

and has three children. Driver Webb lives in a railway house at Cohuna with his wife and three children. Many other persons are also affected. I trust that the employment of these persons will be continued by the retention of the rail motor. Why drag these people to the metropolitan area against their will when we, particularly members of the Government party, are talking about decentralization, taking people from Melbourne, by encouraging them to live in the country? If for some reason the Government decides to close this line and to transfer these employees elsewhere or declare their jobs to be redundant, I should like to learn what the Minister and the Government intend to do for them and their families. The situation is serious; if this line were closed and people did not protest, many other lines throughout Victoria would also be closed.

Those are just a few of the observations I wished to make. I could speak on other subjects, but other members wish to take part in the debate. I trust that in the life of this Parliament there will be an improvement in the shortcomings to which I have referred and many others to the benefit of the Victorian people as a whole.

Mr. WILLIAMS (Box Hill).— As the great grandson of a Methodist local preacher and miner who came to Bendigo in the early days of Victoria, may I congratulate you, Mr. Speaker, on being the first Methodist to be elected Speaker of the Legislative Assembly with all its great traditions of moderation and true concern for people from Deakin down to our present small "l" Liberal Premier of Victoria.

I join with other members in expressing loyalty to Her Majesty the Queen on behalf of the 100,000 men, women and children who live in the electorate of Box Hill. About 70 per cent of them live in the City of Doncaster and Templestowe and the other 30,000 in the east ward of Box Hill. I think of myself as representing mum, dad and the kids in Doncaster and Templestowe and grandma in Box Hill. If I suffer from schizophrenia it

is because of the younger people in the City of Doncaster and Templestowe who are prone to cross over to the other side, politically, if they are displeased. Furthermore, I represent an area which is represented by a member of the Australian Labor Party in the Federal Parliament.

The Queen's representative in Victoria, Sir Rohan Delacombe, is well-known in my electorate. Only five or six years ago Sir Rohan declared my principal municipality, Doncaster and Templestowe, a city, and recently he opened the new \$700,000 library which is operated jointly by the City of Doncaster and Templestowe and the City of Box Hill.

It is my duty to pay a tribute to my predecessor, Sir George Reid, the second member to represent the electorate of Box Hill. Ironically, the first member for Box Hill was a member of the Australian Labor Party, Mr. Robert Gray. I pay tribute to both men who in their own way made a great contribution to this Parliament. I hope my contribution will be midway between. Sir George Reid would have liked to be regarded as a great conservative and was conscious of the great contribution made to our way of life by the conservative philosophy. I should like to think of myself as being in the old-fashioned radical Liberal tradition. I hope that as time goes on I shall have the opportunity of pointing out that the Australian Labor Party has no monopoly on many of the great radical traditions. If any member of this House is a disciple of Deakin his ideas will not be far from the ideas expressed by the honorable member for Melbourne.

Sir George Reid was a revered figure in Box Hill and the State at large. I wish Sir George and Lady Reid every happiness. They have chosen to live in the City of Doncaster and Templestowe where I hope they enjoy a happy retirement.

In his Speech Sir Rohan Delacombe spoke of one cloud on the horizon—the serious rate of inflation. If prices continue to rise at the present rate—I accept the Federal Treasurer's

figure of 9 per cent a year—within the average working life of about 40 years of the average wage-earner the value of the dollar will sink to 2 cents. That is a frightening figure. Apart from the gross economic injustice which it does to the low-income earner and the person on a fixed income, such as the retired person, it will shake our society to its foundations. History has shown that in Europe when the currency has been debauched stable society has been overthrown. It is interesting that Lenin said that the way to overthrow Capitalism is first to debauch the currency. When monetary instability is created, moral and social values are destroyed.

Inflation is simply too much money chasing too few goods. In the year 1972-73 the money supply in this country increased by a staggering 26 per cent, the highest rate of increase of any country in the Western World and twice the rate of the increase in the United States of America. In the same year the production of goods increased by a mere 4 per cent. It is no wonder that there is tremendous inflation in Australia at present. Where did this massive increase of \$4,500 million in the money supply come from? In the financial year just ended, more than \$1,000 million flooded in from overseas; the Government printing press provided another \$700 million to finance a Government deficit; and the banking and associated credit system provided another \$2,800 million.

In expanding business activity in Australia—an election was imminent and unemployment was made a political issue—we were not satisfied that Australia had the lowest rate of unemployment in the Western World; all political parties created a situation by which this country was flooded with money to try to reduce unemployment to an intolerable level—a level at which it is impossible to have stable prices. Inflation cannot be cured painlessly. It means exchange appreciation, which must affect some

Mr. Williams.

people; it means high interest rates, and credit restrictions, and unfortunately, carried to its logical conclusion, it must mean bankruptcy for some people and unemployment for others.

