for many years found that they could do so quite effectively but it suddenly became necessary to increase the establishment by putting an E4 at the top of a group that already has a Chief Draftsman Grade 1, a Chief Draftsman Grade 2 and a supervisor watching the 8 workers. In fact, there are now 4 supervisors looking after 8 workers. Of course that executive is living in the Marrakai Apartments, but that is par for the course. The whole thing just becomes completely disgusting.

These things that I have outlined to the government are not new. They have been outlined by public servants for years as they have tried to get through to this government that it must cut out the fat and get on with the job of running a lean, tight, efficient public service. These people have become frustrated because they know this government is only looking after its cronies. The only people interested in running a lean, efficient public service are the public servants themselves. Through their unions, they put together a proposal that could have been utilised by the government to overcome its budgetary problems. But the government was not interested in budgetary problems; it was only interested in cutting the brightest in our public service. It is disgusting.

Mr HATTON (Chief Minister): Mr Speaker, I have listened to this debate with a mixture of disgust and despair. I will get around to dealing with the Leader of the Opposition's stories about figures. I am used to the exaggerations of the Leader of the Opposition and he is about 100% out in the differences in salaries, but I will deal with that in a moment.

I felt absolute disgust and despair at the performance of the Deputy Leader of the Opposition. The Treasurer was doing a quick sum. I think the elements raised by the member opposite made an accumulation of something like \$1.9m. I did not bother to take notes because I can pick it up later in Hansard. I might say that many of the elements raised by the member opposite would be very hotly disputed.

For a fortnight, the Trades and Labour Council representatives occupied government offices, with government furniture, government phones, government staffing and access to government information, which we provided to assist them to try to identify areas of savings. In that time, they came up with a program of an alleged \$21.5m in savings. Treasury officials, the people who actually put budgets together and prepare cost estimates to government, the people who actually know something about this, estimated that the total savings possible from the relevant items on the TLC list amounted to \$1.8m a year. The savings were nothing like \$21m; they were pipe dreams. I challenge members opposite, as we challenged the unions, to produce the figures to justify their allegations. Treasury officials could not find them. All the government departments hunting around for savings could not find them. What we have found so far is about \$27m worth of ongoing savings through efficiencies and other measures, but we are still \$10m short.

The opposition can find its \$50 000, \$10 000 and \$100 000 items because we need them. We need them because every one might represent another service we will not have to take from Northern Territory people as a result of the \$37m worth of cuts that we are forced to impose on Territorians. We are not doing this by choice. Any right-thinking, logical person would realise that this bring us no joy and we are not doing it out of spite. Any logically thinking person would recognise that nobody in his right mind would entertain the sort of actions that we have been forced to make in the middle of an election campaign that is vital for Australia and vital for the Northern Territory. We are doing it because it is the only responsible action that we can take in the interests of the Northern Territory.

Mr Speaker, I recognise the potential electoral damage it can cause to myself and my government, but I nevertheless must persist because we are being paid to do a responsible job, whether it is popular or not, whether it is nice or not and whether it is comfortable or not. We have a job to do and we will do that job. We are looking for savings everywhere. We have a Public Accounts Committee with the widest possible terms of reference to look for areas of improved efficiency and administrative savings. We have backbench committees at work, departments at work and ministers at work on it. Everybody is looking for ways to save and trim, to minimise the damage to the Northern Territory and to minimise the cuts in services to the community. We have to cut our expenditure by \$92m - not \$50 000 or \$10 000. We could not continue our operations as they are without that \$92m.

We are looking for \$21.5m out of Lands and Housing, including the \$20m from our housing capital works program. Gone is the building industry. How much do the building companies appreciate that? They do not like it but they have accepted it responsibly. What about the \$15m from the roads capital works program? Small civil contractors and the subcontractors around town, particularly in Darwin, are really bleeding. They are going broke because they cannot get work. There is not enough work around because of the downturn in the overall economy. Are they bleating and marching in the streets? No, Mr Speaker. They have accepted responsibly that we need to do it. They know the potential costs on themselves, particularly if we cannot stimulate the economy and get other private enterprise investment in civil works in the community to try to protect small business and jobs. It is not easy to do.

Ask the teachers about the \$6.5m cuts that the Minister for Education talked about this morning and the additional strain it is putting on the education system. There have to be cuts in health services and other community services just for this Northern Territory to keep going. On top of all that, we still need \$21.5m. We do not have the cash. It is not there.

Personally, I am appalled at what I have to do to public servants. Most of them are very hardworking and dedicated people. I have spent 20 years of my life in industrial relations and never in my career have I ever had to stand before a group of workers and tell them that they have to take substantial cuts in their terms and conditions of employment. I don't enjoy it. It is an anathema to everything I stand for and have stood for throughout my working life. We don't have a choice.

What I will not do is condemn 1300 families to the unemployment scrap heap. I believe it is more important that people keep jobs, even if they are on slightly lower conditions, than lose them altogether. I don't believe in condemning 1300 people to no income so that others can enjoy additional benefits. These conditions are not enjoyed by public servants anywhere else in this country except for Commonwealth Public Servants in the Northern Territory.

There is more and more evidence that, if a case were made now to introduce air fares every 2 years into Northern Territory public service conditions, the unions would not be successful. If they sought to introduce a Territory allowance for the first time, they would not be successful. If they sought to introduce a 17½% loading, they would not be successful. I say that categorically. We are talking about a public service that, rank by rank, is the highest paid and has the highest conditions in Australia, with the possible exception of members of the Commonwealth Public Service in the Northern Territory.

Despite that, I still say it is anathema to me to do what I have to do. I am determined to try to protect the jobs of the people who are working for us. That is the first priority. Those families will at least have a job and an income. That is more important to me. It will also mean that the Territory population will hold itself together and we will not be going through a downward spiral of decreasing population and further cuts in our funding because of decreased population next year and then have to repeat this exercise again. We have to build a platform and rebuild the Territory economy. We have to build up our tax base again by having industry, jobs and development. I will take any suggestions that members opposite have.

The Leader of the Opposition has come up with some sums in respect of the effects of the cuts that we are making on the public service and his sums are fundamentally correct. They are flat amounts coming off and there is an inverse proportional effect. That is why we set aside 2 weeks to sit down with the trade unions, the supposed representatives of the public servants who work for us, to look for the most equitable way that we could deal with what we had to do. They engaged in a nonsense before we had even met to talk. Before they were even prepared to talk with us, they had advertising campaigns on radio and television. They refused consistently to talk about what we had said we had to talk about. They came up with a scheme that produced \$1.8m out of \$21m. I might say that, where it was relevant, we took their proposals into account in assessing our package.

