

The Hon. MURRAY BYRNE.—That is fair enough. I have answered Mr. Tripovich's question.

The Hon. I. A. SWINBURNE.—The position of a developer is clear, but how is a person who is not a developer protected?

The CHAIRMAN (the Hon. G. J. Nicol).—Order! There is grave danger of enlarging the debate on clause 2, which refers to the purchase of land on which is situated a dwelling-house.

The Hon. MURRAY BYRNE.—I was merely attempting to answer Mr. Swinburne's question but I shall bow to your ruling, Mr. Chairman, and proceed no further.

The clause was agreed to, as were the remaining clauses.

The Bill was reported to the House without amendment, and passed through its remaining stages.

TRUSTEE COMPANIES (PERPETUAL TRUSTEES AUSTRALIA LIMITED) BILL.

This Bill was received from the Assembly.

The PRESIDENT (the Hon. R. W. Garrett).—I have examined this Bill, and am of opinion that it is a private Bill.

The Hon. R. J. HAMER (Minister for Local Government).—In another place, this Bill was ruled to be a private Bill, but was treated as a public Bill, except in relation to the payment of fees. I propose that a similar procedure be adopted in this House. Therefore, I move—

That this Bill be dealt with as a public Bill except in relation to the payment of fees.

The motion was agreed to.

It was ordered that the Bill be read a first time on the next day of meeting.

GOVERNOR'S SPEECH.

ADDRESS-IN-REPLY.

The debate (adjourned from September 30) on the motion of the Hon. F. J. Granter (Bendigo Province) for the adoption of an Address-in-Reply to the Governor's Speech was resumed.

The Hon. R. J. EDDY (Doutta Galla Province).—I participate in the debate for the adoption of an Address-in-Reply to the Governor's Speech, fully conscious of the responsibility I now bear. I proudly represent some 130,000 electors and their families in the province of Doutta Galla. To those who supported my election, I say, "Thank you"; to those who did not support me, I say they shall not be without representation at any time. My province consists of some of the oldest municipalities and some of the faster growing new municipalities.

I refer particularly to the problems of urban living. All honorable members will agree that the problem of urban living manifests itself most acutely at the local government level. The demand of local government bodies at the turn of the century appeared to be simple. The organizational and financial structures were designed to meet the needs at that time. Today, these needs have multiplied and the problems have compounded. Some organizational changes have been made at the local government level. Certain changes have also occurred in financial support for local government, but it is apparent we have not kept up with the times. The resources of local government in many municipalities are now incapable of satisfying the demands made of them in terms of community service and pressures of urban development. I invite honorable members to consider the elderly citizens in the community and the number of elderly people who are living alone. The Australian Labor Party holds strongly to the view that it was on the backs of these people that the economic

worth of this nation was built and that we owe them a far greater share of the prosperity than the Liberal Government is prepared to recognize.

The needs of elderly citizens are recognized by local government bodies, which provide elderly citizens' clubs with mid-day meals, meals on wheels for those who are ill, and home-help services. I must concede that the Government recognizes these local government services and has made token grants towards the costs involved in maintaining them. These amounts are clearly inadequate. All local government bodies are experiencing great difficulty in attempting to satisfy the demand for what in our affluent society are regarded as social needs. I suppose the situation is the same throughout Australia. These basic human needs are best serviced by local government, which is closest to the people. The costs of providing council services are divided among the ratepayers in a municipality. Ratepayers meet the costs of road maintenance, of parks and gardens, of infant welfare centres, of home-help services, of immunization against disease and other health services, libraries, swimming pools and garbage collection, and although they are paid for out of municipal rates, most people take these every day amenities for granted as being part of the Australian way of life.

Certain policies which have been adopted by the Commonwealth and State Governments force councils to load their rates with hidden taxes, thus reducing the value of each municipal dollar. Victorian councils are forced to pay more than \$1 million per annum in pay-roll tax to the Commonwealth Government. I consider this to be an unjust burden on ratepayers and a misuse of Federal power, but despite many efforts which have been made to have councils exempted from the payment of this tax, they are still forced to bear the burden.

