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Mr SPEAKER (Mr Neil Andrew) took the chair at 2.00 p.m., and read prayers.

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.01 p.m.)—I inform the House that the Minister for Education, Training and Youth Affairs will be absent from question time this week.

Opposition members interjecting—

Mr HOWARD—I am glad he draws such support. He is travelling to Singapore to spread the message and to attend the second Asia Pacific Economic Cooperation education ministerial meeting.

Mr Costello—Shazza will be grateful.

Mr HOWARD—Shazza will be up there. But do not be disturbed, Mr Speaker, the Minister for Employment Services will answer questions on his behalf.

PRIVILEGE

Dr THEOPHANOUS (Calwell) (2.02 p.m.)—Mr Speaker, as I indicated to you privately, I have three matters of privilege which I wish to raise before this House. I understand that it would be convenient for the House—if I raised these after question time. I propose, with your approval, to do that.

Mr SPEAKER—I thank the member for Calwell. The member for Calwell indicated to me yesterday that he had these concerns. Clearly matters of privilege are matters of major concern to the House. Since he chose for good reasons not to pursue them yesterday, I think it would be quite reasonable to defer them until the end of question time today, and I propose to take that action.

QUESTIONS WITHOUT NOTICE

Mandatory Sentencing

Mr BEAZLEY (2.02 p.m.)—My question is to the Prime Minister. Prime Minister, given that yesterday you said that the issue of mandatory sentencing is ‘a serious issue and it ought to be debated’, will you permit this House to consider and debate the Human Rights (Mandatory Sentencing of Juvenile Offenders) Bill 1999?

Mr Howard—Is that the Andren bill?

Mr BEAZLEY—No, it is the Senate bill.

Mr Howard—Is it to the same effect? I am seeking a bit of guidance, Mr Speaker, from the Leader of the Opposition.

Mr SPEAKER—Will the Prime Minister and the Leader of the Opposition resume their seats for a moment. I will recognise now the Leader of the Opposition.

Mr BEAZLEY—The bill I am referring to is the bill that was transmitted to this House by the Senate.

Mr HOWARD—As I understand it, that is in shorthand called the ‘Brown bill’. The Brown bill deals with mandatory sentencing in both Western Australia and the Northern Territory. The position of the government in relation to these matters is well known. We believe that ultimately these matters ought to be within the legislative competence of the parliaments of the state and territory concerned.

It remains, however, the case that I and many members of the government take the view that the principle of mandatory sentencing is flawed. We have particular concerns about the operation of the mandatory sentencing laws of the Northern Territory as far as they affect juveniles. In fact, shortly before question time I spoke to the Chief Minister of the Northern Territory. I indicated to him that we continue to have significant concerns about the operation of the mandatory sentencing laws in the Northern Territory—consistent, however, with the government’s view that, in the end, it is within the legislative competence of the Northern Territory to finally resolve these matters—and that the government does not believe in using the legislative power of the Commonwealth to override the Northern Territory law.

Nonetheless, there are serious concerns the government has, and the Chief Minister has agreed to meet me to discuss those concerns. That meeting will be taking place shortly. Amongst other things, we will be exploring during that meeting the suitability of diversionary programs and other initiatives which were dealt with in part in the Senate committee report, and we will discuss a range of other concerns the government has. I said to
the Chief Minister that, in the spirit of cooperative relations between the Commonwealth and the Territory that ought to characterise these matters, I expected the Northern Territory government to take seriously the Commonwealth’s concerns.

That is consistent with the view that I have put for some time that, although I respect the ultimate legislative right of local communities in these matters, I personally, and many members of my government and many members of the government parties, have significant concerns about both the principle of mandatory sentencing and the operation of those laws insofar as they affect juveniles. Insofar as the Brown bill is concerned, I think we have indicated a disposition in the past not to debate that. With no disrespect to the member for Calare regarding what I might loosely call the ‘Andren bill’, if there is a proposal that that matter be dealt with, then I invite those who might want it to be discussed to seek a suspension of standing orders.

Goods and Services Tax: Business Reporting Obligations

Mr SOMLYAY (2.07 p.m.)—My question is directed to the Treasurer. Can the Treasurer advise the House of any recent initiatives to assist business with their reporting of tax obligations under the new tax system?

Mr COSTELLO—I thank the honourable member for Fairfax for his question. I can tell the honourable member that recently the Chairman of the New Tax Advisory Board and the Commissioner of Taxation have announced procedures which will mean more simplification in relation to business filling out their business activity statement and remitting GST. I remind the House that the business activity statement is a two-page statement on which business can not only remit GST but also remit group tax, fringe benefits tax, luxury car tax and wine equalisation tax, if that applies. It also allows the pay-as-you-go tax remittance, which replaces the reportable payment system, the prescribed payment system, provisional tax, company tax and a whole lot of other tax reporting regimes which bog business down at the moment. The simplification which has been announced in relation to GST is that, instead of having to show sales and GST which applies to the sales and then inputs and the input tax credit, if you have a sufficient accounting system you can move straight to the bottom lines of the tax payable on sales and the input tax credit on purchases, which means essentially that you can go straight off your accounting system to those two lines.

I also remind the House that as part of goods and services tax the government is introducing pay-as-you-go tax. As you can see from the business activity statement, the pay as you go is calculated directly off the GST return. You recall that at the last election the Labor Party said it was against GST but in favour of pay as you go, which would have required every business to fill in a GST return even though there would have been no GST—another one of the clever policies of the Australian Labor Party. Pay as you go is calculated off the GST return of sales and inputs, and the Labor Party, in its wisdom, decided it would have pay as you go without the GST return. Plainly ridiculous and plainly nonsense. These are good, new measures for small business. They are part of the modernisation of the Australian taxation system. Remember this: up until 30 June, Labor is opposed to goods and services tax and on 1 July becomes in favour of it. So, presumably, we have to put up with another three months of Labor opposition while this government does all the hard work, with the Labor Party intending to take benefit from it after 1 July. This is good; this is simplification. I welcome the fact that Labor is going to support pay as you go and GST after 30 June. I only regret the fact that you have been so lazy as to make this government do all the work on the issue in the interim.

Mandatory Sentencing

Mr BEAZLEY (2.10 p.m.)—My question is to the Prime Minister and relates to the previous answer he has given. Will he allow his members a free vote on Mr Andren’s bill?

Government members interjecting—

Mr SPEAKER—The Minister for Forestry and Conservation. The member for
Wentworth. Minister for Financial Services and Regulation. All members are denying the Prime Minister the right to be heard.

Mr HOWARD—The leader of the Australian Labor Party talking about a free vote is an absolute contradiction in terms. The Labor Party has been so hypocritical on a free vote. I remember that some years ago it took an absolutely impassioned speech from the then Deputy Prime Minister of Australia, Lionel Bowen—

Mr Crean—Answer the question.

Mr SPEAKER—The Deputy Leader of the Opposition.

Mr HOWARD—to prevent an ALP conference from denying people a free vote on abortion. That is how absolutely contemptuous they are of it. The answer is: you move your suspension and you will find out everything in due time.

Goods and Services Tax: Small Business

FRAN BAILEY (2.12 p.m.)—My question is addressed to the Minister for Employment, Workplace Relations and Small Business. Would the minister advise the House of the success of the government’s GST direct assistance voucher system for small business aimed at helping them with the implementation of the new tax system? Is the minister aware of alternative policies which threaten small business viability?

Mr REITH—I thank the member for McEwen for her question. The government has the biggest information and education program ever implemented for the introduction of a much better tax system for the small business community, including $12 billion worth of income tax cuts, which will be a great help to small business, as well as the abolition of wholesale sales tax. One of the things I particularly like is the abolition of provisional tax, which has been the bane of the life of many small business people. Specifically to assist with the transition—it is a big job for small business, which we recognise—we have a $500 million program supplemented by an additional $175 million for GST related expenditure. Part of that $500 million program is a scheme which will see the posting of officers to various area consultative committees to assist small business on the ground in local regions—to signpost them and direct them to sources of advice as small business grapples with the transition. I welcome those people who have taken up those appointments and who are in Canberra this week going through a final training and information session to prepare them.

We also have a program of certificates which look like this one: these are direct assistance. They will probably be a collector’s item. These are worth $200 but, in addition to the monetary value, we have commitments from lots of suppliers to provide goods and services at a discounted fee, for small business in particular as they get themselves ready for the GST. The Treasurer announced yesterday that over one million ABNs have now gone through—

Mr Costello—One million applications.

Mr REITH—One million applications. Over 800,000 ABNs have actually been issued. Once they have been issued, as the process moves through, we send out these certificates worth $200. So far there have been 693,074 direct assistance certificates sent, worth approximately $138 million, which is a practical help to small business as they move to the new system.

This is part and parcel of a much better system for small business, a simpler system of tax administration which of course compares very favourably with that of the Labor Party, who want to keep all the old systems in place. They want to keep prescribed payments, reportable payments, provisional tax—all the old system. That is their policy. Then, when you put a bit of heat on them, they say, ‘We are so opposed to this policy that when we are elected we are going to keep it.’ They are so opposed to the GST they are going to keep it. But, just to add hypocrisy upon hypocrisy, they have another proposal for small business: once you have got used to the GST, the Labor Party are not only going to roll back your income tax cuts but are also going to introduce a whole lot more exemptions, which means a whole lot more red tape for small business. There is no comparison. There is one side that is pro small business—not just because small business is good but also because of the jobs that it creates—and that is the coalition.
Aboriginals: Stolen Generation

Mr BEAZLEY (2.16 p.m.)—My question is to the Prime Minister. I refer to the government's submission to the Senate inquiry into the stolen generation and I ask: will you confirm that the assessment that 'there was never a generation of stolen children' was drafted by the Office of Indigenous Policy within your department? Was this assessment seen by anyone in your office prior to its submission to the inquiry?

Mr HOWARD—Whilst I cannot testify to which bit was seen by which group of people over a period of time, my—

Mr Crean—It's your office.

Mr SPEAKER—The Deputy Leader of the Opposition, the Prime Minister has the call and will be heard in silence.

Mr HOWARD—My understanding, from what I have been told, is that the procedure was as follows. The document was, as would be appropriate with a document of this kind, drafted in the Indigenous Affairs Unit in my department, where they report and work to Senator Herron. It was sent to Senator Herron's office. There were, so I am told, some changes—but, in the overall scheme of things, not big changes—made by the minister, as is appropriate. It was then that what I think was a fairly late draft—it may not have been the final draft—was cleared through my office. It was not seen by me. In fact I did not see the document until after it had been reported in the Sydney Daily Telegraph and in other papers. I do not deny—in fact, it has been acknowledged from the very beginning; I think I have answered this question before—that it was certainly seen by somebody in my office. Yes, there is no secret about that.

Mr Crean—Those words?

Mr HOWARD—The document was seen—

Mr SPEAKER—If the Deputy Leader of the Opposition wants a further question, I will recognise him as appropriate in question time.

Mr HOWARD—The unbelievable from Hotham is intervening and saying 'those words'. I am not as good as you, Simon—speaking ironically, of course, I am not as good as the Deputy Leader of the Opposition. I do not have a capacity to know, every moment of every day of every week, every word that every person in my department or on my staff reads. All I can say is that we followed a normal procedure—I guess, a procedure that may in fact have been followed by the Labor Party when it was in office. The document, from the chain of events that I have described, was plainly not inspired for political wedge purposes; otherwise it would not have been drafted in the indigenous branch office. That really is the beginning and the end of the matter.

Employment: Rural and Regional Australia

Mr McARTHUR (2.19 p.m.)—My question is addressed to the Minister for Employment Services. Minister, what recent initiatives has the government announced to tackle unemployment in regional areas? How will these measures help local communities maximise opportunities for job seekers? What alternative policies exist to address unemployment in the regions?

Mr ABBOTT—I thank the member for Corangamite for his question and for his deep interest in regional policy. In addition to the Job Network and Work for the Dole—two major government policies which have worked to the great benefit of regional Australia—my department also administers the $40 million per year Regional Assistance Program. Under the Regional Assistance Program, the government makes small, carefully targeted grants to local employment generating projects. I have to say that this is not a 'Canberra knows best' program. Every cent that is spent under the Regional Assistance Program grants is made on the recommendations of area consultative committees of my department, comprising local business and community leaders.

Last week the government announced an additional $7.2 million in Regional Assistance Program grants for 147 new projects right around Australia. I will just mention three: $30,000 for an abalone plant in
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Narooma, $50,000 for the Avon Industrial Park in Western Australia, and $100,000 for the Ceduna Marina in South Australia. The Regional Assistance Program is designed to build constructive partnerships between state, local and federal governments and between local business; and I am pleased to say that the $7.2 million in federal funding attracted an additional $8.1 million in partnership funding from other sources. There are a lot of good things going on in regional Australia at the moment—a lot of good things happening as people turn problems into opportunities, as people meet the challenges of adjustment and globalisation, and many of these projects are being assisted by the Regional Assistance Program.

I have been asked about alternative policies for regional areas. The truth is that there are no alternative policies. A policy evolution in the Australian Labor Party is like watching the Marie Celeste sail off into the Bermuda Triangle. However, what can you expect from a weak leader who has an opinion on everything but a policy on nothing, and needs a personal trainer to improve his policy as well as his fitness.

Dr WOOLDRIDGE—I thank the honourable member for his question. I can give the honourable member some advice off the top of my head. I was very concerned about eye health, and I asked Professor Hugh Taylor to review Aboriginal eye health. I must say his report, which I released publicly some time ago, was deeply disturbing. It showed that today, in many parts of Australia, we are no better off than we were 20 years ago when Fred Hollows did his pioneering work. The point is that you were in government for 13 of those years, and there has been no progress in this area.

Ms Macklin—What have you done since—

Dr WOOLDRIDGE—The member for Jagajaga asks what we have done. I would say the first thing we have done is put azithromycin on the Pharmaceutical Benefits Scheme, which has led to a great increase in the ability to treat eye disease amongst Aboriginal people.

There is a problem relating to surgeons. The problem relates to how we pay people who operate in public hospitals, and of course the payment for non-insured patients in public hospitals has always been the province of state governments. We have hit a brick wall here because the state government in Queensland is refusing to treat its Aboriginal constituents in the same way as it treats all other constituents. I think this is outrageous and a scandal. So I would say to the honourable member: perhaps you could use some of your influence with your Labor Party colleagues in Queensland and see if they would treat the Aboriginal citizens the way they treat everybody else.

MANDATORY SENTENCING LEGISLATION

Suspension of Standing and Sessional Orders

Mr ANDREN (Calare) (2.26 p.m.)—I move:

That so much of the standing and sessional orders be suspended as would prevent notice No. 32, private members business, being called on and the second reading being moved forthwith.
In 1915 the New South Wales Aborigines Protection Board’s first full-time secretary, A.C. Pettit, defended amendments to the Aborigines Protection Act giving the board power to take control of any Aboriginal child under the age of 18. He said neither parental permission nor a court order should be required because of the unreliability of magistrates. More than 80 years later the Northern Territory and Western Australian parliaments introduced laws because of the alleged unreliability of judges and magistrates to serve the narrow, politically based law and order mantra of nervous politicians. We have moved forward not one yard in the justice we mete out to our indigenous people since those dark days of deliberately breaking up Aboriginal communities to solve the so-called Aborigine problem.

Before I go on, I must comment on the decision of the government. I gather that that decision reached at their party room meeting this morning will, at least with their suspension of standing orders, allow debate on this issue, something that I would imagine the majority of Australians would want to see debated in this particular forum. Whether or not we move to a vote on the Amendment of the Northern Territory (Self-Government) Act 1978 Bill 2000 itself I would suggest depends largely on the results of those discussions that the Prime Minister is to have with the Chief Minister of the Northern Territory. I hope that he can then, in terms of the injustice of this particular legislation, get that message through so the Northern Territory parliament can judge that legislation according to all those tenets of fair and reasonable justice that not only Australians but the world in general believe are the proper legislation of the developed and leading country that Australia is. We should not be relying on external powers to bring this to public attention or, in fact, to try to overturn it. We should have the moral fortitude within our fair society to bring in laws that address the endemic and underlying problems of so many Aboriginal children.

I say ‘Aboriginal children’ because my particular bill is aimed at that specific area where I feel there is a foot in the door, if you like, amongst those very courageous members of the government side who have spoken out on this and other issues in recent days. They have made it patently clear to me that they were prepared to move against those particularly obnoxious elements of the Northern Territory act relating to juveniles, and children in particular. If we can at least achieve this we can then move on to closely examine those Western Australian laws and the adult laws in the Northern Territory. I have deliberately crafted my private member’s bill—which should be available fairly soon for all members, including an explanatory memorandum—to include those people under the age of 18 because by any judgment, including that of the Northern Territory in the vote they grant, surely 18 should be fairly judged as the age at which one becomes an adult and ceases to be a child.

The bill that I drafted attempts to restore justice to the legal system in the Northern Territory by overturning mandatory sentencing of juvenile offenders and children. This issue is not a matter of states rights; it is a matter of human rights. I voted against the anti-euthanasia bill that eventually succeeded in overturning the Northern Territory law because I believed—and still do—that a person has the right to choose their exit from this life if faced with the suffering of an incurable disease. I argued then that the law should stand and I argued that the Territory had the right to make its own laws, providing always that they are judged to be fair and reasonable. But I do not support legislation that, by its very unfair and unjust application, is an encouragement for young Aboriginal men to exit this life because of the sheer hopelessness and isolation from kith, kin and culture. However, if I am to be accused of inconsistency in seeking to overturn these mandatory sentencing laws in the Territory, then I accept that charge. I cannot stand by and see such laws stay in place which not only defy basic human rights but take away the discretionary power of the judiciary in much the same way as did those amendments to the so-called Aborigines protection act of the early 1900s.

Let me quote some of the charges under which juveniles have been sentenced under the Northern Territory Juvenile Justice Act.
In June 1998 a 16-year-old was sentenced to 28 days for receiving one bottle of spring water to the value of $1. This was a second offence, but what a travesty of justice that this young man should be sent to jail based on his previous record, not on the facts of the crime before the court. Whatever the defenders of mandatory sentencing say about the diversionary programs that are in place—or which the Prime Minister will discuss with the Chief Minister about bringing into effect, and I certainly welcome that—they cannot escape the fact that a crime should be punished based on the degree of that crime and the circumstances, particularly those relating to people from remote communities who are brought to Darwin where there are very few diversionary programs, and certainly no accommodation for diversionary programs, as far as I can ascertain. These are germane to the whole crisis that this particular legislation has brought to that Aboriginal community.

Let me quote several more cases. Twenty-eight days imprisonment was given for receiving two litres of unleaded petrol to the value of $2; and 14 days imprisonment for a first offence for an 18-year-old convicted of stealing two cartons of eggs valued at $8. Again on Groote Eylandt a 16-year-old was charged with unlawfully entering a school building and stealing $2 worth of petrol, and the penalty was 28 days. When I was going through these charges, I wondered why petrol kept emerging and I queried whether or not it was for the purposes of petrol sniffing. In fact, that was confirmed to me by the Northern Territory juvenile justice personnel who came to this place a fortnight ago and who I gather spoke with many members in this place. By locking up that problem, we are not addressing it. We are locking away the problem, which is an intoxication. In fact, it is like a chloroform that many of these young people place over their faces to try and escape the realities of their particular existence. To just look at the so-called crime, judge a person and lock them away with all of the ramifications that that means in terms of continuing criminal activity, if you stop for a moment to think about it, you can understand how counterproductive such a process is.

I do not want to take up too much time of this House. I know there are many members who want to contribute to this debate. I applaud the Prime Minister and government for bringing this debate on. We may not get to the point of actually voting on this bill. I suspect that this suspension will be voted down at the end of the day, but we have got our foot in the door in terms of a free and open debate on this particular issue. I would urge all members on the government side, the Prime Minister, the frontbench and everybody else involved to think seriously about not only supporting the suspension but also looking at the essence of this bill relating to juveniles and children—if only we go that far. We cannot leave it in place after the talks with the Northern Territory Chief Minister. If he decides he wants to dig his heels in, I urge him to seriously contemplate just what the ramifications of this particular legislation are.

I can go through all the things that have happened in the Territory which work against a fair and just outcome for education—for example, the removal of bilingual education in the Territory so that very few schools have indigenous language programs. For many of the people caught up in the sticky web of this legislation, English happens to be a third option for their language, and a poor option at that. I hear it said that perhaps stealing speaks all languages and that people should understand the ramifications of such behaviour. But I have made clear, and many others have made clear in the justice system particularly, that mandatory sentencing with no discretion to the magistrate or the judge is an entirely counterproductive exercise. Also, it is an unconstitutional exercise in terms of the separation of powers.

We can criticise judges and we can criticise results—we can criticise as much as we like—but the pillar of any democratic system must be an independent justice system which is able to deliver justice based on the particular circumstances of that misdemeanour. I urge all members to debate this rigorously and, hopefully, we can move on to a full debate of the bill. (Time expired)

Mr REITH (Flinders—Leader of the House) (2.36 p.m.)—by leave—I move:
That so much of the standing and sessional orders be suspended as would prevent debate on this motion being each member—15 minutes; the time limits for the period for the whole debate proceeding beyond 25 minutes.

For the information of members, that will allow five speakers a side, essentially, with 15 minutes each, and the whole time of the debate will be taken up by each of those contributions.

Question resolved in the affirmative.

Mr SPEAKER—Is the motion seconded?

Mr Beazley—I second the motion but in this context reserve my right to speak on the matter.

Mr HOWARD (Bennelong—Prime Minister) (2.37 p.m.)—I welcome this opportunity to restate, perhaps in a slightly calmer atmosphere than sometimes is obtained on these issues, the government’s position and to, in particular, respond to some of the points very genuinely advanced by the member for Calare. Let me say at the outset that my attitude—and I think the attitude of a lot of people in the Liberal and National parties—on this issue can best be summarised by saying that we have a lot of reservations in principle about the notion of mandatory sentencing, although I think it is wrong to say that mandatory sentencing as practised in the Northern Territory is the first time you have had some blurring of the division between the judiciary and the legislature, contemplated in the member for Calare’s speech. Every time a state parliament mandates a particular term, that represents some limitation of the discretion of either the judiciary or the magistracy of the various states. And I do not recall it being suggested that that in the past has represented a transgression of that division between the legislature and the judiciary.

So, not for the first time, I indicate that I do not like in principle the mandatory sentencing laws of a number of the states any more that I like some of the proposals that are being put forward by state governments and territories in relation to such things as heroin injecting rooms. I happen to believe—and some will agree with me and some will disagree—that the potential for damage to the lives of young Australians and of Australian children from heroin injecting rooms is at least as great, if not greater in most cases, than the damage that may accrue to their lives from mandatory sentencing. So it is not only in this area of mandatory sentencing—

Mrs Crosio interjecting—

Mr SPEAKER—The member for Prospect. By any standard the Prime Minister is entitled to be heard in silence.

Mr HOWARD—we get this sort of selective moral concern. The concern that the government has and continues to have about the proposal and the reason why at the conclusion of the debate, which I understand will involve some 10 speakers, the government will not be supporting a suspension of standing orders is that we believe in the end that these are matters that ought in the ultimate be resolved by parliaments elected by local communities, be those local communities, state committees or territory communities.

That, of course, is in no way inconsistent with what I said at the beginning of question time in answer to a question from the Leader of the Opposition when the Leader of the Opposition gave me the opportunity of indicating that I had spoken today to the Chief Minister for the Northern Territory, that I had repeated to him concerns I have previously expressed about the operation of mandatory sentencing laws, that as a matter of principle I did not agree with them, that there were many people in the government that were particularly concerned about the operation of those laws regarding juveniles in the Northern Territory—these are not new statements of concern by quite a number of members of the government parties—and that it was my intention, and he readily agreed, to engage him very seriously in discussion about some alternatives, particularly in relation to the diversionary programs, with a view to establishing whether there was some basis under which those laws might be changed in their scope or their operation.

The Chief Minister of the Northern Territory has agreed to enter into those discussions. I think both of us will go to those discussions in a very positive frame of mind, I recognising that in the end it is ultimately the responsibility of the local legislature but also
he recognising the force of what I put to him in the discussion, and that was that there was widespread national concern about this issue, that opinion in the Australian community was very divided and that it was appropriate that I bring to those discussions—

Mr Albanese—What about euthanasia?

Dr Lawrence interjecting—

Mr SPEAKER—The member for Fremantle. I remind all members that I will deal very swiftly with people who persistently interject.

Mr HOWARD—that expression of national concern. A great deal has been made in this debate of the different approach the government is taking regarding this issue and euthanasia. Let me come to that, because it has been raised by way of interjection by that towering intellect from Grayndler. He has asked what is the difference between this issue and euthanasia. One of the very important differences is that the euthanasia law of the Northern Territory proposed the introduction for the first time in this country of a totally new moral paradigm, a doctrine that would have overturned the longstanding moral paradigm of our community. The idea that we would regard that as being anything other than akin to such things as capital punishment and abortion, I think, is plain for all to see: there was plainly a big difference between the euthanasia laws and what is now before us.

Nobody can seriously dispute the fact that the criminal law of Australia has historically been administered by the states and the territories of Australia. That is an undeniable fact. The idea that sentencing laws can be regarded as other than part and parcel of the criminal law of Australia, and therefore most normally within the responsibility and the province of states and territories, is a nonsense proposition. That is why we are taking the view that we have put forward in this debate.

The Labor Party is big and strong on the federal government overriding state laws. That of course was the courage and the backbone that the former Prime Minister Mr Hawke brought to the issue of national land rights legislation. He won the election in 1983 on a platform of introducing national land rights laws. This was something which both he and his Aboriginal affairs minister Clyde Holding said at the time went to the very essence of better relations between the Aboriginal people of Australia and the rest of the Australian community. We did not agree with Mr Hawke about national land rights laws, but the reason in the end he backed away and caved in was that he asserted that ultimately it was for Western Australia to determine those matters. In other words, on an issue that went, in his own words, ‘to the heart of indigenous relations’, he and the Leader of the Opposition—then a minister in his government from Western Australia and, for all I know, one of those who joined the then Premier of Western Australia, Mr Burke, to argue against national land rights legislation—were not prepared to intervene in the name of something that they said was important to them and to use the federal power to override the state of Western Australia. This was something that went to the heart of what they saw as a very important indigenous issue. So they bring a great deal of hypocrisy to this debate.

This is a debate essentially about whether you believe in imposing a uniform standard throughout Australia in the detail of criminal law. We take the view that the criminal law of this country is best administered at a local level. If you regard the sentencing laws of this country as being fair game for federal intervention, then every time you have an objection to any aspect of the criminal law of the states you should likewise argue for federal intervention. And be it remembered that the Leader of the Opposition and the members of the Australian Labor Party are arguing that we should override not only the laws of the Northern Territory but also the laws of Western Australia and indeed, by definition and extension, the laws of any of the other states. We do not take that view. But we do take the view that the appropriate role for the Commonwealth on this occasion, one that we will be pursuing with considerable vigour, is to propose to the Northern Territory a discussion on and an examination of what we re-
gard to be the limitations, shortcomings and adverse consequences of the operation of their existing mandatory sentencing laws, particularly as they affect juveniles.

This matter is not an easy one for the Northern Territory and it is not an easy one for many people in the Australian community, including many people within my own party. On the one hand, we do have a respect for the federal system and for the role of the states and the territories but, on the other hand, many of us are unhappy with the principle of mandatory sentencing and are particularly concerned about the impact of those laws on juveniles within the Northern Territory. That was the substance of the correspondence between the federal Attorney-General and the Attorneys-General of the Northern Territory and Western Australia. That remains the attitude of the government, and I welcome the fact that I have had the opportunity today to discuss this issue with the Chief Minister of the Northern Territory. I also welcome the contribution being made to a very calm deliberation of this issue by the members of the government backbench committee appointed to examine the recommendations of the Senate committee report on mandatory sentencing.

In a country as geographically large as Australia it is necessary to accept and respect local differences of opinion. I invite those who sit opposite who see this thing in very simplistic terms to understand that many people in Australia are concerned about the breakdown of law and order within our community. Many people in Australia live in fear of their lives. You have no chance whatsoever of understanding the feelings, concerns and, in many cases, fears of local communities throughout Australia unless you recognise and accept that the concern they have for their safety and physical security is a very significant concern. Those people who pretend otherwise are putting their heads in the sand and ignoring reality. The best way I have found, in the time that I have been in public life, to give recognition—

Mr Albanese interjecting—

Mr SPEAKER—The member for Grayndler will excuse himself from the House under the provisions of 304A.

The member for Grayndler then withdrew from the chamber.

Mr HOWARD—The best way to properly recognise those concerns is to pay very serious regard to the views of state and territory parliaments. We live in a federation and to ignore the role of the Northern Territory parliament when it has had full control of its criminal law now for a very long time is to display an insensitivity to local opinion within the Territory, just as to ignore the views of the people of Western Australia is to display an insensitivity towards the people of that state. The government’s view is that the suspension should not be agreed to by this parliament. We believe that the right approach is to do as I have outlined both in my answer to the first question and in the course of this debate. We think that is a sensible approach to take—one that takes account of the concerns of the local community but also provides a way forward to bring about an improvement in the operation of the law in the Northern Territory.

Mr BEAZLEY (Brand—Leader of the Opposition) (2.52 p.m.)—I have seconded the motion for the suspension of standing orders moved by the member for Calare. This is an issue about leadership and values. It is not about massaging through a revolting government backbench a difficult political issue for the Prime Minister. Evidently, this retreat has followed two developments: firstly, the systematic battering that this government has rightly received in areas where it has sought a political advantage in the media and in this parliament over the last few days and, secondly, a backbench revolt in the party room this morning in which something like 30 MPs participated, some of whom threatened to cross the floor on this issue. That is why this is before us now. The fear that I and most other members on this side of the House have—and not a few on the other side—is that, rather than becoming a matter by which we draw this to a conclusion, it will end up part of a massaging process to keep this situation off a political agenda, out of the way of the Prime Minister and manageable. The injustices which are perpetrated in particular in the Northern Territory at the moment will persist nevertheless, and the enthu-
siasm that meets an apparent part backdown from the Prime Minister and an odd discussion will in the end come to nothing, the heat developed as a result of a strategy for which this government is largely responsible.

The Prime Minister defends his unwillingness to consider this matter here by drawing a distinction between this proposition and the euthanasia proposition that was before the chamber some time ago. Let it be said that on that euthanasia proposition I supported him. I did not support him on some convoluted argument about whether or not there was a right to intervene in the politics of the Northern Territory. I supported him because I support the right to life and my judgment on that occasion was that that was under threat. Others on both sides of the chamber took a different view, but the bulk of the argument was about a person’s right to die in dignity versus a person’s right to life, not about whether or not this was an appropriate moment to intervene in the Northern Territory. That is what the debate was about at that time. That was the moral gravamen of the debate, not some confected argument about when precisely it was right to intervene.

The Prime Minister’s argument on that collapses completely when we contemplate what occurred with legislation effectively related to the criminal code in Tasmania as to whether or not a person had a right to a sexual preference and chose to be or was a homosexual. That was a state matter. It has been a state matter, except in the territories, since there were colonies. It has remained a state matter since that time, and a federal law knocked it out of Tasmania. A federal law took it out of the Tasmanian criminal code. It was a federal law supported in this parliament by both sides. The then opposition—not to the act, I might say, because the act was supported by the then opposition—was the Liberal Party, and it supported that particular proposition. It is a massive hole in the Prime Minister’s argument. If it was good enough to intervene to protect the rights of the homosexual community in Tasmania—and it was; both sides of the House took that view—then it is good enough to intervene to protect children.

Of course, an additional obligation flows to the federal parliament in this matter, and that arises from the 1967 referendum when the federal government was effectively given a watching brief over the way in which states dealt with Aboriginal affairs. I am not saying that that is in itself a total justification for this action. We can seek that justification elsewhere and, anyway, we do not, given the past precedents, feel the need to find one. But it does mean that when there is a substantial problem emerging, as has occurred in relation to the operation of this law, in particular in the Northern Territory, the watching brief of this federal parliament is activated.

The opposition support the original proposition that came through from Senator Brown, but we also acknowledge, and therefore are cheerful enough to see through this place, the bill that is to be introduced by the member for Calare. There is in fact in practical terms a vast difference between Western Australia and the Northern Territory in the operation of mandatory sentencing. The ‘three strikes and you’re in’ proposition in Western Australia effectively applies to a very narrow range of laws indeed in comparison to that of the Northern Territory. The second point as far as Western Australia is concerned is that the courts have found an opportunity to interpret mandatory sentencing in such a way that it does not actually produce mandatory sentencing. The courts have found a way of interpreting supervision orders as an adequate means of dealing with the mandatory component. That use of supervision orders does actually conform to what is anticipated in the Convention on the Rights of the Child, to which we are signed up. In addition to that, the number of offences concerned by the time you arrive at the so-called third strike in Western Australia would in all probability have put the people concerned in jail, including children, I might say, well before that time. This is not the situation in the Northern Territory—not one bit of it. It ain’t three strikes and you are in. For a 17-year-old, it is one strike and you are in, and for anybody under 17 it is two strikes and you are in, and you are in on all subsequent occasions.
It has to be said, too, that the reason we have been pursuing this is that the federal component undoubtedly comes up in the issue of the protection of the rights of the child. There is virtually no other head under which a federal parliament could deal across the country with the issue of mandatory sentencing per se. Let me say, nevertheless, that the circumstance that I am going to refer to will not in fact be precluded by the success of this bill, nor would it be precluded by the success of the bill that we are supporting. When you see a pregnant mother with three young children going to the house of her estranged husband to pick up the children and in the process taking leftover pizza in a box from what was the kid’s meal the night before and a pram—the only pram she had access to, which was in that house and which she had been using previously—and when you find that woman put in jail for 14 days as a result, you are dealing with an absolute disgrace in the Northern Territory.

Whether or not this bill passes, and whether or not our bill passes, the circumstances to which I refer will be completely unaffected. Prime Minister, if you are going to be dinkum and are going to show a bit of leadership in your conversation with Mr Burke, there is now an additional challenge for you. You have this man engaged. He is your political counterpart in the Northern Territory. Here is your opportunity to front him with the consequences of his law in their totality. This is an opportunity for you to take this a point further.