We do not have that money. I do not like the thought of saying to 1 in every 15 public servants that he no longer has a job and his family no longer has an income. I do not want to say that to people. I understand the hurt that is occurring and I can understand the anger, frustration and emotionalism of some people in the public service. I ask them remember who started this game. It was Mr Hawke who cut into us twice as deeply as any other place in this country. His government chopped deep for the third year in a row. In 3 years, our budget money from the Commonwealth government has been cut by \$243m.

Last year, we had to make savings and every public servant knows the pressure that has been on the system to pull costs out. We pulled \$25m out of budget expenses this financial year to make sure the books stand balanced. They know how tight it is out there. Senior executives know that we tried to save a bit on salaries by not replacing people who left jobs. We used every avenue to hold costs down. When we were hit with another \$100m in cuts, we just did not have the capacity to absorb it and we had to make these moves.

In respect of my own salary and those of my ministers, let me say that I do not bleat about it. I accept the salary I get. I know the Leader of the Opposition made big play in 1984-85 about the Chief Minister supposedly being the highest-paid politician in Australia. He was wrong then. The Prime Minister was and is the highest paid politician. He receives well over \$150 000 per year with the tax free allowances he receives. I am not trying to debate that. Quite frankly, I think the Prime Minister of Australia deserves to receive at least that much for the job he has to live with, the time he has to spend away from home and the stress he has to cope with. Any Prime Minister of Australia is worth more than that in my view. The facts of life are that this reduction - and I am not sorry about it - will make me the lowest-paid leader of government in Australia.

Mr Smith: So you ought to be.

Mr HATTON: Mr Speaker, here we go. Listen to him bounce. I am not bleating about it. I want to get my facts right, that is all. We are not talking about what is fair and equitable because what we have to do to public servants is not fair and equitable.

I am not going to support his amendment. Because I recognise that somehow we have to get the message through to people in the public service that we have no choice, I am prepared to take a proportional cut. The Leader of the Opposition has assessed \$11 000 as the cut that is proportional to a person on \$14 000. This bill provides for a cut of \$5000 per annum in my salary. The net difference in my salary between that and the \$11 000, I will provide to the Nightcliff Preschool on a monthly bank transfer to assist with the costs that the Hawke Labor government has imposed on preschool kids. I will put it into my electorate and my electorate can judge me. I am making that cut to my own personal income to tell all the public servants in the Northern Territory that I understand the hurt they are experiencing. I can assure you it is not going to make it very comfortable for me. I can see my wife in the audience and she is not very impressed with the idea. I know that the clerks in the public service and the tradesmen and labourers will be hurting just as much. I will impose that on myself.

I will say one other thing. I am sick and tired of hearing the socialist nonsense coming from members opposite about the senior executives of our government. It is about time somebody stood up and said: 'Enough!'. The fact is that the departmental heads in the Northern Territory are substantially underpaid compared to their counterparts interstate. We have now reached a stage where, because of the salary levels we are providing, we cannot recruit. That is a measure of the market. We are looking for special people for those jobs and they do not grow on trees. They are very hard to find. The Treasurer referred to trying to find a head for the Department of Mines and Energy. That is an important job in the Northern Territory. Our mining industry is our biggest industry. We are negotiating international gas arrangements and we are involved in very complex and technical commercial negotiations in an industry which is tied up in all sorts of arguments about land rights and everything else. We need someone with extensive expertise and

an understanding of the industry, somebody the industry can have confidence in. We spent \$23 000 advertising to try to find somebody and in 6 months we could not find anybody suitable. That is not an unusual experience when looking for very senior executives. It is an issue we will have to address if we are to be able to attract the right sort of talent to carry out the sort of work members opposite demand of departmental management. We will need very high-level people in those jobs to carry out the sort of work needed to keep costs down, maintain organisational efficiencies and deliver services to the community.

It sickens me to hear this jealous and vindictive carry-on, this tall poppy syndrome displayed by the member for Stuart. Senior executives work a heck of a lot longer than he does. He has no responsibility except to wander around his electorate and come and mouth off in this Assembly. He does not have any administrative responsibilities. He stands here quite comfortably. No one has asked him to take any money out of his pay. He is saying that he will do his bit for the Territory. He criticises our government and mouths off about people who are doing a very good job for the Northern Territory. I am equally sick and tired of people in the media and the private sector who choose to spend most of their lives criticising the public sector.

I will say this, and I will say it very clearly. Before I came into politics, as members know, I was Director of the Confederation of Industry. On more than one occasion, I made disparaging comments about the public service. I apologise for having done so. I am not saying that everything is rosy in the public service because there are considerable problems. However, there are also many talented, dedicated, competent and expert people who are doing an excellent job for this Northern Territory. I would like to hang on to that and build the Territory again, despite what Hawke and Keating are doing to us. I am sick and tired of hearing people like Rod Ellis and Jamie Robertson mouthing off through megaphones, stirring up crowds and misleading their members. They distort the real story and do untold damage to their own membership for their own personal political ends.

I am appealing now to the responsible members of our community and the responsible and rational members of the public service to think very carefully about the Northern Territory, their home, and what we need to do to keep this Territory going. That is the issue we have been confronted with by a vindictive, malicious Prime Minister. I know that Mr Keating recognised that he was biting too deep. He tried to talk the Prime Minister out of it and the Prime Minister would not be in it. We are all going to hurt. You cannot take \$92m out of the Territory budget without it hurting. Let us keep the hurt as evenly spread as we can, work to rebuild the base and develop the Territory, not just for ourselves and our own security but for our kids' security. That is what we are in this Assembly for. Whether people like me or do not like me, I will do what I have to do to look after the interests of the Territory. I appeal to the rational, reasonable, responsible people in the community to recognise that we are facing this and, if we pull together, we can keep the Territory going ahead and achieve our objectives. If we want to play sectional, personal-gain games, the end result will be untold damage to the Northern Territory and, in the end, to those who play them.

Motion agreed to; bill read a second time.

In committee:

Bill taken as a whole.

Clause 3:

Mr SMITH: Mr Chairman, I move amendments 11.1, 11.2 and 11.3.

The effect of these amendments is to replace the sum of \$5000 against the Chief Minister with \$11 000, to insert a new subclause (a) with the sum of \$9000 against the Deputy Chief Minister and subclause (b) to replace \$3000 with \$8000 against ministers, the Speaker and the Leader of the Opposition.

The second-reading debate was very interesting because, apart from myself, no one really addressed the question. The essential question that I am attempting to address through this amendment is the unfair burden that has been placed on certain members within the public service by the cuts that were announced by the government yesterday. In one sense I am pleased, although I am sorry in another sense because I had hoped, somewhat desperately, that the Chief Minister might have been able to convince me that my figures were wrong. He has said, however, that my figures on the cuts that public servants will experience were 'fundamentally correct'. Those were his words. He went on to blame the trade unions for not resolving that matter and making these figures more equitable.