There is no escape from this, and we have to make up our minds whether we want to destroy our society and see people suffer in the process. I do not want to see people suffer. Persons who are adversely affected by the methods adopted to cure inflation should be paid a reasonable wage while economic adjustments are made. The fact is that everybody is to blame for inflation—employers, employees, members of the Labor Party, the Liberal Party and the Country Party. It is useless trying to blame the other fellow. Everyone has to make the necessary sacrifice and should curb demands on Governments. It is no good wanting this, that, and the other, and straining the economic resources of the country.

When there is over-full employment, there are insufficient people to fill vacant jobs, but the bringing in of more migrants to increase the labour supply only makes the situation worse. For every migrant the Government has to find \$15,000 capital in housing, services and so on. That is why in the City of Doncaster and Templestowe only one home in six is seweraged; the city has a massive population growth of 10 per cent a year. People are brought into the city, but after they have settled they find that there are no schools or roads. Therefore, it is no wonder that the people react—as they did in the last Federal election—against the Government which brought them into the country.

It takes at least four years for a migrant to return to the pool of production the equal of what it costs to establish him in this country in the first place. So the more migrants we bring to Australia the worse will inflation become. It is rather sad to say that the community seems to respond only to harsh

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measures which come from the central Government, whether it is a Liberal Government or a Labor Government. Eventually, the Government has to fall into line with the pleadings from the Treasury and the Reserve Bank on what it should do and eventually the Ministers responsible for the economy decide that they have to introduce a credit squeeze.

Palliatives for inflation have been suggested, including the introduction of price control. An examination of the consumer price index shows that the biggest contributing factor to inflation is the Government itself. Since 1966-67 the biggest rise in prices has been in the Government sector, where 80 per cent of the cost are labour costs. Since 1966-67 council rates have risen by 66 per cent and rail and tram fares by 60 per cent. In the same period the prices of manufactured household supplies have risen by only 18 per cent. The only items in the consumer price index which have fallen in price since 1966-67 have been electrical goods. So much for all this talk of tariff cuts and trade practices legislation curing inflation! The blame is not in the private sector; it is predominately in the sector where there is a very large labour content, whether it is a service industry or the public sector itself. All Governments must join in efforts to combat inflation.

My constituents are not very party conscious. It is an historical fact that fewer than 1 per cent of them are members of a political party. They are just not interested in the policies of the major parties. All they are interested in is what they are entitled to receive. I acknowledge that I was fortunate to be elected but I was elected on a policy of co-operation. People have to live together in this country. Fortunately for me the voters in my electorate are very strongly anti-Labor and pro-Premier. However, I also believe that they would support someone else who offered them a better deal than they can receive from the political party I represent.

It is the responsibility of State, local and Federal Governments to co-operate to cure inflation and provide the quality of life which we all desire. It is not a question of where people live in our society but what they are entitled to receive. Our whole democratic process in this country is now on trial. If we cannot satisfy the multitude that we are endeavouring to develop Victoria and to solve all our problems we shall lose our most precious possession, our democratic Parliament, and Parliament will become a farce. Whether we have a dictatorship of the proletariat or a Fascist dictatorship, people like myself and honorable members on the other side of the House will be the first to stand up against the wall and be shot. If people have any sense they must realize that we have to maintain our democratic process, and see that it works. As Churchill said, although it may not be much of a system it is better than any known alternative.

On the motion of Mr. AMOS (Morwell), the debate was adjourned.

It was ordered that the debate be adjourned until next day.

ADJOURNMENT.

EDUCATION DEPARTMENT: ATHERTON STREET HOUSING COMMISSION ESTATE LAND—ROAD SAFETY AND TRAFFIC AUTHORITY: USE OF "SILENT POLICEMEN".

Mr. THOMPSON (Minister of Education).—I move—

That the House, at its rising, adjourn until tomorrow, at half-past Three o'clock.

The motion was agreed to.

Mr. THOMPSON (Minister of Education).—I move—

That the House do now adjourn.

Mr. HOLDING (Leader of the Opposition).—I raise a matter for the attention of the Minister of Education. In approximately January, 1972, the Fitzroy City Council wrote to the Minister of Education seeking permission from the Education Department to use land which has been zoned for educational purposes in the Atherton Street Housing Commission estate. It asked that the land be cleared and used as a sports and recreation area