I might say too that, from the pleas that have been made to us, in many ways the most damaging effect of the operation of this law is in relation to the socialising of young men in the Aboriginal community generally. Generally speaking, the assessment is that, once out of your 20s, you are usually pretty well free and clear of antisocial activity. It is a question of how well you are socialised in your community in your 20s as to whether or not you make it there. Let it be said that, whatever the merits in terms of a sense of community satisfaction on the part of victims or anyone else with seeing someone punished, the effect of those laws is exceptionally bad on the leadership of those Aboriginal communities when such a huge percentage of young men get taken out for such minor offences, as occurs with frequency with the operation of these mandatory laws. I would urge the Prime Minister, if he is actually going to crawl out of this with any sort of credibility at all, to deal with it on that front. He talks about the position of the victims, and we ought to be concerned about the situation of the victims. We ought to be concerned that they get just recompense for the suffering that they have experienced and that also their trials and tribulations are effectively deterred by the law.

In the case of not just the Commonwealth jurisdictions but also state jurisdictions, the first point of successful deterrence is successful detection. When resources are being spent as they are on the Northern Territory to the tune of about $500 a day as far as juvenile sentences are concerned, that is a massive expense on 14- and 28-day and year-long sentences. That is a massive expense which you have actually put to a police force capable of developing a clean-up rate better than 14 per cent—and there are a few victims around the place who might just rise up and call you blessed if you were actually able to do that.

In Western Australia, the issues in law enforcement have moved way beyond the initial issues in relation to mandatory sentencing. There is only a 10 per cent clean-up of burglaries. On top of that, 80 per cent of crime is a product of drug addiction, and we are seeing a situation where the perpetrators of the drug trade—the massive profiteers—are not stripped of their assets, as they should be, to deter them, or at least to annihilate the profits they get from that. When the victims themselves have an addiction, which the profiteers know they will feed, and when there is a 10 per cent detection rate, which gives them every chance of feeding it, where are the rehabilitation programs—the resources for the naltrexone programs, the resources for the methadone programs—what is necessary to take them out of the criminal system so that people in Western Australia can sleep reasonably in their beds at night?

These are the solutions. If Chief Minister Burke wants to protect the rights of the judi-
ciary, I would recommend that he take a look at what has been done in New South Wales by Chief Justice Spiegelman, at the sentencing propositions that he has put down. After all, these mandatory issues arose originally from a feeling that judges were too soft on crime; hence there was going to be an effort to impel judges to put people in jail to get them to deal properly with how victims felt. Chief Justice Spiegelman responded to that and brought down a series of propositions that his judges would observe—and failure on their part to observe them would be a factor in subsequent reviews of the decisions that they took, appeals against the lack of severity of any particular sentence, unless they had a darn good reason for doing it. That preserved in New South Wales (a) a reasonable response as far as the victims of crime are concerned, (b) the independence of the courts and the judiciary from the political system to be able to arrive at those conclusions, and (c) an effective deterrent posture as far as those courts were concerned in dealing with the affairs of criminals in that state.

It is essential that this motion be carried so that Mr Andren can proceed to introduce his bill. We have in the Northern Territory now kids who are being jailed literally for pinching a packet of biscuits. I talked about one kid yesterday who actually stole more than that. He stole some $500 worth of goods. He confessed to his father that he had done so. His father took him to the police station. The police and his father went to the shop. They then recompensed in full the victim of the crime, who did not know he was a victim; he received the $500. This boy’s reward from the Northern Territory judicial system—for his honesty in raising it with his dad, for his father’s responsibility in taking him to the police station of all places to start with, and for the reasonableness of the victim, who did not want this boy jailed under any circumstances and did not in fact know he was a victim—was, to the great distress of the magistrate who had to handle the case, 14 days in jail. That is $500 a day at the expense of taxpayers—but not those of the Northern Territory, because 75 per cent of those funds come from the taxpayers of Australia.

This must not become a massaging issue to protect the backs of the Prime Minister and the Liberal Party. This must remain a leadership issue in this nation dealing with values which are critical to all of us. The Prime Minister must free his backbenchers to express their consciences on this so that this matter may be resolved. (Time expired)

Dr NELSON (Bradfield) (3.07 p.m.)—I have had the privilege to represent the people of Bradfield in this parliament for four years and I have seen many things said and done in those four years in the name of politics. I have seen things and behaviours that would never be accepted in other walks of life accepted in the name of politics. What we just heard from the Leader of the Opposition is probably the worst—or the best—example of that we will ever see.

Opposition members interjecting—

Mr SPEAKER—Order! Every member in this House is entitled to be heard in silence, as not only courtesy but also the standing orders indicate.

Mr Howard—Mr Speaker, on a point of order: through the entirety of his speech the Leader of the Opposition was heard in silence.

Opposition members interjecting—

Mr Howard—Just because the member for Bradfield expresses a view that is uncomfortable to the Leader of the Opposition, his yapping chorus behind him shout the member down. I think it would be a good idea if they were reminded of their obligations.

Mr SPEAKER—I would indicate to the Prime Minister that I think I just took that course by indicating that everyone has an obligation to hear other participants in silence. Our task is to come to a parliamentary viewpoint.

Dr NELSON—Thank you to the members of the opposition for making my point.

Mr Edwards—Get out of the political gutter. Show a bit of leadership.

Mr SPEAKER—The member for Cowan!

Dr NELSON—The last sentence of the Leader of the Opposition’s address emphasised the very point that I am trying to make. The member for Cowan is a decent man and
he knows better than to interject in the way that he has.

Mr Edwards—Show a bit of principle, a bit of courage, a bit of leadership.

Mr Speaker—the member for Cowan!

Dr Nelson—There were 35 days that elapsed between the tragic suicide of Johnno from Groote Eylandt and the day that the Leader of the Opposition raised this issue, and during that period of time there were many members of the opposition who felt as strongly on this issue as many on our side do, including me. There were three members in this parliament, to the best of my knowledge, who spoke about mandatory sentencing issues before the Leader of the Opposition decided for his own political ends that it was time to raise the issue—the member for Pearce, the member for Calare and me. This is all about trying to find some kind of division or disagreement amongst the government members in relation to mandatory sentencing.

In terms of politics, I will give you probably the best example of political opportunism in relation to a minority group that I have seen: at the end of January 1994 then health minister Graham Richardson took 60 Minutes up to the Top End and Charles Wooley asked Richardson, ‘Why is it that, after 11 years in government, the situation is still so bad for Aboriginal people?’ Richardson said, ‘I have spent a lifetime reading the polls and concern for Aboriginal people and their health is not in the top million issues worrying the voters.’ That goes to the heart of the kind of presentation we just heard from the Leader of the Opposition. In 1764 Cesare Beccaria said in his book On Crimes and Punishments:

Punishments that exceed what is necessary for the protection of the deposit of public security are by their very nature unjust.

As the Prime Minister said, there are many members in this government, including him, who are not only uncomfortable about mandatory sentencing but also opposed to it for many reasons. But the government also has a position in recognising that the territories and states of this country have possessed of them the power, the responsibility and the right to govern themselves in relation to some fundamental issues, no matter what we as a Commonwealth may think about them, including law and order.

The debate is important. It is important that it not be trivialised in terms of political point scoring by one side of politics or the other. It is important because it goes to the heart of the very society that we are and the kind of people that we want to become. There are some fundamental tenets upon which our society is built: freedom of speech, freedom of religious expression and also, I believe, the concept that we are all treated equally before the law, no matter where we live, no matter what our economic circumstances and indeed no matter what our age.

The reason why the Northern Territory government need to reconsider their position, as the Prime Minister has said in the House today—perhaps not in these terms—is that what they have done in enacting mandatory sentencing provisions for juveniles, for young Territorians, is to violate one of the principles that makes us all Australians. It is one of the things that makes us proud of our country and makes it different from some of the countries that chose to criticise us through the UN recently. As Australians, I suppose we have two sides to us. There is one side of us that seeks some sort of restitution, if not punishment, against those who do wrong against us. In one sense perhaps Mrs Hanson and some of her acolytes sought to appeal to one part of our society and one part of our own human nature. There is another side in every one of us—including me and, I suspect, Mother Teresa—and that is a part of us that at times really wants to strangle, to get by the throat, people who do injustices to us.

To give an example, in my state of New South Wales recently a friend of mine had his car parked outside a restaurant under a light before 50 people who were sitting in the restaurant. Two young people—I must say they were Aboriginal young boys—came along with a crow bar and smashed the window, rifled through the car and ran off. The police arrived to inform him that they knew who these boys were but they could not nor would not do anything about it, despite the fact there were 50 witnesses. Even though my friend is a staunch opponent of mandatory sentencing,
he said, 'This is the kind of nonsense that has people in the Northern Territory saying, "We want some action".'

Those people in the Northern Territory who are aggrieved by property crime, who are fearful of property crime, have every right to encourage their government, if they choose to, to enact these kinds of provisions. The argument that I would make—as I know do a number of my colleagues on this side, as do many on the other side—is that, whatever the good intentions are that underwrite that, they unfortunately are not going to have the outcome that perhaps they want. But there is another side of our society and of us as individuals which my mother described as 'doing the right thing'. There is a part of you that says, 'No matter how I feel, no matter what sort of punishment I want meted out to people, I need to do the right thing. I need to make sure that justice is not only being done but seen to be being done.'

The other problem that I have with Mr Burke’s defence, even though as a member of the government I support and defend his right to legislate as he sees fit, is that it is argued that, because mandatory sentencing is popular, in some way it is right. The easy part of my job and the easy part of the Prime Minister’s job—and I suspect this even applies to the Leader of the Opposition—is doing what most people want. The most difficult part of my job is to balance what most people want with what is the right thing to do, with what serves the interests whether they are of a territory or indeed of our country.

I am not prepared to support Mr Andren’s bill and I am not prepared to support the suspension motion, and I will tell you why. Many of my colleagues disagree with me on many occasions, and I am sure that will not change. Sometimes I win the arguments I have as a member of our government and other times I do not, but my colleagues respect my point of view—as I respect theirs—and the legitimacy that I like to think I bring to the parliament from Bradfield. Most of my colleagues believe that it is only right that the Northern Territory be able to govern itself in this regard—no matter how we feel about it—and that the federal parliament should not intervene in its affairs, particularly through section 122 of the Constitution.

In the last line of the Leader of the Opposition’s address, he spoke about leadership. I will tell you what kind of leader we have on our side. We have a leader who has been prepared to spend an enormous amount of time with those of us who have a whole range of views on this issue and to give us the opportunity to say what we really think. Can you imagine for one minute that any member of the Labor Party opposition in this House would be able to get up and say what they really think instead of doing what they are told by the Leader of the Opposition? Not one of them could.

The second point that needs to be made is that, in the end, if this parliament were an undisciplined place and each of us brought into this place our own particular convictions and were not prepared to support and recognise the views of the majority of our colleagues, the good governance of this country would be gone. This country is a different country and a better country today because of the last four years of government that we have had. That is because at all times members of this government have been prepared to put the interests of their country ahead of their own, and at times convictions that are held rather deeply by individual members of the government.

The other point that needs to be made is that, if the member for Calare’s bill was debated and passed in the parliament, not one thing would change for those young people who are being incarcerated in the Northern Territory. The conditions of deprivation, of existential despair, of disillusionment, of geographic isolation and of technological and economic impoverishment would continue. What the federal government is doing—apart from the Prime Minister seeking to prevail on the good sense of the Northern Territory government—is focusing on programs and putting a political will and, I suspect in the long term, resources behind programs that identify the very reasons that lead young Territorians, both black and white, into the criminal justice system in the first place so that we can get better outcomes not only for those young kids and for the families and the communities
from which they come but also for those decent Territorians who are quite legitimately aggrieved by property crime. At the moment what is happening, at least in my opinion, is not producing the good outcomes that both the offenders need and the victims want.

So the government has committed itself to look at prevention programs, to look at early intervention, to identify those young people and their families and communities who are at risk and to ask: what can we, working with the Territory government, actually do to deliver a better outcome for them? What can we also do in terms of further developing the diversional programs announced by the Territory government, which remain sadly in their embryonic form in many parts of the Territory? That is the obligation that is on the parliament here and on the government of Australia which currently we are addressing.

When you look at the Pathways to prevention document which has been produced by the Howard government under the national crime prevention initiatives, you find the factors which drive crime not just in the Northern Territory and not just amongst indigenous people, but amongst non-indigenous people, too. They are: prematurity, low birth weight, disability, prenatal brain damage, birth injury, difficult temperament, chronic illness, insecure attachment, poor problem solving, beliefs about aggression, attributions, poor social skills, low self-esteem, lack of empathy, alienation and impulsivity.

What was there in any word said by the Leader of the Opposition that will address any of that? Where was the Leader of the Opposition for 35 days when the rest of us were debating this and you weren’t even raising one finger to talk about it? We are the ones who are focused on these issues. We are going to the heart of the things that drive these kinds of issues that have given us mandatory sentencing, and in the end this issue will be addressed because of the constructive approaches being taken by the government in an environment of goodwill, and not because of any kind of political opportunism.

Mr McCLELLAND (Barton) (3.22 p.m.)—Anyone who would have seen last night’s Four Corners program would be astounded by that last speech. On the Four Corners program we saw an impassioned member for Bradfield standing there proudly reading a plaque, a statement of the late President John F. Kennedy that human beings have an obligation to pursue a moral principle no matter the personal consequence. Then he was asked: how do you define a moral issue? And he said words to the effect, ‘You can’t define a moral issue; you can only feel it. And I feel this is a moral issue.’ Why was that relevant? Because it was a moral issue justifying a conscience vote, one when he intended to cross the floor. If he had made today’s speech back then, Four Corners would not have interviewed him. Either he essentially communicated those views on a false pretence or he has been nobbled. The Prime Minister has prevailed on nine backbenchers who met in the office of the member for Sturt to campaign to get the numbers to cross the floor to overturn mandatory sentencing. That is where the Prime Minister has prevailed. When it comes to prevailing on national leadership he is nowhere to be found.

We have all this rubbish about principles as to when you interfere with Territory legislation, yet tomorrow we will probably have before us the Jurisdiction of Courts Legislation Amendment Bill 2000 and dotted right throughout that bill are numerous instances where this parliament will be overturning laws of the Northern Territory and the Australian Capital Territory. To say that it is an untouchable area is completely wrong—it is completely misleading. We have the precedent in the euthanasia legislation and we have the precedent in the Tasmanian legislation, which again both related to the criminal justice systems.

Each and every Australian pays a massive amount of money to subsidise the government of the Northern Territory. The Northern Territory and Territorians are part of Australia and they are worth subsidising, they are worth funding—but for worthwhile purposes, not for Denis Burke’s blatant political opportunism. When you analyse mandatory sentencing, it is nothing but a con, a complete and utter con. It is a con because it is a mas-
sive diversion of resources away from law enforcement activity. It actually imprisons young people into the university of crime and it is profoundly unjust and profoundly un-Australian.

I spent last week in the Northern Territory and Groote Eylandt and I tell you what: no one could experience what I experienced and come here and decide not to take some action. We have all been elected here not to get up and speak words but to take some action to better the situation. If anyone did what I did and sat in the very court where the young Wurraramurra boy was sentenced, they would have seen the pathetic situation that occurred where the magistrate, quite depressingly, on numerous occasions said that he had no discretion. On numerous occasions he mandatorily sentenced people, young people as well. It turns out that that magistrate has a masters degree in juvenile justice, but that is all to waste. His years of training, his years of experience, his qualifications in that particular area of expertise, have been overtaken. The arrogance of Denis Burke, a politician, for political purposes, to come over the top of these trained experts—and I have to say that all those involved in the court process were very sincere, caring people—is a disgrace.

Denis Burke’s government is worse than that: it is wilful in this mandatory sentencing legislation. It knows that mandatory sentencing impacts far more significantly on young indigenous people. Indeed, it has published a report which is in defence of mandatory sentencing, which is on the Internet if anyone wants it. If you look at that report, you will see that there is an acknowledgment that crime in Aboriginal communities is due to profound social and economic distress. There is an acknowledgment that an Aboriginal juvenile is 4.3 times more likely to be arrested than a young white Australian. There is an acknowledgment of the cycle of boredom, the lack of resources, in these communities. There is an acknowledgment of the extensive substance abuse that exists in these communities and the fact that petrol snifffing, for instance, significantly retards the mental development of so many young people in these communities. Time and time again, as I sat in that court in Groote Eylandt, the magistrate would ask: does he have a substance abuse problem? That is code for: is he a petrol sniffer? Invariably the answer was yes.

Worse still, on Sunday evening on 2CH when Denis Burke was asked whether mandatory sentencing was having an effect on bringing down crime, he said—and he says it all the time—‘That’s not the point. We’re all about sending a message. We’re all about sending a message to the community that we are tough on crime.’ But the trouble is that the message is not getting through to these people who are most unfairly treated by it. Why isn’t it getting through? Again, the Northern Territory’s own report shows that in these remote communities about 95 per cent of the Aboriginal populations do not speak English adequately. It is their second language. Many of those, about 30 per cent, have virtually no understanding of English at all. The Northern Territory’s own document admits that the literacy level of Aboriginals in these remote communities is about year 3, equivalent to about eight years of age. And if ever there were an acknowledgment by a government of how unfairly and harshly this legislation impacts on indigenous youth, it would be this statement:

It would seem reasonable to surmise, given the known educational attainment levels, that a significant percentage of Aboriginal youth who come in contact with the criminal justice system have little, if any, understanding of the language and the process they encounter.

I saw that. Accused people had no understanding of what they encountered. They sat there mute; their families sat there mute. They had no idea. They were simply carted off and taken to prison. Going back to Darwin, I sat on the same plane as convicted young people. In that instance, one young fellow was flying to Darwin, his airfare paid for, for a trivial offence. A representative of Corrective Services was beside him, his airfare and time paid for. That is happening every day for packets of biscuits or textas. It is a complete and utter waste not only of the resources of Territorians but of Australia’s resources. This money could be going into education, health and infrastructure development or, indeed, it could be going into putting
more police on the beat. Mandatory sentencing is nothing but a complete and utter con. It does nothing to deter criminals. If going by this statement, by the mere fact that Aboriginal Australians do not understand in these remote communities what is happening, how can there be any deterrence when they literally do not know how the law works?

Again, the Northern Territory itself recognises that incarceration actually churns out better criminals and it turns petty criminals into more sophisticated criminals. Indeed, as noted in the Northern Territory Correctional Services report in 1991, it is more likely as a result of their diminished employment prospects and their more desperate situation. The report acknowledged precisely that fact: if you put young people in jail, they are going to come out as experienced, trained criminals.

The cost being diverted from efficient and effective law enforcement activity—police on the beat—is just astounding. It costs $147 per day per adult prisoner. It costs $344 per day for a juvenile who has been sentenced to 14 days for taking a packet of biscuits. On top of that, you have the airfare. It all comes to $2,057; for 28 days, $9,633. For an adult, the cost is about $53,000 a year. All this money is being spent on incarceration instead of putting police on the beat.

There has been a $41 million increase in the prison budget of the Northern Territory since the mandatory sentencing laws were introduced. This money could have been spent for Territorians on education, health, police on the beat and infrastructure. Here we have nothing but Denis Burke—and I will say his name here. He is nothing but a political con man, conning the Northern Territory. The fact of the matter is that there is no way that he should be permitted to occupy the office of Chief Minister of the Northern Territory and, at the same time, the office of Attorney-General. There is a clear conflict of interest in those positions. He has an obligation as Attorney-General, on the one hand, to ensure the efficient and fair operation of a justice system, separate—as we all know here—on the basis of the Westminster system, from the political process. Instead, there are these politicians imposing sentences in advance.

I will tell you something that is going on in the Northern Territory which the international community will find out. As was pointed out to me, as soon as I stepped off the plane in the Northern Territory, if the police had asked me to open my bag, and I had knocked off the magazine which I was allowed to read on the Qantas jet, I would have spent 14 days in the clink. That applies to any tourist who enters the Northern Territory. Even 17-year-old children have 14-day suspended sentences over them.

There has been a lot of debate on international conventions being breached by these mandatory sentencing laws—and they have been. There is no doubt about that. They are fundamental human rights that each and every one of us as Australians own. But worse than that, they are un-Australian. They are entirely un-Australian. If you had asked any of the diggers in the Second World War why they were fighting, they would have said for our system of government. They would not have been able to describe the Westminster system to you, but they would have said that, if they were facing a criminal charge, they would have expected a judge to fairly adjudicate, not those mugs in parliament to predetermine, what was going to happen to them even before any hearing. These laws are entirely un-Australian. The Prime Minister has a passion for cricket. When we played in our backyard, it was over the fence, six and out. In the Northern Territory, if you play cricket in your backyard, it is over the fence, six and in, because you have unlawful entry on the next door neighbour’s property. If you are a parent and your kid picks up a frisbee, you would have a heart attack because the frisbee is going to go over the fence, and they will commit unlawful entry. These things are fundamentally un-Australian. They are fundamentally abhorrent to most fair-minded Australians. If they think about it and if they went up there to experience it first-hand, they would be disgusted and ashamed.

If you come down to it, if you go through the cost and the fact that it does not act as a deterrent and that it is actually manufacturing better and more experienced criminals
through the incarceration process, you ask yourself, 'Why have they got it?' The simple fact of the matter is that the only reason they are flogging mandatory sentencing is that Denis Burke wants to be re-elected. If we in this national parliament cannot step in to prevent that occurring, that is an outrage. But the suggestion by the member for Bradfield that we are Johnny-come-latelys on this bill was offensive in the extreme. The Labor Party on 28 June last year resolved to jointly sponsor the Brown legislation.

Mr Melham—Before the death.

Mr McCLELLAND—Long before the death and, indeed, immediately after the death occurred the Leader of the Opposition was before the media expressing his concerns about that. Again, he referred to the fact that we were joint sponsors of this legislation. For the member for Bradfield to suggest that we are Johnny-come-latelys on this issue is offensive in the extreme. Regrettably, he is a Johnny-disappearing-lately on this issue because of the pressure that has been brought to bear upon him, and I hope others do not fall to similar pressure. (Time expired)

Mrs VALE (Hughes) (3.37 p.m.)—I do not think anything has distressed me as much as this particular legislation has. I can imagine how it distresses the young people in the Northern Territory who have to suffer under the judgments they have to wear. But I am more concerned this afternoon about outcomes for the young people in the Northern Territory. This morning it occurred to me that even if I cross the floor on this issue, it is not going to get outcomes for the young people in the Northern Territory. What I am about is asking for those young people in the Northern Territory to have the same opportunities that all Aussie kids have here in Australia.

I heard Mr Burke on the television last night and, quite frankly, I found him offensive. I found the way he was talking entirely inappropriate. He was not talking about things; he was actually talking about human beings. It personally appalled me that he could say such things about young people. I think all of us here agree that the young people in the Northern Territory do not have a voice; they are the most disadvantaged people that we have in our community. In a way, they look to us to be able to act for them. My concern is how I act for them. That is my predicament.

Today the Prime Minister gave an undertaking and a commitment to have serious discussions with Mr Burke. I am hoping and anticipating that those discussions will be forceful enough to make Mr Burke realise that he cannot deal with human beings in the way in which he is. There are also other programs that I expect will be funded by the federal government to go to actually help the young people of the Northern Territory to have the outcomes that we would all wish them to have. Those programs include the JPET program and a pilot program called the Young Offenders program, which will be going into the Northern Territory in Darwin and in Alice Springs. I would expect that the federal government will significantly fund those, because I think that is the only way we are going to get some outcomes for the young people. Even within the mandatory sentencing legislation there is room for some discretion to be applied. There has been room for diversionary programs, which the Northern Territory has apparently not ever bothered to put in place or ever had the funding to put in place. Those programs would have a great deal of effect and impact on the lives of young Australians—I say ‘all young Australians’.

Having said that, I think there are other things we must address, because mandatory sentencing is just a symptom of the problem. The other things we have to address include why all the money this government and the previous government have actually given to the Aboriginal cause has not really got to the grassroots to help those people at the very lowest level. I think we really have to address that issue. Hopefully, some of the funding that will come from the federal government will be delivered to those young people who really are on the receiving end. It seems to me that somehow we have given them a welfare cheque—that we have taken away their dignity. If you asked each and every one of them, they would say the same things as the young people who happen to live in my electorate. If you ask a young person, ‘What
do you want? What is your need?' they say, 'I want a job.' That is what they really want.

Ms Kernot—And someone to love them.

Mrs Vale—Someone to love them is very important. You are right. But because of what has happened in the past somehow the parenting skills have not been there as much as we would like them to be. I think we have to address that issue. What I am saying to you all is that mandatory sentencing is just a symptom of a bigger, deeper problem. If all of us here could have the goodwill to try to sort it out, to get some positive outcomes for these young people, I think ultimately that would make me feel as if coming to be a member of parliament would be worth while. Isn't that why we all want to be here, for heaven's sake? To make a difference and to make a difference to the lives of people who really cannot speak for themselves? That is exactly what I hope we are trying to achieve. If I try to achieve it in my measure and each and every one of you tries to achieve it in your individual measure, maybe we will make some difference. I abhor these mandatory sentencing laws, and I abhor them for a very important principle.

Mrs Irwin—Vote against them.

Mrs Vale—That will not help. All it will do, member for Fowler, is hurt my government.

Opposition members interjecting—

Mrs Vale—I am sorry; we have done some great things for all Australians in this country, and I must balance that out. It is about a bigger picture too. I am sorry. If this does not settle too well, I am afraid I cannot see it in any other way. It is outcomes for the young people in the Northern Territory that I seek, I will continue to seek that. I am grateful to be appointed to the Attorney-General's advisory committee on mandatory sentencing. I can tell each and every one of you that I will not only take an active interest in it; it will be the focus of my life. I want to see some outcomes for these young people and I want to see some positive outcomes that we as Australians can all be proud of. I want Mr Burke to hang his head in shame, because when we break down fundamental principles of justice—and one of those fundamental principles is that punishment should fit the crime—we are actually reducing the level of justice for each and every one of us; we are all the poorer. My prayer is that we can all work together for these young people because, my goodness, they need it. That is my undertaking to the House, to the people of my electorate and to the young people of the Northern Territory whom I do not know but hope to meet.

Mr Snowdon (Northern Territory)—At the outset, I want to make an observation to the member for Bradfield. I am speaking because I have not sold out. I am here because, when I got first got elected to this place in 1987, I did so in the full knowledge of what that obligation meant. What that obligation meant to me was defending principles, having the moral strength to show a bit of leadership. In this context, it is worthwhile pointing out to the member for Bradfield that no-one has put a gun at my head, brother. I am speaking because I think this issue is so fundamentally important, not only to my community but to the people of Australia, that we should debate this issue in this parliament. What effectively you will be doing this afternoon, when this vote comes on, is voting to prevent the debate of this issue in this federal parliament. That is what you will be doing. Let us understand what this motion is. This motion is a suspension to allow a debate to come on. What you are going to do is vote to prevent this debate happening.

I would have thought that a fundamental principle of this democracy was to allow a free vote on these sorts of issues. A fundamental principle, for me at least as a member of this parliament, is to ensure that when issues of public importance such as this come to the attention of the parliament we should have the courage of our convictions, debate them and then vote on them. But you will never get to see how I am going to vote on that bill, because it will never hit the floor of this parliament.

We have seen the Prime Minister's performance here this afternoon. I want to concur with the views of the Leader of the Opposition that the question we are on about here, in the debate that is before the parliament at
the moment, is about national leadership, about the heart of this nation, about the moral fortitude of the leaders of this nation, and about our ability to come to terms with our obligations as federal parliamentarians for all of the people of this nation and not just for some of the people of this nation. What we have seen in the approach adopted by the government and, more importantly, in the approach adopted by the Chief Minister of the Northern Territory government is that it does not provide for the whole of the nation or the whole of the Northern Territory community. If you saw his contribution to the Four Corners program last night, you could be left in no doubt at all that these mandatory sentencing laws are discriminatory. You could be left in no doubt at all that the obligation that this person saw towards the people of the Northern Territory community was just plain and simple wedge politics.

What we saw in the context of that display on Four Corners last night was the evidence, writ large for everyone to see, of the impact of the relationship between Shane Stone as President of the Liberal Party and this Prime Minister. What we are heading for in this country, unfortunately, is an approach which has been tried and true in the Northern Territory. It was writ large last night when we saw how they advertised this by-election campaign of Port Darwin. It was about wedge politics—nothing more, nothing less. We had the Chief Minister respond to a question last night by the ABC interviewer. The questioner said, ‘If you were to be found in contravention of the United Nations Convention on the Rights of the Child, would you change your position?’ His response was, ‘No, I would not.’—a simple no. Let us remind ourselves, just briefly if I might, of what the Convention on the Rights of the Child says. Article 37, paragraph (b) says:

(b) No child shall be deprived of his or her liberty, unlawfully or arbitrarily. The arrest, detention or imprisonment of a child shall be in conformity with the law and shall be used only as a measure of last resort and for the shortest appropriate period of time.

(c) Every child deprived of liberty shall be treated with humanity and respect for the inherent dignity of the human person and in a manner which takes into account the needs of persons of his or her age.

You are all experts on mandatory sentencing now. You have had your party room debates in the government ranks. We have seen apologists get up in this parliament and say how they feel for those kids in the Northern Territory, but they are afraid to exercise their feelings in the form of a vote. We have seen how the Chief Minister of the Northern Territory has behaved. We are reminded absolutely of how discriminatory this law is when we understand whom it affects. Who gets caught by mandatory sentencing? Young—

Mr Haase—Criminals.

Mr SNOWDON—‘Criminals’. This is what it is about—‘criminals’. Do you know what they were called? They were called ‘scum’ by the Northern Territory Chief Minister—scum. Is that how you refer to them? These are people who are juveniles, under the age of 18. These are people who might be 15 or 16. These are people who may come from backgrounds which are unfortunate, who may not be able to speak English as a first language, who might not have had an education or who might suffer an intellectual impairment as a result of excessive abuse of substances. These are people whose special circumstances need to be acknowledged by the law, but they are not acknowledged by the law.

This government is saying that they want to remove the right of discretion of the judges. They are reinforcing the view held widely by some elements of the Northern Territory government that it is appropriate to remove that discretion. No-one in this House, no-one in the Labor Party, is arguing that we should allow people who perpetrate violent crimes to get off scot-free. No-one in the Labor Party is saying that there should not be strong sentencing options available to the courts. No-one in the Labor Party is saying that there should not be humane treatment. We are asking for humane, just treatment. We are asking for justice for all Australians. We are asking for people who are discriminated against actively by these laws to be properly dealt with.
We have seen the Northern Territory government, in a scandalous campaign, place ads in national newspapers on mandatory minimum sentencing. I took a great deal of interest in the ad. Last week I visited a number of remote communities around my electorate. I actually asked them a few questions about mandatory sentencing and what their view of it was. You may recall that a week or so ago the Northern Territory Chief Minister said that he had met with some elders in the creek, in the riverbed in Darwin. We have yet to find out who these elders were, by the way. They will not put themselves forward. But we do know that the leadership of Aboriginal organisations and those key leaders who speak out on behalf of the Aboriginal community have repudiated what they have said—or supposedly said.

I went to a couple of communities last week and I raised the issue of mandatory sentencing. In particular, I raised the claim put forward in this advertisement that 11 new diversionary programs were approved on 15 February 2000. They are: Harts Range Diversionary Program, the Gap Youth Centre Aboriginal Corporation, Katherine Town Council, the Angurugu Bridging the Generation Gap Project, Imanpa, Central Australian Aboriginal Alcohol Programs Unit, Santa Teresa, Papunya, Yuendemu, Katherine Alcohol and Drug Association, and Titjikala. Let me say to you that I rang and I spoke to people in one community and have contacted others. Of those I contacted—I have contacted four—three have no diversionary program. Does that come as some surprise to you? I am sure it does not. The previous speaker said she hangs her head in shame at the approach of the Northern Territory Chief Minister. Well she might, because this is a scandalous representation of what is currently happening in the Northern Territory.

This young lad came from Angurugu, Groote Eylandt. I attended his funeral. A sadder event I have not been to in a long time, and I have been to a lot of sad events when it comes to funerals in Aboriginal communities. I have to say that, when I walked away from that community, I thought, ‘What is the government doing about assisting these people come to terms with the difficulties they are confronting—difficulties such as those of this young person, who was sent to the courts, then sent off to Don Dale, and then unfortunately took his own life?’

What do we know about Angurugu? We know that the Angurugu Council has a recreation officer. There is supposed to be a diversionary program there. The Northern Territory’s contribution to the diversionary program in the form of assistance to the community to find things for these young people to do is nil. There is a recreation officer employed in that community. The Angurugu Council has a recreation officer, part funded by ATSIC. They applied three times to the Northern Territory government for matching funding and have been knocked back each time. They are presently paying for the other half themselves by running cake stalls. I think that very clearly exposes what is happening here. I said at the outset this is all about wedge politics. If the Northern Territory government were sincere about addressing the needs and concerns of these communities and making sure that young Aboriginal kids were kept out of the criminal justice system they would have put a great deal more effort into providing the capacity for these communities to deal with these problems, yet they have done almost zilch. I am informed that, since November 1999, only 17 young Aboriginal people have been put into diversionary programs.

Mr Speaker, let there be no doubt—I beg your pardon, Mr Speaker, I do not want to impugn or downgrade your fine standing in this parliament—that, as a citizen of the Northern Territory, as a parent with four children who attend schools where there are large numbers of other children, I am concerned about them growing up. Take young Jack up there, who is a neighbour of mine and goes to school with my kids. When he is 14 or 15, should he perchance do something silly, he would be thrown in the criminal justice system and understand what it means. A child 17 years and over is sentenced to a minimum period of 14 days in prison for the first offence. For second offences they are sentenced to a minimum of 90 days in prison. For third and subsequent offences they are sentenced to a minimum period of 12 months impris-
For juveniles aged 15 and 16 years, first offence, a full range of sentencing options is available. For the second offence they are sentenced to a minimum period of 28 days detention or a diversionary program. For subsequent offences they are sentenced to a minimum period of 28 days detention.