This government cannot escape the fact that it is its decisions that have led to a situation where a large number of public servants will receive cuts to their disposable income ranging from a maximum of 15% or 16% down to 9%. As we have learnt in this debate, the higher you are in the scale the lower the cut you will receive. That is the problem that I wanted to highlight, and it has been highlighted by this debate. An unfair burden has been placed on our lower-income public servants. I had hoped that this debate might have resulted in recognition on the part of the government that that was so and a statement that it was prepared to examine the matter. But no, there is recognition that it is. There is recognition from the Chief Minister that somebody on \$15 000 or \$16 000, with a spouse and 2 kids, is looking at a reduction in disposable income of \$38 a week - and that is a conservative estimate. \$2000 a year is the sacrifice that lower-income public servants will be forced to make on behalf of the economic future of the Northern Territory.

Mr Coulter: That is rubbish.

Mr SMITH: The Treasurer mutters in an aside that that is rubbish. He had 30 minutes in which to demonstrate that it was rubbish and did not once comment on it. The Treasurer made a classic statement that this government recognises the rights of the individual. That is at the core of my concern because, in this debate, and in the decisions it has taken on public service cuts, the government has not recognised the rights and the interests of the individual. It has gone through with a broad-brush approach.

A person with a spouse and 2 kids, whether earning \$15 000, \$55 000 or \$80 000 in the public service, will receive basically the same level of cut in salary. The only difference is in the leave loading, where the difference will be a maximum of \$100 to \$150 a year. That is not looking after individuals. That is ignoring individuals and their legitimate needs, concerns and aspirations. That is treating the public service as an amorphous mass. It is forgetting about individuals and about treating people properly, rewarding them properly, ensuring they are happy in the public service and encouraging them to stay and to think that they are doing a meaningful job and that the government is grateful for it. That is the purpose of this debate. The government has failed abjectly those tests of fairness, justness and equity that I mentioned in my previous remarks.

Mr Chairman, contrast the sacrifices that we are expecting those public servants to make with the sacrifices that the Chief Minister and his ministers are prepared to make. Under this bill, the Chief Minister will sacrifice 5% of his income, the Deputy Chief Minister 4%, and the ministers, myself and the Speaker 5%. That is not fair, just or equitable. It is in no way fair, just or equitable because it means that people on low incomes will be making a much greater percentage contribution to putting the Northern Territory on the tracks again. That is not a concept that this side of the Assembly can accept.

If the government is not prepared to accept my amendment, it will have established a benchmark for the cuts that public servants can legitimately expect to see made. The government is saying to public servants that the limit of its commitment is 5%. The public servants will come back and say that the limit of their commitment is 5% also, and they will have my support in that. If the government is to take the lead in the austerity campaign, it will have to set an example that others can respect and follow. That has not been done by the ministers opposite. They have failed to recognise that there are a significant number of public servants who will have \$1 in every \$10 taken away from them. Government members are saying that they are prepared to give up only \$1 in \$20, and they receive many more \$20s in their pays than lower-level public servants receive \$10s.

That is what this debate is all about. That is what the government has failed to come to grips with. I am extremely concerned and, in fact, angered that the government has not recognised that there is a problem relating to public servants at the lower end of the scale, in the salary range of \$15 000 to \$24 000, and is not prepared to address the issues that I have raised and to ensure that if cuts have to be made, they are made equitably. The matter of whether cuts have to be made is another question that we will be debating later.

Mr Perron: So you are not going to make a commitment.

Mr SMITH: Do you want to debate it tonight? I will make a commitment tonight.

Mr Perron: I asked if you are making a commitment in this debate. You are referring to it constantly.

Mr SMITH: Mr Chairman, the point in this debate is that the government is not prepared to recognise that, under the conditions as outlined at present, public servants in certain income levels will be hit extremely hard indeed. That is something that I would have expected a government with integrity to address. The Chief Minister has made public statements saying that the average cut for public servants will be \$1500. I have demonstrated tonight that there are significant numbers of public servants who will be paying much more than \$1500 and that is the basis of the problem. The Northern Territory is watching the result of this debate and the result of this amendment and the Northern Territory will judge ministers opposite very harshly indeed if they are not prepared to take the lead and put their money where their mouths are.

Mr HATTON: Mr Chairman, I am sorry the Leader of the Opposition did not follow my lead. I am sure Rapid Creek Primary School could have used the \$5000 he indicated that he was prepared to give up. I know that school could use the money now.

Mr Chairman, I totally dispute the figures put forward by the Leader of the Opposition. I agree that the relative effect is higher on lower-income earners. The Leader of the Opposition said that 5% is the benchmark. If we can get every public servant to give up 5% right across the board, we will achieve the \$21.5m.

Mr Perron: Why didn't the TLC propose it?

Mr Smith: Because it put forward an argument that you do not have to do that.

Mr HATTON: Mr Chairman, I am not going to regenerate an entire debate that we have been through many times. I make the point - and I know that there are Trade Union representatives within earshot - that 5% right across the board would meet the \$21.5m if the trade unions agreed to it, and sold it to their members.

I would suggest that some of our proposals are more palatable because they offer substantial savings which come out of fringe benefits tax rather than out of salaries, and they come out of annual leave loadings which are often received with some surprise. I agree that it is really nice to get an extra bonus when you go on holidays. I do not dispute that at all. If somebody put some extra money in my pocket, I would also be grateful. I do not believe in the 17½% loading and I cannot even remember having received it personally. I guess I have never really worried much about it. One of my problems is that I never got a chance to go on holidays. The fact is that we are putting these measures forward in order to have a minimal effect on salaries. But, if everyone was prepared to take a 5% cut, we would have the \$21.5m which we need to balance our books. However, there are other ways of minimising the direct impact on the fortnightly pay packet.

I reiterate the undertaking I made during the second reading and I commend the bill.

Mr LEO: Mr Chairman, I have refrained from speaking in this debate to date because I do not believe that salaries and conditions should be determined in this way by legislation. I have said as much to my colleagues and I will say as much to this Assembly. Those matters should be subject to the appropriate tribunals or bodies such as the Conciliation and Arbitration Commission. They should not be the subject of debate or legislation in this Assembly.

However, given that the government is determined to proceed with this type of legislation, I feel some obligation to participate in this debate. The Leader of the Opposition clearly enunciated the opposition's views on the level of cuts members should take if these are to be imposed by legislation as opposed to decisions of a tribunal. If that is to be the will of this Assembly, then the cuts should be imposed fairly. There is an old saying in industrial circles: 'If you pay peanuts, you will get monkeys'. The government side of the Assembly is full of monkeys and now we are starting to pay peanuts. That is the fact of life.

Mr CHAIRMAN: Order! I ask the member for Nhulunbuy to withdraw that remark.

Mr LEO: I withdraw it, Mr Chairman.

If we are going to use legislation in this House to determine people's salary levels, I insist that we do it with equity. It should not be a charade that is designed to dupe people and is aimed at the media as an expression of false sincerity.

