

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

VOTES AND PROCEEDINGS

No. 89

WEDNESDAY, 28 MARCH 1979

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- 1 The House met, at 2.15 p.m., pursuant to adjournment. Mr Speaker (the Right Honourable Sir Billy Snedden) took the Chair, and read Prayers.
 - 2 **DISTINGUISHED VISITORS:** Mr Speaker informed the House that elected members of the 9th Norfolk Island Council were present in the gallery. On behalf of the House, Mr Speaker extended to the visitors a warm welcome.
 - 3 **PETITIONS:** The Clerk announced that the following Members had each lodged petitions for presentation, viz.:
 - Mr Adermann, Mr O'Keefe and Mr Thomson—from certain citizens praying that pension payments be restored to twice-yearly adjustments and that pensions and unemployment benefits be raised to 30% of average weekly earnings.
 - Mr Hayden and Mr E. L. Robinson—from certain citizens praying that legislation be introduced to prevent payment of medical benefits for unnecessary abortions.
 - Mr Lusher and Mr Lynch—from certain citizens praying that the medical benefits schedule be amended to preclude payment of benefits for abortions.
 - Mr Lusher and Mr E. L. Robinson—from certain citizens praying for the appointment of an independent inquiry into the Australian Broadcasting Commission to investigate the qualifications of commissioners and certain other matters.
 - Mr Aldred—from certain citizens praying that the taxation law be amended to permit registered tax agents to trade for a full year and lodge income tax returns at the close of the respective tax year.
 - Mr Baume—from certain citizens praying that the House reject the motion of the honourable Member for Hume concerning medical benefits for abortion and support abortion as a claimable item under all health benefits.
 - Mr Dobie—from certain citizens praying for the prohibition of pornographic material involving children.
 - Mr Hayden—from certain members of the Commonwealth Police Force and citizens of Australia praying that the interests of Commonwealth Police Force members be protected in the proposed Australian Federal Police Force.
 - Dr Klugman—from certain electors of New South Wales praying that compensation benefits paid to injured Commonwealth Government employees be increased and then adjusted automatically.
 - Mr Neil—from certain citizens praying that the imperial system of weights and measures be restored.
 - Mr Simon—from certain citizens praying that legislation be introduced to provide for retirement at age 60 throughout the Australian workforce and that social security be available from that date.
- Petitions received.

- 4 **QUESTIONS:** Questions without notice were asked.

5 PAPERS: The following papers were presented:

By command of His Excellency the Governor-General:

Joint Committee on Publications—Report on inquiry into the purpose, scope and distribution of the Parliamentary Papers series—Government response.

Pursuant to statute:

Australian Development Assistance Agency (Repeal) Act—Australian Development Assistance Agency—Report and financial statements, together with the Auditor-General's Report, for year 1976–77.

6 NATIONAL RESOURCES—SENATE STANDING COMMITTEE—REPORT ON AUSTRALIA'S WATER RESOURCES, THE COMMONWEALTH'S ROLE—GOVERNMENT RESPONSE—MINISTERIAL STATEMENT—MOTION TO TAKE NOTE OF PAPER: Mr Newman (Minister for National Development), by leave, made a ministerial statement informing the House of the Government's response to the report of the Senate Standing Committee on National Resources on Australia's water resources, the Commonwealth's role, and, by command of His Excellency the Governor-General, presented the following paper:

National Resources—Senate Standing Committee—Report on Australia's water resources, the Commonwealth's role—Government response—Ministerial statement, 28 March 1979.

Mr Fife (Minister for Business and Consumer Affairs) moved—That the House take note of the paper.

Debate ensued.

Debate adjourned (Mr Hodges), and the resumption of the debate made an order of the day for the next sitting.

7 MESSAGES FROM THE SENATE: Messages from the Senate were reported returning the following Bills without amendment:

27 March 1979—Message—

No. 226—Poultry Industry Levy Amendment 1979 (*without requests*).

No. 227—Poultry Industry Assistance Amendment (No. 2) 1979.

8 PUBLIC WORKS COMMITTEE—GENERAL REPORT—STATEMENT BY MEMBER: Mr Bungey (Chairman) presented the following report from the Parliamentary Standing Committee on Public Works:

Public Works Committee Act—Parliamentary Standing Committee on Public Works—42nd General Report.

Ordered to be printed.

Mr Bungey, by leave, made a statement in connection with the report.

9 DISCUSSION OF MATTER OF PUBLIC IMPORTANCE—V.I.P. AIRCRAFT PURCHASE: Mr Deputy Speaker informed the House that Mr Young had proposed that a definite matter of public importance be submitted to the House for discussion, namely, "The unnecessary purchase of and the attempt to evade Parliamentary scrutiny in the buying of V.I.P. aircraft".

The proposed discussion having received the necessary support—

Mr Young addressed the House.

Discussion ensued.

Discussion concluded.