We saw the impact of this in the interview last night with the magistrate and the police on the ABC. They made very clear that it did no good to any community to have these young men and women taken out of those communities for 12 months at a time, which will be the subsequent impact if those people re-offend—and a lot do. In excess of 75 per cent of the gaol population in the Northern Territory is made up of Aboriginal people. I say to you: if you are at all concerned about social dislocation, about cultural alienation, about the ability of people to deal with their own lives, you would have to concur that the best and most obvious thing to do is to keep them out of gaol. The major recommendation of the Aboriginal deaths in custody royal commission report was to keep Aboriginal people out of gaol. What this mandatory sentencing law does, both in the Northern Territory and in Western Australia, is ensure they go into gaol. They are taken out of their communities, they go into gaol. We know what the Northern Territory Department of Correctional Services said about this. In 1991 they said:

... punishment of criminal offenders through incarceration in a juvenile detention centre or prison has little positive effect. What happens in many cases is that the detainees learn from their fellow inmates how to become more effective in committing crime.

This is an issue of national leadership. This is not an issue that the Prime Minister can wash his hands of by saying we will have a bodgie debate about a procedural motion before the parliament. This is an issue which deserves the full attention of every member of this parliament to allow every member to debate it. Why won't he do it? Why won't you people on the other side of this parliament who are concerned about mandatory sentencing come with us and vote so it can happen?

Mr CAUSLEY (Page) (3.59 p.m.)—It is always interesting coming into a debate after the member for Northern Territory, and it is no different an experience today. It is hypocrisy for the member for Northern Territory to attack the member for Bradfield about voting on this motion.

Mr Laurie Ferguson interjecting—

Mr SPEAKER—The member for Reid!

Mr CAUSLEY—I have been in both the New South Wales parliament and the federal parliament for 16 years and I have not yet seen the Labor Party agree to a conscience vote on their side—never. So don’t talk to me about conscience votes. The only conscience votes come from this side. There is no doubt that this is a vexed question.

Mr Laurie Ferguson interjecting—

Mr SPEAKER—I remind the member for Reid that this is the second time I have had to draw his attention to the fact that not only is he interrupting but he is not in his seat.

Mr CAUSLEY—We can do without him. This question demands a lot of thought as to just what the problems really are. Quite often we get lectured by the judiciary about the separation of powers. As a parliamentarian I have heard about the separation of powers on a number of occasions. I am in no doubt as to what they mean under our parliamentary system. But we live in a democracy and if we live in a democracy we have to listen to the people—not just parliamentarians but the judiciary as well because they are part of the system. The members of the judiciary cannot sit in their ivory towers and say, ‘We know better than the elected members of governments around Australia.’ But that is what they attempt to do from time to time, and that is what triggers the problem that we have at the moment. The people are saying to the elected members of parliament around Australia, ‘We are not happy. We are not happy with the sentences that are being handed down. We have only one recourse. We have to go back to the people that we elect every three or four years.’

Opposition members interjecting—

Mr CAUSLEY—we will talk about Western Australia in a minute. We have to go
back every three or four years and be elected by the people. They see only one recourse: they have to go to the members they elect. They do not elect the judiciary. The judiciary are appointed for life and they are therefore removed from what the people see as being their responsibility of acting on behalf of the community. As I said, I was in the cabinet of the New South Wales government for seven years and we discussed the issue of mandatory sentencing in New South Wales. The cabinet did not proceed down that track at that time, but I have noticed since that it has been revisited, because obviously the people have been saying to their elected members that they are not happy.

It is a very important point in our separation of powers. I say to those in the position where they are interpreting and enforcing the law that they must take note of what the people are saying, because the people are dissatisfied. We can all take examples and I have heard a few quoted here today. I do not think any parliament enjoys mandatory sentencing. I do not think it is an option that they really want to pursue, but as elected members they are forced to go down this track. One of the planks of the campaign in New South Wales under the Greiner government—and I remember it very clearly—was truth in sentencing. It was a plank in the government's platform because the people were saying that they did not accept that those members of the community who committed murder and were out in a few years had been given a reasonable sentence. They did not accept that as being a reasonable sentence. Therefore, they were demanding that the government do something about it. There are many examples if you look at the laws containing mandatory sentencing provisions.

One could selectively pick out the offences that have attracted penalties in the Northern Territory. You can go through and selectively pick out offences that might attract sentences in any state, but you can also selectively look at some of the circumstances that I know of in the community. For instance, a person was convicted of their 28th car stealing offence and received three months community service. The community just does not accept that as being a reasonable penalty. In one of the towns in my electorate someone going home at night was attacked by three people with a piece of wood and bashed almost to death, but those people were never charged. The police know who did it, but they have never been charged. My local community is offended that the law has not been enforced.

Mr Sciacca—What's that got to do with this?

Mr CAUSLEY—I will tell you why. The police knew who they were. They had been before the courts before and they had been let off. It happens all the time. The member for Barton mentioned the soldiers who fought in the First World War and the Second World War to defend this country. These are the very people who are now being invaded in their own homes. They are trying to live out their retirement in peace. What do you think of the circumstances where an elderly person—whom we are trying to encourage to live in their own homes in their old age—is terrorised and bashed in their own home and nothing happens? One has to be realistic about this.

I was very interested that the Leader of the Opposition conveniently tiptoed around Western Australia, and I know why. I was in Western Australia last week. He has been told by the Labor Party in Western Australia to butt out: 'Don't talk about mandatory sentencing in Western Australia, because we agree with the government.' The Leader of the Opposition raised this and said, 'It is a little bit different from the Northern Territory.' We all know that, but it is mandatory sentencing. The community has told the elected members in Western Australia that that is what they want. We have it on both sides; it is bipartisan policy. I notice that the Leader of the Opposition had to give a certain excuse on that particular issue.

Every time these debates arise, it seems to me that the Labor Party is involved in divisive politics and is trying to say that they are discriminatory laws. There is nothing in this law that is discriminatory. We may not agree with it, but there is nothing in this law that is discriminatory. There are no laws in Australia that are discriminatory—thankfully, they apply to everyone in this country. But we have the Labor Party trying to say that this law in
some way affects only Aboriginal people. That is not true. There may be a greater number of Aboriginal people who are affected, that is true, but if you want to have a look at the incarceration rates in Australia there is a greater number of males incarcerated than females. So have we got discriminatory laws on the side of gender as well? You can talk about these statistics as long as you like, if you want to drag them up, but they are not discriminatory laws, and that has to be made very clear.

I also listened with great interest to some of the speakers opposite talking about juveniles. I think something that we have to think very carefully about in this country and in this parliament is that we do have a problem. We have a problem where law and order has degenerated over the last 20 years. We have a problem where we no longer have control. We have to ask ourselves why. Why have we lost control? Why do parents no longer have control? Why does the community no longer have control? Even when I go to my local Aboriginal communities—and I have a number in my electorate—the elders say to me, ‘We no longer have control of our youth.’ They are not very happy with our laws, to be honest with you. Their law is a lot stricter than ours, but they are not very happy with our laws. We have to ask ourselves what is going on here. I have to say to you that, unfortunately, I have examples of young people—12-, 13- and 14-year-olds—who are streetwise young thugs. They really are streetwise young thugs.

Ms Plibersek—Jail them!

Mr CAUSLEY—The member for Sydney says, ‘Jail them!’ That is a very intelligent comment coming from the member for Sydney. It is a problem that we have to address. What is more, they are being used by older people in the community to commit the crime because they know that they cannot be touched. That is something that we really do have to address. Do not talk to me about juveniles—even the statement about not being able to speak English. I do not care where you come from, I do not care what language you speak, you know right and you know wrong. In every community that I know—it does not matter who they are—they inculcate into their young what is right and what is wrong. It has nothing to do with speaking English or any other language. You know what is right and you know what is wrong.

It is interesting that this motion should come forward because the legislation from the Northern Territory has been in place for quite some time. I am not quite sure of the number of years, but it is quite some time.

Mr McClelland—Three years.

Mr CAUSLEY—Three years. It was the right of any member of this parliament to move that that legislation be overruled at that time. It was the right of any member of this parliament, but nothing was done. Nothing was done until all of a sudden it became a political issue that some points could be scored on. There was never a motion from the opposition until one of our own members indicated the introduction of a private member’s bill in this chamber. I do not care what deals the Labor Party does with the Greens in the other place; I am talking about the real House of Representatives where the people are heard.

There was no indication from the opposition until it was put forward that one of our own members was thinking about a private member’s bill. That was discussed extensively in the party room. It was decided that states had a right to legislate in their own right. That was the majority opinion. We might not agree with it, we might not like it, but they have a right. And so does the Territory, which has had self-government now for a number of years. That was the considered opinion. But of course we get a motion from the other side to try to make political capital. That is all it was: cheap politics to try to score some points—no real concern, just a chance to score some cheap political points.

I do not think there is any doubt that the issue involved here goes really to the core of our democracy; it goes to the core of what we believe to be a reasonable society. It is not about whether people should be put in jail for committing an offence at 17 or any other age; it is an issue of people’s rights, not just those who might be committing offences but those who the crime is being perpetrated against as well. We always seem to look in these de-
bates at those who are challenged at the time with committing a crime. We never look at those who have been affected by those crimes. Quite frankly, I think it is about time for us to look very carefully at some of the laws that have been passed through this parliament and other parliaments that interfere with the rights of parents. We should look very closely at the treaties we have signed that interfere with the rights of parents, because what it comes back to is that parents do not have the right at present to control their children. They are not allowed to teach—

Mr Wilkie—You don’t even know the law.

Mr CAUSLEY—I am sorry, but you tell me if the law is wrong. That is the law.

Mr Wilkie—You don’t know the law. You haven’t got a clue.

Mr CAUSLEY—with the IQ that I know you have I am sure you would.

Mr SPEAKER—The member for Page will address his remarks through the chair.

Mr CAUSLEY—Mr Speaker, there is no doubt in my mind that is where the problem is coming from. No amount of grandstanding from the opposition is going to change that, unless they are prepared to sit down and look at the real base of the problem in our society. People seem to think that they have the right to break into other people’s houses, they have the right to steal from other people and they have the right to abuse them. That is just not acceptable in our society, but that is what is happening at the present time. That is what we have to address, and that is what the judiciary has to address. As I said at the start, this whole issue revolves around the fact that the courts are abdicating their responsibility. The courts are part of our democracy. They are the judicial wing of our democracy. We consider that they should enforce the law. They are not enforcing the law, and the people are saying, ‘You have failed.’ And, because the judiciary have failed, the people are coming back to the only people they can cry out to: the people who are elected by them every three or four years. That is at the very core of the problem. (Time expired)
so. That was done with the full backing of the Labor caucus and the shadow ministry, announced by the opposition in a press release that I put out on 24 August last year and carried through.

So when that young man died in those circumstances it was at a time when an inquiry commissioned by the Senate was nearing the completion of its hearings, in which I think three submissions only were put forward to defend the laws that were in operation in the Northern Territory and saying that these were defensible. The Labor Party has stood ready to recognise the injustice that was inherent in these laws from the start. What brought this matter to the national attention was not the fact that these boys and girls aged from 15 to 17 were being jailed from 14 to 28 days for those trivial matters but that one young man—who had been ripped from his family, taken from a small island community and placed in a detention centre in a world that he did not know for a crime and circumstance that he did not understand and detained under rules for which he had no understanding of how they would operate—took his life and that, despite the consternation and disgust in the Australian community about this matter, Mr Denis Burke could not see the connection between the fact that this had occurred to that young man and that he had taken his life.

That flew absolutely in the face of the fundamental recommendations not of any Human Rights and Equal Opportunity Commission report but of the royal commission into black deaths in custody. That royal commission said the fundamental thing we should be recognising is that, particularly with young Aboriginal persons, detention should be a last resort. That is not merely to protect their lives but to promote social cohesion. If we do not say to our young people that our first interest in them is not to punish them but to ensure that they have a meaningful place in society where they can be a productive and valued member of our community, we will widen the social divisions and exacerbate them. So this debate ultimately comes down to questions of leadership and values.

The Prime Minister made one very potent remark that hit me in the gut when he referred to Bob Hawke and the national land rights legislation. I was not in the parliament at that time but, as a member of the Labor Party, I remember feeling that that was a step back from our moral responsibilities at the time. I am glad that I was not in the caucus at that time. That action, I think, distorted what could have been put forward as a sensible measure. It could have been brought in to address the land rights issues at that time with the consent of the Australian public, because it had gone to an election, and we would not have had the divisiveness of the debates that occurred after the High Court had to make that ruling in the Wik and Mabo decisions. It would have meant that that issue could have been resolved in a way that showed greater honour to the Australian Labor Party.

So I accept what the Prime Minister said. But what is he seeking to do through that example? Is he saying, ‘I can match and exceed you in dishonour; I can set a circumstance where Aboriginal persons in Australia do not get land rights, because we oppose it’? We need to look at this dishonesty and hypocrisy because, when national land rights were ultimately brought in as a response to the decision of the High Court in the Mabo case and then in the Wik decision, they fought that legislation every inch of the way—night by night, hour by hour and line by line. That exhausting but magnificent performance by Gareth Evans in the Senate was testimony to the fact that at least one side of this parliament, supported fortunately by the minor parties, had the honour to see through a process that we had wrongly walked away from in those early days. The outcome of walking away from something that you have to face up to dishonours this country and leaves bad consequences. Something that could have been dealt with properly soured those relations between Aboriginal and non-Aboriginal Australians as a result, in my view, of the decision that the Labor Party took on the national land rights.

There are some here who say that the Labor Party never offers a vote on conscience. The truth is that it does and it has. The landmark vote on euthanasia in which we participated last time was exactly one such vote where the Leader of the Opposition and I
took different positions. It was an honourable debate conducted honourably. What is happening today is a dishonourable debate conducted dishonourably, because the intention of the government is not to confront the issue but to walk away from it, not to address it, not to allow—

Mr Beazley—The party’s management of the backbench.

Mr KERR—The party’s management of the backbench, precisely. The consequence of walking away from decisions that you have to face up to not only sours this political process but damages our community. There are other issues, of course, on which the Labor Party allow conscience votes—we do so on abortion—but generally we are a caucused and disciplined party so that, if there is an issue where ultimately we do not facilitate a conscience vote and one of us disagrees so profoundly in relation to it, we must leave the party and honourably the parliament and contest the seat again. That is a big call. We all in our darker moments think that some such circumstance may confront us. We hope it never does. For me, I have said plainly that it is the death penalty. I would not stay in the Labor Party were the Labor Party to make that commitment and feel that it was the proper course to follow. They do not face the sort of consequence that we would on this side were we to take the kind of course of action that I speak of. All they have to do is stop talking the talk and actually walk the walk. And it is not damn far. It is about 12 paces to get across this parliamentary chamber and to actually stand with your honour where you say your voice has taken you. But instead they resile from it.

Let us look at the point raised in the debate that the Prime Minister says is the grounding principle on which he stands. He said, ‘These matters in the ultimate should be the responsibility of the parliaments elected by local communities.’ What a noble principle, but how not followed, and correctly not followed, because it was exactly the same group of parliamentarians who supported the legislation that overturned the Tasmanian laws with respect to homosexual conduct. It was legislation that I introduced as Minister for Justice, and I was grateful for the support of the opposition at the time. It was passed through this parliament with the support of the opposition. Why? Because there were laws in that state which offended against our national conscience and it was not fair to discriminate against people and to subject them to possible criminal penalties because of their sexual preference and choice.

Remember this: the laws that were overturned in Tasmania had not been in operation in a practical sense for some considerable time. They were there as a latent threat. They dishonoured the legislative framework in Tasmania. They dishonoured us nationally. But were there Tasmanian homosexuals being prosecuted and put behind bars? Were they actually confronted by the kinds of circumstances that daily Aboriginal young people in the Northern Territory are facing? No. We overturned those laws for a principled and proper reason, but the actual physical consequences and the lives of Tasmanian homosexuals who were confronted with those are nowhere comparable with the situation of young people in the Northern Territory, as the Leader of the Opposition has set out. So we do not have those principles as a fundamental, common, shared position. Even the governing party has not followed that principle in practice. This government says, ‘That was then. That was when we were in opposition. You took the leadership role in relation to the Tasmanian matters. Since we’ve been in government, we have not acted in such a way.’ Again, what nonsense. The shadow Attorney-
General says that legislation currently in the House will do this.

What about the other laws that the government has introduced and touted abroad—the laws that were introduced about sexual slavery? I recall Senator Vanstone telling us how important it was that we passed laws through the national parliament that would apply to those placed in a situation where they are used as prostitutes without proper recourse to the opportunities to leave those brothels, and we had huge self-ventilations of righteousness that it was going to be done as a result of a coalition government. But in the Northern Territory, where 67 per cent of those who are imprisoned are black, where there are four times the number of Aboriginal people detained compared with the population at large, where we have reports of black deaths in custody to give us the framework that young people should be detained only as a last resort and that their deaths are a logical and probable consequence at least in some cases, where we have had an actual death in one instance and where we have Human Rights and Equal Opportunity Commission reports—where we have all that evidence—what do we find? We find a Prime Minister who weasels out of the responsibility of debating this legislation and proposes a debate about whether we will debate the legislation, then gags that debate after five speakers, closes it down and says, ‘That’s enough.’ Walk the walk and join us! (Time expired)

Mr PYNE (Sturt) (4.29 p.m.)—The principle that we are debating this afternoon is a very simple one: whether or not the punishment should fit the crime. We are not debating whether the attackers of an old woman who is walking down the street, is bashed with a brick and has her handbag stolen should be jailed or not; we are not dealing with that issue. We are dealing with whether the triviality of offences in the Northern Territory warrants the crime of being detained and incarcerated. I think it would be worth while remembering some of the offences that are attracting incarceration in the Northern Territory.

In the Northern Territory, an 18-year-old was sent to jail for 14 days for stealing a $2.50 cigarette lighter—and ironically this was after his having owned up to his father as having stolen it. This is a territory where a 29-year-old man who is homeless for the third time steals a towel worth $15 in order to keep warm at night and is jailed for a year. This debate is about whether a 20-year-old with no prior convictions who steals $9 worth of petrol should be put in jail for 14 days. This is about whether an 18-year-old who steals 90c from a vehicle should be jailed for 90 days. This is about whether two 17-year-old girls staying over at their friends’ house and stealing some of their clothes should then be jailed for 14 days for doing so; or whether Jamie Warramurra, after stealing $23 worth of cordial and biscuits, should be in jail today serving a sentence of one year; or whether Johnno, who stole textas and pencils as a juvenile and was jailed for 28 days, should have been sent to jail at all, as it was there he ended up hanging himself. That is the principle about which we are talking this afternoon, and unfortunately too often it gets lost in the hurly-burly of debate and point scoring.

The Northern Territory law is a heinous law. It is different from the Western Australian law, but I will not deal with Western Australia because this bill is only about the Northern Territory. In the Northern Territory judicial discretion has been removed from the magistrates and judges. So gone is the opportunity for judges to look into the circumstances of a particular case, to look into the circumstances of an individual, to decide whether the triviality of an offence warrants incarceration and then to make a decision. No more are judges in the Northern Territory able to use their judgment, their experience or their legal training to make decisions. Instead, they are ciphers adopting a law that many of them oppose. They might as well be monkeys making such decisions because they are not being called upon to use their judgment, their experience and their training. We believe—and we have always believed—that a basic tenet of our legal system is that they should have that discretion to make decisions about sentencing.

It is inappropriate to put into the hands of the police the power to sentence, and that is what happens now in the Northern Territory.
In the Northern Territory police have to decide whether or not to charge someone. They know that, if they charge a person who pleads guilty or is found to be guilty, that person will be sent to jail. So we have moved the responsibility to make decisions about sentencing from our judiciary to the police—and that is not their role and not a role that they would want. Also, the Northern Territory is the only jurisdiction to treat 17-year-olds as adults. Every other jurisdiction treats 17-year-olds as juveniles, the exception being the Northern Territory. There are simple changes that could be made by the Northern Territory in order to make its laws less pernicious—but, sadly, it has not done so.

The Northern Territory claims that it has a whole range of diversionary programs which make its laws okay, but let us have a look at those programs. For juveniles, those programs only apply to 15- and 16-year-olds, and they only apply to the 28-day detention period. So, if it is a third offence, a diversionary program does not apply. For adults, a diversionary program only applies if the defendant pleads guilty. So already the defendant has to give up his or her rights to a serious defence in order to even have access to a diversionary program in the Northern Territory—and it only applies to a first offence, not to any subsequent offences. There is one person employed in the Northern Territory to organise all that Territory’s diversionary programs. Until recently, those programs were only organised for Alice Springs, Darwin and Katherine when, in fact, the real need is in remote communities—not in the major cities of the Northern Territory.

We also talk too blithely about detention and jail. Detention is not a holiday experience. Jail statistics today are extraordinary for adults. I am sure that such statistics also apply to juveniles but, hopefully, to a lesser extent—however, remember that in the Northern Territory 17-year-olds are treated as adults. For men who go to jail or detention in Australia, 24 per cent will be pack raped while in jail. Forty to 60 per cent of men who leave jail will have hepatitis C, and 60 to 85 per cent of women who leave jail will have it too. We are dealing with the destruction of people’s lives. Too readily we blithely talk about sending people to jail, and we must remember the sorts of offences they are being sent there for—such as the boy who stole a $2.50 cigarette lighter.

Jail is not rehabilitating criminals. Clearly, putting juveniles in jail, rather than rehabilitating them, only exposes them to the sorts of hardened criminals from whom they learn the tricks of the trade. Crime rates in the Northern Territory have gone up following the introduction of mandatory sentencing in 1997. In 1998 crime rates for unlawful entry increased by 8.8 per cent. This is not a cheap affair. To keep an adult in jail for a year costs $56,000; to keep a juvenile in detention for a year costs $120,000. I would remind the Chief Minister of the Northern Territory that 80 per cent of the Territory’s budget is provided by the Commonwealth government. So, when some in this House say that this is a matter for the Northern Territory, I say that certainly in many respects it is—but our taxpayers are the ones who are paying for it; if you are a New South Welshman, you are paying a greater proportion, and so on through each of the states. But our taxpayers are paying to put children in jail, and we must remember that.

What could the Northern Territory do? The Northern Territory could do a number of things: it could extend its diversionary programs for each offence to adults and to juveniles; it could treat 17-year-olds as juveniles rather than as adults; it could fund more officers to organise and run diversionary programs; it could establish the programs in areas of need in remote communities rather than in the major cities; and it could fund interpreters for indigenous children. It is extraordinary that, in Darwin, if you are an Indonesian people-smuggler you can get an interpreter to deal with a court situation in an hour but, if you are an indigenous person who does not speak English, you cannot get an interpreter to come to the court to deal with your problem.

The Northern Territory could re-establish judicial discretion at all levels of their justice system. They could establish more camps such as those that are run by Aborigines out of Alice Springs where they send their young people who are experiencing difficulties.
They could extend those camps to juveniles so that they could be sent to camps which are funded by the Commonwealth and the Northern Territory but run by Aborigines. At these camps they could learn about socialisation and they would have recreational activities and sporting activities. Most importantly, they would have educational opportunities so they could learn to read and write as well as learn to speak English. This would mean that, when they went back into the community, they would be able to be full, active and constructive members of their own remote community or of any other community in the Northern Territory.

The government has decided that it will not intervene in the Northern Territory’s mandatory sentencing laws, and the Prime Minister has set that out today. The government position is that it will not support the Andren bill and it will not support it being debated. I will support that position in the vote taken today. Therefore, I do not support the suspension of standing orders.

However, I want to make a number of points to the Labor Party. I was in the Senate in the Old Parliament House, during the time I worked for Amanda Vanstone, when George Georges was expelled from the Labor Party for crossing the floor. There was no question about whether George Georges would be expelled. He crossed the floor and he was automatically expelled. I say to those members of the Labor Party who demand that members of this side cross the floor: is this debate about point scoring and which coalition member is or is not going to cross the floor, or is it about bringing about outcomes for indigenous young people?

I believe this debate is about putting pressure on the Northern Territory and on Denis Burke to bring about change. It would be much better for all concerned if the Northern Territory were to act of its own volition to change these pernicious laws. That is what this debate is about. It is not about point scoring; if it is then, sadly, the Labor Party has missed the point. While I know many members of the Labor Party have not missed the point, some in today’s debate have done so in demanding point scoring over the substance of bringing about outcomes.

The government is making a great impact in the Northern Territory in three ways: firstly, by allowing this debate to occur at all this afternoon we are putting pressure on Denis Burke, the Chief Minister of the Northern Territory; secondly, the coalition has handled this matter in a way that has allowed those amongst it who feel very strongly on mandatory sentencing to put maximum pressure on the Northern Territory, both publicly and within the party, to bring about change; and, finally and most importantly, the Prime Minister has made it clear that Denis Burke has been asked to meet with him. The Prime Minister will put—as forcefully and as eloquently as we know that he is able to—our strong views on the mandatory sentencing laws being unwise and needing to be changed, because outcomes, not form, are what is important in this debate. If we can bring about change in the Northern Territory without federal government intervention, we will have achieved something good for those young indigenous Australians suffering at the moment under the yoke of mandatory sentencing.

Ms Kernot (Dickson) (4.40 p.m.)—I want to make the point that mandatory sentencing is a symptom: it is a symptom of the divided soul of this nation; it is a symptom of this unreconciled nation. Mandatory sentencing is white fellas’ inadequate response to the consequences of the same policies as have produced the stolen generation and black deaths in custody. I want to take up one of the points that the member for Hughes raised this afternoon, because it is one that I do not think has been adequately addressed. That is, when you consider the children who are incarcerated under mandatory sentencing, I think you will find that these are the children of the lost generation. There is a direct parenting consequence as a result of policy failure over generations. If you care to read the report of the stolen generation, you will find these things being said. You will find Aboriginal parents saying, ‘I was afraid to love my child because he or she might have been taken away from me’; you will find Aboriginal parents saying, ‘I don’t
know how to be a proper parent because I didn’t have one myself.” So when the member for Page in his sanctimonious piety tells us, “Why have we lost control of our children?”—

Motion (by Mr Ronaldson) agreed to:
That the question be now put.

Original question put:
That the motion (Mr Andren’s) be agreed to.

The House divided. [4.47 p.m.]

(Mr Speaker—Mr Neil Andrew)

A yes………… 66
Noes………… 76
Majority……… 10

AYES
Adams, D.G.H.
Andren, P.J.
Bevis, A.R.
Burke, A.E.
Cox, D.A.
Edwards, G.J.
Emerson, C.A.
Ferguson, L.D.T.
Fitzgibbon, J.A.
Gibbons, S.W.
Griffin, A.P.
Hatton, M.J.
Hollis, C.
Irwin, J.
Kernot, C.
Latham, M.W.
Livermore, K.F.
McClard, R.B.
Mealey, L.B.
Melham, D.
Mossfield, F.W.
O’Byrne, M.A.
O’Keefe, N.P.
Price, L.R.S.
Ripoll, B.F.
Rudd, K.M.
Sciaccia, C.A.
Sidebottom, P.S.
Snowdon, W.E.
Tanner, L.
Thomson, K.J.
Wilton, G.S.

NOES
Abbott, A.J.
Andrews, K.J.
Bailey, F.E.
Barresi, P.A.
Billson, B.F.
Bishop, J.I.
Cadman, A.G.
Causley, I.R.
Costello, P.H.
Draper, P.
Entsch, W.G.
Fischer, T.A.
Gallus, C.A.
Gash, J.
Haase, B.W.
Hockey, J.B.
Hull, K.E.
Katter, R.C.
Kelly, J.M.
Lieberman, L.S.
Lloyd, J.E.
May, M.A.
McGauran, P.J.
Moylan, J. E.
Nehl, G. B.
Neville, P.C.
Pyne, C.
Ronaldson, M.J.C.
Schultz, A.
Secker, P.D.
SOMLYAY, A.M.
St Clair, S.R.
Sullivan, K.J.M.
Thomson, A.P.
Tuckey, C.W.
Vale, D.S.
Watson, M.J.
Woodridge, M.R.L.

* denotes teller

Question so resolved in the negative

Mr Howard—Mr Speaker, I ask that further questions be placed on the Notice Paper.

ANSWERS TO QUESTIONS WITHOUT NOTICE

Health: PET Scans
Australian Radiation Protection and Nuclear Safety Agency: Appointment of Dr McLean

Dr WOOLDRIDGE (Casey—Minister for Health and Aged Care) (4.52 p.m.)—I have additional responses to two questions without notice. Yesterday, the member for Jagajaga asked me whether I was aware that two senior nuclear medicine physicians have resigned in succession as the chair of a committee of doctors negotiating over PET scanners and whether it was the case that these resignations were sparked by potential conflicts of interest. The answer is that there have been no resignations. Some doctors decided to stand aside. They certainly did not resign.

Opposition members interjecting—
Dr WOOLDRIDGE—Just wait a moment and you will get it on the other side of your face.

Mr SPEAKER—Order! The minister has the call.

Dr WOOLDRIDGE—The second part of that question was: were the resignations sparked by potential conflicts of interest? I have a letter from Dr Geoff Bower, President of the Australian and New Zealand Association of Physicians in Nuclear Medicine, which I will table.

Mr Crean—What’s the date?

Dr WOOLDRIDGE—It is dated yesterday actually. It states:

Ms Macklin appears to imply that the Chair of NPAC—the National PET Advisory Committee—was forced to resign due to a conflict of interest. I take exception to this implication made under Parliamentary privilege and reject it absolutely. It is totally without foundation.

The second question asked by the member for Jagajaga related to several issues concerning Dr McLean. The first was: could I explain the circumstances of his appointment as chair of the Radiation Health and Safety Advisory Council? I am happy to table the appropriate part of a minute that came to me on advice from my department. It states:

The CEO of ARPANSA recommends that Dr Richard McLean be appointed as one of the eight Members of the Council and also as Chair of the Council. Dr McLean has extensive experience in nuclear medicine and research both in Australia and overseas. He has also published widely in peer review journals. He has held senior board positions on numerous Commonwealth and State professional review boards and accreditation and advisory committees.

Mr Crean—What’s the date of this one?

Dr WOOLDRIDGE—That was 17 May 1999. That was the advice from my department that I was acting on in appointing him. I might say that the person who wrote that advice was a former senior Labor Party ministerial staffer.

The next part of the question was: is Dr McLean in a potential conflict of interest because he acted as a lobbyist for the private sector? There are two points here. Firstly, according to the CEO of ARPANSA, there is no conflict of interest whatsoever. Secondly, he does not and has never acted in a professional capacity as lobbyist for the private sector. He has served on professional committees and that is different from being a lobbyist. He has never been paid as a lobbyist.

Finally, does he have an involvement with MRI? As a nuclear medicine physician he has no involvement with MRI. Any involvement that Clinical Associates Australia would have had would have related either, firstly, to something before the 1998 budget or, secondly, to a statutory declaration signed on or before 1 September 1998, and Dr McLean’s practice did not become part of CAA until the middle of 1999. So it is quite clear what the Labor Party is doing. It is the old union tactic of smearing an innocent person’s name.

Mr SPEAKER—The minister has added to his answers. He will resume his seat.

AUDITOR-GENERAL’S REPORTS


Mr SPEAKER—I present the Auditor-General’s audit report Nos 35, 36 and 37 of 1999-2000 entitled Retention of military personnel—Australian Defence Force, Home and Community Care—Department of Health and Aged Care, and Defence Estate project delivery—Department of Defence.

Ordered that the reports be printed.

AUSTRALIAN NATIONAL AUDIT OFFICE

Independent Audit Report

Mr SPEAKER—In accordance with the Auditor-General Act 1997, I present the report of the Independent Auditor, dated 3 April 2000, on a performance audit of the strategic planning framework of the Australian National Audit Office.

Ordered that the reports be printed.

PAPERS

Mr REITH (Flinders—Leader of the House)—Papers are tabled as listed in the schedule circulated to honourable members. Details of the papers will be recorded in the Votes and Proceedings.
PRIVILEGE

Dr THEOPHANOUS (Calwell) (4.58 p.m.)—I wish to raise a matter of privilege. Mr Speaker, three weeks ago I indicated to you privately that I had three matters of privilege which I believe it is my public duty to bring before this House. These issues have arisen during the recent committal hearing concerning me and the National Crime Authority which occurred at the Magistrates Court in Melbourne beginning 17 February 2000. I was unable to raise them in the last parliamentary week because it was necessary for me to obtain the audio tapes of the proceedings of the court to present to you concurrently with my submission. Now that I have the tape recordings of the committal hearing, I ask you to make a judgment as to whether to refer these issues to the Privileges Committee.

Mr Speaker, although I am conscious of the fact that there are potential problems with the sub judice rule in raising the matters at this time, all that I am stating here is already on the public record and is included in the tape recordings of the committal hearing. I would like these issues to be considered by the Privileges Committee not primarily in relation to my case but rather in relation to issues pertaining to very serious questions which ought to be the concern of members of this House.

I was referring to the fact that in 1999 the NCA made a submission to the Joint Committee on the National Crime Authority—

Mr Tim Fischer—I rise on a point of order, Mr Speaker. I am genuinely reluctant to interrupt the member because this is a very difficult and sensitive matter which he is advancing before the House. But there are elements associated with the statement he is now making which go very much to the detail of the case which, therefore, I believe now extend well beyond arguing the case or presenting the case prima facie for privilege. I ask that you advise the House accordingly.

Mr Speaker—The member for Farrer raises a matter that is of concern to the chair. As the House ought to be aware, I have not seen, nor would I expect to have seen, the member for Calwell’s statement prior to his making it. The occupier of the chair has an obligation first to ensure that all members are in no way hindered in the discharge of their duties but, equally, standing orders, for reasons that we all understand, oblige us not to enter into sub judice areas or, in any sense, to advocate our case. I remind the member for Calwell of his obligations and ask him to resist, in any sense, advocating a case on his behalf. He may of course raise those issues that he believes influence the way in which he has discharged his duties as a member and I will listen to his case.

Dr THEOPHANOUS—Thank you, Mr Speaker. I have already shown the clerks this statement. I am also of the view, as I said earlier, that I am making a submission not in relation to my case but rather in relation to issues pertaining to very serious questions which ought to be the concern of members of this House.

I was referring to the fact that in 1999 the NCA made a submission to the Joint Committee on the National Crime Authority in which they explained that they did not have the power to carry out such so-called controlled operations except in the area of drug
crimes. Yet, having being authorised by the highest levels of the NCA, these NCA officers revealed in the court that they began the process of interfering with my work as a member of parliament with respect to immigration cases.