Mr Coulter: You want the MLAs to lose as well. Is that what you mean?

Mr LEO: I want 5% across the board. That is what I would say if you intend to do it by legislation. I do not agree with setting salaries by legislation - make no mistake about that - but if it is to be done, it should be done across the board in precisely the same way that this government seems determined to do to salary and wage earners within the public service. If that is the way you intend to proceed, then do it across the board to everyone paid by the public purse. Otherwise it is a sham and a charade and the monkeys will continue to be paid peanuts.

Mr EDE: Mr Chairman, the Chief Minister made one honest remark when he last spoke. He admitted that the relative effect was higher on the lower income groups. That fact lies at the very basis of our objections to what he is doing, not only in this particular piece of legislation but right throughout the whole philosophy underlying the cuts.

I put a number of proposals to him that he could have looked at. People on higher incomes could have been looked at a bit more carefully. Look at the \$80 000 donation to the Darwin Sailing Club. I am sure that the average A3 or A4 in the public service will be ever-grateful to take a cut in order to allow members of the Darwin Sailing Club to enjoy the benefits of an \$80 000 grant for their bicentennial yacht. That is the way that this government throws away money and splashes it around in grand gestures in order to gain some kudos with a few of its richer mates. The amendment should be supported because it demonstrates a commitment on the part of the Leader of the Opposition which apparently does not exist on the other side of the Assembly. Take the example of the 4 floors it has taken up in this new Harbour House agreement. It is taking up more and more office space in more and more new developments when it knows full well that it is having increasing difficulty in trying to rationalise any of it. It is said that the amount of space one particular department has per public servant is 30 m² to 40 m². That is way above any standards which have ever been applied elsewhere in Australia.

While the government is busy cutting the conditions of public servants, it is looking after its friends extremely well. We all know of the Centrepoint agreement. We know how Mr Paroulakis has an agreement with this government whereby he is paid whether the office space taken up in Centrepoint is occupied or not. That is the sort of deal that is okay if you are a friend of the government; if you are one of its cronies or if you are one of the little group that feeds off this government. If you are one of the poorer group, you will cop an inequitable 10% cut in your conditions of service.

We have the Chief Minister making a gesture which he thought would defuse the whole problem. It has been exposed as a sham and a charade. He is refusing to accept the amendment from the opposition that would mean that his cuts would be in line with the cuts being taken by the average public servant. This is the man who has presided over the damage to our economy. I am reliably informed by people in the real estate industry in Darwin that a third of privately-owned accommodation in Darwin would be up for sale if people could get a reasonable price for it. The actual price of properties on the market has been deflated by something in the vicinity of \$20 000 on average.

Mr Perron: Interest rates don't help at all.

Mr EDE: Mr Chairman, I was waiting for it: interest rates. I had hoped it would have come from the Treasurer but he would not know enough about economics to fall into that one. A little bit of knowledge is a dangerous thing. There is a fundamental law of economics: if interest rates grow so high that it is uneconomic to own your own home, you move out into rental accommodation. If you cannot own your own home, you rent accommodation because you have no other choice. While you have a drop in the market prices for the sale of houses, you have an increase in the cost of rental accommodation and rental accommodation becomes particularly tight. When interest rates become too high people move out of the houses they are attempting to purchase and into rental accommodation. If that was happening here, rental accommodation would be extremely tight, rental prices would rise and the purchase price of rental accommodation would rise. That is not happening in the Northern Territory and it shows how fundamentally the former Treasurer has got it wrong. I am glad to see that the Treasurer did not attempt to buy into it. If he finds himself another E6 or E7 for his staff, he might be able to have it explained to him - as long as he pays him 3 times more than the going rate.

The relative effect of these cuts will be much more severe on lower-income groups. That is one aspect of this debate where I can agree with the Chief Minister. I am quite disgusted, however, that he is not prepared to accept the amendment. All he is prepared to do is to continue to gladhand his rich mates and continue the subsidies for his big business mates.

Mr HATTON: A point of order, Mr Chairman! I would ask you to request that the member for Stuart to withdraw the imputation that I may have done something improper.

Mr EDE: Mr Chairman, may I speak to the point of order.

Mr CHAIRMAN: I ask the honourable member to withdraw that remark.

Mr EDE: Mr Chairman, my remarks tonight have been made totally in the context of my point that there has been inequitable distribution of the funds coming from the Northern Territory public purse.

Mr CHAIRMAN: I ask the honourable member to confine his remarks to the imputation.

Mr EDE: Mr Chairman, I unreservedly withdraw any imputation that I have made against the Chief Minister personally.

We have demonstrated tonight that there were avenues available to the government if it was thinking purely in terms of the Northern Territory budget. It is not thinking in those terms and its actions show that it is totally committed to taking resources from the poor and the less powerful in our society and redistributing them upwards. It is only concerned with feathering the nests of its cronies.

Mr SMITH: Mr Chairman, there is one very apt word to describe members opposite, and that is 'smug'. I have rarely seen such a smug and self-satisfied group of people when it comes to considering with compassion, feeling and a sense of fairness, the effects of their decisions on people of the Northern Territory. As I said earlier, we had an example of this last year in respect of the work health debate. Only after a long debate did we

have some clauses of the legislation changed so that lower-income people were not significantly disadvantaged.

We have the same problem tonight. This smug, self-satisfied collection of people opposite cannot see that their actions will make it almost impossible for a large group of public servants to continue to live the lifestyle that they have been used to and that it may mean that some people will be forced to leave the Northern Territory. As I said this morning, if people in that situation had any brains, they would go because the smug, self-satisfied members opposite will condemn them, within a fortnight or 3 weeks, to a pay cut of a minimum of \$38 per week, \$76 per fortnight and \$2000 per year. Those same cuts apply whether a person is on a basic salary as low as \$14 000 or as high as \$80 000 or, in the case of Marat Pty Ltd, probably \$120 000. That is the sort of inequity the government is perpetrating and that is where the smugness comes in. Members opposite cannot accept that what it is doing will make life impossible for a large number of people in our public service, people who are hard workers and who are doing a good job and who, as their first preference, want to make the Northern Territory their home. This government has made that very difficult for many of them.

Mr Chairman, I remind you again of individual examples. Members opposite all have people like this in their electorates: single parents who have 2 or 3 kids and are employed in the lower echelons of the public service - A3 to A5 classifications - and earning salaries of \$15 000 to \$18 000. Members opposite are saying to those people, who may well live around the corner or across the street from them, that they expect them to take a cut of \$2000 for the good of the Territory. If you are a minister living across the street from one of those people and you are asked what you will contribute, you will be able to say that you are taking a cut of \$3000. When you are asked what percentage of your total income that is, you will look towards the floor, because you certainly will not be able to look them in the eye, and answer that it is 5%. They will ask themselves and, if they have any courage, they will probably ask you where the justice is in that. Where is the justice in the requirement that a person with 3 kids, who is on a \$16 000 salary, should face a reduction of \$38 in his weekly income whereas a minister on \$68 000 will be expected to take a cut of \$5000? It does not add up and it does not match.