The Hon. R. J. Eddy.

At the present time, the capital subsidy in relation to an infant welfare centre is calculated on the basis of a payment of \$2 by the Government for every \$1 that a municipality pays, the maximum subsidy being \$6,000. This has not changed since 1958, although building and other costs have substantially increased. The average wage in the building industry has increased by 53 per cent since 1958. The present day capital cost of an infant welfare centre approved by the Department of Health is \$16,000. This amount is provided on the basis of \$10,000 by the municipality concerned and \$6,000 by the State Government. The maximum amount that the State Government will pay should not be less than \$10,000.

Since October, 1967, the subsidy for an infant welfare sister has been \$1,900. In her fourth year a nursing sister is entitled to a salary of \$4,017 per annum and, as most of the infant welfare sisters who are employed in municipalities are in their fourth year, they should receive that sum. If an on cost charge of 20 per cent is added to this amount to provide for sickness, superannuation, workers' compensation, leave, and so on, the cost to the council is \$4,820 per annum. The present subsidy is 39 per cent, compared with 48 per cent in 1967, and 61 per cent in 1961. To remedy this situation, a subsidy of at least \$3,000 is necessary. The present Government contribution towards the cost of medical services and immunization also requires review. Since 1954, the salaries of health inspectors have increased by 40 per cent, and I believe the Government's contribution should be on the basis of \$2 for every \$1 contributed by a municipality.

In respect of home-help services—in other words, housekeepers—the Government meets four-fifths of operating costs, subject to a wage ceiling of \$24 a week. This amount is unreal and inadequate. It costs most municipalities much more than that to operate the service. The ceil-

ing of \$24 a week, which was established in 1961, must be increased.

At present municipal councils do not receive any subsidy towards the cost of new library buildings. I consider that they should be subsidized in the same way as the other municipal services to which I have referred. Councils receive a maintenance grant on a \$1 for \$1 basis, with a limit of 40 cents per head of population in the metropolitan area. This grant has remained unaltered since 1962.

The Government should also review the situation which exists with regard to contributions made by councils to the Metropolitan Fire Brigades Board. Before 1952, costs were borne equally by the State Government, metropolitan councils and insurance companies. As far back as 1952, legislation was enacted which, firstly, relieved the Government of its obligation to contribute one-third of the cost and, secondly, increased the proportion payable by insurance companies by two-thirds. Victoria is the only State in the Commonwealth in which the Government makes no contribution towards the cost of this service.

In the early 1950s, the municipal share of maintaining fire services was \$250,000 per annum. Today, that share is rapidly approaching the sum of \$2.5 million per annum and is continuing to rise at a rate of between 12½ per cent and 15 per cent each year. In the 1962 report of the Commission of Inquiry into Local Government, it was recommended that the cost of fire services should be shared in the proportions of one-eighth by the Government, one-eighth by municipal councils, and three-quarters by insurance companies. I believe the Government should assume its proper responsibility in this field.

Forty-three municipalities and shires of Victoria contribute the amount that I have mentioned. I point out that in its report for the year ended 31st December, 1967, the commission disclosed that in New South Wales in that period 167 muni-

cipalities and shires, or nearly four times the number in Victoria, contributed a sum of only \$1,153,829. It is interesting to compare the contributions of municipalities in Victoria and in New South Wales. I have selected as an example the eight metropolitan municipalities in each State which make the largest contributions. In 1968, Melbourne contributed \$229,798 as compared with the contribution of Sydney, a larger municipality, of \$168,909; Camberwell contributed \$114,452, as compared with Bankstown, \$50,690; Moorabbin, \$109,738 compared with Parramatta, \$43,075; Prahran \$91,284, compared with Warringah, \$37,186; Caulfield, \$83,493, compared with Canterbury \$37,106; Waverley, \$71,897, compared with Rockdale, \$30,305; Malvern, \$68,369 compared with Waverley in New South Wales, \$28,546; and Preston, \$68,001, compared with Marrickville, \$28,347.