Mr SPEAKER—I must interrupt the member for Calwell at this point because I believe he is in fact putting, in a sense, his own defence. His obligation is to bring to me the matters that should be of concern to us all so that I can determine whether or not they should be referred to the Privileges Committee. I invite him to come to those matters that are of particular concern to him in the discharge of his role.

Dr THEOPHANOUS—The first issue that comes out of this explanation is that I believe what has been revealed in the court is an interference with my duty. I ask the House to consider whether or not the NCA and its top officials have in fact authorised that an MP be the target of illegal entrapment or exercises. That is the first issue.

The second issue of privilege that I wish to raise concerns the question of impropriety between the head of the NCA and senior officials in the Department of Immigration and Multicultural Affairs. On 3 May 1999, Mr John Broome as Chairman of the NCA wrote to me, in response to a letter that I had sent to him expressing my concern about the involvement of the department of immigration in this issue. In that letter Mr Broome specifically said, ‘Whatever your concerns might be in relation to the department and its staff, I can assure that they have no impact on this matter at all.’ Yet, following cross-examination at the committal hearing, the NCA suddenly produced a chronology detailing an extensive series of meetings between that organisation and the department of immigration beginning very early in the so-called operation. What then emerged was that the authority of Mr Broome, as head of the NCA, was used to achieve a result where the department of immigration provided the NCA with a huge number of my immigration files. Yet, from the analysis of the information provided, it seems quite clear that the NCA did not reveal to DIMA the true nature of its activities and the role it played in relation to the applications themselves.

Mr SPEAKER—I believe the member for Calwell has indicated his concerns about that point and is now advocating a particular case, a case which should be—if I deem it necessary—assessed by the Privileges Committee.

Dr THEOPHANOUS—The general point here is whether the provision of a member’s constituent files, especially those on immigration matters, which are often highly personal and confidential, constitutes an enormous invasion of the privacy of both the MP and constituents and also whether there is interference in the execution of an MP’s duties. If this is to become a precedent, then members will not be able to deal with immigration cases without the fear that their files will be provided to authorities, such as the NCA, merely on the basis of a request for them, without any warrant, and merely to pursue a fishing expedition.

The third matter relates to the fact that the power of the most senior people of the NCA was used to secure warrants leading to an overwhelming level of tapping of my telephones. More than 3,500 telephone calls to and from my electorate office, including those of my staff, and calls to and from my mobile phone, were tapped. These calls of course included every aspect of my personal and political life, of immigration cases, constituent work and dealings with the bureaucracy and other organisations.

Mr SPEAKER—The member for Calwell has indicated, and I understand, he is concerned about that level of tapping, but I do not believe he should go into the detail at this stage because it is a matter for the committee.

Dr THEOPHANOUS—Let me just raise a general issue, therefore, and that is the question of whether, on the basis merely of suspicion and subjective analysis of evidence, bodies such as the NCA, are able to comprehensively intercept and record the telephone calls of members of parliament and use that information in whatever way they wish. In so doing, I maintain that they have massively invaded the privacy of people with whom I have been associated.
Mr SPEAKER—The member for Calwell has now made the point about which he is concerned. I think it is probably appropriate for him to seek to table the evidence he has to allow me to assess it and determine whether I will refer it to the Privileges Committee.

Dr THEOPHANOUS—Let me just say therefore that the parliament must consider the issue of whether members’ telephones, especially when members are dealing with sensitive constituent issues, have any form of privilege whatsoever. These three issues I bring before the House. I ask the House to consider both them and the evidence that was presented in the court, and for them to be presented to the Privileges Committee in order to make general rulings about all these issues and not merely the impact there has already been on me. I seek leave to present this material to you.

Mr Tim Fischer—On a point of order, Mr Speaker: I simply ask, in view of the separation of powers and the sensitivity of this matter, whether it could be dealt with as quickly as possible.

Mr SPEAKER—I hear what the member for Farrer is saying and I will bear that in mind. I should indicate to the House that I did have some private disquiet, because I wondered whether in fact it ought to be dealt with following the court proceedings that the member for Calwell currently has before him. It is a matter I will consider, but I did have two points of view about that. The member for Calwell does not need leave to table the documents, and the documents are now in the possession of the Clerk.

MATTERS OF PUBLIC IMPORTANCE

Indigenous Australians: Reconciliation

Mr SPEAKER—I have received a letter from the honourable member for Banks proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The imminent collapse of the process of reconciliation due to the failure of leadership by the Prime Minister and his government.

I call upon those members who approve of the proposed discussion to rise in their places.

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More than the number of members required by the standing orders having risen in their places—

Mr MELHAM (Banks) (5.10 p.m.)—Today we have evidence of a lack of leadership.

Motion (by Mr Reith) put:

That the business of the day be called on.

The House divided. [5.14 p.m.]

(Mr Speaker—Mr Neil Andrew)

Ayes........... 75
Noes............ 63
Majority......... 12

AYES

Abbott, A.J.
Andrews, K.J.
Bailey, F.E.
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Billson, B.F.
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Cameron, R.A.
Charles, R.E.
Downer, A.J.G.
Elson, K.S.
Fahey, J.J.
Forrest, J.A *
Gambaro, T.
Georgiou, P.
Hardgrave, G.D.
Hull, K.E.
Katter, R.C.
Kelly, J.M.
Lieberman, L.S.
Lloyd, J.E.
May, M.A.
McGauran, P.J.
Moylan, J. E.
Nehl, G. B.
Neville, P.C.
Prosser, G.D.
Reith, P.K.
Ruddock, P.M.
Scott, B.C.
Slipper, P.N.
Southcott, A.J.
Stone, S.N.
Thompson, C.P.
Truss, W.E.
Vale, D.S.
Washer, M.J.
Wooldridge, M.R.L.

Beazley, K.C.
Burke, A.E.
Cox, D.A.
Crosio, J.A.
Edwards, G.J.
Emerson, C.A.
Question so resolved in the affirmative.

**MAIN COMMITTEE**

Mr SPEAKER—I advise the House that the Deputy Speaker has fixed Wednesday, 5 April 2000, at 9.40 a.m., as the time for the next meeting of the Main Committee, unless an alternative day or hour is fixed.

**PRIVILEGE**

Mr PRICE (Chifley) (5.18 p.m.)—Mr Speaker, on indulgence on the point of order taken by the honourable member for Farrer, can I make the observation to you that, although the honourable member for Calwell has not raised this matter in respect of himself but says it on behalf of all other members, should you see that there is a prima facie case, and depending on the outcome of the Privileges Committee, the honourable member for Calwell is deserving of whatever protection that privilege provides for him. Therefore, your determination on this matter should be as quick as is reasonably possible.

Mr SPEAKER—I am sure the member for Chifley understands the context in which I made my earlier comments and I will bear his in mind as well.

**COMMITTEES**

**Selection Committee Report**

Mr NEHL (Cowper)—I present the report of the Selection Committee relating to the consideration of committee and delegation reports and private members business on Monday, 10 April 2000.

The report read as follows—

Report relating to the consideration of committee and delegation reports and private Members business on Monday, 10 April 2000

Pursuant to standing order 331, the Selection Committee has determined the order of precedence and times to be allotted for consideration of committee and delegation reports and private members business on Monday, 10 April 2000. The order of precedence and the allotments of time determined by the committee are shown in the list.

**COMMITTEE AND DELEGATION REPORTS**

Presentation and statements


The committee determined that statements on the report may be made — all statements to be made within a total time of 10 minutes.

Speech time limits —
Each Member — 5 minutes.

[proposed Members speaking = 2 x 5 mins]

2 INDUSTRY, SCIENCE AND RESOURCES—STANDING COMMITTEE: Report “Of Material Value”.

The committee determined that statements on the report may be made — all statements to be made within a total time of 15 minutes.

Speech time limits —
First Member speaking — 7 minutes.
Other Members — 4 minutes each.

[proposed Members speaking = 1 x 7 mins, 2 x 4 mins]


The committee determined that statements on the report may be made — all statements to be made within a total time of 20 minutes.
Speech time limits —
Each Member speaking —5 minutes.
[proposed Members speaking = 4 x 5 mins]

PRIVATE MEMBERS BUSINESS
Order of precedence
Notices


Presenter may speak for a period not exceeding 15 minutes —pursuant to sessional order 104A.

2 MR BEAZLEY: To present a Bill for an Act to implement Australia’s human rights obligations to children under Articles 37(b) and 40(4) of the Convention on the Rights of the Child. (Human Rights (Mandatory Sentencing of Juvenile Offenders) Bill 2000)

Presenter may speak for a period not exceeding 15 minutes —pursuant to sessional order 104A.

3 MR BEVIS: To present a Bill for an Act to amend the Workplace Relations Act 1996 and the Corporations Law, in order to help protect the entitlements of employees. (Employment Security Bill 2000)

Presenter may speak for a period not exceeding 15 minutes —pursuant to sessional order 104A.

4 MR SERCOMBE: To move—That this House:
(1) expresses its concerns about the Vietnamese Government’s continued detention, house arrest, and harassment of political dissidents and religious leaders;
(2) further expresses its concern in respect to the restriction of freedom of speech, the press, assembly and association in Vietnam;
(3) calls on the Australian Government to take concrete steps to monitor the human rights situation in Vietnam, including requesting the Vietnamese Government to allow Australian diplomats to visit those alleged to be prisoners of conscience and to do so on a regular basis;
(4) calls on the Australian Government to make regular representations to relevant Vietnamese Ministers and officials in Vietnam and the Vietnamese Embassy in Canberra for the immediate release of all prisoners of conscience, and for accelerated progress in moves to wind back restrictions on democratic freedoms; and

Time allotted — 30 minutes.
Speech time limits —
Mover of motion — 10 minutes.
First Government Member speaking — 10 minutes.
Other Members — 5 minutes each.
[proposed Members speaking = 2 x 10 mins, 2 x 5 mins]

The Committee determined that consideration of this matter should continue on a future day.

5 MRS HULL: To move—That this House:
(1) notes the Government’s commitment to delivering rural, regional and remote health services;
(2) notes the low numbers of available rural, regional and remote medical practitioners and registered nurses;
(3) notes the Government’s measures to redress this problem; and
(4) calls on the Government to continue its commitment and allocation of resources to delivering equity of health services into rural, regional and remote Australia.

Time allotted — remaining private Members’ business time. (approx 15 minutes)

Speech time limits —
Mover of motion — 10 minutes.
Other Members — 5 minutes each.
[proposed Members speaking = 1 x 10 mins, 1 x 5 mins]

The committee determined that consideration of this matter should continue on a future day.

TAXATION LAWS AMENDMENT BILL (No. 8) 1999
Consideration of Senate Message
Consideration resumed from 15 February.
Senate’s amendments—
(1) Clause 2, page 2 (line 24), omit “and 13”, substitute “, 13 and 14”.
(2) Schedule 3, page 16 (after line 7), after item 2, insert:
2A Application of item 2
Despite the amendment made by item 2, a taxpayer who was entitled to a franking credit or a franking rebate in respect of a dividend paid, or a distribution made, before the day on which this Act receives the Royal Assent continues to be entitled to the franking credit or franking rebate.
(3) Heading to Schedule 4, page 18 (line 2), after “bribes”, insert “to foreign public officials”.

(4) Schedule 4, item 1, page 18 (line 7), after “bribes”, insert “to foreign public officials”.

(5) Page 21 (after line 10), after Schedule 4, insert:

Schedule 4A—Non-deductibility of bribes to public officials

Income Tax Assessment Act 1997

1 Section 12-5 (before table item headed “buildings”) Insert:

bribes to public officials . . . . . . . . . . . . . . . . . . . . . .

2 After section 26-52

Insert:

26-53 Bribes to public officials

(1) You cannot deduct under this Act a loss or outgoing you incur that is a *bribe to a public official. (2) An amount is a bribe to a public official to the extent that:

(a) you incur the amount in, or in connection with:

(i) providing a benefit to another person; or

(ii) causing a benefit to be provided to another person; or

(iii) offering to provide, or promising to provide, a benefit to another person; or

(iv) causing an offer of the provision of a benefit, or a promise of the provision of a benefit, to be made to another person; and

(b) the benefit is not legitimately due to the other person (see subsection (3)); and

(c) you incur the amount with the intention of influencing a *public official (who may or may not be the other person) in the exercise of the official’s duties as a foreign public official in order to:

(i) obtain or retain business; or

(ii) obtain or retain an advantage in the conduct of business that is not legitimately due to you, or another person, as the recipient, or intended recipient, of the advantage in the conduct of business (see subsection (4)).

The benefit may be any advantage and is not limited to property.

Benefit not legitimately due

(3) In working out if a benefit is not legitimately due to another person in a particular situation, disregard the following:

(a) the fact that the benefit may be customary, or perceived to be customary, in the situation;

(b) the value of the benefit;

(c) any official tolerance of the benefit.

Advantage in the conduct of business that is not legitimately due

(4) In working out if an advantage in the conduct of business is not legitimately due in a particular situation, disregard the following:

(a) the fact that the advantage may be customary, or perceived to be customary, in the situation;

(b) the value of the advantage;

(c) any official tolerance of the advantage.

Duties of public official

(5) The duties of a *public official are any authorities, duties, functions or powers that:

(a) are conferred on the official; or

(b) the official holds himself or herself out as having.

3 At the end of section 110-25 Add:

(10) Expenditure does not form part of the cost base to the extent that it is a *bribe to a public official.

4 Subsection 995-1(1)

Insert:

bribe to a public official has the meaning given by section 26-53.

5 Subsection 995-1(1)

Insert:

local governing body has the same meaning as in section 74A of the Income Tax Assessment Act 1936.

public official means an employee or official of an *Australian Government Agency or of a local governing body.

6 Application

The amendments made by this Schedule apply to losses, outgoings or expenditure incurred in the 1999-2000 income year or a later income year.

(6) Schedule 5, page 22 (before line 5), before item 1, insert:
1A At the end of subsection 25-5(1) Add:

; or (d) obtaining a valuation in accordance with section 30-212.

(7) Schedule 5, page 24 (before line 4), before item 11, insert:

10A At the end of section 30-205 Add:

(2) However, this section does not apply if, apart from the operation of subsection 118-60(2), an amount would have been included in your assessable income in respect of the gift you made.

(8) Schedule 5, page 24 (after line 12), after item 11, insert:

11A After section 30-220 Insert:

30-222 How much you can deduct for certain gifts of land

(1) This section contains the rules for working out how much you can deduct for a gift of property that you made to a recipient covered by item 1 or 2 of the table in section 30-15 if:

(a) the property is land or an interest in land; and

(b) the recipient is:

(i) an *environmental organisation or a fund, authority or institution covered by the table in subsection 30-55(2); or

(ii) a public fund established and maintained under a will or instrument of trust solely for the purpose of providing money, property or benefits to an entity mentioned in subparagraph (i).

(2) If you sell land that you own to an entity mentioned in paragraph (1)(b) for less than its market value, you can deduct the difference between the market value of the property on the day you made the sale and the actual sale price.

(3) If you give land that you own to an entity mentioned in paragraph (1)(b) but you retain the right to live on that land for the remainder of your life, you can deduct the market value of the property subject to your life interest.

30-223 How much you can deduct for land affected by a conservation covenant

(1) This section contains the rules for working out how much you can deduct if the value of land is decreased by a conservation covenant.

(2) If you enter into a conservation covenant in respect of land you own and the market value is decreased because of the covenant, you can deduct the difference in the market value of the land before and after you entered into the covenant.

(3) In this section, conservation covenant means any approved form of agreement relating to the management, use and development of an area of land that is registered or noted on the land title and requires the landholder and all subsequent landholders:

(a) to maintain native vegetation and undertake any other actions required to conserve the biodiversity values of that land; or

(b) to maintain buildings or structures or other items of cultural significance that are registered on a recognised Commonwealth, State or Territory heritage register;

and includes, but is not limited to, an agreement under the following provisions:

(c) sections 304 to 311 of the Environment Protection and Biodiversity Conservation Act 1999;

(d) sections 69B and 69C of the National Parks and Wildlife Act 1974 (NSW);

(e) sections 41 to 44 of the Native Vegetation Conservation Act 1997 (NSW);

(f) section 51 of the Nature Conservation Act 1992 (Qld);

(g) section 3A of the Victorian Conservation Trust Act 1972;

(h) sections 69 to 72 of the Conservation, Forests and Lands Act 1987 (Vic);

(i) section 23 of the Native Vegetation Act 1991 (SA);

(j) section 30B of the Soil and Land Conservation Act 1945 (WA);

(k) section 29 of the Heritage of Western Australia Act 1990 (WA);

(l) sections 37A to 37H of the National Parks and Wildlife Act 1970 (Tas).

(9) Schedule 5, item 14, page 24 (line 21), omit "$1,500", substitute "$100".

(10) Schedule 5, item 14, page 24 (line 23), omit "$1,500", substitute "$100".

(11) Schedule 5, item 16, page 25 (line 5), omit "cultural".

(12) Schedule 5, item 16, page 25 (line 10), omit "cultural".
Tuesday, 4 April 2000

(13) Schedule 5, item 16, page 25 (line 20), after “section 30-15”, insert “or by section 30-222 or 30-223”.

(14) Schedule 5, page 26 (after line 20), after item 16, insert:

16A After Subdivision 30-F

Insert:

Subdivision 30-FA—Restrictions on prescribed private funds

Guide to Subdivision 30-FA

30-310 What this Subdivision is about

This Subdivision prevents certain private funds from being, or continuing to be, *prescribed private funds.

Table of sections

Operative provisions

30-312 Restrictions on prescribed private funds

[This is the end of the Guide.]

Operative provisions

30-312 Restrictions on prescribed private funds

(1) A private fund which makes, or has ever made, a gift or contribution or provides, or has ever provided, a benefit of any other kind (including a loan) to a political party that is registered under Part XI of the Commonwealth Electoral Act 1918, or an associated entity within the meaning of that Act, is incapable of being a *prescribed private fund.

(2) If a *prescribed private fund makes a gift or contribution or provides a benefit of any other kind (including a loan) to a political party that is registered under Part XI of the Commonwealth Electoral Act 1918, or an associated entity within the meaning of that Act, the fund ceases to be a *prescribed private fund by force of this subsection and is deemed never to have been a *prescribed private fund.

16B Subsection 30-315(2) (after table item 88)

Insert:

88A Prescribed private section 30-312 funds

(15) Schedule 5, page 26 (before line 27), before item 19, insert:

18A After subsection 70-90(1)

Insert:

(1A) If the disposal is the giving of a gift of property by you for which a valuation under section 30-212 is obtained, you may choose that the market value is replaced with the value of the property as determined under the valuation. You can only make this choice if the valuation was made no more than 90 days before or after the disposal.

18B Section 70-95

Omit “market value”, substitute “amount”.

(16) Schedule 5, page 27 (before line 3), before item 20, insert:

19A Section 116-25 (table item A1, at the end of the column headed “Special rules:”) Add:

If the disposal is a gift for which a section 30-212 valuation is obtained: see section 116-100

19B At the end of Division 116 Add:

116-100 Gifts of property

(1) If CGT event A1 is the giving of a gift of property by you for which a valuation under section 30-212 is obtained, you may choose that the *capital proceeds from the event are replaced with the value of the property as determined under the valuation.

(2) You can only make this choice if the valuation was made no more than 90 days before or after the CGT event.

(17) Schedule 5, item 21, page 27 (line 14), after “section”, insert “, or under section 30-222 or 30-223,”.

(18) Schedule 5, item 24, page 28 (line 14), at the end of the definition of prescribed private fund, add “or a fund to which Subdivision 30-FA applies”.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.19 p.m.)—I move:

That the House insists on disagreeing to amendments Nos 8, 11 to 14, 17 and 18 insisted on by the Senate.

Much of the focus on the Taxation Laws Amendment Bill (No. 8) 1999 has been on the measures designed to encourage philanthropy—and this, of course, should be a good thing. Those measures were first announced by the government in March 1999 following the Prime Minister’s roundtable on business and community partnerships and the work of the taxation working group chaired by David Gonski. The Australian community and business sectors have widely applauded these changes.
These measures are aimed at increasing private and business support of approved community activities through donations. I have said that the focus should be a good thing. As the Minister for the Environment and Heritage said during the debate on this bill in another place, within this bill there are quite historic changes to encourage donations. However, that focus has been for the wrong reasons; and one reason is that it has been hijacked by the opposition for a cheap political stunt. The opposition has rejected these initiatives in the Senate in order to make some political mileage out of something that is purely in their imagination.

Let me put it simply. One of the measures will provide tax deductibility for donations to what will be known as prescribed private funds. Broadly, prescribed private funds will have to operate in the same way as public ancillary funds but will not have to seek and receive funds from the public. Item 6 of schedule 5 of the bill will amend the Income Tax Assessment Act 1997, such that a fund can only be a prescribed private fund if it is established solely for the purpose of providing money to a fund or institution that is listed under subdivision 30B of that act. If a fund is established to provide funds to any non-listed institutions it cannot be a prescribed private fund. Political parties are not listed in subdivision 30B.

Ask any tax adviser; ask the Australian Taxation Office. The opposition has, once again, been caught out. The government is determined to ensure passage of these important measures which will impact on the full range of community sectors seeking philanthropic support. I commend the motion to the House.

Mr KELVIN THOMSON (Wills) (5.22 p.m.)—First I should reacquaint the House with the history of this bill, the Taxation Laws Amendment Bill (No. 8) 1999. There were, in fact, four amendment categories made by the Senate. First, bribes paid to government officials in Australia will cease to qualify as tax deductible; second, donations of property worth more than $5,000 to political parties will only qualify for $100 in deductibility, not the $1,500 proposed by the government; third, environmental gifts to approved environmental bodies, either by way of absolute donation of land or through entering into an environmental covenant over the land, will attain tax deductible status; and, finally, tax deductibility will be denied for contributions to private funds where those private funds are engaged in providing monies or other benefits to political parties.

The government have seen the light in respect of the first two categories of amendments; they have accepted these worthwhile Labor proposals. Let me deal with each one separately. The first category is bribes paid to government officials in Australia which will cease to qualify as tax deductible. The bill introduced by the government proposes to deny tax deductibility to bribes paid to Australian firms or by Australian firms to foreign government officials. There are some exceptions where the moneys paid are only to speed up processing or where they are related to essential services such as telephone, mail and water services, et cetera. Labor—and, indeed, the whole Senate—has no problem with that proposal. It received unanimous support in both the House and the Senate. Labor’s amendments have extended that principle, which has unanimous support, to also deny tax deductibility for bribes paid to Australian government officials. It is against the public interest for our tax laws to grant a tax deduction for moneys associated with a serious crime or the crime of bribery. Accordingly, Labor’s amendment denies tax deductibility for bribes paid to Australian officials. I am glad that, finally, that principle is not at issue. It is a principle position taken by Labor and the Senate as a whole, and the government has acted properly by accepting these amendments.

Secondly, donations of property worth more than $5,000 to political parties will only qualify for $100 in deductibility, not the $1,500 proposed by the government. An insidious part of the Prime Minister’s proposals, which have nothing to do with philanthropy, is the proposal in this bill to have taxpayers subsidise wealthy benefactors of the Liberal Party. This bill proposes that, if taxpayers give a gift of property worth $5,000 or more to a political party, the donor should get a tax deduction of $1,500. This would have
subsidised wealthy political donors. It is without any justification in public policy terms. People are free to donate to political parties as they choose, but they should not get a substantial taxpayer subsidy if they happen to be wealthy enough to provide gifts of property worth more than $5,000. Labor’s amendments, which were supported by all the non-government parties in the Senate, simply treat these types of donations as other cash donations to political parties are treated, that is, you limit the tax deductibility to $100. This essentially nominal figure allows equal access to tax benefits for all people who may donate to political parties, both those of means and those of limited means, whereas the government’s much higher proposal simply subsidises the much better off. We reject the use of taxpayer funds in this regard, just as we reject the use of taxpayer funds to bankroll shonky political front operations such as the Greenfields Foundation, to which I will return. So, again, Labor supports the decision of the government to accept Labor’s amendments which maintain fairness concerning political donations. They should abandon attempts to unfairly increase the tax deductible limit.

Unbelievably, however, the government is not supporting the other very reasonable proposals agreed to by the Senate. There are two categories to these: environmental donations, and suspect donations through bogus charities. Environmental gifts to approved environmental bodies, either by way of absolute donation of land or through entering into an environmental covenant over the land, will attain tax deductible status through the amendments of the Senate. The environmental amendments extend the government’s proposals for increased tax concessions for philanthropy to environmental philanthropy. The amendments propose to create a new type of philanthropy. Where land-holders donate land of conservation value to approved environmental bodies or if they enter into environmental covenants over land that they continue to own, the land-owners will be able to claim as a tax deduction the economic loss that they incur. This will be a significant incentive for land-holders, many of whom will be farmers, to conserve remnant ecosystems. At the moment, these land-holders generally face the economic incentive to clear the land of its natural habitat and put the land into production, either for crops or grazing. Labor’s proposal has the support of the Senate, the entire environmental movement and the CSIRO, and we think that Senator Hill actually supports it as well. He came to the Senate to oppose the amendments but indicated that he actually agreed with the principles. We believe he supports the proposals but cynically wants to announce them himself and then claim them as his own. (Extension of time granted)

The legislation brings in a new regime with taxation for philanthropy, and this bill is therefore the appropriate place to deal with measures dealing with environmental philanthropy. Labor is opposing the government’s proposal to not agree to the Senate amendments. We saw the extraordinary step taken by the Commonwealth Minister for the Environment and Heritage, Senator Hill, riding through environment groups to get them to lobby the Democrats against their own amendments. Fortunately, we understand the Democrats will not be abandoning their previous position. Labor will continue to support these amendments which have been recommended by the CSIRO. This is good policy, supported by scientific analysis. Labor suspects that Minister Hill simply wants to appropriate this policy as his own. If he wants to do that, well and good, but let him do it now, not as some kind of pre-election stunt.

Finally, I turn to the issue of the rorting of the philanthropic provisions of this legislation. The fourth category of amendment is that tax deductibility will be denied for contributions to private funds where those private funds are engaged in providing monies or other benefits to political parties. This takes us to the shonky, shadowy area of Liberal Party fundraising. I point out that the government’s strategy with regard to getting this bill through was to falsely claim that Labor was holding up this bill. I told this to many members of the community who have a legitimate interest in the passage of this legislation. These people then contacted the opposition to inquire why Labor was supposedly not supporting the legislation. We told them the truth: Labor have always supported
this legislation but we discovered a loophole due to the evasiveness of Senator Kemp.

By refusing to give a guarantee that Greenfields and other suspect entities would not be granted tax deductibility for donations which could be used to provide a benefit to political parties, Senator Kemp effectively admitted that the government was planning to rort the system. Labor then moved an amendment in the Senate, which was passed—I think unanimously—by the non-government parties, which will ensure that this rorting cannot occur. The government has opposed that amendment the whole way, and I see it continues that opposition today.

Everyone who has had the Greenfields amendment explained to them has accepted the merits of ensuring no rorting. These are reputable charitable bodies who do not want to be tarnished by Liberal Party rorters. They do not want to have their philanthropic provisions misused to rort that electoral donations limit. They all accepted that Labor is not trying to slow down these amendments and had no problem with us putting in an amendment to stop the Greenfields style amendment. So that strategy of the government has backfired badly. Let me quote from the words of the trustees of the Greenfields Foundation, on their own letterhead, in a letter dated 15 January 1998 sent to the Electoral Commissioner:

The Foundation is a Trust Fund, established for charitable purposes, administered by the Trustees. That has been reinforced in a range of other publicly available documents by the trustees of the foundation. It has also been a matter about which the trustees have speculated publicly. One trustee, Mr Bandle, is quoted as saying that the Greenfields Foundation is set up as a charitable trust. We know the Greenfields Foundation is a charitable trust: it said so itself. We know there is now a capacity, should this bill pass unamended, for a private fund to be prescribed by the income tax assessment regulations. That would mean there would be tax deductibility for donations and gifts to such organisations.

Senator Faulkner sought an amendment, a categorical commitment from the minister that the Greenfields Foundation would not be a prescribed fund for the purposes of this bill. He sought confirmation from the minister on those terms; the minister would not give it. We also know the Treasurer can declare in writing that a fund like the Greenfields Foundation not be a prescribed fund for the purposes of the bill. If we had got that commitment, we could have moved on. The Assistant Treasurer would not give that commitment either.

Senator Faulkner suggested that we have a separate regulation for the Greenfields Foundation so that, if it were regulated under the Income Tax Assessment Act regulations, that could be disallowed by the Senate. But the Assistant Treasurer, on behalf of the government, was not willing to accept that either. He was not willing to accept any of those proposals. Therefore, it is very difficult to come to any other conclusion than that the government’s intention is to try and shonk their way through in relation to the Greenfields Foundation and to allow a vehicle for either private individuals or major corporations or companies to provide donations to a shonky organisation like the Greenfields Foundation.

One final point: when you see the Liberal Party attitude to environmental philanthropy—they are against it—and their view of political party philanthropy—they are all in favour of it—you have to wonder just what the Liberal understanding of the word ‘philanthropy’ is. I was astonished to learn recently that two Victorian former Liberal ministers, Alan Stockdale and Robert Maclellan, had sought to exploit tax incen-
Mr Slipper—Mr Deputy Speaker, on a point of order: the arrangement was that my colleague opposite was going to speak for 10 minutes. He has gone beyond that, and he is now well and truly deviating from the subject of the matters before the House. I ask you to bring him back.

Mr DEPUTY SPEAKER (Hon. I.R. Causley)—The honourable member for Wills, you are testing my patience. What you are speaking about at the present time is well removed from the leave of the bill. I ask you to sum up.

Mr KELVIN THOMSON—I am about to conclude, Mr Deputy Speaker. In relation to the issue of philanthropy, which is precisely what this bill deals with, we see these Liberal ministers donating ministerial documents to public archives, then seeking to claim a tax deduction for that. Frankly, the idea that ministerial correspondence is anything other than public property is a disgrace. The idea that we should be entitled to some kind of tax benefit for handing it over is equally disgraceful. We work up these documents, we are taxpayer funded to do so and we have taxpayer funded photocopiers and taxpayer funded staff. The idea that these are anything other than public property is disgraceful.

As I indicated at the outset, we will not be supporting the government’s proposal not to accept the Senate amendments. We think there are very good reasons why the House should indeed accept the Senate amendments.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.36 p.m.)—The whip tells me that time is very short. Therefore, briefly, we reject what the honourable member for Wills has said. This government is the greenest government in Australia’s history. We have made a massive investment in Australia’s environmental future. With respect to the Greenfields amendment, I just want to stress what I said in the chamber last year: this amendment is unnecessary, as the government would need to make a regulation to make the Greenfields organisation a prescribed private fund. Even if the government were disposed to do so, which it is not, the Senate could disallow such a regulation. That is why we indicate that this particular amendment is unnecessary. The member for Wills regurgitated or plagiarised his own speech from last year, and we reject what he says. I move:

That the question be now put.

The House divided. [5.41 p.m.] (Mr Deputy Speaker—Hon. I.R. Causley)

Ayes…………….73

Noes…………….63

Majority…………10

AYES


NOES

The House divided.  [5.45 p.m.]

Mr Slipper's motion (Original question put: That the motion (Mr Deputy Speaker—Hon. I.R. Causley)) be agreed to.

AYES

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PAIRS

Howard, J.W. Beazley, K.C.
Kemp, D.A. Breerton, L.J.
Hawker, D.P.M. Wilton, G.S.

* denotes teller

Question so resolved in the affirmative.

Original question put:

That the motion (Mr Slipper's) be agreed to.

The House divided.  [5.45 p.m.]

Mark Deputys Speaker—Hon. I.R. Causley)

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Question so resolved in the affirmative.
YOUTH ALLOWANCE CONSOLIDATION BILL 1999

Consideration of Senate Message

Bill returned from the Senate with requests for amendments and amendments.

Ordered that the requested amendments and amendments be taken into consideration at a later hour this day.

BILLS RETURNED FROM THE SENATE

The following bills were returned from the Senate without amendment or request:

- Census Information Legislation Amendment Bill 2000
- Health Insurance Amendment (Diagnostic Imaging Services) Bill 1999
- Primary Industries (Excise) Levies (GST Consequential Amendments) Bill 2000
- A NEW TAX SYSTEM (FAMILY ASSISTANCE AND RELATED MEASURES) BILL 2000

Second Reading

Debate resumed from 9 March, on motion by Mr Anthony:

That the bill be now read a second time.

Mr ANTHONY (Richmond—Minister for Community Services) (5.49 p.m.)—I table a correction to the explanatory memorandum for the A New Tax System (Family Assistance and Related Measures) Bill 2000.

Mr SWAN (Lilley) (5.49 p.m.)—This evening I am speaking on the A New Tax System (Family Assistance and Related Measures) Bill 2000, which is part of the government’s package to change the tax system and to do that in a way I think will profoundly affect many families. As we all know the family is one of our most important social institutions. It shapes the morality of society by shaping the values of individuals and it determines the success of the economy by having such a profound influence on the potential of the individuals that it nurtures. But, despite the singular power of the family to shape our future, it is declining in influence. Fewer Australians are having children and there are now more couples without children than there are with children. Those households that have children have lower incomes, and many struggle without work at all. Society is becoming a less child-friendly place. The government is oblivious to what is at stake here. Far from assisting families to raise children, it is implementing policies that increase the cost of having children. These costs hit low and middle income families the hardest.

Despite its rhetoric to the contrary, the government has put enormous pressure on family budgets by cutting child care and school funding and then introducing a new tax on all the items that families buy. Families are actually hit harder by a consumption tax because they consume more. The government’s pursuit of further industrial relations deregulation will not deliver more family-friendly work policies but will undermine what few existing policies in this area there are in place. The government’s failure to introduce welfare to work programs has left 800,000 children in jobless households. Despite the importance of investing in the early years of childhood, the government has failed to introduce a national approach to early intervention, preferring instead to leave this vital area to the states and territories or to rely on relatively small pilot programs, such as the one flagged in the Melbourne Herald Sun yesterday.