There is no justice and no equity in the decision that the government took yesterday and in the cuts it is intent on forcing public servants to endure. No wonder we had those scenes out there today. I can understand people's anger and frustration. No wonder we are all getting representations, and will continue to get them over the next few weeks, to sort the matter out. The answer is for the government to have another look at what it intends to do. If it will not go back to the trade unions and re-start negotiations, it should at least remove those anomalies which will mean that the lowest-paid public servants will pay the highest price. That should be simple enough for the government to understand. One does not have to be an economic genius, and I put it in those simple terms so that members of the government will understand it.

Mr Coulter: Tell us what to do.

Mr SMITH: It is not my job to tell you what to do. I can tell you what the problem is and that is what people out there are doing: telling you what the problem is. You cannot expect them, in tight economic times, to take income cuts of 10% to 15% which many of them will be doing.

Mr Hatton: A point of order, Mr Chairman!

We have been going through this for the last hour. The fact is that the Opposition Leader is debating an entirely separate bill under the guise of debating salaries of the ministers and the Chief Minister. He has now made 3 speeches debating an entirely different piece of legislation.

Mr CHAIRMAN: I ask the Opposition Leader to confine his remarks to the amendments.

Mr SMITH: Mr Speaker, the Chief Minister is obviously embarrassed by this subject and I am not surprised. I will explain the relevance of my remarks to the matter under debate.

Mr Hatton: You have said it 10 times.

Mr SMITH: That is right and, if I say it for the eleventh time, it might get through your thick skull and you might develop some compassion and understanding for the people who are being hit over the head by your government's insensitivity. I am trying to make that point in this debate. You used to be a man with a reputation for compassion. That was one of the things people admired in you when you were first elected, and they made that a point of contrast between you and the previous Chief Minister. I am afraid people no longer think that way because you have demonstrated, in the way you intend to put those cuts in place, that you do not have any compassion or any feeling for ordinary people. You are prepared to make them suffer. You are prepared to hit people on the lowest incomes, the ones who have the least chance of coping successfully and who need the financial returns from the jobs they do for this government. They do not expect to wake up one morning and find that they are below the poverty line because of the actions of people who employ them.

As I said yesterday, there is probably no example in Australia's history which equals this one in terms of the damage done to workers' conditions and terms of service. That is what this debate is all about and it is made worse by the fact that ministers opposite are not prepared to take their fair share, even if we accept that you have to find \$92m - which is the subject of another debate. Ministers opposite are not prepared to pay their fair share. The Treasurer talks about the Trades and Labor Council finding \$1.8m. The grand contribution to the \$92m cuts from ministers opposite is - wait for it - \$32 000 from a collective income of well over \$1m. Is that fair? Is that just? Of course it is not! If members opposite do not support this amendment tonight, they stand condemned.

Mr TUXWORTH (Barkly): Mr Chairman, I have listened with interest to the comments made tonight. I really believe that the proposition put by the Leader of the Opposition will be central to the success of the bill that the government introduced earlier in relation to reducing conditions of service for public service employees. The stark reality is that today we have seen the mood of the service in quite clear terms today, the service whose job it is to serve the Northern Territory. The reality is that, if that mood in the service continues, it will have the capacity to paralyse the government and bring a great deal of harm to the citizens of the Northern Territory. I believe that the issue of equity is very real in people's minds.

If the Chief Minister's proposition of a salary reduction had been presented in the Treasurer's economic package last week or the week before, it would have had a tremendous amount of credibility and it would have led the

way. In the circumstances in which it was delivered, however, it lacked that credibility. It came some days after the economic package was presented and after the blowtorch had been applied. As a reaction to the heat and the need to demonstrate that the government was prepared to take a lead, the Chief Minister took a cut of \$5000 and ministers and the Leader of the Opposition were to take cuts of \$3000.

At that stage, there was no compassion in relation to public service cuts because nobody knew what they would be. Since last night, we have known what the public service cuts are to be. As has been demonstrated tonight by the Leader of the Opposition, and more or less confirmed by the Chief Minister himself, the cuts will be very severe on people in the under-\$20 000 bracket. Without any doubt, there will be hardship. I have spoken several times today on the lack of capacity in the community for people to pay any more and I refer, in this instance, to the lack of capacity of people to take less and survive. Things are really hard out there, and I am not throwing a political pitch. Any politician here who has his ear to the ground knows that people are really hurting and are doing their best just to keep their heads above water. Mr Chairman, if the government wants public servants to accept the changes to conditions of service and conditions that it has foreshadowed tonight - and I do not know when they will come back to the Assembly - ministers will have to take the lead and not be mealy-mouthed about it.

The Leader of the Opposition has demonstrated that, for people in the public service, the cuts are effectively between 10% and 14%. If the government is to give a lead, it has to be in that bracket. It does not wash for the Chief Minister to say that he will give a few grand a year to his local preschool. That is all right for him, his electorate and his preschool, but it will not get us over the hump in terms of addressing the problem with the public service. I have no doubts that there is a great deal of upset. If the government does not give the lead, the public service has the capacity to not just to paralyse it, but to bring a great deal of harm to the rest of the community. It can do that very simply by refusing to collect money at the public counter. If you think that has not been done before, I can tell you as a former Minister for Health - and there are a few union officials here now who have been through the mill with me - that it has been done and it does hurt. You must have the balance.

Mr Chairman, I did not intend to speak tonight, but I have listened with interest and I have been persuaded by the Leader of the Opposition. After the events of the day, I say to the Chief Minister that if he does not move to a position of equity and adopt the proposition put by the Leader of the Opposition, today's performance will be like a teddy bear's picnic compared to the next one.

Applause from public gallery.

Mr LEO: Mr Chairman, I would like to reiterate a couple of the things that I said the last time I spoke to the committee. This Assembly has now set itself up as an arbitration tribunal.

Mr CHAIRMAN: Order! The honourable member will resume his seat. I remind guests in the gallery that silence must be maintained at all times. The honourable member for Nhulunbuy.

Mr LEO: Mr Chairman, much to my disappointment, this Assembly has now taken upon itself the role of an arbitration tribunal. That is what has

happened as a consequence of legislation which has been presented to the Assembly today. If this Assembly is not going to act with the same degree of equity which an arbitration tribunal is expected to show to the bodies which appear before it, then we are indeed unworthy of any faith that anybody may have hoped to place in us. Because of his experience, I hope that at least the Chief Minister understands that. I would not expect the rest of the government to understand that, but I hope that the Chief Minister would understand the fundamental principle that, if you are going to set yourself up as an arbiter, then you must show good faith to those bodies that you are dealing with. If you are not going to do that, then you will destroy whatever credibility you may have hoped to achieve.