10 PRICES JUSTIFICATION AMENDMENT BILL 1979—LEGISLATION COMMITTEE: Mr Fife (Minister for Business and Consumer Affairs), for Mr Sinclair (Leader of the House), pursuant to notice, moved—That the legislation committee considering the Prices Justification Amendment Bill 1979 have power to meet during the sitting of the House on Wednesday, 28 March 1979.

Question—put and passed.

11 PUBLIC WORKS COMMITTEE—REFERENCE OF WORK—PATROL BOAT BASE, CAIRNS, QLD: Mr Groom (Minister for Housing and Construction), pursuant to notice, moved—That, in accordance with the provisions of the *Public Works Committee Act* 1969,

the following proposed work be referred to the Parliamentary Standing Committee on Public Works for investigation and report: Construction of patrol boat base, Cairns, Qld.

Mr Groom presented plans in connection with the proposed work.

Debate ensued.

Question—put and passed.

12 POSTPONEMENT OF ORDER OF THE DAY: Ordered—That order of the day No. 1, government business, be postponed until a later hour this day.

13 TASMANIAN NATIVE FORESTRY AGREEMENT BILL 1979: The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—

Debate resumed.

Question—put and passed—Bill read a second time.

Message from the Governor-General: Message No. 129, dated 8 March 1979, from His Excellency the Governor-General was announced recommending an appropriation of revenue for the purposes of the Bill.

Leave granted for third reading to be moved forthwith.

On the motion of Mr Adermann (Minister Assisting the Minister for Primary Industry), the Bill was read a third time.

14 PARLIAMENT HOUSE CONSTRUCTION AUTHORITY BILL 1979: The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—

Debate resumed.

Mr Innes moved—That Mr L. K. Johnson be granted an extension of time.

Question—put and negatived.

Debate continued.

Ordered—That Mr Ellicott (Minister for Home Affairs) be granted an extension of time.

Question—put and passed—Bill read a second time.

Leave granted for third reading to be moved forthwith.

On the motion of Mr Ellicott, the Bill was read a third time.

15 PRICES JUSTIFICATION AMENDMENT BILL 1979—LEGISLATION COMMITTEE—REPORT: Mr Millar (Chairman) reported that the Prices Justification Amendment Bill 1979 had been considered in legislation committee and agreed to without amendment. (*See Minutes of Proceedings, pages 709 to 712.*)

Ordered—That the consideration of the report be made an order of the day for the next sitting.

16 WINE GRAPES LEVY BILL 1979: The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—

Debate resumed.

Mr Giles addressing the House—

17 ADJOURNMENT: It being 10.30 p.m.—The question was proposed—That the House do now adjourn.

Debate ensued.

The House continuing to sit until 11 p.m.—Mr Deputy Speaker adjourned the House until tomorrow at 10.30 a.m.

MEMBERS PRESENT: All Members were present (at some time during the sitting) except Mr Anthony, Mr Burr and Mr Garland.

J. A. PETTIFER,
Clerk of the House of Representatives

HOUSE OF REPRESENTATIVES
SUPPLEMENT TO VOTES AND PROCEEDINGS No. 89

LEGISLATION COMMITTEE

ON

PRICES JUSTIFICATION AMENDMENT BILL 1979

MINUTES OF PROCEEDINGS

THURSDAY, 22 MARCH 1979

(Bill having been read a second time and referred to a legislation committee on the motion of Mr Fife (Minister for Business and Consumer Affairs), for Mr Sinclair (Leader of the House), on 20 March 1979)

The Committee was constituted as follows:

Mr Millar (Chairman)

GOVERNMENT MEMBERS:

Mr Fife (Member in charge of the Bill)
Mr Cairns
Dr Edwards
Mr Fisher
Mr Goodluck
Mr Hyde
Mr Lusher
Mr McLean
Sir William McMahon
Mr I. L. Robinson
Mr Short

OPPOSITION MEMBERS:

Mr Armitage
Mr Hurford
Mr B. O. Jones
Mr Kerin
Mr West

The committee met at 8.09 p.m.

Clauses 1 to 4 agreed to.

Clause 5 debated and agreed to.

Clause 6—

Mr Hurford, by leave, moved the following amendments together:

Page 3, proposed section 16, omit sub-section (5), substitute the following sub-sections:

“(5) In the performance of its functions, the Tribunal shall have regard not only to the need for the company or companies concerned to achieve a level of profitability that is sufficient to enable the company or companies to maintain an adequate level of investment and employment but also to the desire of the Australian Government, in pursuing the general objectives of national economic and social policy, to implement an equitable anti-inflation policy and, in particular, the desire of the Australian Government to subject prices to public scrutiny so as to ensure—

(a) that companies are in a position of public accountability which parallels that of unions' requirements to justify their members' wage levels before the Conciliation and Arbitration Commission; and

(b) that unreasonably high profits are not being made at the expense of consumers and that unnecessarily high costs either as the result of inefficiency or other unjustified reasons are not being passed into prices.