We need to take a new approach to investing in families; we need to understand why so many Australians are not having children and introduce policies that reduce the cost of raising children. We also need to pay particular attention to the rising number of children being raised in low income families and to find ways to help parents balance work and family responsibilities. As I said before, we need a national early intervention program that provides parenting skills to new parents and offers parenting support locally. We need to build on our current network of child-care centres to assist children earlier because we know the true value, later in life, of an early education. We need tax and social security policies that provide financial flexibility, particularly when children are young; we need to find ways to help entire suburbs that are falling behind and explore the possibility of pooling resources, including from different levels of government.
If we do not make this leap, we will become the kind of society where children are hidden away in declining suburbs while their parents work longer and harder to support an ageing population. This is the direction in which the Howard government is going. In fact, all the evidence points to a tragic decline in family wellbeing under this government. That is why Labor has pulled together the evidence in a family insecurity index to demonstrate the real social consequences of the Howard government’s family policies. The index draws together 11 social statistics that up until now have been cited only in isolation, including high school drop-out rates, youth suicide and drug use, unemployment, low family incomes, rising health costs and longer working hours, and wraps them into a national measure of family insecurity. This index is a measure of the extent to which many families with children are falling behind under the Howard government. It has grown 2½ times faster under John Howard, and Australian families cannot afford to fall any further behind. They desperately need a government that recognises the importance of providing opportunities to all families and their children, not just the few.

That brings us to the bill today, a bill that the government is rushing through the parliament in an attempt to avoid scrutiny of its antifamily contents. The government would have us believe that this bill is a good deal for families in the form of new family payments and assistance with child care. Unfortunately, the way in which it has been rushed into this parliament and pushed before the parliament along with other pieces of legislation has left inadequate time for the analysis that is required. Nevertheless, we will do our best. We do believe, however, that the proposals contained in this bill will in no way compensate in the end for the cost of the GST. The family tax benefit and child-care benefit, which are the central focus of this bill, will simply not compensate families for their GST losses. The bill fails to give back what the government has already taken away, and it contains measures that potentially have an enormous impact on the wellbeing of particular families.

The government has said that it will protect families from GST price hikes by offering extra family payments and tax cuts as compensation, but I believe that for many families this total will be inadequate. The government bases its compensation package for families on the assumption that the GST price effect will be only 1.9 per cent. On this basis, it makes the ridiculous claim that the GST will add just 30c per week to the cost of raising a child. That is simply unbelievable. This is a gross underestimate of the true inflationary impact of the GST, and it will not be swallowed by parents, who know a lot better. In particular, I do not believe the new payments, family tax benefit parts A and B, will be adequate. If you have a look at the pamphlet which the government has put out, in family payments it is providing an extra $140 per year per child and of course, if there is a child under five, an additional $350 per year per family for single income families. I believe that this additional handful of dollars per child per week will simply not be enough to compensate families for the inflationary impact of the GST.

But that is not all. In family tax benefit B, there is a slug. The new payments are poorly designed, with families being hit with an extra $800 of tax each year when their children start primary school. Family tax benefit part B effectively slashes a single income family’s tax-free threshold by almost $5,000 when a child turns five, forcing the family to give back $800 to the taxman. This $800 back to school penalty will be a double whammy on top of GST hikes and all the other back to school necessities. The GST will also hit school uniforms, books, shoes, tuckshops, excursions and even private tuition if your child is falling behind. We need to ask why the government would pull the rug out from under single income families when their children start school for the first time. This is when the cost of having children rises, not falls. Why is the government raising both income taxes and the GST when children go to school? This government sings the hymn of families and family values time and time again, but the tax package really strikes a very bad chord.
When you look at other arrangements to do with incentives, tapers and so on in this bill, I believe we find the government penalising families when children start school, and they have not adequately addressed the work disincentives. While there is some improvement in regard to the provision of a higher income free area and relaxed tapers on income earned from 50 per cent to 30 per cent, severe disincentives to work remain. The first point that I would like to make is that the changes will not benefit very low income families, particularly those families where one or both parents are not working—our most disadvantaged families. In the instance where they are struggling to get part-time or casual work, their earnings for the year are unlikely to move them into the new income-free area or the threshold where the relaxed tapers operate. Thus, they will receive no benefit. Of greater concern, though, is the fact that the government have refused to deal with the severe effective tax rates faced by parents who are on allowances. Here they face the prospect of losing in excess of 90c in each additional dollar they earn.

The failure to address these punishing tax rates for families where a parent is unemployed will mean that many families will stay locked in this government’s welfare trap. The recent welfare reform interim report recognises these problems and others, particularly the way the deeply antifamily youth allowance interacts with family tax benefits. The committee commented in the interim report:

Low to middle income families with dependent children in both the Youth Allowance and family tax benefit systems can face very high EMTRS because of the overlapping income tests for these two forms of assistance. This situation adversely affects both equity and work incentives.

The report goes on to say the youth allowance is:

... an extreme case where tight and poorly integrated social security income tests can severely discourage workforce participation.

This is supposed to be the government’s piece de resistance in welfare reform. Youth allowance is a welfare to work disaster. It punishes low to middle income families. It whacks an extra 25c in every dollar on the effective tax rates of families where there is an unemployed 18- to 21-year-old, and it whacks an extra 25c in every dollar on families with full-time students aged 22 to 25. In light of this 25 per cent hike, the relaxed FTB tapers give back only 20 per cent, so these families are still worse off under the government.

This is why the welfare committee raised the potential of Labor policies that are aimed at improving incentives and thus helping people to make the transition from welfare to work. Labor’s tax credits would remove punishing effective marginal tax rates, allowing families to work even a little to keep more of what they earn. Labor’s work bonuses are also favoured by the welfare committee. Work bonuses are another important way of rewarding people who find and keep work. Of course, none of these issues has been addressed in the bill before us today because this government is simply not interested in helping families to stand on their own two feet so that they can share in the benefits of economic growth. We all know that the benefits of growth are not being fairly shared, and the failure of the government to effectively act on these incentives or disincentives which are punishing many low income families is simply disgraceful.

The estimates rules contained within the bill are another aspect of the legislation that is extremely concerning. This legislation will make a great deal worse conditions that are already difficult for lower and middle income families that have to provide Centrelink with an estimate of their likely income. There is no doubt that it will be low and middle income earners who take their family tax payment fortnightly, rather than as a deduction at the end of the year, who will be hurt. It is this group who will be required to produce an estimate of their income to Centrelink. They will include people moving off benefits and into work; they will include low income families who have little employment security and who move in and out of work—particularly casual and part-time workers; they will also include those working in jobs that frequently require them to do overtime. It is these families whose income could vary over the course of the year, often without their control. If people underestimate their income,
they could end up with a very big debt—because, technically, they were paid at a rate higher than that to which they were entitled.

Remember that these are families that cannot wait until the year’s end for their money; they need it week to week in order to make ends meet. As Welfare Rights has pointed out:

Making an estimate of income can be fraught with difficulty. People who are not certain of their income can end up underestimating their income ... The current family allowance system is notorious for its problems with the under-estimates of income which result in a debt.

The government is fully aware of the problems created by requiring people to estimate their income in advance. Existing estimates rules have already resulted in tens of thousands of debts being raised against families. For the quarter ending December 1998, the then Department of Social Security figures on debts raised told a very interesting story. Of all the payment types, the greatest number of debts were raised for family payment. No other payment had such a high percentage of reviews resulting in debts being raised. In fact, 32 per cent of all family payments reviewed were found to be in error. This figure arises because something is very wrong with the rules; it has nothing to do with the honesty of Australian families. The average debt raised against these families was almost $1,000. For the full year from July 1998 to June 1999, more than 35 per cent of families reviewed had debts raised against them by Centrelink—debts that are sending Australian families with few resources backwards.

But the new payments propose to up the punishment ante on parents. Currently, families that estimate their income are allowed a 10 per cent margin of error before a debt is raised. This at least takes into account the fact that estimating income is very difficult. Under the new payments, the 10 per cent tolerance of variation in income is to be replaced by a zero tolerance. This should, I think, send shudders down the spines of many members of this parliament. This zero tolerance for families reflects this government’s real attitude to the needs of low and middle income Australian families—zero tolerance. As I have said on many occasions, this is a government which is very weak in taxing the strong and very strong in taxing the weak. Nothing demonstrates this more in this bill than the zero tolerance shown to estimates that families are supposed to provide.

I would just give a brief case study of someone who is working overtime. Barry and Sue have two children, one aged 10 and one aged 14. Barry earns $35,000 in his job as a factory worker. Barry and Sue estimate their income for the 2000-01 year as being $35,000, taking into account previous overtime worked. On this basis, Barry and Sue are entitled to a total family tax benefit of $7,408—or $284.92 each fortnight. That includes family tax benefit A of $213.93 and family tax benefit B of $70.99. In August 2000, following the restructuring of the company, Barry is required to work additional overtime by his employer to make up for staff shortages caused by forced redundancies. As a result of these unexpected changes, over which Barry has no control, his underestimate of future annual income leads to a debt being raised. The additional $3,000 of overtime—that is, two to three hours of overtime per week—earned by Barry translates into an annual income of $38,000. On this basis, Barry and Sue are only eligible for a total family tax benefit of $6,508. This will translate, I think, into a Centrelink debt of something like $900—and this family will not be alone.

Up to two million Australian families that qualify for family tax benefit will run the risk of incurring debts with Centrelink, should their estimated income vary by as little as a dollar a week. Even with the current 10 per cent tolerance rule, Centrelink’s figures show that at least 35 per cent are already getting it wrong. With a zero tolerance, a much higher rate than 35 per cent of people could well incur debts. Based on two million families, at least half could have a debt raised against them under this new system of zero tolerance. To add insult to injury, the many low income families who have debts raised against them for the crime of being unable to estimate their future income to the nearest cent will also be denied access to Centrelink advances—advances that might help them to buy a new pair of school shoes for their child,
a pram for a baby or to meet the cost of an unexpected telephone bill. And the government says it is family friendly!

There is another point I would like to make. These debts will be saddled squarely on low to middle income Australians. Higher income earners in most instances will not incur debts because their income takes them into the family payment area where additional income does not reduce the minimum rate. Families earning around $50,000 to $75,000 will miss out on big debts at tax time. Clearly, this is a government that is severely out of touch with the lifestyles of the majority of Australians and their working practices.

I would also like to comment briefly on the new shared care arrangements in the bill. We take issue with the proposal in this bill to effectively reduce the current arrangement for assessing shared care from 30 per cent to 10 per cent. This government claims that, in practice, this already is the case, with administrative practice in Centrelink already allowing for payments to be given to non-custodial parents sharing the care at less than 30 per cent. The government cites the excuse of Federal Court rulings that have made the 30 per cent threshold unworkable in practice. But this is only because the 30 per cent rule is not enshrined in law. In fact, by imposing a 10 per cent rule, the government is making a conscious policy decision that may have significant implications for many custodial and non-custodial parents. I do not believe that there has been adequate discussion of this measure at all, and there is every chance it will lead to very severe difficulties for some parents.

The Council of Single Mothers and their Children shares my view. It has written to me in these terms:

If little Johnny wants to stay an extra night at Dad’s then Mum must call Centrelink within 14 days, and if Centrelink deems it to be a ‘change in the pattern of care’ she gets less money next fortnight.

Or at the end of the financial year Dad says ‘I dropped him off Monday mornings not Sunday night and the accountant does the sums, then Mum has been overpaid—and Dad gets a return while Mum gets a debt.

In the council’s view, the shared care provision:

...is an ill-conceived policy which has not been properly costed, modelled, researched or consulted on.

I certainly have grave reservations about this change in the absence of seeing some figures and in the absence of seeing some modelling. There may be some merit in it, but the government has rushed this bill into the House, forcing us into a position of saying yeah or nay, and has not provided any of the essential information that we as legislators absolutely require for a change of this magnitude. I think that is regrettable. In our view, this bill at the moment fails to address the issues with which we are concerned and which will affect many parents.

For example, the parent who has a room permanently in place for their child, the parent who has to pack a bag with clothes and supplies when their child goes off to spend time away, the parent who has a great deal less flexibility in finding work hours that meet their caring responsibilities—all of these things impact markedly on a parent sharing the care of a child. I am indicating very clearly that we will reserve our right to move amendments to this provision in the Senate.

One of the other interesting savings measures in this bill is the government’s intention to remove automatically a proportion of the family tax benefit from the custodial parent who shares the care of a child, even if the non-custodial parent does not claim. On the other side of the ledger, there is no attempt to contact the non-custodial parent to make them aware of their eligibility. In fact, the Department of Family and Community Services have confirmed in briefings that they will have no direct contact with eligible non-custodial parents to make them aware of their eligibility. While we believe this measure is going to make it very tough on custodial parents, the government’s meanness is increased exponentially because the income will be lost to the family through Centrelink refusing to tell the non-custodial parent of their right to claim. It is another backdoor cut to match all the frontdoor cuts that have produced the massive social deficit that is hurt-
ing our families. We are very concerned about this provision of the bill and, as I said before, we will be looking to address it in the Senate.

That brings me to the child-care sections of the bill. This bill will create a number of problems for families who rely on child care. The child-care benefit will extend into child care the system of income estimation, which I have already discussed, which will compound the debt problems for families. Only high income families will be able to avoid the estimation problem by claiming the child-care benefit in arrears at the end of the year. The most glaring problem is that the rate increase proposed for child-care benefit will not compensate families for what they have lost from Howard government budget cuts. The cost of child care has gone up by about $30 a week for each child in care since the Howard government was elected. This has been a direct result of cuts to child-care assistance which have included freezing indexation of child-care assistance and rebate for two years, capping work related care at 50 hours per week and non-work related care at 20 hours per week, and abolishing income test concessions for larger families.

The weekly gap fees for a family with one child in care in 1996 were $33 on average in a community based centre and $35 in a private centre. In 1999, average fees were about $165 a week. The maximum fee relief was $110 a week, a gap of $55. But, to be even eligible for this, you must have an annual household income of $28,000 or less. For example, a family on maximum fee relief with a child in care for 50 hours would have a weekly fee of $163 and receive fee assistance of $110.30, leaving the family to pay a gap fee of $52.70 per week. Yet most centres are open 11 hours per day, so 50 hours is equivalent to four days in care, not five. A full five days care would cost about $175, with a gap of $65.

Further, because of the government’s 50-hour cap on work related care introduced in the 1996-97 budget, most parents who need five days of care are receiving no fee relief for the fifth day. When the government announced its plans for the GST, it was promised that the child-care benefit would produce a new maximum child-care benefit of $120 per week, a $10 increase. The hourly rate for one child will be $2.40. But the only families to receive the $10 will be those who have incomes below the threshold for the maximum rate of $28,200 and who also use 50 hours of child care per week. Child-care professionals advise that it is unusual for families on such low incomes to use 50 hours per week. They cannot afford it because the gap fee is at least $50. So, in reality, even higher income families will receive only a proportion of the $10.

I would also like to comment briefly on rent assistance. This is one area where some people have received a nasty surprise. It attempts to deprive people of taking their payment as a tax benefit at the end of the year. In fact, I received a letter from Lisa Blainey of Bargara in Queensland who claims that she will miss out on her rent assistance if she wants to claim it at the end of the year. She also makes the very legitimate point that this is not contained on the forms she has been filling out.

That brings me to the appeal rights sections of the bill. This bill is yet another attempt to restrict the appeal rights of social security recipients. I have spoken about this at length in this House. Despite the fact that the measures contained in the bill have already been rejected by the parliament and by Labor before, the government persist in slipping them in. They do this in the hope that the completely inadequate time they have allowed for the opposition to evaluate this bill may allow them to slip these retrograde measures through the net. It will not, and we will be dealing with that part of the measures in the Senate.

I would also like to comment briefly on an article in yesterday’s Herald Sun which indicated that the government might be funding a pilot program on parenting education. The opposition is very supportive of parenting education. We have talked about a national program for investment in the early years. However, this government persist on going around the country pretending that pilot programs are policy, but pilot programs are not policy. This government have a pilot for everything and a policy for nothing.
When the report *To have and to hold* was produced by the House of Representatives Standing Committee on Legal and Constitutional Affairs in June last year, the government went out and said that they had a terrific new family policy. But, when we had a look at the government’s response to the *To have and to hold* report, we discovered that the government had agreed to only two out of the 55 recommendations contained in the committee’s report. When it came down, it became apparent that they had allocated only a tiny $2 million per year for community based relationship programs. That is what it amounted to when they announced their brand spanking new family policy. Now we have had the announcement in the Melbourne papers of a school for parents. It is unclear as to how much will be spent but it is pretty clear that it will be just another small pilot program so that the government can run around the country claiming it is family friendly because it is spending $2 million here on relationship education and $5 million there on another pilot program. That is not a family friendly program. It is not the sort of approach that this country needs, particularly when we examine many of the social outcomes that are occurring in this country.

The government has promised families that the family tax changes that will be available from 1 July will in some way overcompensate them for the impact of the GST on their standard of living. In our view, the measures in this bill will go no way towards meeting the looming GST bill that many families will face; it may in the case of some families, depending on their spending patterns. The problem that the government has got with the GST is that it is inherently anti-family. As a tax on consumption, it hits those families who spend all of their income on the basic essentials of life. The problem with the GST is that, every time families have an additional child, they go up a tax bracket; that is effectively what it means. That is what a consumption tax means to families. You could not find or think of anything more un-family friendly than a GST. The measures contained in the family payments—an additional $140 per year per child or an additional $350 per year per family for single income families with a child under five—will go nowhere near to making up for the impact of the additional 10 per cent on swimming fees, ballet lessons and all of those things that families spend money on just to give their kids a helping hand in life and to improve their quality of life, their chances in the education system and their chances of becoming good citizens.

This bill provides further evidence, if any were needed, and I do not believe it is, that the government is not on top of its tax implementation. The fact that it has been hurried into the parliament at the last minute full of some of these measures with which there are substantial problems gives us great concern. I think the bill demonstrates basically the meanness that is inherent in this government, particularly when you look at the new measures when it comes to the estimation of income. I believe this is going to be a very, very substantial problem at some stage in the next six to nine months. It is really going to catch a lot of lower to middle income families out in a way which is going to make life very difficult for them when those debts are raised against them.

As I said at the very beginning, if you needed any more evidence of how mean this government is and how out of touch it is with the way in which people live their lives, with the insecurity and casualisation of the workforce and with the way in which the income of many families now changes dramatically, this is it. The estimation rules in here of zero tolerance are really going to catch out a lot of those families and cause very substantial problems. That is why we say when we look at the combined impact of the tax cuts on the one hand and the GST on the other that this is a government which is very strong on taxing the weak and very weak on taxing the strong, because, when you come down to the tax cuts themselves, 50 per cent of them will go to the top 20 per cent of income earners and the other half will go to the other 80 per cent. That is a measure of the inequity in the distribution of the income tax cuts. It does not matter whether you give an additional $140 or even $350 for a child under five; it is in no way going to make up for the massive explosion that families will face in paying for the basic necessities of life. For that reason, we
believe this bill leaves a lot to be desired. We will be exercising our rights in the Senate to try to move some amendments to blunt some of its most severe impacts.

I will conclude by simply saying this: if the government want cooperation on basic legislation, if they want the opposition to be involved in a process, if they want to get bills through which they bring into this parliament months late, it would be very good if we actually got some cooperation from them—because we do not. This bill was dumped on the opposition at the last minute—two more bills have also been dumped on the opposition at the last minute. There is absolutely no way in the world that we can be on top of all of the detail of these bills, but what disturbs me even more is that I do not believe the government are on top of the detail either. That is even more tragic, because what we are dealing with here are the lives and the living standards of tens of thousands of families who are doing their level best to bring up their children in the best way that they can. They really do need the resources to do that.

We really do fear the impact of the GST, and the insufficient quantum that is here in the family payments is going to leave a lot of middle and lower income families a lot worse off. That is going to be a tragedy for those families, and it is going to be a tragedy for the nature of the society that we are increasingly becoming with this government.

Mrs May (McPherson) (6.19 p.m.)—It is with great pride that I rise to support A New Tax System (Family Assistance and Related Measures) Bill 2000 tonight. It is part of a historic and long overdue overhaul of Australia’s tax system; it is a new tax system for the 21st century. That is exactly what this government promised at the last election, and that is exactly what we are delivering. This bill deals with a number of outstanding family assistance issues to ensure that the full measure of our increases in family benefits, contrary to what the member for Lilley says, is delivered as efficiently and as fairly as possible. I will outline these changes a little later.

It is all too easy to get caught up in the details of the new tax system and overlook the bigger picture—the significance and the enormity of the changes that will come into effect on 1 July this year. The new tax system will deliver over $12 billion a year in income tax cuts for Australians; that is $12 billion back in the pockets of Australian workers. It is the biggest income tax cut in Australia’s history. It will mean that around 80 per cent of Australians will pay an income tax rate of no more than 30 cents in the dollar. This will undoubtedly restore incentive in the Australian work force. If people choose to work longer hours, they will get to keep more of their hard earned wage, rather than being penalised by slipping into a higher tax bracket. For over 13 years, Labor were content to slug Australian workers more and more each year by virtue of bracket creep. That was, of course, on top of the billions of dollars extra they collected in indirect tax increases.

Although Labor are trying desperately to rewrite history, they will never be able to erase their record on tax. The Australian public will never forget the massive deficit of Labor at the 1993 election when they ran the most untrue and vicious scare campaign on GST and promised not to put up taxes. What did they do when they won that election? They turned around and increased indirect taxes by a whopping $10 billion—a $10 billion extra slug on Australian families. And what for? Not to pay back debt, not to fund decent employment programs, not for any purpose in the national interest; they could not bring unemployment down, they did not reduce debt. In fact, at exactly the same time during their last five years in office, Labor ran up more than $70 billion in government debt.

It just amazes me that Labor have the gall to stand in this place and be critical of our efforts to fix the mess they left behind. They never had the backbone to tackle reform of Australia’s tax system and they do not even have the backbone to support our efforts to do so. All they can do is whinge and complain and talk down Australia. But Labor’s true thoughts on the new tax system are revealed by their own admission that if they were re-elected they would keep it. That is right: they hate the GST so much that if they were elected they would keep it. And, if his-
tory is any indication, they would probably add a range of other indirect taxes to the mix to raise more revenue or increase income taxes.

It should also be remembered that on top of the income tax cuts that the Howard government’s new tax system delivers we are abolishing Labor’s complicated and unfair wholesale sales tax system. We are simplifying 11 existing tax payments to create the pay-as-you-go system. Perhaps most importantly of all, we are delivering a massive $2.4 billion extra each year to Australian families in the form of increased family assistance. Few people would disagree that families are the cornerstone of our society. They are the places where children are raised, values are learnt and upon which communities are built. I am very proud to be part of a government that is unashamedly pro-family. We have put families at the forefront of Australian political life again, which is where they should be. I think it is a great pity that under the former government families were regarded almost as passe, not trendy enough for many Labor parliamentarians and especially the special interest groups that Labor are beholden to. We recognise that families come in all shapes and all sizes and that each of them has special needs. We need a system of support that encourages family cohesion and helps those who need it most. That is exactly what we have developed under the new tax system and what we are finetuning with this bill.

I would like to outline some of the major benefits to Australian families under the new tax system. First and foremost is the tax cuts. Someone on an average wage will receive a tax cut of around $30 a week. On top of this, families will be provided with an extra $140 per year per child in family assistance. Additional assistance of $350 a year will be provided for single income families with a child under five years of age. This includes sole parents. This recognises in just a small way the contribution of families where one parent chooses to stay home and care for young children full time. These mums and dads are often the backbone of schools and community groups and are in most cases also saving the government in terms of child-care assistance.

I am hopeful that in the future once we have repaid Labor’s debt in full and the economy is growing there may be scope to further support and recognise the value of full-time parenting. Families should have the freedom to choose the type of care arrangement that most suits their needs and their aspirations and that includes the legitimate and worthy option of one parent providing full-time care. Again, under Labor, this was a notion seen as passe. While I acknowledge that it does not suit absolutely everyone, there are many families where that is the ideal option, but they feel pressured, some for financial and others for social reasons, to pursue full-time work and relegate care of their young children to others. The Howard government wants to allow families to pursue whatever option they prefer, and by easing the financial pressure on families, as we have through lower interest rates, tax cuts and improved family allowance, we can provide real choice for Australian families.

As part of our range of new measures we have already extended assistance to families with older dependent children not receiving youth allowance. We are also increasing the maximum assistance for child care for lower income families. Importantly, we are increasing the level of income at which family assistance begins to be income tested to $28,200. We are letting families keep 70 cents in every dollar of income they earn above the free area, instead of the current 50 cents. This will address the poverty trap where people have found that the option of taking up work meant they were actually worse off than they were remaining on government assistance. This measure will allow families on low incomes to earn a little extra and not risk being worse off because their family assistance is reduced. Again, it is about restoring incentive, giving people more control over their own lives. As I have said before in this place, governments should not be something that just happen to people; they should be working with communities and individuals to give them more say.

It is little wonder that people felt isolated and alienated from their government and
community during the decade of the Labor government. Labor’s view was always that the government ought to have more say in people’s lives and tell people what is right for them. We here on this opposite side take the opposite approach. Put simply, we believe that governments ought to, wherever possible, butt out of people’s lives and instead of telling people what is good for them we should listen to and help fulfil their aspirations for the future. It is just another fundamental area where we take a different view from Labor.

This bill makes amendments to several new policy issues that have been identified such as ensuring that a person who only has shared care of a child or children is assessed for rent assistance at both the ‘with child’ and ‘without child’ rates and is paid at the higher rate, ensuring that the child-care benefit rate per child will not decrease for children above the third child, enabling special benefit recipients who would not otherwise be eligible for the family tax benefit or child-care benefit because of residence rules to access those payments, preventing entitlement to a family tax benefit advance where a person has an existing tax debt, and tapering of the 10 per cent part-time loading in long day care centres to provide greater fairness and equity.

This bill also amends the Social Security Act 1991 to increase the rates of CDEP participant supplement, pensioner education supplement and carer allowance by four per cent to compensate for the effects of the GST. We are being very thorough to ensure that we have a smooth changeover on 1 July and that Australians will be better off under the new tax system. The four per cent increase in all government benefits and pensions is a crucial part in ensuring that no Australians are worse off because of the change to the tax system, including removal of the existing indirect taxes, the increase in the cost of living will be nothing near 10 per cent. In fact, it is expected to be more in the vicinity overall of around one to two per cent, which is why we are increasing all pensions and benefits by four per cent to ensure at least a two per cent buffer. We also have a special mechanism in place to ensure that, if prices rise more than we expect, pensions will rise accordingly to preserve that two per cent buffer.

Sitting suspended from 6.30 p.m. to 8.00 p.m.

Mrs MAY—Can I just make a point about the new tax system. You will not hear Labor talking about this. They run around declaring that the sky is going to fall in on 1 July, but they will never acknowledge the obvious benefits of the package. The truth is that grocery prices will actually fall under the new tax system. The respected independent consumer magazine Choice recently conducted an analysis of how the average weekly shopping bill would be affected under the new tax system. I suggest to those opposite that they get hold of this article and have a good read and let their constituents know about it, rather than trying to scare them senseless, because Choice actually found that prices would fall under the GST. Choice found savings of $3.12 on the average shopping bill.

Along with the substantial personal income tax cuts and increases in pensions and family allowance, this means that Australians will find that the extra money in their pockets more than compensates for slight increases in the cost of services, entertainment and things like takeaway food. Of course the Choice survey was a direct comparison of the wholesale sales tax with the GST, and it did not take into account the savings in the cost of transport and other business inputs which could make some food even cheaper. Basic foods like meat, fish, bread, fruit and vegetables, rice, pasta, eggs, butter, tea, coffee, breakfast cereals, soup, canned food and sauces are all GST free. Because there will be savings for many businesses and farmers, these foods may even go down in price.

Then of course there are some foods that will be subject to GST, but the wholesale sales tax is coming off, so they will also be cheaper. They will include things like chocolate, ice-cream, soft drinks, biscuits, chips and pet food.

Mr Tanner—We will all get fat!
Mrs MAY—We will! It is clear that grocery prices, a major cost for Australian families, will actually be cheaper under the new tax system. Pensioners and those on fixed incomes will be compensated as well for slight increases in other costs. Again, you will not hear Labor explaining that the following things will all be GST free: basic food; most medical services, including all services covered by Medicare; private health insurance premiums; a wide range of commonly used health services like physio, chiropractic, podiatry and dental services; medical aids and appliances; most education services; most child-care services; exports; religious services; local government rates and charges; and non-commercial activities of charitable institutions. This, and the fact we are abolishing a range of other taxes and simplifying things for business, is a large part of the reason why prices are expected to rise by only around one to two per cent and, as I said, we have provided more than adequate compensation.

The new tax system is not going to make all Australians wealthy overnight. Some people have been coming up to me and saying, 'I am only going to be $6 to $10 better off a week. What is the point?' The point is that you will be better off and no worse off. No-one will be worse off. Even before the GST was removed on basic food, the Senate inquiry could not find any sector of the Australian community that was going to be worse off. The point is that we will have a tax system that will serve us well into the next century. We will not have to keep tinkering at the edges; we will not have to keep increasing taxes here and there; we will not have a tax act thousands of pages long that no-one can understand. Businesses will be better off, which will mean more jobs for young Australians. Our exporters will be better off, which again means more jobs. Ultimately, Australia will be much better off.

That is the reason we have made this historic change to Australia’s tax system—it is in our national interest. That is the yardstick against which we measure all our policies. It should also be remembered that this historic tax change also heralds a new era in Commonwealth-state relationships. The states are the full beneficiaries of the GST. The federal government does not get the GST—it goes to the states. It will be used to ensure funding for our police services, roads, hospitals and schools. Again, it will clearly benefit our families and our nation, contrary to what the member for Lilley said earlier this evening. I am pleased to support this bill. It helps facilitate the smooth transition to the new tax system and to ensure that families receive the full measure of increases in assistance.

I would just like to end tonight by challenging the Labor Party to act in the national interest and to get behind the new tax system—the very same system they have said they will keep if they get elected. If Kim Beazley really wants to bring a new honesty to politics, he ought to call off the scare campaign and stop his ministers and backbenchers from running around declaring that the sky will fall in on 1 July and scaring some people in the process. He ought to come right out and admit that this is the way forward. He ought to help unite the community in working to create a more prosperous future for all Australians, instead of constantly talking it down. He ought to help sell the benefits of the new tax system and help make it work well in the national interest. But sadly the national interest does not get a look in when Labor is drawing up its political strategy, and the Australian public know it. Australian families will not forget the sharp contrast between the many benefits the Howard government has delivered and the legacy Labor left them after 13 years of mismanagement. I commend this bill to the House.

Mr ALBANESE (Grayndler) (8.07 p.m.)—I am pleased to make a contribution to this debate on the A New Tax System (Family Assistance and Related Measures) Bill 2000. Unfortunately for the government, they have put up a range of speakers, including the member for McPherson, who could not go for 20 minutes, even with a break, even with an hour and a half to think of extra things to say in defending this government’s tax package. That is not surprising, because this tax package is bad for Australia and bad for those who can least afford to pay. The bill before us tonight was introduced to the
House on 9 March and scheduled for debate on 15 March. It is over 300 pages long. The explanatory memorandum is 203 pages long. The government’s original schedule provided the opposition with the grand total of six days to analyse this bill. There was no departmental briefing. There was no chance to consult with the relevant sectors. And why it that? It is not surprising, because this is an act of a government running scared. This is a government which does not want scrutiny of its legislation in an appropriate way. This is a government which knows that the GST is a political time bomb waiting to explode in its face at the next election. This is a government which knows that the previous legislation on this issue passed last year was so full of omissions and defects that this bill was drawn up in an attempt to plug the holes.

This bill primarily amends A New Tax System (Family Assistance) Act 1999 and A New Tax System (Family Assistance) (Administration) Act 1999. However, it also amends no fewer than eight other acts all needing consequential and technical amendments due to the government’s incompetence and legislative bungling. The government, in its haste to implement the most unfair tax regime that this country has seen, is drawing up faulty legislation and not giving the opposition or the people of Australia time to give it proper scrutiny. The Prime Minister is in such a hurry to implement tax breaks for the rich and pain for the poor that simple democratic courtesies have gone out the window.

But why would the government want to give the Australian people the chance to scrutinise its proposals? Whenever anyone actually analyses the GST the government’s rhetoric and high-flying predictions of great wealth for all fall in a heap. The Senate inquiry into the GST held last year produced expert after expert predicting the inflationary impact of the GST as more likely to be between six and seven per cent. The Treasurer and the Reserve Bank are now openly talking about five per cent inflation, with some government members freely admitting to price increases of 10 per cent.

Mr Entsch—Nonsense.

Mr ALBANESE—that is not surprising because we heard from the previous speaker—and we hear from the member for Leichhardt opposite—that this is not the case; that what will occur is that all these prices are going to go down. But what all Australians know is that there are two things that happen to prices: they stay the same and they go up; they do not go down. There is not one lot of prices that has actually gone down. We have already seen the government on issues such as petrol and motor vehicles suddenly change the assessment and say, ‘Well, we said they’d go down but maybe they won’t.’ And what we are seeing is what ordinary Australians living from pay cheque to pay cheque know—that when they go into their supermarket prices are already increasing in anticipation of the GST. Thus we have such absurdities as the government declaring that the price impact of the GST for each child in a family is 30c—a 10 per cent GST on all goods and services, and the price impact for each child is 30c. What a joke. That is right. To a family with two children which is earning $41,000 a year the government will generously give an extra $2.50 a week—totally inadequate compensation for the impact of the GST. That is $2.50 to pay for the extra costs of shoes, books, education, food, hous-
services, health care, travel—you name it. But this government will provide $2.50 for each child.

The inadequacy of the government’s compensation package is even more concerning in the light of the findings of the interim welfare reform report. The report is critical of the government’s failing welfare strategy, pointing to the 860,000 children being raised in jobless households and attacking the government’s Job Network as ‘fragmented, disjointed and focused on uncoordinated program outcomes’. What a damning indictment by the government’s own review. John Howard’s government has made $5 billion worth of cuts to social services. In particular, the cuts have affected labour market assistance programs, education and training programs and child care. Now the effect of the GST is added onto a community already hurting under the strain of billions of dollars worth of cuts.