If the amendments proposed by the Leader of the Opposition are rejected by this Assembly this evening, the credibility of this government and, indeed, of this Assembly, in the eyes of the Northern Territory public servants - and not only the public servants but the people of the Northern Territory and Australia generally - will be seriously eroded. It will be jeopardised to such an extent that it will never be retrieved because we are doing something which, in normal circumstances, would be handled another body such as an arbitration tribunal or, in respect of this particular bill, the Remuneration Tribunal. If we intend to undertake such responsibilities ourselves, we must do it with equity because. If we do not, we will place the credibility of this Assembly in jeopardy for all time.

The Chief Minister can shake his head, but he understands clearly what I am saying. Credibility is something that can never be retrieved once it is lost. His credibility and the credibility of this Assembly is in extreme jeopardy this evening. We will be judged on what we are doing this evening, not only by people in the Northern Territory and not only by public servants in the Northern Territory, but by people throughout Australia. If it is demonstrated that we are not behaving in an equitable manner, we can never be seen as being arbiters and we can never be seen as persons who should enjoy the confidence of the people. We will deserve precisely what we will get: the contempt of the persons with whom we deal.

I urge the government to accept the amendments that the Leader of the Opposition has proposed, not simply for the sake of the immediate future of this government and of the Chief Minister, but for the sake of the Northern Territory and future governments.

The committee divided:

Ayes 6

Mr Ede
Mr Lanhupuy
Mr Leo
Mr Smith
Mr Tipiloura
Mr Tuxworth

Noes 16

Mr Collins
Mr Coulter
Mr Dale
Mr Dondas
Mr Firmin
Mr Hanrahan
Mr Harris
Mr Hatton
Mr McCarthy
Mr Manzie
Mrs Padgham-Purich
Mr Palmer
Mr Perron
Mr Poole

Mr Reed
Mr Setter

Amendments negatived.

Bill agreed to.

Bill passed remaining stages without debate.

ADJOURNMENT

Mr HANRAHAN (Leader of Government Business): Mr Speaker, I move that the Assembly do now adjourn.

Mr EDE (Stuart): Mr Speaker, I must admit to some degree of outrage and frustration. Earlier on today, the Leader of Government Business moved a motion to defer a particular item of government business as an order for a later hour. That referred to the ministerial statement on the economy which we were all prepared to debate in this Assembly. We thought that would provide us with the chance to explain in fine detail to honourable ministers and members opposite just where they had gone completely wrong with the options that they were proposing in respect of education, health, welfare ...

Mr PERRON: A point of order, Mr Speaker! The honourable member is out of order, given that he is referring to an earlier debate in this Assembly.

Mr SPEAKER: There is a point of order. The honourable member cannot refer to earlier debates of this day.

Mr EDE: Mr Speaker, I will concur with your ruling. I was not referring to the actual debate, but to the lack of a debate and to the actions of the Leader of Government Business who stated that it would be a matter for a later hour. He has now moved for the adjournment of the Assembly and has refused to allow this Assembly to debate matters of grave importance to the Northern Territorians. They would like to know about the education cuts. They would like to know about quite a number items covered in that statement. Those measures will now pass into practice without being debated in this Assembly. It is most undemocratic, Mr Speaker, as also ...

Mr SPEAKER: Order! In the adjournment debate, the honourable member is not permitted to canvass a matter which is on the Notice Paper. Unfortunately, that is on the Notice Paper.

Mr EDE: Mr Speaker, given your ruling, I would like to make a few points in relation to another matter. It is very difficult, given that the Notice Paper has items covering most aspects of government. I think possibly there is one area left in the whole gamut of government that I can discuss tonight without being ruled out of order. I refer to the principles involved in Grants Commission funding to the Northern Territory. In broad-brush figures, funding is something like \$6000 per capita, which is 4 times the national average. We argue that such funding represents the degree of need, our isolation and the degree to which we are behind the rest of Australia. This funding should be justifiably paid so that we can enjoy the same standard of services as other places in Australia. Victoria and New South Wales are taken to be the standard states and you would need 3 degrees to work out the mathematics involved in the funding formulae. The broad idea is that, because the Northern Territory does not enjoy the same standard of services as is enjoyed by New South Wales and Victoria, the federal government should provide

an extra amount per capita for the Northern Territory government to enable it to provide those services.

One of the things that really sticks in my craw is that some of the honourable members sitting opposite tend to take the view that, because they are Territorians, they suffer an equal degree of disadvantage. If any member in this Assembly was to believe seriously that the average person walking down the Smith Street Mall at lunchtime was so disadvantaged in comparison with some person walking around Martin Place at the same time on the same day that he required 4 times the amount of subsidy, he would be completely wrong. It is balanced across the whole Territory. It is the people out bush, the people in the small, remote communities, who suffer the highest degree of disadvantage. The fact that they do not have electricity, schools, health services, welfare services and housing is taken into consideration by the Grants Commission. This represents an enormous gap between the services that are provided in the standard states and those provided in such communities and, in effect, it pulls up the two-thirds of the people who live in the large urban centres of Alice Springs and Darwin.

The problem is that this government has not addressed the problems occurring in those remote communities. It has allowed them to continue to exist in a state of absolute poverty. At the last sittings, the member for Fannie Bay interjected time and time again: 'What about the \$300m that goes to Aboriginal people every year?' The fact is that the \$300m represents something like a quarter of our budget and Aboriginal people in the Northern Territory make up some 23% of the population. When he complains about 25% of the budget going to 23% of the people and calling that some gross overfunding ..

Mr Perron: You are saying that it is not enough?

Mr EDE: It is not enough. The member for Fannie Bay adopts the type of attitude which has brought us into trouble with the Grants Commission. He refuses to acknowledge the degree of need and the lack of services in those communities.

We have the other statement that somehow \$2.7m was too much, that it was gross overfunding. The Grants Commission reports refer to 535 communities, of which 400 were permanently occupied at that time. We are talking about communities of up to 50 people. If the average is 15 to 20 people in each community, the \$2.7m subsidy works out at \$200 to \$300 ...

Mr HARRIS: A point of order, Mr Speaker! We are again debating something on the Notice Paper: the economic statement. The honourable member is well aware that that statement is on the paper and he is touching on issues which are in that paper itself.

Mr EDE: Mr Speaker, the statement made by the Treasurer in regard to what he felt was the overfunding of outstations was not made in the economic statement. It was made in a subsequent debate raised by the opposition on a general business day.

Mr SPEAKER: There is a point of order. The honourable member may not allude to a previous debate.

Mr EDE: Mr Speaker, I am not having much luck.