(6) In sub-section (5)—

“unjustified costs” includes such items as excessive transfer prices between related companies, excessive royalty payments and the like to overseas parent companies, exceptional wages and salary increases, unnecessarily high interest payments and rents, unnecessary advertising and packaging expenses, inefficient operations, and refusal to make proper allowances for productivity improvements; and

“unreasonable profits” involves levels of profitability resulting from the abuse of a strong market position that are more than sufficient to enable the company or companies to maintain an adequate level of investment and employment.”

Page 3, proposed section 17, at the end of sub-section (4) add “consistent with the objectives set out in sub-section 16 (5)”.

Page 4, proposed section 17A, after “matters” insert “, consistent with the objectives set out in sub-section 16 (5)”.

Debate continued.

Amendments negatived.

Clause agreed to.

The committee adjourned at 9.01 p.m.

A. R. BROWNING,
Clerk to the Committee

HOUSE OF REPRESENTATIVES
SUPPLEMENT TO VOTES AND PROCEEDINGS No. 89

LEGISLATION COMMITTEE

ON

PRICES JUSTIFICATION AMENDMENT BILL 1979

MINUTES OF PROCEEDINGS

WEDNESDAY, 28 MARCH 1979

The committee met at 8.07 p.m.

Clause 7—

Mr Hurford moved—That the clause be omitted, and the following clause be substituted:

“7. Section 18 of the Principal Act is amended by inserting after sub-section (7) the following sub-section:

- (7A) (a) The requirements of this section relate to a company if the sum of the amounts received by that company or, where that company is included in a relevant group of companies, by the companies in that group, during the period of 12 months that ended on the immediately preceding thirtieth day of June as payments for the supply of goods, or the supply of services, or both, exceeded \$30,000,000;
- (b) A reference in paragraph (a) to the thirtieth day of June shall, in the case of a company that has, or a relevant group of companies that have, adopted accounting periods ending on a day other than the thirtieth day of June, be read as a reference to that other day;
- (c) For the purposes of this section, if 2 or more companies are related to each other—
- (i) they constitute a relevant group of companies; and
 - (ii) each of them is included in any other relevant group of companies in which any of them is included; and
- (d) A reference in this section to the supply of goods or services, in relation to a company that is included in a relevant group of companies, does not include a reference to the supply of goods or services by that company to another company that is included in the same group.’”

Notification to Tribunal of proposed increases in prices of goods or services

Debate continued.

Amendment negatived.

Clause agreed to.

Proposed new clause—

Mr Hurford moved—That the following new clause be inserted in the Bill:

“7A. Section 18A of the Principal Act is amended by inserting after sub-section (2) the following sub-section:

(2A) The Tribunal may allow interim price increases in a manner outlined in sub-section (2) when a company can show that such an increase is essential to maintain a level of profitability sufficient to enable the company to maintain an adequate level of investment and employment.’”

Prices of goods or services not to be increased pending inquiry

Debate ensued.

Proposed new clause negatived.

Clause 8 agreed to.

Clause 9—

Mr Hurford moved—That the clause be omitted, and the following clause be substituted:

“9. Section 19 of the Principal Act is repealed and the following section substituted:

‘19. (1) Subject to this section, the Tribunal shall, before proceeding with an inquiry into a matter specified by the Minister in a notice under sub-section 17 (1)—

Inquiry and
report by
Tribunal

- (a) publish by advertisement in the *Gazette*, and also publish in each State and in the Australian Capital Territory and the Northern Territory by advertisement in a newspaper circulating in that State or Territory, a notice stating that the Tribunal has been asked to hold the inquiry and inviting interested persons to make submissions in writing to the Tribunal, within 7 days of the day on which the notice is published in the *Gazette*, on the question whether such an inquiry should be held;
- (b) not later than 7 days after the publication of the notice under paragraph (a), serve notice in writing on the company or each of the companies concerned—
 - (i) stating that the Tribunal has been asked to hold the inquiry;
 - (ii) inviting the company to make submissions in writing to the Tribunal, not later than 7 days from the day on which the notice is served on the company, on the question whether such an inquiry should be held; and
 - (iii) notifying the company that it may within that period of 7 days request a conference with the Tribunal on the question whether such an inquiry should be held; and
- (c) when requested, within the period referred to in sub-paragraph (b) (iii), by a company concerned to hold a conference on the question whether such an inquiry should be held, afford to the company an opportunity of conferring with the Tribunal on that question at a place determined by the Tribunal and on a day determined by the Tribunal, being a day not earlier than the eighth day, and not later than the twenty-first day, after the service of the notice on the company.

‘(2) After paragraphs (1) (a), (b) and (c) have been complied with, the Minister shall, as soon as practicable, inform the Tribunal whether he approves the holding of the inquiry.

‘(3) If the Minister informs the Tribunal that he does not approve the holding of the inquiry, the Tribunal shall forthwith serve notice on the company or companies concerned that it will not proceed with the inquiry.’”.

Debate continued.

Amendment negatived.

Clause agreed to.

Remainder of Bill, by leave, taken as a whole, and agreed to, after debate.

Bill to be reported without amendment.

The committee adjourned at 9 p.m.

A. R. BROWNING,
Clerk to the Committee