When it comes to true injustice, though, you need look no further than the impact that the GST will have on housing in this country. The parliament has already heard of the plight of those Australians who live in mobile homes and caravan parks. They came to Canberra some three weeks ago during the sitting and asked for a meeting with the Prime Minister and the Treasurer. They asked for meetings with members of the government, but none were available to talk to these Australian battlers. The fact that residents of mobile homes and caravan parks will be forced to pay the GST on their site fees, while residents of private rental accommodation will have no GST paid directly on their rent, is one of the most blatant examples of the government’s ‘one rule for the rich, one rule for the poor’ attitude. If you are living in a waterfront apartment in Double Bay or Kirribilli in Sydney, you pay no GST directly on your rent. But, if you are living in Cairns and paying $90 per week in a caravan park, you will pay five per cent GST on your site fees.

This discrimination came about because government members were so far removed from the daily lives of average Australians that it never crossed their minds that 161,000 people live permanently in this form of accommodation. As far as the government is concerned, caravan parks are tourist accommodation, eligible for the same service charges as when the spivs opposite stay at the Hilton hotels around the country. This permeates their attitude towards the new tax system. The residents could not even get an audience with anyone from this government, because we all know that you have to find someone with the surname of ‘Howard’, when you are in trouble, before you get an audience with the current Prime Minister.

The Urban Development Institute of Australia pointed out to the GST inquiry last year that, although new homes are often the most affordable form of housing, especially for first home buyers, the GST will in effect apply on these new homes. The GST on a subdivided block without a house is based on the difference between the price of land when it was purchased and the price of land when it is sold. Therefore, all improvements to the land—roads, drainage, sewerage, water and power supply—are taxed. A block of land costing a developer $45,000 and sold after improvements for $140,000 will have a margin of $95,000. This will be subject to the GST and therefore the GST payable will be $9,500.

The builder-home buyer will then build a house for, say, $90,000. That will bring the total land package to $230,000, very much at the lower end of the scale. The GST on this house will be $9,000. The GST on the house and land package, therefore, will be $18,500. But the government, with its compensation package—which is what this bill is about—will give a first home buyer’s rebate of $7,000. So they will be worse off by $11,500.

The Master Builders Association is predicting a 7.5 to 9 per cent rise in the short term and a 6.1 per cent rise in the longer term in the cost of new housing. The subsidy of $7,000 will only provide adequate compensation for homes costing $87,000 or less. You cannot buy a house in my electorate for that, nor can you buy a house in the electorate of Mitchell for $87,000; nor can you buy a house—

Mr Entsch—Yes, you can.

Mr ALBANESE—The member for Leichhardt tells me you can buy a house in his electorate for $87,000. It is good that they
will get proper compensation. But everyone in Sydney, Melbourne, Brisbane, Newcastle, Perth and Adelaide will not get proper compensation. Last Sunday, The Age published an article where it was revealed that only people entering a binding contract after 1 July would be eligible for the first home owner’s rebate. This is despite moves by state governments, such as in Western Australia by the Court government, to implement legislation that would enable builders to prospectively increase their contracted price if the costs of the GST prove greater than expected.

This GST is a tax on a tax. Most of the taxes that affect the housing industry will not be removed by the government’s tax reform package. Stamp duty and land tax, state taxes, will remain. The GST will be a tax on a tax for all of these taxes and charges. In some cases, $20,000 in government taxes and charges on subdivisions will become $22,000 under the GST. There is little wholesale sales tax on new homes, as it stands; therefore the loss of wholesale sales tax means very little to the housing industry.

The GST is not the people’s tax. It is a tax that discriminates against Australian families who consume all their income—in other words, against lower to middle income earners with children. Any family that consumes most of their income pays tax with every act of consumption. The less your income, the more you are taxed. Nowhere is the government’s bias towards their own proven more greatly than where you compare the income tax cuts for the wealthy with the income tax cuts for lower income earners. Even after the Democrat concessions, a family earning the average Australian wage of $31,500 with three children will receive a tax cut of $16 a week. A couple earning $100,000 a year will get $60 a week in tax cuts.

It is nice to know where this government’s priorities are, I guess. It is important to ensure that the needy shareholding couples of Darling Point get their well-earned tax cuts. It is a pity that this compassion is not extended more broadly. But that is not surprising, because this government has no compassion. We saw today with the mandatory sentencing debate how little compassion this government has; how it is prepared to sit back and watch children be jailed for stealing a bottle of cordial and biscuits on Christmas Day; how it is prepared to sit back while people are jailed in the Northern Territory—

Mr DEPUTY SPEAKER (Hon. I.R. Causley)—Order! I remind the member for Grayndler that this is a debate on a tax bill.

Mr ALBANESE—This is a debate about compassion and fairness, and it is not surprising that this government does not want a debate on these issues. It does not want to talk about compassion and it does not want to talk about Australian families. This is a debate about family assistance, and families need assistance not just on taxation; there are families who need assistance when you have to steal a towel so you can keep warm at night. When you find yourself in jail for stealing a towel worth $15, that highlights exactly the lack of compassion of this government.

I thought Michelle Grattan put it quite well in yesterday’s Sydney Morning Herald when she wrote about the inability of John Howard and John Herron to ‘personalise the emotion of people so far removed from their own experience’. The government are simply without empathy. It is more than that: they are without empathy because most of them have never had to struggle one day of their life. They have trust funds and share portfolios to help them through life’s little worries. They have no idea what it is like to live on a fixed retirement income that allows you to buy a mobile home in a caravan park on the coast but not much more. They have no idea what it is like to be a single mother or a young couple struggling to save the deposit for their first home. They have no idea and they do not even attempt to find out. They also never miss a beat when it comes to sticking it to the less well off. Even in this bill being debated tonight, the A New Tax System (Family Assistance and Related Measures) Bill 2000, a bill primarily designed to fix technical omissions and make the new family payments commencing on 1 July viable, they still manage to pack a punch.

The changes to the family tax benefit in this bill mean that in the case of separated
parents once the non-residential parent has 10
per cent care of the child the primary carer
has their family tax benefit reduced. How is
that for compassion? In other words, a
mother whose ex-husband cares for their
child less than one day a week or just 36 days
a year could face losing up to $40 a fortnight.
You have got to say this: this government is
consistent in its attitude to the most needy in
this nation. This bill is totally inconsistent
with the Child Support Assessment Act
which insists that the non-residential parent
must care for the child 30 per cent of the time
before maintenance payments decrease. It is
just another example of this government’s
inability to empathise with or listen to the
Australian people. But that is not surprising
because, to quote the previous speaker, the
member for McPherson, ‘government should
butt out of people’s lives’. That was one of
her statements and one of the distinctions
which she drew between the government and
the opposition. I think that that is an impor-
tant distinction because I believe that, whilst
people at the upper end of the scale think it is
okay to say that government should just butt
out of their lives, it is not okay for all Aus-
tralians. You would acknowledge, Mr Deputy
Speaker, that people in rural Australia, people
in regional towns—people battling out
there—need government to do a bit more
than butt out of their lives. They have seen
government butt out of their lives by reduc-
ing services, by job losses, by banks closing,
by post offices closing, by services being
removed, and they do not want that. They
actually think that government should play a
role in creating equity in our society.

I watched with interest when, in today’s
debate on mandatory sentencing, the Prime
Minister indignantly frothed at the mouth as
he accused Labor of monopolising the moral
high ground. I say to the Prime Minister that
the reason there is room for Labor to seize
the moral high ground is that the government
have been nowhere near it for years. Monop-
olly is easy to come by—and the economic
rationalists opposite should understand this—
when there is no competition. When it comes
to families there is no competition for com-
passion with this government because with
the GST and the inadequate compensation for
it, we see that this is a government which has
no empathy for ordinary Australians.

Mr CADMAN (Mitchell) (8.27 p.m.)—
This legislation before the House, the A New
Tax System (Family Assistance and Related
Measures) Bill 2000, is all about families. It
is all about parents and their children. The
House dealt some months ago with the goods
and services tax and the personal and indi-
vidual tax cuts related to the introduction of a
new tax system. Tonight we are dealing with
the compensation and payments that the gov-
ernment is making to families with the intro-
duction of the new tax system. The new tax
system is about a better and easier way of
taxing, and it is also about giving benefits to
those who are most in need, particularly
those families with children.

This package before the House tonight in-
volves $2.4 billion of payments to Australian
families around the nation. It consists of three
parts. The previous government developed
the most complicated, complex schemes un-
der the sun to make it appear that in each
budget they were doing something beneficial
for families in Australia, and a small amount
would trickle out to a limited number of peo-
ple. This government has said that it is too
complex, that the funds are not getting to the
people who need them most, they are not
getting to those people with the most chil-
dren, and it is costing so much to administer
with all the complexity of means tests and
income ranges, and the fact that, in total, 12
programs were being run by the previous
government to deal with family income and
maintenance benefits for children.

I will list the benefits currently available
through Centrelink. They include: the mini-
mum family allowance, the family allowance,
the family tax payment part A, the basic par-
tenting payment, the guardian allowance, the
family tax payment part B and the child-care
assistance. In addition to that, currently
available through Medicare offices is the
child-care rebate and currently available
through the tax system is the family tax assis-
tance part A, the dependent spouse rebate
(with children), the sole parent rebate and the
family tax assistance part B. I defy any mum
with a couple of kids to go into Centrelink or
anywhere and work out what the heck she is entitled to. It is a hopeless mess.

So this government has said, ‘Let us find out where the needs are, consolidate these programs and pay reasonable amounts of money to people, not just in compensation because there might be a slight increase in cost of living.’ In passing I notice in a press statement from Woolworths dated 27 February, Roger Corbett, who is the group managing director, says that supermarket prices will go up by 0.8 per cent. Mr Deputy Speaker, you know and I know that for $100 worth of groceries that is 80c and for $200 worth of groceries it is an increase of $1.60.

Let us look at the benefits that are going to flow to families from the changes that we are passing through the parliament tonight. The family payments currently available to families—I am told there are 12, but it looks more like 20 on the page in front of me—have been consolidated by this government into three—just three. Anybody going into the Family Assistance Office that the government has established will be able to identify their entitlements, claim those entitlements and gain the benefits encompassed in this bill—$2.4 billion worth of support for families. It is a consolidation and extension.

There are just three payments and they are simply named. There is the family tax benefit part A, the family tax benefit part B and the child-care benefit. Part A will be paid for dependent children up to the age of 20 and dependent full-time students aged between 21 and 24 years. So this applies to kids who are still at school, are living at home and are up to the age of 24 or to dependent kids who are at home but are not students and are up to the age of 20. The maximum rate will be $140 a year more than it is now. So what will that make it? For children under the age of 13, that is about $3,000 a year; for 13- to 15-year-olds, it goes up to $3,700 a year; for 16- to 17-year-olds, it comes back to about $1,000 a year; and for 18- to 24-year-olds, it is about $1,300 a year. So there is maximum payment when the greatest cost is there and that is when the kids are getting into high school and the middle years of high school. This is a good program. This is a program that suits the families of Western Sydney. Anybody who tries to argue against the benefits of this program does not understand Australian families.

In addition, you get at least this much if your salary is between $28,000 and $73,000 plus an extra $3,000 in salary for each child after the first. So in summary the family tax benefit part A is for people with an income below $76,000 and who have a dependent child under 18 or for people who earn less than $77,000 and have an 18- to 24-year-old—but you need to add $6,257 to those limits for each additional child under 18 and $7,300 for each additional child in the age group 18 to 24. The tax benefit part A is a great extension.

What does the tax benefit part B do? That will apply to people who are partnered or who are sole parents but who do not have a source of other support. For partnered people the primary income earner’s income is not taken into account. So that is for a couple. For example, if the husband is the major income earner and the wife earns a small amount of money, it is only her income that is taken into account. If she gets no income whatsoever, she is staying at home with the kids, then the family gets the maximum benefit.

So this is support for those families seeking to redress the disadvantage suffered by families which have a single income. It does not matter whether that single income is created through the efforts of a sole parent or whether that single income comes from one partner of a couple who works. So the maximum rate for part B is to compensate for the extra tax that is paid by single income families as compared with two-income families. The maximum rate under part B per year for families with children under five years old is $2,640, and for families with children aged between five and 16 years—or for families where the child is up to 18 years old and is a full-time student—is $1,851. So the benefits under part B are based on how much income that partner or carer gets.

The first part is based on the fact that there are children in the family, the second part is based on how those children are supported and the third part is the child-care benefit which allows people to place children in
child care. The maximum rate of the child-care benefit depends on the number of children, but for one child it is $120 per week or $2.40 per hour and it goes up to $392 per week if there are three children.

That is the maximum rate for the child-care benefit. There is a minimum rate of roughly $20 per week. If your family income is less than $28,200 and you use approved care, you get the maximum rate of child-care benefit. The Australian Labor Party is saying tonight that those in need will not get the benefit. There is free child care for anybody earning less than $28,200. And there is support for families with a sole income and there is support for families where there may be two incomes. If they have got children, there is an additional benefit there.

This is a reasonable program, and it should be endorsed by everybody in the parliament. But, typically, as has been the case with every measure adopted with the change of the tax system, the Australian Labor Party have moved in this parliament an objection or an amendment to seek to stop the progress of change. If they are so opposed to this change and they think it is so bad, it would be a very sensible thing, I suggest, for them to let it go through and let the government wear the mess that it creates out in the community. But, no, I do not believe the Australian Labor Party think it is a mess. I think they feel that it is going to be attractive, it is going to hit the mark and that families are going to accept and like it and think it is really well judged for their needs.

So what do the Labor Party do? They seek to play a spoiling game by disrupting, dislocating, preventing quick passage and delaying the implementation of these measures. That is a reasonable tactic in some language, but at least they ought to be decent enough to say, ‘We are going to delay this process because we do not think the details are good enough.’ But, no, they just use a disruptive process and claim that the measures are flawed.

There are so many good measures in this change in the new tax system which are of benefit to families. I will just run though them as a summary: an extra $140 per year per child; an additional $350 per year per family for single income families, including sole parents with a child under five years of age; the assets test that applies to Australian family allowance will be abolished; higher maximum assistance with child-care costs for lower income families; more families using child care will be eligible for some assistance with child-care costs; extra assistance for families with older dependent children not getting the youth allowance—that is, $1,306 a year for each 18- to 24-year-old and $977 a year for each 16- to 17-year-old.

That is a summary of what this is about, and I think that that is reasonable enough. It fits in, in fact, with what this government has done since it has been in office, because it is targeted. This Prime Minister is the first Prime Minister that I have heard talk about the needs of families. There have been plenty of prime ministers who have made statements like ‘No child will live in poverty beyond the year 1990’ and then done nothing. There have been plenty of spectacular statements like that. But they are statements that you hear once every five years. This Prime Minister and this government have consistently gone after the needs of families, sought to redress the difficulties of families and sought to compensate where hurt or disadvantage was felt.

I am proud to be part of a government that wants to put families first in Australia. Families are the building blocks of our society. They are the most significant part of our community. Why shouldn’t this government and all governments focus on families? This is the first government that has focused on families with children, understanding the needs of parents. The coalition has provided greater levels of assistance to families in the area of family and community service and child care, where those in most need have been delivered the greatest benefits.

From July 1996 to June 1999 there was an increase of 230 child-care centres in Australia. Five hundred private care centres have opened. The government understands the relationship between private and non-private care. Despite its proclamation that the operational subsidy should not be withdrawn from community based long day care centres, the
Australian Labor Party has backflipped and backed us on that—condemned it to begin with and backflipped when it saw it was sensible.

With the Child Support Agency, we have moved and changed the relationships and the responsibilities of families that are separated so that they are more reasonable and more likely to be based on the circumstances of the split couple and their split families. It is a very hard and difficult area, but already this government has made two sensible adjustments, and no doubt there will be more as we try to get this closer. I can remember the member for Chifley sitting over here when the Labor Party was in government making speeches year after year pleading with his government about the need to do something with the Child Support Agency. He even ran a committee at one point to try to get his government, the Labor government, to do something about the Child Support Agency—failing at every attempt. This government has made changes and will continue to make changes.

What have we done with the disability services of Australia? This coalition has been consistently doing things. The budget of last year built on previous budgets with an additional $20 million over four years for respite care and support for those charged with the care of those who are disabled. Nobody had thought of doing that before. We are putting in more money to give those who care for the disabled support in their homes. More than $1.4 billion will go to the states and territories over the next four years to assist them in providing accommodation support, respite care and day services for people with disabilities. These are all family based policies.

Mr Entsch—Top shelf.

Mr CADMAN—Top stuff. We have the crocodile tears about caravan parks and goodness knows what, anything but relevant topics dealing with families, from the Australian Labor Party, then some flimsy amendment of opposition to this legislation, seeking to delay it and disrupt it. What about homelessness and prevention strategies? There again we see active government decisions: $60 million towards the establishment of youth homelessness prevention and early intervention services; $50 million towards the prevention of domestic violence in conjunction with the Office of the Status of Women, and so it goes on—income support, the sort of stuff we have been on about tonight, for families.

This government has done so much and there is so much more yet to be done. That is why it is so challenging and exhilarating being part of a government that has some vision. This government is yet to deal with the areas that I am concerned about for the future. I believe we have to do something about gambling. We have that Productivity Commission report, but it is just sitting there. There has not been a lot of action from the states on it, but it is basically a state responsibility. Gambling by people with a gambling problem, who are usually on a fairly low income, is sucking the very life and the very existence out of their families. They are living in poverty and deprivation in many instances because of their gambling. To go through the report of the Productivity Commission and read about the difficulties created by gambling is a revelation. Encouragement for family members to relate to each other better is something that I regard as important, and I know my colleague from Greenway understands this. We have seen the how to drug-proof your kids’ programs and the strengthening of families as a result. I think governments need to give people some tools to work with in their families so that conflicts are resolved and so that it is possible to steer away from negative attitudes and responses and have personally winning formulas for operating in families. I believe governments have more to do yet. Jocelyn Newman, the Minister for Family and Community Services, is saying, ‘Okay, we have to take the cheats out of the system, but we also have to give encouragement to people.’ So this government is driving at a sense of mutual responsibility, and I am looking forward to the next innovations and the next changes.

(Time expired)

Mr MOSSFIELD (Greenway) (8.47 p.m.)—The A New Tax System (Family Assistance and Related Measures) Bill 2000 amends current legislation dealing with the consolidation of family payments under the
new tax system. On 1 July, 12 forms of assistance currently provided to families through the social security and tax systems will be replaced by three types of assistance. There are numerous omissions and defects in the original legislation that the government wishes to correct. This legislation also seeks to replace the existing regulations, making powers in respect of the new family payments, with substantive provisions in primary legislation. Consequential and technical amendments are also being made to eight other acts.

As we are all aware, this bill was introduced in this House on 9 March and here we are now debating a bill that is already 300 pages long. It is impossible to properly assess this bill, and on its track record this government will make another 300 pages of amendments to it within three months of the bill passing. Just to give you an indication, the A New Tax System (Family Assistance and Related Measures) Bill 2000 and the explanatory memorandum together comprise, as you can see, a document that is possibly about an inch thick. It would certainly take a considerable time to analyse it and the government, for whatever reason, has not been prepared to give the opposition that courtesy. The government ought to have a major training program to enable it to begin to better manage its legislative agenda. This would allow due consideration of complex legislation such as this and we would not be expected to rush through 300 pages at short notice.

It is indeed a fairly complex bill as, in broad terms, it is amending current legislation to provide the administrative infrastructure to support the payment of child-care benefits, clarify the operation of various aspects of the family assistance law, replace regulations, make powers with substantive provisions by legislation, insert relevant savings and transitional provisions, and make miscellaneous technical amendments. The streamlining of the department’s activities may appear to be a good move but, as we have learnt by experience, particularly in the proposed changes to the tax system, such changes lead to enormous confusion among governments and their ministers—and we have seen quite a considerable amount of that—as well as among departments and consumers. What extra resources are to be made available to the department concerned to ensure that consumers’ entitlements are not delayed?

This department, now called Centrelink, has lost thousands of valuable and talented employees. The strains and burdens now placed on the remaining staff are enormous. Already my office is experiencing an increase in the number of calls regarding Centrelink problems. These problems are being caused when people who are receiving benefits of various descriptions advise Centrelink of their change of circumstances but the particular payments continue to be paid and not reduced. The clients in many cases are then, at a later date, presented with a bill of over $4,000, which they then have to repay. As the shadow minister advised in his speech, the question of clients having to estimate their income has also caused considerable concern and resulted in people being overpaid and accumulating quite considerable bills.

This amount of money—as I said, from personal experience, I am aware of it being up to $4,000—represents an enormous financial strain on a low income person just re-entering the work force. I believe these problems are being brought about by staff reductions and falling morale among Centrelink staff. Front-counter staff are unable to rotate positions properly and may be able to have only a short tea-break or short lunch-break before they are back at the counter dealing with difficult and frequently distressed customers. They are under an unfair strain that would simply not be tolerated or expected by the minister. This means that there will be mistakes made at the counter or in the input of data from customers. As many members here would know from experience with their constituents, these are indeed common occurrences. I anticipate that, from the operation of the family tax benefit shared-care arrangements in this bill, we are going to have many more visits from disgruntled constituents. Many single mums will see their fortnightly income being dropped to match
the days that the kids spent with the non-custodial parent.

Surely it is evident that this change is totally inconsistent with the Child Support (Assessment) Act and could cause severe hardships for single parents. There have been estimates that there could be a loss of as much as $40 per fortnight for each child whose care is shared. I query the issue of ‘shared care’. Parents seek access to their children. They take them for a day or for a weekend—and rightly so—and there is a cost involved for those carers, but the custodial parent still has the responsibility of the major caring. The parent, man or woman, must maintain a home, beds and clothes for the children and also keep food stocks. One or two days out of the week does not reduce the overall cost of a family, and it appears that there is now to be a penalty imposed on these single carers. Child care and child support are already very tense issues of discontent and anger within the community. As MPs, we are meeting with all sides in family disputes, and all expect us to solve the problems that have sometimes been caused by the Family Court, by the inability of one party to get legal help or by other irritations of a real or imaginary nature. What we do not need at our offices and what families do not want is yet another problem area being created that will cause further unhappiness and bitterness between the custodial and non-custodial carer. The end sufferers are of course the children. Is that what we want? I think not.

On top of these changes, the single parents are yet to come to grips with the GST in all its peculiar forms. The GST is quite bluntly an inherently regressive and unfair tax and will be very difficult for families. This is what this bill is all about. It is allegedly to make life easier for families, but we do not believe that this will occur. The compensation provided by the government to families is inadequate and inequitable. I also want to mention the double whammy effect that we believe the GST will have, particularly on families. I refer to an article in the Sydney Morning Herald of 13 March entitled ‘Prices build a head of steam—pre-GST’. It says:

A survey of NSW manufacturers has confirmed that prices are under rising pressure in the lead-up to the goods and services tax, as strong demand allows businesses to pass increased costs on to consumers. According to the survey of 464 firms, released yesterday, selling prices are at a 4.5-year high—further evidence that inflation is on the rise, despite continuing moderate wage outcomes.

Here there will be a double whammy effect on families. They will be paying a GST on products, but they will also be paying a GST in the price increase that may well occur prior to 1 July. To reinforce that particular item, I have here a letter from a constituent who is an age pensioner. I will read in part what he has said. This confirms that prices are increasing prior to 1 July. The letter says: As an Age Pensioner in your constituency of Greenway, I like to hear your opinions regarding the following:

In the Sun-Herald of 13 February 2000 an article appeared: “GST ON THE WAY”. In it the Editor published a list of grocery items purchased in a Coles Store in Broadway, showing the price paid for each item and the to be expected POST GST price. Apparently the compiler of this list was convinced, that prices would not rise between February and end June 2000, prior to the GST. I doubt this very much. For many years we have been dealing with a milk vendor, who leaves a carton of milk for us at our front door, early in the morning. Every year in August or September, the vendor increased his prices by 2 or 3 cents per carton or per liter. However, this year we found a note with our milk delivery saying that prices were going up as from the 6th of March 2000 and not just by a couple of cents, e.g. the price of a 600 ml carton of milk increases from 84 cents to 95 cents, an increase of 13.1%.

If I have the government’s position right, if milk is basic food, I do not know that the GST applies to that particular item. However, here is a clear example of where the GST will not apply to this item but in fact the price of the item has already increased by 13 per cent. It has increased above what the GST rise would be. These are practical examples of where our constituents are complaining about the effects of the GST, and I would certainly rely on their judgment much more than I would rely on the judgment of some of the people who have been quoted on the other side.

This is a debate about the GST. I know some people on the government side do not like us to continue to raise this issue, but it is
all tied in with the GST. It is interesting to note the progress in the debate since the time the Prime Minister invited the Australian public to join him in the great adventure. He told us at the time that there was a change in the mood of the community and that people now understood the issue of the GST. It was some time back that he made that particular statement. I think it was incorrect at the time. People did not understand the GST, and in fact they still do not, in spite of what government members might like to think. I would like to refer to a fairly recent article that appeared in the Financial Review by Louise Dodson. It states:

The Federal Government risks an “explosion of anger” in the bush and outer suburbs over the looming impact of the GST, according to polling commissioned by a major motoring organisation. The research by ANOP’s Mr Rod Cameron charts attitudes to the GST since 1995 and shows that at the time of the last Federal election in October 1998, the GST was only superficially understood. Since the impending tax has become better known, resentment has, however, risen dramatically.

I think that is a clear indication that the Australian public are starting to realise how damaging this GST will be. Certainly they never ever supported it, but they are now coming out in complete opposition to it. The fact is that the mood in the community is in opposition to the GST. People do not understand the GST. I think we have to say that many ministers do not understand it either—and certainly the minister for financial services falls into that category. Perhaps the community accepts the view of the President of the National Tax and Accountants Association, Mr Ray Regan, who was quoted as saying during the ‘rounding up rounding down’ debate recently, ‘It is impossible, and the reason is that nobody in the government understands its own legislation.’

The Prime Minister also told us that there would be no overall increase in the tax burden, meaning that it would be revenue neutral. If this is the case—and high income people are already being promised tax cuts—then who is to carry the burden of maintaining government revenue? It will be the average worker, the low paid worker, families, the unemployed, pensioners, charities and the distressed in our community. It is also clear that small businesses would have to spend many hours working on their sums to ensure that they pay the correct GST to the Commissioner of Taxation. This fact has become doubly clear as the debate has progressed. Now when we talk to small businesses—and I talk to many of them in my electorate—we are told that they are concerned about three issues: firstly, being made unpaid tax collectors for the government; secondly, the unproductive time they will spend on their books doing what they do not have to do now; and, thirdly, having to visit their tax accountant each year four times when previously they only had to do so once.

Let us talk about local government charges—and in this debate we can do so because it is about families, and families use local government services. In particular, let us talk about swimming pools and halls. These facilities were built with ratepayers’ money; they are maintained with ratepayers’ money. But now the government is saying to the public—this is the public who virtually own these facilities through having helped pay for them—that they have to pay a GST on them.

The introduction of the GST is clearly a case of getting the bottom line right, without worrying about the effect on the average citizen. Because of the earlier debate on the GST, the federal government has been forced to come out early with a heavy and expensive $24 million selling campaign. Currently, the Australian public are being told by the government that ‘the GST is the solution to all our ills’—that it will boost our export industry, stimulate employment, wipe out tax evasion and be a simple replacement for the complicated wholesale sales tax. In fact, we are being told that we will all be better off. This oversell became necessary because of the history of the GST debate in Australia. Firstly, we had the internal debate—as you, Madam Deputy Speaker Crosio, would know better than I—within the ALP where, on balance, we decided that the goods and services tax would create hardships for low income people and that it was a tax system we would not be prepared to introduce. Then we had the Australian people defeat Dr Hewson’s
Fightback package. And then we had Mr Howard as Leader of the Opposition saying that he would never ever introduce a GST—and then getting into power and introducing one.

With the Australian people being told for a decade by both sides of politics that the GST was not an appropriate tax for Australia, the government then went into the 1998 election with a GST and ‘tax cuts for high income earners’ policy and finished up with 14 seats fewer than it had at the previous election in 1996; in contrast, the ALP gained 18 seats in that election, while over 50 per cent of the Australian people voted against GST candidates in the Senate. I know that the government claims to have a mandate; it is the government. But I believe that, based on the results of the 1998 federal election, the ALP still has a clear mandate to oppose the GST.

I would like to conclude my remarks by quoting from the Mackay report of June 1999 as it refers to the GST. The comments I am about to quote are balanced and a number of them have been made by people who would query some of the positions that we on our side of politics would take, but I think basically they also sum up what I have been saying so far in this speech. Also, some of the comments have been made by members of the general public, and I will endeavour to identify those particular quotes. The Mackay report of June 1999 in part states:

So the two issues which, in 1999, might be expected to arouse considerable passion—the GST and the republic—generated little discussion in this study.

‘Let’s get the GST over and done with’

Three recurring themes emerged from the rather desultory discussion about the GST:

First, people have generally not understood its nuances or its final impact on their financial position (though they fear the worst);

Second, the complexities of the compromise deal struck with the Democrats only compound the sense of confusion;

Third, it is virtually taken for granted that the total rearrangement of income taxes and consumption taxes will result in increased tax revenue.

The undercurrent of discussion about the GST suggests that people are sick and tired of the subject; resigned to the fact that a GST will be introduced (though their support for the Howard government at the 1998 election did not always imply this); prepared to accept that they will simply adapt to the new tax regime and, given time, learn to live with it.

I will complete my speech with this next quote. (Time expired)

Mrs VALE (Hughes) (9.07 p.m.)—Any measures that improve services to families deserve the full support of this House. The A New Tax System (Family Assistance and Related Measures) Bill 2000 before us is aimed at streamlining and improving assistance to families in a number of categories of need. The bill complements the package of tax reform legislation that was passed in June last year. That package put in place the legal framework for family assistance. I refer primarily to the A New Tax System (Family Assistance) Act 1999 and the A New Tax System (Family Assistance) (Administration) Act 1999. The legislation last year reduced 12 forms of family assistance that were available through the tax and social security systems to three family assistance payments. These systems covered assistance to families to raise children, additional assistance for single income families with children and assistance with the cost of child care outside the home.

As legislators, we must always remember that the family is the most basic building block upon which all other social forms rest. Families are the most cost-effective deliverers of primary welfare services. In purely economic terms, if this were added to the GDP, it would increase by 30 per cent. Of course, the benefits are not just limited to welfare. There have been significant changes to the structure of families that have characterised the families in Australia over the last 50 years. I quote from the House of Representatives Standing Committee on Legal and Constitutional Affairs report entitled To have and to hold: strategies to strengthen marriage and relationships:

Following the Second World War, marriages and births that had been delayed by the conflict soared—a trend which continued through the fifties and early sixties, while divorce rates fell.

A series of changes during subsequent decades had a major impact on family life: the advent of
the contraceptive pill, the entry of married women into the paid workforce, the widening of sole parents benefits, and the introduction of no-fault divorce legislation. By the 1980s, the divorce rate had soared, out-of-wedlock confinements had increased, marriages were delayed, and birthrates fell. The structure of the Australian family had changed remarkably.

As a matter of fact, of 4,775,200 families in 1992, 86 per cent were couple families, 13 per cent were single parent families and one per cent were other families. Of the couple families, 92 per cent were married of which 51 per cent had dependent children. Another eight per cent were de facto relationships of which 36 per cent had dependent children. By 1997, the proportion of single parent families had risen to 14.5 per cent. Of the 620,000 single parent families, 84 per cent were mother-headed and 16 per cent were father-headed.

When families break down, together they cost the Australian economy at least $3 billion each year, and when all the indirect costs are included the figure is possibly doubled. Viewed from this perspective, we can see that families do not depend upon the government but the government depends upon the family. That is why the Howard government has been assiduously rebuilding pro-family legislation right across the portfolios—from funding marriage education to providing substantial additional funds for carer respite to prevent burnout of families and family members who are caring for the disabled.

This reconstruction follows successive ALP governments that delivered what can only be described as ‘locust plague years’ to Australian families. For too long the importance of families was put down and, if they broke down, then that just demonstrated that they were dispensable in some new world order. We can see the effects of downgrading the importance of pro-family legislation and policies in almost every social problem that plagues the Australian community, be it domestic violence, child abuse and neglect, drugs, sexually transmitted diseases, homelessness, family break-up—and the list just goes on. That is why it is important that changes to the new tax system are managed in such a way that their impact on the family not just is minimised but also can have an enhancing effect. A lot of focus has rightly been given to the impact of the new tax system on business—and so it should, because getting that right will bring benefits to business and the overall economy with good flow-ons to families, so many of whom are closely involved with, and even dependent on, family businesses.

This bill does not directly impact on all families in the way that other provisions of the new tax system do. However, this bill is vitally important to some families who are probably the most vulnerable and who are greatly helped by or rely upon the delivery of government welfare services and assistance. The bill consists of a large number of amendments each designed to improve existing legislation. Because the new tax system is being put in place, the laws that supported the old tax system will become redundant from 1 July 2000. It is therefore necessary to redesign the laws to bring up to date the structure and administration that provides the government assistance to families in need of help.

The legislation that was passed last June—that is, the A New Tax System (Family Assistance) Act 1999 and the A New Tax System (Family Assistance) (Administration) Act 1999—put in place the legal framework for delivering family assistance under the new tax system. With that legal framework in place, we can now clothe it with the details necessary for its smooth operation. In doing this, the government has taken the opportunity to simplify the array of assistance, compacting 12 forms of assistance to three. Looking at this legislation in overview, this bill will do five things: as I said before, it will provide the administrative infrastructure to support the payment of child-care benefits; it will clarify the operation of various aspects of the family assistance law; it will replace regulation making powers with substantive provisions; it will insert into legislation relevant savings and transitional provisions; and, finally, it will make miscellaneous technical amendments. This is a very technical bill.

In addition, this bill will make consequential and technical amendments to seven other pieces of legislation. These are the Social Security Act 1991, the Social Security (Ad-
administration) Act 1999, the Social Security (International Agreements) Act 1999, the Child Support (Assessment) Act 1989, the Health Insurance Assessment Act 1973, the Income Tax Assessment Act 1936 and the Medicare Levy Act 1986. You can see, therefore, that this is a comprehensive bill. We should not let the complexity of detail confuse us. Government is a very complex business, and the new tax system creates a historic change to the financial administration of government. This bill is up to the task of coping with the enormity of the changes and it will deliver a better system of family assistance.