The point of the matter is that the Treasurer does not have a clue about the real issues that affect average Territorians. In fact, he lives in his ivory tower when he is not looking after his horses down at Palmerston. No doubt if he were to reclassify his little bush retreat as an outstation, we would find that he might take a different view of outstations. He might decide that it was quite okay to fund them, as I believe he did in relation to a certain equestrian centre in his own electorate. Wasn't that a cosy little deal, Mr Speaker? That is the attitude of the Treasurer. He will do a bit of pork-barrelling, but it is not all right to look after the people who are in the greatest need in the Northern Territory. It is unfortunate that I do not have the opportunity to raise points in respect of that debate because, every time I raise them, members opposite raise a point of order.

Mr LANHUPUY (Arnhem): Mr Speaker, I was not here when the Treasurer made his comments in relation to the holiday-camp mentality that he and his colleagues obviously think exists on outstations in the Northern Territory.

My people make up 30% of the Northern Territory's population. Believe it or not, we only recently gained the right to vote as citizens of Australia. I was disgusted at the pathetic performance of the Treasurer on the 7.30 Report, when he claimed that a holiday-camp mentality is adopted by 30% of the Territory's population towards what we call homeland centres. The former Minister for Education, the member for Port Darwin, would be very much aware of the achievements of my people since gaining the recognition of citizenship. Nevertheless, we have people in this government like the Treasurer. He is supposed to represent the whole Territory.

Mr Coulter: What did one former land council member say today? He agreed with me.

Mr Ede: You find one person who agrees with you. Is that democracy?

Mr SPEAKER: The member for Arnhem will be heard in silence.

Mr LANHUPUY: Mr Speaker, the Treasurer is supposed to represent the whole of the Northern Territory, but he is prepared to get up in this Assembly and say that 30% of the Territory's people, specifically Aboriginal people, go to outstations because the fishing and hunting are good. That is a pathetic statement. The Treasurer is a minister of the Crown; people actually voted for him. I wonder whether other members of the CLP agree with him. I would like to ask Peter Paroulakis, Grant Tambling and the other CLP Senate candidate whether they agree with him.

I would like to ask the Chief Minister whether he condones the Treasurer's condemnation of my people's move to establish our reality by protecting vast areas of the Northern Territory. If it were not for outstations, there would be many people illegally growing and importing marijuana which is something whites have brought into this country. You would have many Malaysians coming in illegally and God knows what else. It is because of outstations and the radio contacts they provide that people are made aware of illegal fishing and prawning as well as illegal landings at remote places like Groote Eylandt and the Wessel Islands.

I honestly did not want to speak about what the Treasurer said because I think it deserved only contempt. I am making this speech because I have recently been to places throughout Arnhem Land, including Numbulwar, Borroloola, Roper River, Gapuwiyak, Angurugu and Umbakumba. I make regular visits out there and I know what people out there think about the Treasurer's

comments. This person, who is responsible for the Northern Territory's budget, is determined to cut out basic services to my people. I may be willing to accept some of the arguments about airstrips and generators not being appropriate in terms of the numbers of people living in some of the outstation areas, but I do not accept the denial of basic rights which human beings are entitled to. Because of this government's lack of understanding of my people, it denies them basic human necessities. It has an obligation to my people, yet we hear the Treasurer, who has a very limited knowledge ...

Mr Coulter: I have been on more outstations than you, Wesley.

Mr LANHUPUY: I deny that. I would like to leave the Treasurer on one.

Mr Coulter: You write down yours and I will write down mine.

Mr LANHUPUY: Mr Speaker, he is probably talking about Peppimenarti. I heard him refer to Harry Wilson whose view is that some outstations are holiday camps. Harry Wilson's adviser is Bob Woodward.

Mr Setter: He is an Aboriginal, isn't he?

Mr LANHUPUY: I won't answer that. Bob Woodward was a CLP candidate for the seat of Arafura and he failed abysmally. I think Harry is saying these things because of the advice he is getting.

It is pathetic to hear a minister of the Crown talking about cutting services. Many people on outstations are trying to survive on their own with very few services available to them. They get some basic requirements and the Missionary Aviation Fellowship sometimes comes in to service them. All they want is for the government to fulfil its basic responsibilities to the people of the Northern Territory, regardless of whether they are black or white. That is what those people want out there. They were inflamed and very angry to hear such comments from a minister of the Crown, especially in the Northern Territory where we are trying to patch up race relations between black and white.

It is interesting to look at this matter in the context of the move towards statehood in respect of which the government wants the cooperation of my people. If people in government, like the Treasurer, lash out at 30% of the Territory's population saying that their rights will be taken away and the government will abandon its responsibilities to them, those people will retaliate by saying no to statehood. Statehood will be a lot longer in coming than the government imagines if it continues in this way. My people have a much better understanding of the white society that they have come to terms with. It was alien to us, but we now know how to utilise it. We are coming out of our bad period and we are getting better.

I would appreciate it if the Treasurer takes some advice before he shoots from the hip again, as he is commonly known for doing. His performance on the 7.30 Report was pathetic. I was in Milingimbi when I watched the program. He could not even express himself properly in the interview. This was after the big headline in the NT News. Do you think the ABC could get anything out of him, Mr Speaker? No way! Look at him. He is smiling now.

Mr Coulter: You have a smile on your face too.

Mr LANHUPUY: He knows he was pathetic and that he failed when he announced those cuts which are intended to stop the outstation movement, a

movement which he praised when he was the Minister for Community Development. In fact, he was one of the people who approved the development of Bickerton Island. He was very supportive of it. Honestly, I am very disappointed in the member for Port Darwin who went to an outstation at Galiwinku and, I believe, tried to attract a few birds and piglets by whistling and saying that he was very supportive of the outstation movement.

Mr Harris: I will remain supportive of the movement.

Mr LANHUPUY: However, he is worried about the financial matters and therefore it is of no concern to him. I have my people. My relatives live in some of these outstations. All they need is for this government to meet its basic obligation to the people of the Northern Territory in terms of their right to an education, the right to be able to go to school. If the government is subject to certain restraints, that is a matter that the government must work out, but it is my belief that it has failed. I do not think any thinking Northern Territorians will support this government's view in terms of condemning the outstation movement. I would ask people to voice their opinion to the Treasurer because I believe he is making a mistake, not only in terms of condemning 30% of the people of the Northern Territory, the Aboriginal people, but in not advancing the moves towards statehood or improved race relationships in the Northern Territory.

Mr TUXWORTH (Barkly): Mr Speaker, I shall be very brief. Late last year, I had the fortune to be expelled from the CLP and, during that time, the Chief Minister visited my electorate on several occasions. In fact, as I recall you may have visited with him on one occasion. He went to a great deal of trouble to address meetings, groups of people and individuals, telling them what a terrible fellow I was and how his action in organising my expulsion was justified. During this period, he waved in front of some of my constituents a series of documents that he believed were conclusive proof of impropriety. Indeed, he offered to show them to people, but they were never actually shown. To my knowledge, no one in my electorate has seen these documents although many people have asked to see them.