The boundaries of the metropolitan fire district resemble a jigsaw puzzle in the areas of Lilydale, Bulla, Eltham, Whittlesea and Werribee. Only a portion of their rates is paid to the Metropolitan Fire Brigades Board. The City of Springvale pays only \$1,123, while the municipalities of Dandenong, Chelsea and Frankston make no contributions because they are in areas which are catered for by the Country Fire Authority. Municipalities covered by that authority do not contribute to the cost of fire services. Two-thirds of the costs of maintaining the Country Fire Authority are met by insurance companies, and the remaining one-third is drawn from the Municipalities Assistance Fund.

I shall now cite figures which represent contributions made by municipalities during the year ended 30th September, 1969, in respect of fire services, and figures which show what their contributions would have been if they had been calculated according to the New South Wales scale. Further figures will show the amount by which the contributions made by municipalities and shires in the metropolitan fire districts would

have been reduced. I shall confine my attention to municipalities within my own province. The City of Melbourne's contribution of \$236,209 would have been only \$88,394 if it had been calculated on the New South Wales scale—a reduction of \$147,814; Broadmeadows contribution of \$48,447 would have been \$18,130—a reduction of \$30,317; Brunswick's contribution of \$39,491 would have been \$14,778—a reduction of \$24,713; Bulla's contribution of \$834 would have been \$316—a reduction of \$517; Essendon's contribution of \$55,290 would have been \$20,691—a reduction of \$34,599; Keilor's contribution of \$34,960 would have been \$13,082—a reduction of \$21,877; and Whittlesea's contribution of \$14,443 would have been \$5,404—a reduction of \$9,039.

The contributions which municipalities must make to fire brigade services are crippling local government bodies. The Government must assume its responsibility and contribute towards these costs and so assist the financial structure of municipalities throughout Victoria. This applies not only to fire brigade contributions but to the whole structure of State and local government activities.

The Hon. V. T. HAUSER (Boronia Province).—It is with considerable pleasure and, I hope, a sense of responsibility and conscience, that I make my maiden speech in this debate on the motion for the adoption of an Address-in-Reply to his Excellency's Speech. It is not only for reasons of tradition that I express my loyalty to Her Majesty the Queen. I strongly believe in the value of the monarchy as a logical and continuing institution of government, and I admire the way in which it has adapted itself to changed circumstances throughout the centuries.

It must be increasingly obvious, particularly to honorable members who have sat in this Chamber for a number of years, that the inhibitions against State incentives are growing at a rapid rate and that the only

reason for this is the accelerating degree to which financial power is possessed by the Commonwealth Government.

I relate my speech to a subject which was also dealt with in a motion moved earlier today, namely, Commonwealth-State relations. It was the obvious design of the authors of the Australian Constitution—and, in my opinion, it is so obviously right for the present day—that this great continent should be governed in a spirit of co-operative federalism. Although the Constitution may be outmoded in detail, it remains correct in principle. It was drawn up in a spirit of continuous governmental partnership between Commonwealth and States. However, the situation is rapidly developing in which the Commonwealth is the master and the States are the servants. Not only the spirit of the Constitution but also the law fundamentally within it is being evaded by the existence of a situation of financial blackmail. In this context, I quote a report of a statement by Professor Zelman Cowen, then Vice-Chancellor of the University of New England, published in the Melbourne Age about two years ago—

The Commonwealth Government has virtually stripped the States of their financial resources, the Vice-Chancellor of New England University, (Professor Zelman Cowen) said yesterday.

Professor Cowen blamed the 70-year-old Constitution for present State-Commonwealth problems.

"The States still have the major responsibility for the vital issues of education, hospitals and urban renewal in cities.

"But they have no power over the financial resources needed to fulfil their responsibilities.

"In other words, State political responsibility is out of harmony with State financial resources.

"This is a formidable problem, and the Premier (Mr. Askin) has a real point in his present campaign to get more money from the Commonwealth.

The situation has changed so that term "co-operative federalism" can logically be replaced by the term "shot-gun federalism" or, perhaps more aptly, "six-gun federalism".