The bill consists of six schedules, each dealing with different aspects of benefits or the law. Schedule 1 contains amendments relating to the A New Tax System (Family Assistance) Act 1999, and it deals with the family tax benefit and maternity immunisation allowance, amendments relating to child-care benefit and common provisions relating to family assistance. It also deals with residence rules, pattern of care eligibility, arrears of rent assistance, rent assistance for parents paying low rent and sharing the care of a child, and maintenance income test.

I am pleased to see that a current anomaly in the Social Security Act is being remedied. The anomaly occurs when some separated parents paying low rent agree to take on the shared care of a child. This is because income support parents without the care of a child and paying low rent may receive less total assistance than when they agree to share the care of a child. The problem arises because persons with the care of a child face a higher rent threshold for payment of rent assistance than those without children.

Although the maximum rate of rent assistance is higher for people with children, those paying low rent do not benefit from this. The higher rent threshold for families means that a person paying low rent may receive less rent assistance at the ‘with child’ rate as part of the family allowance than at the ‘without child’ rate as part of income support. A person sharing the care of a child receives only a proportion of the standard family allowance, and in some cases the extra family allowance does not compensate for the reduction in rent assistance. To avoid this anomaly, the family assistance act is amended so that an individual who only has shared care of a child or children is assessed for rent assistance at both the ‘with child’ and ‘without child’ rates. Payment of rent assistance would then be made at the higher rate.

Schedule 2 contains amendments to an allied act, the A New Tax System (Family Assistance) (Administration) Act 1999, providing administrative detail dealing with the same family tax benefit and maternity immunisation allowance, amendments relating to child-care benefit and common provisions relating to family assistance. Schedule 2 deals with what can be described as reasonable housekeeping matters, such as arrangements for payments into bank accounts, the requirement to provide a tax file number and various variations of entitlement determinations in regard to social security pension or benefit, adjustable taxable income and maintenance income.

The family assistance administration act provides for the payment of family tax benefits, maternity allowance and maternity immunisation allowance at such times and in such manner as the secretary considers appropriate. This flexible approach is complemented by provisions that allow timing and manner of payments to be more precisely described in regulations. Part 1 of schedule 2 amends the family assistance administration act to repeal the regulation making powers referred to above. Instead, new provisions are inserted that ensure that the principal manner of payment of family tax benefit by instalment is into a bank account nominated by the customer. This is consistent with the approach taken under the social security law. In relation to other payment options, flexible payment arrangements would be retained.

Part 2 of schedule 2 replaces the regulation making provisions with substantive provisions in the family assistance law. They deal with, for example, making claims for payment of child-care benefit, determination of claims, how and to whom payment of child-care benefits should be made, notification of obligations of claimants including offences for failure to comply with the obligations, obligations of approved child-care services
and payment of advances to approved child-care services. Part 3 of schedule 2 provides definitions and amendments in the areas of payment of protection, overpayments and debt recovery, review of decisions, information management, approval of child-care services and registered carers, and other matters.

Schedule 3 amends three pieces of legislation: the Social Security Act 1991, the Social Security (Administration) Act 1999 and the Social Security (International Agreements) Act 1999. With the schedule 3 amendments to the social security law, the bill makes a series of technical and consequential amendments to the Social Security Act 1991. Amendments also increase social security payments by four per cent to compensate for the effects of the goods and services tax. Those payments that are affected relate to the participant supplement, the pensioners education supplement and the carer allowance. Schedule 3 also makes numerous consequential amendments to the Social Security (Administration) Act 1999. These changes are necessary because of the repeal of family related payments from the social security law and the repeal of the Child Care Payments Act.

Schedule 4 of this bill provides amendments to five other acts: the A New Tax System (Bonuses for Older Australians) Act 1999, the Child Support (Assessment) Act 1989, the Health Insurance Act 1973, the Income Tax Assessment Act 1936 and the Medicare Levy Act 1986. Schedule 4 makes minor technical changes, which I have mentioned, to the A New Tax System (Bonuses for Older Australians) Act. This takes into account the subsequent enactment of the Social Security (Administration) Act. It also makes minor technical and consequential changes to the Child Support (Assessment) Act 1989.

Schedule 5 of the bill deals with the transition from the existing family assistance arrangement in the Social Security Act to the new family assistance arrangement in the family assistance law. It also contains a savings provision for certain family allowance customers with a child attracting payment of double orphan pension or carer allowance. Item 1 ensures that any organisation that was an approved care organisation under the Social Security Act immediately before 1 July 2000 is taken to be approved under section 20 of the family assistance act. This provision avoids the need to re-approve organisations on 1 July 2000 to enable them to continue to be paid family assistance in respect of children in their care.

Finally, schedule 6 provides for the transition to the new child-care benefit system, particularly from the existing child-care assistance and child-care rebate systems.

This bill follows a succession of family assistance bills that stretch back to the lump sum maternity allowance that was introduced into this House in 1912. The next major development which occurred for family assistance was in 1941 when the first Menzies government introduced financial assistance to families with children; provided primarily through tax concessions for children and dependent spouses. Since then, numerous measures have been introduced in this House from various governments targeted at the needs of specific family groups.

This bill is largely a technical bill, but it is necessary to effect the delivery of family assistance with the commencement of the new tax system that will come into effect on 1 July 2000. I support this bill and commend it to the House.

Mr EDWARDS (Cowan) (9.21 p.m.)—We have heard a succession of government speakers who, like the Prime Minister, constantly say to us that the GST is going to be better for Australia and that no-one is going to be worse off. I want to ask government members to listen to some arguments I have, particularly in relation to the cost of funerals and, in particular, I want to put some figures before the House. Just in this one area I think I can show quite clearly and quite easily how many, many thousands of families and many, many thousands of pensioners in this country are going to be worse off.

Like a lot of people, I have had many pensioners come to see me to talk about the GST because they cannot get information and they find it difficult to understand. Because they cannot get information, they obviously are
concerned about how their income will be impacted on and what is going to happen to their lifestyle, their quality of life, after the GST comes into effect. One particular couple who came to see me brought with them a breakdown of costs from one of the major funeral directors in WA. I want to run through some of these costs. The quotation states that these figures are valid till 16 March, so people should bear in mind that after 16 March these figures will have gone up, but I do not have those new figures here.

The funeral company are a fairly competitive and well-established company in WA. Their funeral director’s fees for a standard service, which includes church and cemetery services, is $2,590; or their intermediate service fee, which includes church or cemetery services, is $2,390; or their essential care fee is $2,290. In addition to those fees, there are other fees such as a grant of right of burial, which is costed at $895; an interment fee of $580; caskets and coffins, which start from $890; either clergy or a civil celebrant—and I understand that particular fee is not GST affected—which costs $100; an extra motor vehicle, which costs $240; one certified copy of death registration, which costs $27; an administration fee of $170; plus, according to the quote from the funeral directors, 10 per cent GST. The couple who came to see me were looking at spending in the vicinity of $4,500 to $5,000 for their particular funerals. In addition to those charges that have had a 10 per cent GST tacked on to them, it is pointed out in the quote that they might like to consider placement of newspaper notices, placement of ashes or embalming or the recording of the service. All of those things are also subject to a GST.

We have heard so often that nothing is going to go up by the full 10 per cent. So in the interests of these seniors and in the interests of others I tried to get some information. I approached the Treasurer’s office and got pretty short shrift from them and they suggested I ring the ATO GST hotline. After ringing time after time after time and eventually getting through, we were given some courtesy but very little help and they suggested to us that we should approach the Funeral Directors Association, which we did. They said, ‘Yes, it is our view that funerals will go up by 10 per cent.’ This couple, who had planned for each funeral to cost around $4,500 or $5,000, now immediately after 1 July are going to have to find between $400 and $500 extra.

But we are told that there is the compensation factor. That compensation factor is an additional four per cent on their existing pension, which works out at $24.80. I do not know whether any of those government members who have come in here over a period of 12 or 18 months and told us how good the GST is have ever sat down and thought about this GST and its impact through the eyes of people who are on a fixed income—self-funded retirees or people on a pension—or whether they have ever done any work to ascertain exactly what the impact is going to be on these people. I wonder whether members opposite realise that for a pensioner couple who are facing a bill immediately after 1 July of an extra $400 or $500 each but who are going to get an additional $24.80 per fortnight, it is going to take them eight to 10 months of saving the full amount of compensation just to pay for the additional cost of a funeral? Can someone from the government tell me how these people are going to be better off?

I went to the ABS and got a few figures. I found that the number of deaths for those aged 65-plus in the second half of 1998—that is, post 1 July—was 53,828. It seems to me that in the second part of the calendar year—that is, 1 July to the end of December—there is not going to be enough compensation coming in to cover the additional costs of funerals. The people who are going to be impacted on, as I have said, are people on pensions or self-funded retirees. For the month of July alone in 1998 there were 10,276 deaths across Australia of people aged 65-plus. If one person of that pensioner couple dies, the surviving pensioner is going to have to find $400 or $500 extra to pay for the funeral post 1 July.

As I said, the Australian Funeral Directors Association believes that funeral costs will increase by the full 10 per cent as most inputs were previously untaxed. When basic funerals cost on average anywhere between $2,000
and $5,000—some are much more expensive—this represents a huge burden at a time when partners and families are most vulnerable. How can the government’s four per cent pension increase, which will not even compensate for the increased cost of living under the John Howard GST, help those who are left behind to cope with these costs? How can government members say that no-one will be worse off?

If the government were dinkum about a compensation package, in my view, what they would have done would have been to show a bit of compassion and consideration for people in this situation. I think they should have excluded the cost of funerals from a GST for at least the first 12 months. That would have enabled people on fixed incomes—pensioners—to at least accumulate something of that four per cent increase and help them save up for a funeral or to provide in the event of the death of a loved one.

Madam Deputy Speaker, I know that a person like you who is closely involved with your electorate would know that many seniors—indeed most of them, in my experience—are very independent and proud, and most of the people I speak to do not want to leave a debt behind for their family once they go. This compensation package is going to be sadly lacking. It is simply wrong for government members to come into this place, and to go into other parts of the community, and say that no-one is going to be worse off. I really do not think that the government has fully considered the impact of the GST on people who are self-funded retirees or who are on small or fixed incomes because the compensation does not add up.

The other matter that I want to speak about tonight in relation to this GST compensation package is the impact that the GST and the additional tax which the government will impose on the hotel industry is going to have on that industry. I had a good briefing from the WA branch of the Australian Hotels Association—a branch which has been around for a long time and is very credible and professional. It tells me that there are over 740 hotels and taverns in Western Australia, with 400 of those in country areas. Between them, they employ approximately 15,000 people directly in jobs and they pay approximately $268 million per year in wages. The total expenditure in the industry is about $1.3 billion per year. About 186 or 63 per cent of TAB outlets are within hotels or clubs. Hotels serve something like 16 million meals per year. There are over 380 hotels which have accommodation. There are 300 hotels with more than 15 rooms. There are 17,015 guest rooms and 46,938 bed spaces. Of the 212 conventions held in Perth last year, 70 per cent were held in hotels.

I do not know how Western Australia compares with other states, but the quantity of beverages consumed in Western Australia are as follows: beer, approximately 190 million litres per year; wine, approximately 36 million litres per year; and spirits, approximately 16 million litres per year. Western Australian government revenue per annum from hotels is this: liquor fees, $45 million; land tax, $11 million; payroll tax, $21 million; water rates, $11 million; energy costs, $72 million; local council rates, $14 million; and other government charges, $3 million—total state government revenue, $177 million. This industry makes a very big contribution to the economy of Western Australia. Despite that, it will—as from 1 July—be faced with the biggest tax impost that it has ever had in the entire history of the liquor industry in Western Australia. I might say that it is an impact which will be felt more strongly in Western Australia simply because the hotels over there do not have the added support of income from poker and other gaming machines.

I will give you the current cost of a beer: brewer’s cost plus profit, 32c; excise, 18c; wholesale sales tax, 18c, publican’s cost plus profit, $1.42—that works out to be $2.10 per glass. With the GST, which will replace the WST, the cost would be as follows: brewer’s cost plus profit, 32c; excise, 18c; publican’s cost plus profit, $1.42; and a full 10 per cent GST, 19c—that would bring the price of beer up marginally to $2.11 per glass. That is not the end of the story because the government wants to put an additional excise or a top-up tax on top of the existing excise. This is what it told the hotel industry it is going to do: brewer’s cost plus profit, 32c; excise plus top
up tax, 34c; publican’s cost plus profit, $1.42—that adds up to $2.08. Plus, on top of that—a tax on a tax—the 10 per cent GST means that the cost per glass of beer is going to end up at $2.29, and, by the time it is rounded up, $2.30. That is up nine per cent. I thought this was the industry that, before the last election, the Prime Minister said would not be affected in this way. But we have heard so many of those stories that have been told to so many industries.

I think one of the most current debates we have going on across Australia, particularly in Western Australia, is the lie that was told to people who live in park homes or in caravan parks over a long period of time. They have been conned. They have been lied to by the government. I must say that I was fortunate enough to have Wayne Swan, who was over in Perth last weekend, attend a hastily organised meeting of long-term park residents in my electorate. Between 130 and 140 people turned up, very angry at this government. I want to put on the record my appreciation of Wayne Swan, who came over and spoke very well to those people—managed to provide a bit of information which they had not previously been able to get and to add to the information I had been providing to them. But, gee, I think this government is in for a bit of a shock.

The Australian Hotels Association also informed me that draught beer prices on premises are set to rise by nine per cent as a direct result of a top-up penalty adjustment to excise, which will increase excise by 90 per cent. This price rise is the result of an increase in the excise rate designed to replace the wholesale sales tax; it is not a result of the service component of the GST which the hotel will have to put on. Under the proposed arrangement the federal government will collect an additional $500 million from the taxation of beer. Currently, approximately $2 billion is already collected annually from the beer consumer across Australia. The federal government stated its intention to increase beer prices by 1.9 per cent. The original ANTS document released by the government also put forward only small increases. Beer and other products sold in hotels are already taxed at rates that are much higher than other industries and cannot sustain additional price increases. Draught beer prices are highly sensitive and, if the price increases by nine per cent, it is likely that the result will be a major downturn in on-premise sales and job losses, particularly in regional and country Australia. The majority of blue- and white-collar workers in Australia enjoy draught beer, and significant price increases will result in major consumer backlash. Economic modelling suggests that there could be up to 7,500 jobs lost as a direct result of this increase. I have already demonstrated the tremendous economic development that the Australian hotel industry contributes to the Western Australia economy. They are very concerned at the potential loss of some 7,500 jobs and, of course, many of the small business people are concerned about their capacity for survival post 1 July.

There is another issue in this area of tax. I quite often go to some of the hotels in my electorate of Cowan. I like to go and have a meal with my family and friends in a very pleasant place. A couple of the hotels that spring to mind are the Greenwood Tavern—a very good meal and service are provided there—and the Moon and Sixpence up in Woodvale. It is a delight to go to these places. It is also a delight to be served by some of the young people who work in the industry—they are very polite and very efficient, and this work is a great source of income for some of these young people. But in addition to the impact of the GST on beer and other drinks, there is also going to be an impost, an additional GST, on the meals. It just seems to me that many families will be cutting back on the number of times they visit these hotels; they will cut back on the amount of money they have available to spend in these areas, because they will simply be trying to catch up with other costs in so many other areas. The government keeps telling us that no-one will be worse off; there is adequate compensation; the GST is good for everyone; it is a win-win situation. Well, we have not got too long to go before the GST is implemented, and I want to urge some of those government members to get their heads out of the sand, have a look at the facts and the figures that I have been able to provide tonight, get out in their electorates, do a bit of
work, talk to people and find out what is going on. If they do, they will find that this GST is going to create a major problem for this country—and particularly for small business people and people on fixed and small incomes. It does not add up. (Time expired)

Debate (on motion by Mr Ronaldson) adjourned.

MATTERS REFERRED TO MAIN COMMITTEE

Motion (by Mr Ronaldson) agreed to:

That the following bills be referred to the Main Committee for consideration:

A New Tax System (Family Assistance and Related Measures) Bill 2000

Customs Tariff Amendment Bill (No. 3) 1999

CHILD SUPPORT LEGISLATION AMENDMENT BILL 2000

Second Reading

Debate resumed from 16 March, on motion by Mr Anthony:

That the bill be now read a second time.

Mr PRICE (Chifley) (9.42 p.m.)—I am pleased to speak in this debate on the Child Support Legislation Amendment Bill 2000. This legislation is a step in the right direction in that it seeks to ensure that the system applies fairly and equally to all those living outside Australia, whether they are a payer or a recipient of child support. It amends domestic laws and enables Australia to fulfil international child and spousal maintenance obligations. The amendments provide for regulations or delegated legislation to be made which prescribe for matters relevant to the recognition and enforcement of child support and spousal maintenance liabilities—for example: the enforcement of administrative assessments; the allowing of the Child Support Agency to make an administrative assessment even though the payer is not resident in Australia and does not have an Australian taxable income; in the case of New Zealand providing that the creation and variation of liabilities will only be able to be undertaken in the country where the payee is resident; obliging each country to assist in locating payers, serving notices and providing advice so that maintenance liabilities can be enforced; allowing the Child Support Agency to collect overseas maintenance liabilities which have not first been registered in an Australian court under the Family Law Act 1975; and requiring reciprocity in legislative presumptions of parentage. I can say that these measures followed a recommendation arising out of the report of the inquiry into the Child Support Scheme tabled in November 1994.

The point I make is that this is part of closing a loophole. I have heard members of this parliament wax about how good the child support scheme is, but the thing I have been totally offended by is that it is in fact not a universal scheme. It is not a universal scheme, and this closes one of the loopholes—that is, the overseas escape hatch to certain countries. That is not totally closed for all countries. I must express some disappointment that the House has no figures on the dollar value that we can now anticipate being recovered as a result of these measures, nor on the number of parties, primarily women, who will benefit from these measures. I know that there will not be a great number, but I would have thought that in introducing the legislation the minister and the department would have some idea—and we are entitled to know—how many people will be affected by this measure.

But the great loopholes in the scheme are not closed. This is the second measure this government has taken to close off a loophole—the first being to introduce fringe benefits and negative gearing into the assessment of child support. I support that, but what I do not support is the fact that the committee, in 1994 I might add, proposed a whole raft of recommendations—a whole chapter entitled ‘Repairing the child support income base’; it could have been entitled ‘Making the system universal’—but these have been ignored. There are some draconian measures in this chapter proposed for the parliament’s consideration; draconian because the most frequent cases of avoiders of their responsibility to their children are the professionals and self-employed who are legally able to minimise their income. To give
you an example of these draconian recommendations, the committee recommended that we actually go back seven years when we find a situation of someone trying to avoid their responsibilities in terms of assessable income. Going back seven years is clearly a message to accountants, to solicitors and to advisers that you are much better off paying up than avoiding the scheme.

I want to emphasise that in Australia there is a whole raft of women, some of whom I have met, who are not getting one dollar out of child support. I cannot accept the proposition that constituents in your electorate, Madam Deputy Speaker, or my electorate or the electorate of the honourable member for Throsby should be caught up in the child support scheme but that there is a whole raft of people who are legally, under the current scheme, able to avoid and evade their responsibilities. It is an absolute outrage, and nothing has been done for these women. I am sorry, there are two things that have been done that have had minimal impact: negative gearing and fringe benefits. And, now, there is closing off the international loophole that exists with some countries. There are still going to be a vast number of women in the main—residential parents—who will not receive a dollar out of this scheme.

I would like to refresh us on what the objectives of the scheme are. Parents share in the cost of supporting their children according to their capacity to pay. I agree with that first objective, but I must say that my mathematics must be of a very limited nature. Let me say why. It is because there is a myth around that somehow the lifestyle and the living standards of children who are now in a separated family can be maintained at the same rate as those in an intact family. I just do not understand the mathematics of that proposition. I think that the children are going to be worse off and will have less money to support them when the parents are separated. But this scheme is built around the premise that, in fact, we can maintain the same lifestyle. It says ‘according to their capacity to pay’. I know I do not have to go through the impact of the formula, but primarily it is based on gross income. I do not object to that measure. It is based on gross income. I do not resile from that.

But if you want to look at people’s capacity to pay you actually have to look at disposable income. That is what is left after the essentials have been paid for. I accept about all the clients of the agency and all the people caught up and all the children caught up in separated families that we cannot be so intrusive as to examine for each and every case what their disposable income is. But no-one has done it. In all the debate we have had about child support, no-one on this side or that side of the House has brought any decent statistics to us on disposable income.

What I say is this: we need to take a thermometer reading out there in voter land about different demographic types of residential and non-residential parents. We really need to have a good feel for what their disposable income is—because it is only on that basis that we can be confident that the changes we make to the formula are accurate and will not impair those parents or those children.

The second objective—why wouldn’t we laud it?—is that adequate support is available for all children not living with both parents. The third one is that Commonwealth involvement and expenditure is limited to the minimum necessary for ensuring children’s needs are met. This is perhaps the most dishonest of all the objectives because from day one of the operation of the scheme—and let me just make this point which I have made plenty of times before: the existing system prior to child support was absolutely abominable and disgraceful, and we needed to bring in a scheme like this—the highest priority of this scheme has been to claw back Commonwealth expenditure.

To give some figures, if you look at the way the Child Support Agency publicise their success they say that the net savings to the department have been $419 million. It costs $190 million to collect it, and there are some 2,663 staff—and the number of staff has increased exponentially. But the primary purpose of this scheme was to claw back financial expenditure by the Commonwealth. I think there ought not be a debate about the children most in need of assistance—the children in separated families. Rather than
having a priority of clawing back expenditure, surely the Commonwealth should have a priority of investing in these children, of supporting these children. They should not be the Commonwealth’s second-class children, and that is what they are at the moment.

In terms of the performance of the agency, they say they collected $571.3 million for the 1998-99 year. That is very good. I am pleased about it. But you have to remember that $450 million is in arrears. So, of the collectable amount of money in that years, they collected 55.9 per cent. Is that a success rate? Of course it is not. You might say there are private collections. I am pleased to see private collections outstrip the money collected by the Child Support Agency: $727.9 million. I am even more pleased when parents can sit down and work out a reasonable amount between themselves. These are the best arrangements. But if one of the parents is a Centrelink client the discretion to work out a reasonable amount goes, and it goes because the Commonwealth has a priority of clawing back its expenditure and not supporting these separated parents and their children. They are second-class children.

One of the other objectives—to ensure that work incentives for both parents to participate in the labour force are not impaired—is an excellent objective. The one thing we want parents to do is to get over the trauma of separation and breakdown, get on with their lives and get back into the work force. But who in this House believes—please stand up—that there are not severe work impediments?

Mr Hollis—There are.

Mr PRICE—I am terribly disappointed when I hear parents say, ‘I am better off not working.’ Of course now there is a minimum payment, and I might say the committee recommended it, but we did not recommend it in isolation; we recommended it as a package of reforms. I am glad the honourable member for Throsby interjected. He knows. I have been to at least one meeting where that very point was made. We are certainly not meeting those objectives.

The last objective, and I certainly support it, is to ensure that the overall arrangements are non-intrusive to personal privacy and are simple, flexible and efficient. There is no doubt in my mind that, when the report was done, the Child Support Agency was perhaps the worst performing instrumentality in the Commonwealth. I think even they would admit it. I am happy to acknowledge here in this House tonight that there have been significant improvements in the performance of the agency. But, make no mistake, this is an intrusive scheme; it is a catch-all scheme. The arrangements are not simple, they are not flexible, and I believe they are inefficient. I do not understand the coalition because, generally speaking, they have the view that we ought to keep governments out of private lives. I support that proposition on this side. I think that we ought to have a scheme that lends weight to parents making sensible arrangements between themselves. If that means more Commonwealth expenditure, so be it. But I think we ought to have a system that encourages them to make these arrangements; not only financial arrangements but parenting and contact arrangements, keeping the state out of their lives. We ought to have an agency that is there as an agency of last resort; an agency that does not reward parents with maximum payments because they cannot come to arrangements but is there to put in an intensive effort when parents either cannot come to sensible arrangements or where one parent seeks to avoid or evade their responsibility.

In some ways there is a great irony that the Child Support Agency is very similar to the Family Court—it has a one size fits all approach to its clients. It spends the same amount of effort for a client who is complying as it does for a client who is defaulting. There is no doubt that we will always need a Child Support Agency. I am not arguing that; I am saying that we ought to be able to get as many parents who are accepting their responsibilities out of the scheme coming to terms with their new-found arrangements and making private arrangements.

I talked about a group of women who have missed out under this scheme. Let me refer now to another group of women who I see as real victims. These are the women—and I am sorry to use ‘men’ and ‘women’ because it
can be the other way around—whose new partner has a child support liability. I have the feeling that, when this scheme was envisaged, we thought of people being in a relationship, that relationship breaking down and them maybe being in a second relationship. But now we are finding people who have children by three different partners.

This scheme operates on the basis that there is primacy, there is a special relationship, with the children of the first marriage—that the first produced children are superior children—and they are treated differentially. I think that is wrong. We should value and esteem all children whether they are first, second or third, or whether they are separated or intact. That is the way I feel; we have a responsibility to not differentiate with children but, where we do, to differentiate in assistance in terms of providing more assistance to those in need.

Any member of this House who has been listening to his constituents about the child support scheme knows that in second and later relationships often the parent without the liability is forced to work and earn money to pay child support for their partner’s first children. It puts enormous pressure on those relationships and often they go under. More tragically, there are sometimes suicides involved. Child support is not the only issue in those suicides, but it is often a key. I say to members of the House: how many suicides do we have to have before we come up with a better and more decent system? I think we have had enough.

Any member who has been in his constituency knows in his heart that we have got much more work to do on this scheme. I have never understood those who argue for the primacy of a spouse in the first relationship and the second one not counting, or even the proposition that is put—sometimes by the agency, I might say—particularly by those who advocate first marriage and first relationship primacy, that people should go to their accountants and determine whether in their new relationship they can financially afford it. It is probably not a bad idea, but we do not impose it on the first, so why should we impose it on the second and the third? I think it is rank hypocrisy.

In conclusion, I think members of parliament on both sides of this House are sensitive to the representations of their electorate. I think they want a system that is intrinsically fair. It is not possible when there are three players in the financial equation—the government, one parent and the other parent—to develop a perfect system where none is going to be without some financial disadvantage when you make a change. If you make a change for one, you are bound to affect the other two.

I do not have the wit, the intelligence or the brilliance to develop such a perfect system, but I say to the House quite passionately that really the time has come for some decent reform. I accept that the government have introduced some of the changes. The thing I do not understand is why they do not tell us the modelling they used to pick the 10 per cent figure. Why was 10 per cent superior to 20 per cent? Maybe five per cent is the answer—I do not know—maybe 25 per cent, but you have to share the information with us so we can see the impact of your changes. But change we need to have—change in child support, change in family law and change in counselling. We have to invest in counselling in relationships while they are still alive and there is still blood in them.

Mr Hollis (Throsby) (10.06 p.m.)—Here we go again having a debate about child support. Let me say at the outset that the sooner we put the cleaner through the Child Support Agency and bring some reality into this total mess the better. The Child Support Agency is a tragic mess that is bringing great despair and heartburn to many people in Australia.

This Child Support Legislation Amendment Bill 2000 enables Australia to become a party to three international agreements for the collection of child support obligations by parents living in other jurisdictions. This was originally recommended in November 1994 by the Joint Standing Committee on Certain Family Law Issues, which tabled a comprehensive report on the operation and effectiveness of the child support scheme.

The bill will reflect changes in Australia’s domestic legislation and allow Australia to become a party to three international agree-
ments—one with New Zealand, one the Hague Convention on the Recognition and Enforcement of Decisions Relating to Maintenance Obligations and the other with the United States. These agreements will replace or complement existing arrangements and oblige each country to establish in its domestic legislation for the recognition and enforcement of liabilities.

The bill extends the potential for international cooperation in the collection of child support liabilities and the ability of the child support scheme and its administrative agency to recover and enforce parent payment obligations, especially if the paying parent moves into another jurisdiction. The opposition will support the measures contained in the bill. Australia’s existing international agreements provide only for the recognition and enforcement of overseas court orders or agreements. However, court orders are now superseded in many countries by administrative assessment.

I dealt with one particular case some time ago now on this matter which sticks in my mind as we address the bill and its measures. Like all of my colleagues, I have a filing cabinet full of stories and cases that I can talk about when we address the Child Support Scheme and other family law issues. Like most members of parliament, this is the second most busy aspect of my office. After migration, I deal with more child support issues than any other issue in my office. And let me say this: they are always the most difficult, because they are always the most personal. We are dealing with people’s lives. They are gut-wrenching stories. I have no monopoly on this; this is true for every member of parliament. And that is why it amazes me that we as a parliament have not moved in this area. This is on both sides; I am not playing party politics. We did not move, and you have not moved. No-one will move on this issue.

A couple of weeks ago during the adjournment debate I again raised my own frustration with the operation and administration of the Child Support Scheme. I said at the time that, despite the many changes introduced by the last government and the current government, the scheme is too complicated, too cumbersome, too frustrating and far too prescriptive. I also said recently that it is time we threw out the scheme, and I say it again: throw out this scheme, and develop a comprehensive approach that works, that is simple, that is transparent and that particularly delivers to the small people—the forgotten victims—the children, in whose name the Child Support Agency supposedly stands.

Child support is an ideal public policy objective. All, on both sides, agree with its aim. Nobody can responsibly disagree with the policy intention on a philosophical level. It is meant to provide children from broken marriages and relationships with a financial level of support from both of their parents. Parents should and must contribute to the financial security of their children. But there is a seri-
ous argument over the means to the objective. I have yet to meet a parent who does not recognise that they have a responsibility towards their children. But I have met many—far too many—parents who are frustrated, angry, disillusioned and all too often bitter. It is all very well to be hardline and simply dismiss these feelings with the view that it is tough luck, the system is in place, and that is it. I have seen this view become all too commonplace, particularly in the media commentary on the Child Support Scheme.

What really concerns me is that we are prepared to create a generation of bitter, frustrated parents at each other’s throats. We are permitting innocent children—their children—to be used as chess pawns in an emotional game. That is wrong, and the consequences are unthinkable. We are creating a generation of bewildered children, continually torn between conflicting loyalties. Children, many too young, are forced to make a decision over their mother or their father. Why should they be forced into making this kind of decision at such a tender age? Indeed, why should they be forced to make this decision at all? I really wish some of the great defenders of the current system, with all of its anomalies, would sit down with a small kid and justify how they made this nightmare possible. The defenders could also explain how they recognised major problems existed but never did anything about them because of their own emotional badge of honour or professional turf to protect.

Let me outline another case, of a young man, a father of three young children. Let me say this: there are 148 members of the federal parliament in the House of Representatives, and every one of those could stand up here and repeat ad nauseam many of the cases I am putting now, because we all see them all the time in our offices, and the governments of both parties will do nothing about it. I go back to this father of three young children. He has a child support liability of $920 a month and works in an industrial firm at Port Kembla. He has access to his eldest daughter, but only for one day each three weeks. He is unable to access his other two daughters. He has been the recipient of at least three apprehended violence orders, all of which were dismissed by the relevant court on each occasion. In a recent property settlement the Family Court awarded his former wife all the assets, including half of his superannuation. Through all of this obvious emotional scarring this young man is one of the most reasonable, mild-mannered people you could ever hope to meet, a young man who has never complained about his financial obligations to the children he is never permitted to see. Incidentally, he and his new wife are expecting a child later this year.

When are we going to seriously look at what we are doing to people? Why are so many ex-wives so totally vindictive in their actions? When are we going to realise that, in reality, the children of a second relationship are often the victims to the benefit of the children of the first relationship? I agree totally with what the member for Chifley was saying: you cannot talk about gross income. Who in this place, who in Australia, lives on their gross income? You live on your net income. But the payment is always assessed on the gross income and not on the disposable income. The other thing we must face is why there are these differentials. Why does it cost one person, say, $920 a month to support one child and someone else $200 a month? It costs only so much a month to keep a child and yet there are all these differentials.

I have been around long enough to know that this is an extremely difficult situation. I do not want to go back to the old days where women were left with absolutely nothing—where the man buzzed off and the woman was left with the responsibility for bringing up the child. But we have gone too far the other way. It is very important that we realise that every person has a responsibility to the child or children of a relationship. As I said, most people I meet with agree with that responsibility. But I just cannot understand it when you get to a situation where people refuse to work or to take overtime because all that is excess on their contribution.

We hear a lot in this parliament about how women members of parliament are more understanding and how they bring a more sympathetic view to the issues we discuss in this chamber. I have no great argument with that. But it sometimes surprises me why these
women—and we have an increasing number of them and soon, if I believe the newspaper reports about my own seat, there are to be even more—who face these situations exactly the same as we, the male members do, do not rise up about this issue. Why are you all so silent? I know that the honourable member for Gilmore has served on a committee, and we have discussed this problem. I know she realises there is a problem, and I am not being critical of the honourable member for Gilmore. But I put this to all the women members of parliament: where is your voice on this issue? You are supposed to be the more sympathetic members of parliament against us rather rough members of parliament. Why are you not speaking out on this? You face the same problems in your offices that we face in our offices and you know how bitter and vindictive many of the people who come to our offices are.

What the honourable member for Chifley said could not be more correct: the children of the second relationship—and in this society everyone should be able and have the ability to form a relationship—let alone of the third relationship, suffer as a result of the support of the children of the first relationship. This has to stop. We have to realise that everyone has a responsibility and we have to stop punishing that second relationship on the male side. If that second relationship results in children, those children should not be punished for a relationship that went wrong many years previously. I do not care what anyone says because I have the evidence in my office and every one of the 148 members of this parliament would have the evidence: the children of that second relationship suffer in the cause of the betterment of the children of the first relationship. While this particular bill is supported, as I have indicated, I strongly believe that we, as a parliament, must step further. We are no strangers in this place to the stories and letters from and the meetings with our constituents who are haunted by the scheme and its administration. Two years ago, while addressing amendments to the Child Support Legislation Amendment Bill 1998—now the act—I said that we should be allowed a conscience vote. I believe this firmly: members of parliament should be allowed a conscience vote on changes to this scheme. Party politics should be removed from the vote. The honourable member for O’Connor at that time, speaking on the same legislation directly after me, said:

... the address to the House by the member for Throsby (Mr Hollis) ... was extremely well balanced ... The member for Throsby made the point that there should be a bipartisan approach to address all the problems in a fair and equitable way. In my view, that is a matter that we should deal with very seriously.