While he was in Tennant Creek, I asked the Chief Minister if I could have a copy of the documents, simply for the sake of curiosity, and he said he would be happy to let me have them and he would send them to me that day. Nothing eventuated. I contacted his office every day for 14 days, trying to obtain copies. But they were not forthcoming. I did not worry about it much after that. My curiosity wore off and I let the matter drop. However, tonight I would like to raise the issue again with the Chief Minister and ask him if he would honour his undertaking to let me have a copy of those documents, because a series of events has taken place which now makes them relevant. It is quite serious and I think it would be helpful if he let me have them.

Mr COULTER (Treasurer): Mr Speaker, I will be very brief in answering a few questions that were raised by the member for Arnhem. I can definitely provide substantial evidence that I have been on more outstations than the member for Arnhem. I have travelled the Northern Territory quite widely and was responsible, as Minister for Community Development, for the funding of many of those outstations.

Recently, we conducted a survey of the outstation movement and there are 165 outstations - not 135, as the House of Representatives Select Committee on the Outstation Movement indicated on page 30 of its report - on which nobody resides permanently. I have been supportive of the movement, particularly in

the member for Nhulunbuy's electorate where the outstation movement is assisted by a number of people. I cannot think of the name of the resource centre officer at Yirrkala who has been responsible for the support of those outstations. They have built their airstrips by hand themselves on a number of occasions. In fact, I remember the figures for that area and I think the total of 20 outstations there were being funded to the tune of \$180 000 which is not a great deal of money when one considers what they were achieving. That is in stark contrast to some of the other outstations where airstrips have been built, houses have been supplied, generators have been supplied and yet nobody lives there. An example is the Cox River settlement that was mentioned in a press release recently. That particular area would have had possibly \$180 000 spent on it alone, although nobody is living there.

In the House of Representatives' select committee report, Charles Perkins, the Secretary of the Department of Aboriginal Affairs, is quoted as saying that these places are only used from time to time, when hunting is plentiful or for ceremonial reasons. I would point out to the member for Arnhem the simple fact that the Northern Territory government can no longer afford to fund those sorts of facilities for such reasons. We have said that where there is an economic base or a permanent population trying to establish itself on an outstation, we need to give such people priority in terms of providing services and facilities.

The other aspect is that outstations have a habit of growing very rapidly. When Kintore was established, the fellow who first moved there from Papunya went out there on a tractor that pulled a trailer. There was no road. There was no airstrip. There was no water. He got water from a rock hole on a mountain a little distance from Kintore. I estimate that about \$3.5m has been spent on Kintore. It has 2 airstrips. I think one was provided through Commonwealth money and was built in the wrong direction. We had trouble getting the Royal Flying Doctor planes in there because of the direction of the airstrip.

Mr Harris: We were bogged at Kintore.

Mr COULTER: Yes. There is a photograph of the member for MacDonnell and the then Minister for Education bogged on the airstrip at that stage. I think the population there at present is between 200 and 400 people. They have established themselves and they now have classrooms. People have moved out there. We put down a bore which had a hand pump on it and we then installed a windmill. Now the community has a very large diesel generator system with very complicated bore mechanisms and tanks. That outstation is now a centre that is similar in size to Papunya itself in terms of the number of people living there. At the same time, we have the urban drift.

Mr EDE: A point of order, Mr Speaker! You ruled earlier that this was the subject of an earlier debate. I believe that what is sauce for the goose should be sauce for the gander. This is on the Notice Paper.

Mr SPEAKER: The minister is responding to points raised by the member for Arnhem. There is no point or order.

Mr COULTER: Mr Speaker, thank you for that ruling. The member for Stuart should spend more time in the Chamber. It appears that he is leaving again now. We are getting used to the contempt with which he treats this place. He traipses in an out, giving us the benefit of his knowledge and then retiring back to the bar.

Mr SPEAKER: The honourable member will withdraw that reference to the bar.

Mr COULTER: Mr Speaker, I unreservedly withdraw the reference to the bar.

I would like to point out to the member for Arnhem that there are a number of outstations that have developed a sound economic base and a permanent population. However, there are 165 which do not have a permanent population. We can no longer afford to fund those types of facilities and that is the reason why this government has taken this action. I will not go into more detail because this will be the subject of debate later when the economic statement is debated in full.

I wanted to make those points known to the member for Arnhem. I believe that the member for Nhulunbuy can support me in what I have said about the outstation movement in his region and how successful it has been there. However, the simple fact is there are 165 outstations which have no population.

Mr LEO (Nhulunbuy): Mr Speaker, I will reply to the Treasurer's comments at a later date. My comments will be limited to 1 matter. I wish to pay my respects to a great man in my electorate who, unfortunately, died recently. I am sure the Minister for Education would recall this man's joy at seeing his son-in-law achieving a Bachelor of Arts at Batchelor College. I refer to Mr Wandjuk Marika. He was a delightful man, a wonderful soul. In the 16 or 17 years that I have known him, he devoted his time to promoting the cause of his people. He suffered abuse, degradation and hardship but retained a cheerful disposition.

He was a very generous man, in every sense of the term, who was prepared to accept hardship and yet tried to impart to ignorant people such as myself the value of his culture, the value of what he knew about the land and about his people. He tried to educate people from all walks of life. Whether you were a person who had arrived in Nhulunbuy recently or a person who had known him for a long time, he would always stop to speak to you and try to get across to you the value of his culture and the value of his people.

He contributed much to the Aboriginal people not only in east Arnhem but throughout Australia. The history books may never recognise his efforts and endeavours but, certainly, he promoted a culture and he promoted it with dignity and in a very positive and individual way. He was a man who has my respect and I would like Hansard to record my condolences to his family and my sorrow at his departure.

Mr COLLINS (Sadadeen): Mr Speaker, because this was a 1-day sitting, I was unable to raise many of the matters that I would wished to have raised. If I had had the opportunity this morning, I would have asked a question along the lines of whether it is government policy to inform nursing staff if they are nursing an AIDS sufferer.

This is a delicate area. One of these days, it will happen and I believe the government has to establish a policy so that it can handle this matter with considerable delicacy. One can appreciate that, if it were handled badly, staff might end up refusing to nurse AIDS sufferers. I suppose one way out would be to keep the nursing staff in the dark and not tell them anything about it but, when one hears that a dentist contracted AIDS as a result of giving an injection to a patient suffering with that virus and then actually scratching himself with the same needle, one recognises that the other side of

the coin is that to be forewarned is to be slightly forearmed. People become aware that they need to take extra care. It is something that the government will have to grapple with. I trust that it will work out ways by which nursing staff can be given the necessary information so they feel that they can nurse sufferers but be protected themselves.

Motion agreed to; the Assembly adjourned.

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