I again plead for the parliament to develop a scheme and an administration that works for both parents caught up in this seemingly endless nightmare but, most importantly, I appeal for a scheme that works for the children for whom it is meant to deliver the most. All that the child support legislation and the child support scheme are doing in this country today is creating bitterness in the family. The sooner we get rid of them and replace them with something that works in an equitable way for males and females the better for the children of the first relationship and for the children of the second relationship. What really worries me is that we have created a scheme in this country which is doing nothing but creating great bitterness and division. The sooner we throw that out and replace it with something better, the better.

Mr ANTHONY (Richmond—Minister for Community Services) (10.21 p.m.)—in reply—I would first of all like to thank all honourable members for their contribution to this debate. On the government side, I would like to thank the member for Herbert, and I would like to also thank on the Opposition side the member for Grayndler; the member for Chifley, who spoke very passionately about this and has been involved in this debate for many years; the member for Calwell, who I gather spoke in earlier days. I can certainly appreciate the sentiments that they spoke about today. Time does not allow me to go into great detail on some of the issues that they talked about.

I would like to come back to the Child Support Legislation Amendment Bill 2000, which is before the House, but I would like to make the point that the Child Support
Agency was introduced in 1988 probably for all good reasons. Many sole parents, particularly non-custodial parents, were not being adequately looked after, many children were not being sufficiently looked after and there was a necessity for the previous government to introduce it. A number of changes were made in the last parliament, and I think these were positive changes, but it is a process of evolution. If we knew then what we know today, perhaps it would be a very different system. Some of those changes, as was mentioned by the member for Chifley, were about greater flexibility in non-agency payments—25 per cent. Families could now claim 50 per cent of child support paid as a deduction from household income for family support purposes, which was not done before. There was an increase in the exempt income amount of child support payers, a lowering of the disregard income amount for child support payees and many other things which were trying to bring about some more equilibrium, but it is an ongoing process.

Regarding this bill, I think the important point is that this is a very emotional issue. It is a highly charged issue. I do recognise as the minister and certainly when I am in my electorate that these are the most difficult cases for any member of the House of Representatives. But we should always bear in mind that this is about trying to provide adequate income support to the families and to the children who are caught in marriage and relationship breakdowns. It is not just the parents who are hurting in family break-ups; we should never forget the children. In many ways, this is why the Child Support Agency does have an important role to play in helping separated parents meet their financial obligations and responsibilities for their children. But there is more work to be done, and I want to acknowledge that to the members who spoke on this bill.

The purpose of this bill is to amend domestic legislation so that the Child Support Agency will be able to play an increasing role in international maintenance enforcements. In November 1994, the Commonwealth Parliamentary Joint Select Committee on Certain Family Law Issues reported on the operation and effectiveness of the child support scheme. The committee recommended that Australia increase the scope and effectiveness of arrangements in the international arena for the reciprocal enforcement of child support responsibilities. Australia’s existing international child support enforcement arrangements are designed to deal solely with the court order maintenance which has been gradually replaced in Australia by administrative assessments. It is clear that the new arrangements which apply to administrative assessments are desirable.

This bill will provide the necessary changes to allow Australia to become a party to the following three international agreements: the agreement with New Zealand on child support and spousal maintenance, the Hague Convention on the Recognition and Enforcement of Maintenance Liabilities, and the new agreement with the United States on the enforcement of the family and maintenance support obligations. These agreements will replace the existing costly and time consuming court based process with access to administrative processes where possible. A regulation making power will be inserted into both the Child Support (Registration and Collection) Act 1988 and the Child Support (Assessment) Act 1989. Regulations will then be made prescribing the countries with which Australia has child support arrangements and prescribing all matters relevant to the recognition and enforcement of child support and spousal maintenance liabilities. In particular, the changes will be provided for the enforcement of administrative assessments of child support as well as continuing to provide for the enforcement of court orders and registered agreements.

In the case of New Zealand, current arrangements involve lengthy and costly applications of the courts. The new agreement will allow for reciprocal recognition and enforcement of administrative assessments made by the country. Australia has more child support enforcement cases involving New Zealand than involving any other country. Existing arrangements were devised on the basis that all liabilities were in the form of orders made or agreements registered by a court. Obtaining maintenance orders can involve costly and lengthy applications to
Australian courts on behalf of overseas payees. This approach is no longer appropriate, as court order maintenance is being gradually replaced by speedy and relatively inexpensive administrative enforcements. The agreement provides for recognition and enforcement of administrative assessments as well as court order and registered agreements. This may result in savings in expenditure of Australian legal aid funds and a reduction in payments by the Attorney-General’s Department to the states and territories for the use of state courts in family law matters. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MANDATORY SENTENCING LEGISLATION

Consideration of Senate Message

Message received from the Senate requesting the House to consider immediately the Human Rights (Mandatory Sentencing of Juvenile Offenders) Bill 1999.

ABORIGINALS: STOLEN GENERATION

Consideration of Senate Message

Mr SPEAKER—The following message from the Senate has been received:

The Senate transmits to the House of Representatives the following resolution, which was agreed to by the Senate this day:

That in the opinion of the Senate, the following is a matter of urgency:

The need for the Australian Government to acknowledge that there exists stolen generations of indigenous Australians, that generation after generation of indigenous children were stolen from their families, and that the Government must act on its expression of deep and sincere regret for the injustices suffered under the practices of past generations by moving to ease the hurt and trauma that many indigenous peoples continue to feel as a consequence of those practices.

The Senate requests the concurrence of the House of Representatives in this resolution.

Ordered that the message be taken into consideration at the next sitting.

ADJOURNMENT

Mr SPEAKER—Order! It being 10.30 p.m., I propose the question:

That the House do now adjourn.

Chifley Electorate: Chifley College

Mr PRICE (Chifley) (10.30 p.m.)—Mr Speaker, it is with considerable pleasure that I advise you and all honourable members that the New South Wales Minister for Education and Training, Mr John Aquilina, was in my electorate and, whilst there, made what I thought to be a very important announcement that will affect many generations of students there. That announcement was that the new senior campus for the Chifley College will be built on land between the Mount Druitt TAFE, one of the largest TAFEs in Western Sydney, and Loyola Senior College.

This is an undertaking of some $12.5 million. The buildings will be ready for occupation in the year 2000. It was originally proposed that the senior college would be at Whalan campus, where currently the first intake of the Chifley College year-11 senior campus has commenced. Effectively, this would have meant renovating 30-year-old buildings and carrying out some new construction. No doubt during that period of construction there would have been disruption to those new students as well as to the remnant of the junior high school, which each year is shrinking. So I think this is a much, much better outcome for Chifley College senior campus.

However, I never ever expected that I would be able to stand in this House and say that on North Parade, Mount Druitt we are actually developing an educational precinct: we will have a TAFE, two senior high schools and also, down the road, Rooty Hill High School. Already some of the senior students from Whalan are undertaking courses at the TAFE college. In fact, there are enormous problems in busing those students to attend those TAFE courses. But, being located right alongside the TAFE and with very good transport access from all parts of Mount Druitt, this is an absolutely ideal solution. Not only that, but I believe with an educational precinct there will be synergies for all.
We can actually get more value out of each institution. The sum will provide us with more value than all the individual parts. Let me give you an example, Mr Speaker. Let us say that at Chifley College there is half an electronics class and at either Loyola College or Rooty Hill High School there is another half an electronics class. Instead of not providing that subject at any location, I think we can, in a very good way, look at having the course provided by one of those institutions and the attendance there by the students from the other institutions not providing that course.

We already have had lots of discussions about how we can make these vocational courses on offer of real value to the students—actually give them a jump-start in their education. But I think one of the exciting things about this new Chifley campus, particularly in thinking of the library and the IT facilities that will be there, is actually having those facilities open for the community on a 24-hour-a-day basis. So not only will this $12.5 million be a worthwhile investment in our senior students but these facilities will be open for all sorts of students, even primary school students, and members of the community.

I applaud and congratulate the New South Wales Minister for Education and Training for his decision. I congratulate him for the decisions he has taken recently—not only for the changes in my electorate but for the changes stemming from the agitation in my electorate now being spread throughout New South Wales. I thank him for those decisions. I also thank the Carr government for its commitment for better student outcomes for senior students in areas like mine at Mount Druitt. I am sure that over the years we will look back at the Chifley College and at this decision and realise what a huge difference it has made to the life outcomes of the young people in my electorate. *(Time expired)*

**Solar Sailor**

**Mrs GASH (Gilmore)** (10.35 p.m.)—Yesterday, along with over 200 locals, I got up at 6 a.m. on an absolutely glorious Shoalhaven day and went down to the boat ramp to witness the floating of the hull of the *Solar Sailor* in Currumbene Creek, near Huskisson, in the Shoalhaven. This remarkable event physically took several hours of careful manoeuvring around signs and fences, down narrow streets, across car parks that were supposed to be empty, between light and power poles and over the rocks into the water. The truck driver certainly deserves a medal: first, he hit nothing and, second, he did not lose his cool once—in spite of all the directions that helpful people thought he might need. While the trip from the shed to the water took some hours, the journey—from an idea concocted in bed with pieces of his son’s Lego and some pipe-cleaners—to the 21-metre hull built to carry 100 passengers took a number of years.

But time is not the only measure. Dr Robert Dane has done lots of thinking, talking, networking, persuading, writing, attending meetings, convincing, redesigning, checking, testing, begging, banging on doors and wishing. Yesterday it all came together with the launching of the *Solar Sailor*’s hull. It will take another two or three days while tied up at the wharf to affix the wings and the solar panels before she is ready to sail across Jervis Bay under her own power to the facility at HMAS *Creswell*, kindly lent by the Navy for the final fitout and trials.

The official launching of the *Solar Sailor* will coincide with the Blessing of the Fleet Festival in Ulladulla this Easter. In the second half of the year, she will be visible on Sydney Harbour taking up to 100 people on cruises or ferrying them from one point to another. In this way, many people will be able to see where their taxes have gone. They will be able to ride on the most environmentally friendly ferry they have ever seen and marvel at its ability to sail in even the most ecologically sensitive areas. The federal government, through the office of Environment Australia, has granted $1 million to assist with the giant step from innovation to commercialisation of this vessel. And already inquiries are coming in from not just all over Australia but the four corners of the globe. Many of these inquiries are not for water based craft but for different parts of the technology developed in creating this project. So
the flow-on of benefits spread far wider than just a quiet ferry.

Robert Dane, his wife Susan and their family have invested much in this project. Until he had the original thought, Robert was a young doctor in private practice in a rural area—much loved and respected in his home town of Ulladulla. He gave up his practice to concentrate on Solar Sailor and has hocked just about everything he owns, but you never hear about that. Although it is difficult to lose a country GP for any reason, I guess this project is almost worth the loss to the community because they are already benefiting in other ways. The Solar Sailor has focused world attention on small businesses in the Shoalhaven, new jobs have been created, new skills learnt and new technologies developed.

One of the undefinable things about this project is the morale it generates. People yesterday came early to the boat ramp bleary-eyed, but as soon as they saw the Solar Sailor their eyes narrowed, their mouths opened, their step became more sprightly and they actually smiled. Solar Sailor is one of those against-the-odds kind of projects. In beating the odds so far, Robert Dane has given us all hope, renewed our optimism and shown everyone that the talent exists in Gilmor. We just need some early assistance to be able to help ourselves. May I commend Dr Dane for his preparedness to stay with the project and for his tireless efforts to keep it in Australia and the Shoalhaven. He could have sold the idea overseas—people in the United States wanted it—but then all of the industries surrounding the project would have gone overseas also. I also commend the Howard government for its confidence and vision in making sure that the technology remained in Australia.

Workers' Entitlements

Mrs CROSIO (Prospect) (10.39 p.m.)—I rise tonight to pose a question to the government: what value does this government place on the working people of our nation? I think I can answer for it, and that is absolutely none. We have allowed the last four years to go by during which we have not introduced or attempted to introduce legislation to protect the rights of workers who through no fault of their own—through employer insolvency—have lost all their entitlements. The National

The National Textiles decision made by this government was certainly good news for the 300-odd workers, but it highlighted what the government has now failed to do, and that is to establish a properly funded national scheme to protect all workers. I ask the question of the government: why was the government shamed into taking that decision? Why are the taxpayers paying when it is the employer who should be responsible? Why is the responsibility not left with the employer?

My private member’s bill that I have introduced in this House three years in a row would have provided 100 per cent protection for employees. We as a nation can no longer afford to have an ad hoc approach to what is a very serious question. Workers across this nation, day in and day out, are losing out because they have no protection whatsoever. Large groups get media attention. The Prime Minister and the Minister for Employment, Workplace Relations and Small Business are very sympathetic to them—they listened to them and said, ‘Yes, we are going to look into it’—but then they do absolutely nothing. The individual cases do not even make the headlines. So what about them?

I have stated this tonight because I want to bring to the notice of the House a letter that I received last week from a constituent of mine which needs to be made public—and I am doing so with their consent. The letter reads:

Dear Ms Crosio,

I have never had the need to write before to a politician but feel that something must be done to bring our plight to the notice of the general public. My husband John worked at Philips Service in Homebush for a total of 21 years and on the 29th December 1998 the division was sold to a company called "Accalade Pty Ltd" Percy St Auburn which was owned by Clive Mathews, 37 Alicante St Minchinbury.

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My husband was a conscientious employee and has been treated shabbily, we now have the report from the Administrator stating we will not receive a cent of our entitlements. We were given no choice by Philips in 1997 although some employees were lucky enough to be offered retrenchment,
it was strange that the employees that were chosen were the "difficult" employees who caused problems whilst the dependable ones were transferred to Accalade.

This certainly makes one feel why be loyal and conscientious when this is the reward?

Clive Mathews has now opened another company, Denise Mathews being the Director, (his wife) Allied Industries, Seville St Guildford and I believe it’s business as usual over there, is this justice??!

I am constantly being reminded how this can happen by the Rutherford Workforce but in contrast to us, the Prime Minister is seen to be concerned and will assist them financially.

I wonder if you could at least make some enquiries as to the activities of this Clive Mathews and perhaps save future employees from our experience, he has outstanding debts of over $2,000,000!

Today we received a cheque from Clive Mathews for our own Superannuation contributions which he had not forwarded to the fund from the 21st January 1999. I wonder what caused this benevolence?

I have applied for the Safety Net scheme and hope to be successful.

Hoping to hear from you soon.

That is another instance where individuals do not make the headlines. These are individuals—not 300 or 400 workers that either come to the electorate office or come to this parliament and demonstrate and then the media take a sympathetic approach to them and the government acts—in situations that are occurring through everyone’s electorates right across Australia. It should not be. Why should that man who has given 20-odd years of loyal service to a firm be now denied every penny that should have been legally his? And, as his wife stated, the only pennies they received were the ones that were not paid into the superannuation fund.

We have had a Corporations Law change come in recently, but that is not going to affect and even assist people like this. I have written to the Minister for Finance and Administration, the Prime Minister and the Minister for Employment, Workplace Relations and Small Business to bring again to their conscience the causes, the concerns and the problems we are experiencing not only in my electorate but right across Australia. I believe it is time for this government to act. Surely to goodness a sympathetic ear is not what the workers want. They do not want charity; they want what is rightfully theirs. They want what they have worked for and what they are entitled to. They want this government to act. This government can act by bringing on for debate the bill that has been before this House for now three years. That bill, as I have stated before, can be amended and can be acted on. But, more importantly, if this government does not want to act on that private member’s bill, at least it should bring in legislation that will no longer have employees across Australia being treated as shabbily as the Catalano family.

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Mandatory Sentencing

Mrs DE-ANNE KELLY (Dawson) (10.44 p.m.)—Much has been said about the right of state and territory governments to enact in their sentencing laws the provision of mandatory sentencing. One of the more dubious criticisms has been based upon the views of the United Nations Committee on the Elimination of all Forms of Racial Discrimination, CERD. On 24 March last year, CERD issued what it calls its 'Concluding observations by the Committee on the Elimination of Racial Discrimination', and I quote:

The Committee expresses its concern about the minimum mandatory sentencing schemes with regard to minor property offences enacted in Western Australia, and in particular in the Northern Territory. The mandatory sentencing schemes appear to target offences that are committed disproportionately by indigenous Australians, especially in the case of juveniles, leading to a racially discriminatory impact on their rate of incarceration. The Committee seriously questions the compatibility of these laws with the State party's obligations under the Convention and recommends the State party to review all laws and practices in this field.

To claim, as the committee have claimed, that sentencing laws in Western Australia and the Northern Territory—to use their term—'appear to target offences that are committed disproportionately by indigenous Australians' is patronising and untrue. There is a great deal spoken in debates about the prison population in Australia having a dispropor-
tionately high percentage of indigenous people and that somehow this is a result of discriminatory laws. The fact is that the prison population is made up of those who are convicted of crimes. The suggestion that prison populations should somehow reflect the profile of society is really quite silly.

If this silly proposition were contemplated for even a minute, it could be argued that men are overwhelmingly discriminated against because men, who comprise slightly over half of the total population, comprise the vast majority of the prison population. Are we therefore going to accept that Australia’s sentencing laws are clearly discriminatory because, to paraphrase the conclusion of the UN committee, they appear to target offences that are committed disproportionately by men? Nobody would suggest this for a second. Yet in this debate about mandatory sentencing we are expected to accept as an undeniable principle an allegation that sentencing laws in Western Australia and the Northern Territory are racially based.

It never ceases to amaze me that allegedly well-informed and responsible people seem to accept as Holy Writ the pious announcements that emanate from the United Nations. Before we embrace the views of any organisation, I believe we owe it to ourselves and our constituents to take a good, hard look at the bona fides of any such organisation. I have done some research on exactly what CERD is, and I would like to quote what the commentator Mr Dennis Atkins wrote in the Courier-Mail on 3 April:

The committee itself is hardly the type of body to provoke sympathy in Australia, made up of lawyers and bureaucrats from a diverse range of countries, including serial human rights abusers Cuba, China and Pakistan. The chairman, Cypriot lawyer Michael Sherifs, has, like his colleagues never visited Australia. In fact, the committee takes its expert advice on Australian issues from a Washington-based human rights lawyer, Gay McDougall, who is well informed but often takes an antagonistic attitude to the Australian Government.

Mr Atkins continued:

CERD has almost never had a cross word about China, despite the post-Mao persecutions of the 1970s, the continued oppression in Tibet, the Tiananmen Square massacre and, most recently, the cruel treatment of Falon Gong. China is a big country with a veto-wielding permanent seat on the Security Council while Australia is a liberal democracy which tries to honour its obligations at home and abroad.

The UN committee comprises representatives from 18 nations; these representatives are appointed by their governments and therefore generally reflect the views and practices of their governments. Four of the 18 nations are China, Cuba, Egypt and Guinea and, according to the internationally respected human rights watchdog, Freedom House, those countries are given a 'not free' rating, while two other member nations, Pakistan and Russia, only manage a 'partly free' rating. Thus one-third of the membership of CERD is composed of repressive and undemocratic regimes who try to influence Australia’s democratically elected governments.

Health: Children’s Toys

Mr RIPOLL (Oxley) (10.49 p.m.)—My three children know what is right and what is wrong. They know the meaning of 'hot' and 'no' when it comes to safety in the home. My 11-month-old daughter understands when I tell her to be careful or not to touch. Whether she listens to me or not, that is part of the learning process. All the warning signs you can provide to a young child or baby may not prevent injury, but I, like all parents, have the expectation that by their little mishaps our children will learn about danger. I also understand that I cannot always be right behind my kids every hour of every day telling them to be careful or not to do something. All we can do is teach them about self-preservation and provide a safe environment. Children are very fast learners and they adapt just as quickly.

But I am now concerned that there are everyday objects in my house that could be a latent threat to the health of my children. I recently read reports that the European parliament had placed a 12-month temporary ban on the sale of polyvinyl chloride, or PVC, toys. I decided to survey the kids’ playroom at home and counted no fewer than 15 plastic toys. They ranged in size and rigidity but were all some form of PVC. My crude understanding of the danger is that children...
can ingest hazardous chemicals from PVC toys during normal use. Stabilisers, such as lead and cadmium, are used in the manufacture of PVC, along with plasticisers, particularly phthalates, which are used to give vinyl that soft, flexible, rubber-like quality—the sort of texture that makes a child want to suck or chew the toy.

Research has linked lead, cadmium and phthalates to a range of illnesses—including kidney, liver and reproductive organ damage—behavioural problems and learning disabilities. The uncertainty of the harm from PVC toys has led to not only the European parliament placing a ban on the sale of PVC toys; large toy manufacturers, such as Mattel, Lego and Brio, have also developed a non-PVC policy. The United Kingdom has taken the matter one step further by preventing the sale of all PVC pacifiers and teething toys. I find this information quite alarming. Two of my children still use dummies—there are times when nothing else will pacify them—but I am concerned that trying to soothe a crying baby will lead to long-term illness or pain if using products made of PVC. I certainly do not want to do that to my children.

So who can set me straight on this matter? I can find a plethora of information about the dangers of PVC toys. Throughout Europe and America, there are parent groups and environmental organisations with web sites explaining in great detail the harm that I could inflict on my child. If the European Union has placed bans on PVC toys and the toy manufacturers have adapted manufacturing to satisfy new standards, what should we be doing here in Australia? Unfortunately, it seems we are doing not much at all.

In 1997, the then Minister for Customs and Consumer Affairs advised parliament that the case of PVC products, including toys, had been referred to the Therapeutic Goods Administration. In 2000, the matter is now with the National Industrial Chemicals Notification and Assessment Scheme. It disturbs me that in a matter of four years the European Union and multinational toy producers have instigated a non-PVC manufacturing process and all that this government has done is pass the inquiry between different departments.

After some fairly extensive research and a lot of help from one of my concerned constituents, I have stumbled on a few articles denouncing this issue as just a greenies beat-up. I am cautious of the reasoning as it comes from representatives of the chemical and vinyl manufacturing industries. There are explanations of flawed experiments and inadequate research. If this is true, then the European Union scientific committee on toxicity, eco-toxicity and the environment are a bunch of mugs. Over two years ago, this committee concluded that soft PVC toys for infants release unacceptable quantities of hazardous substances.

Which group should I believe? I will give you only one guess. I would like to believe that the ears of the squeaking bear my daughter is going to chew tomorrow are perfectly safe, but it may not be. I would like to know what is the best teething device to help my baby through those early months. I would like to know when the government is going to acknowledge that there is genuine concern in Australia with PVC toys, I would like to know when the government is going to realise that consumers are sick of having debates about the safety of products a decade or so after the rest of the world has had them. Most importantly, I would like to know that my youngest daughter will not be asking these same questions in relation to the welfare of her children.

McPherson Electorate: Clean Beach Challenge

Mrs MAY (McPherson) (10.54 p.m.)—I never miss an opportunity to recognise local achievement or to promote the wonderful natural assets we enjoy on the southern Gold Coast, part of the tourism capital of Australia. Fortunately, tonight I have the opportunity to do both. I am very pleased to report to the House that Palm Beach was named Queensland’s cleanest beach in the hotly contested Vivendi-Collex Clean Beach Challenge last month. Those of us who live on the southern Gold Coast know that we are blessed with many wonderful beaches—Mermaid Beach, Burleigh, Palm Beach, Currumbin, Tugun, Kirra and Coolangatta. The Gold Coast has been recognised many times as having the best beaches in the world, but I am particu-
larly proud that Palm Beach has been named the cleanest beach. It is a testament to the many local residents who I know work hard to keep the beach litter free and in top condition.

Living so close to the beach and really being spoilt for choice when it comes to our beaches it would be easy to take our beach environment for granted, but Gold Coast residents certainly do not. There are many dedicated community groups as well as individuals who make it their task to keep our beaches clean. In so doing, they are not only making our beaches a wonderful playground for locals but they help enhance the coast tourism appeal and attract more visitors which, in turn, means more support for local businesses and the creation of more local jobs.

I am also delighted to report that Tallebudgera school camp won the ‘Legends’ award of the Clean Beach Challenge. The camp is a Gold Coast icon and it is very fitting that students who come to the school are taught about beach care, marine life and surf awareness. They also have the ‘Dune care demons’ who are involved in dune planting and revegetation work as well as collecting litter on a daily basis. I congratulate everyone at the Tallebudgera school camp on their ongoing contribution to our environment.

I am delighted that the Clean Beach Challenge has recognised the endeavour and the pride of southern Gold Coast residents in this way. I would also like to thank the many local residents who are helping contribute to the Currumbin Creek Saltwater Creek Bluewater Task Force project. This project aims to address water quality concerns at Saltwater Creek and restore the natural environment. It is being conducted by the local Surfrider Foundation in conjunction with the Gold Coast City Council and I am proud to say funded by the Howard government’s program. It was an honour for me to officially launch the project last month and to help with some of the revegetation planting along the creek bank. I know there are many community volunteers who are helping on an ongoing basis. The main idea behind the program is to instil an old-fashioned feeling with the local community to protect and care for their backyard, and the Surfrider Foundation will eventually be leaving the local community to continue the work which the project sets in place.

The Coastcare program is one of the many shining successes within the Howard government’s Natural Heritage Trust—the biggest ever commitment to our environment in Australia’s history. Coastcare is now in its fifth year and has some impressive achievements. There are currently around 800 community groups involved in Coastcare projects throughout the nation and more than 1,400 different projects have been funded to date. Like many other Howard government programs, we believe its success lies in the fact that it is community based, that we are backing local communities who care passionately about their area and who can achieve the very best outcome, and we are also helping to foster a real community spirit which is lost when funding is directed to special interest groups and rarely finds its way to local communities rather than on the ground where it is needed most.

I congratulate the people of the southern Gold Coast for their ongoing commitment to our local environment. I recommend to members of this House that next time you want to get away to bring your families to the southern Gold Coast and come and experience first-hand the most spectacular and cleanest beaches in Queensland and, in my view, the world.

Lowe Electorate: St Nectarios Parish Anniversary

Mr MURPHY (Lowe) (10.58 p.m.)—The Greek Orthodox Parish and Community of Burwood and District was established in New South Wales as a parish and community in 1970 to serve the religious and cultural needs of the Greek community who reside in my electorate of Lowe and the inner west of Sydney. Tonight I wish to congratulate the members of the local Greek parish, St Nectarios, Burwood, on reaching their 30th anniversary. I would like to acknowledge the Greek community’s enormous involvement and contribution to both its community and the wider community within Burwood,
Strathfield, Concord, Five Dock, Homebush and district.

The local parish priest, Reverend Father Ezekiel Petritsis, along with Ms Christina Efthymiades, Miss Sophia Kletsas and the organising committee of which I am privileged to be a member, have done a marvellous job of organising the celebrations, which include cultural days with Greek food, music and dance and a visit from the Athenian Children’s Choir of Dimitris Tipaldos to perform a special concert in honour of the anniversary.

The past 30 years have, in my opinion, been a blessing for both the Greek Orthodox Parish and the community of Burwood and the inner west of Sydney, and the church, under Father Ezekiel’s inspirational leadership, has enriched the lives of us all.

Question resolved in the affirmative.

House adjourned at 11.00 p.m.

REQUEST FOR DETAILED INFORMATION

Parliament House: Works Management Project

Mr Andren asked Mr Speaker, upon notice, on 15 February 2000:
Has his attention been drawn to a Parliament House Works Management Project involving $3.7 million of landscaping for two of Parliament House’s courtyards, including garden beds, trees and fountains; if so,
(a) when will the landscaping commence,
(b) what will each component of the development cost,
(c) where is the expenditure shown in current budget allocations,
(d) by whom was the landscaping approved and
(e) what is the justification for the expenditure?

Mr SPEAKER—The answer to the honourable member’s question is as follows:
Yes, my attention has been drawn to the project.
(a) The landscaping work will commence in April 2000
(b) The cost breakdown is as follows:

<table>
<thead>
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<th>Component</th>
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<tr>
<td>Site Works</td>
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<tr>
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<tr>
<td>Irrigation and Hydraulics</td>
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<tr>
<td>Water Features</td>
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<tr>
<td><strong>TOTAL COST</strong></td>
<td><strong>$3,700,000</strong></td>
</tr>
</tbody>
</table>
Construction of the courtyards is to be completed under the terms of the decision made by the Joint Standing Committee in Parliamentary Paper No. 389/1986 to defer construction of elements of Parliament House to effect cost savings to the value of $43 million. The report went on to recommend “that a program be adopted for completing all accommodation and developing the landscape in accordance with the approved design over a three year period following occupancy of the House”. This project has been under consideration and has been deferred for some years due to competing funding priorities and is an element of the building that has remained incomplete. I am pleased that the Joint House Department is now undertaking the initiative to complete it for the Centenary of Federation in January 2001.

NOTICES
The following notices were given

Mr Anderson—to move:

That, in accordance with section 5 of the Parliament Act 1974, the House approves the following proposals for works in the Parliamentary Zone which were presented to the House on 13 March 2000, namely: Old Parliament House gardens reconstruction.

Mr Sawford—to move:

That this House acknowledges the dangers of the marketisation of education in Australia and its potential to normalise inequality for families in rural Australia, for families with disabled children, for families with children with behavioural difficulties and for families of children in depressed socio-economic areas.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Proposed Preamble: Public Funding
(Question No. 941)

Mr Andren asked the Prime Minister, upon notice, on 28 September 1999:

(1) Did he state in his answer to a question without notice (Hansard, 2 September 1999, page 7467) relating to the lack of public funding available to inform voters about the proposed preamble that one of the factors influencing the Government’s decision not to provide such funding was that the proposed preamble received overwhelming support in the Parliament.

(2) Did he also state in his answer to the question referred to in part (1) that if the level of disagreement within the Parliament is a measure of community view on this issue and also on the issue of a republic, then there is a difference.

(3) Is it a fact that (a) 192 Members of Parliament voted for a third reading of the Constitution Alteration (Establishment of Republic) Bill 1999 while only 20 voted against and (b) 139 Members of Parliament voted for a third reading of the Constitution Alteration (Preamble) Bill 1999 and 92 did not support the passage of the Bill.

(4) Is the level of disagreement over the proposed preamble as reflected by votes in Parliament far greater than that over the proposed republic model and will he make sufficient public funds available for the YES and NO preamble cases to be adequately explained to the voters.

Mr Howard—The answer to the honourable member’s questions is as follows:

(1)-(4) Hansard shows the correct numbers of members and senators that voted for or against the proposed referendum laws. I am advised that the figures quoted in the question are not all accurate. Despite the numbers voting in favour of the Constitution Alteration (Establishment of Republic) 1999, there remained substantial division in the Parliament on the question of whether Australia should become a republic. Many members voted in favour of the legislation in order to allow the question to be put to the Australian people, regardless of their personal views. Conversely, at the time there was much less division in the Parliament on the preamble question. Following the vote in Parliament, the Opposition indicated it would not campaign against the preamble.

It has not been normal practice for governments to expend funds on the arguments for or against referendum proposals, beyond the official Yes/No cases distributed by the Australian Electoral Commission. Indeed, such expenditure is normally forbidden under the Referendum (Machinery Provisions) Act 1984 (the “Act”). In the case of the November 1999 referendum, the Government initiated amendments to the Act to allow for expenditure on the republic question because of the significance of a change to a republic and the complex issues involved. This followed a recommendation by the Constitutional Convention for a broad information campaign on the relatively complex issues involved in considering any change to a republic. These same considerations did not apply to the question of whether to insert a preamble into the Constitution. The Government indicated during the debate on the amendments referred to above that no additional funding was proposed for the arguments on the preamble question (see Senate Hansard, 29 March 1999, p3079). The Government considered that the official Yes/No cases distributed by the Australian Electoral Commission would provide sufficient opportunity for Australians to consider the arguments for and against the proposed new preamble.

Foster, Mr Peter: Extradition
(Question No. 981)

Mr Kerr asked the Minister representing the Minister for Justice and Customs, upon notice, on 12 October 1999:

(1) Further to the answer to question No. 545 (Hansard, 9 August 1999, page 632) concerning extradition proceedings regarding Mr P Foster, is the Minister able to provide further responses to parts (3) and (4) of that question; if not, why not.

(2) Has the Minister’s attention been drawn to Justice Drummond’s criticisms (in Foster v Minister 164 ALR 357 at paragraphs 63 and 64) of the advice tendered to the Minister by the Minister’s Department.
(3) In light of Justice Drummond's finding that there would appear no difficulty in obtaining informed opinion from the UK Serious Fraud Office as to the punishment Mr Foster would be likely to receive if convicted in the UK of only the three extradition offences; has the Minister made such an inquiry.

(4) If inquiries have not been made, why not, given that Justice Drummond has characterised this as causing the Minister to fail to take into account an issue the Minister was required by regulation 7 to have regard to.

(5) If inquiries have been made, what was the advice of the Serious Fraud Office.

(6) Are the offences for which Mr Foster's extradition has been sought regarded as not trivial in nature by the Minister; if so, why, given Justice Drummond's remarks at paragraph 65.

(7) What are the particulars of the three offences against Mr Foster in respect of which his extradition has been sought.

(8) Did the Minister and the Minister's Department have regard to the answers given by the UK Lord Chancellor, commented upon by Justice Drummond at paragraph 53, if not, why not.

(9) What steps will the Minister take to improve the processing of extradition applications by the Minister and by the Minister’s Department to ensure that proper regard is given to the seriousness of the actual conduct alleged and offence charged in an application for extradition.

Mr Williams—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

(1) Part (3) of question No.545 concerned the period of imprisonment for which Mr Foster is liable if he is convicted of the offences for which his extradition has been sought. The answer to that question remains accurate. Each of the offences for which Mr Foster's extradition was sought carries a maximum sentence of ten years imprisonment on trial upon indictment. Part (4) of the question concerned the amount of time which Mr Foster had spent in custody waiting for the extradition proceedings. Mr Foster has remained in custody since the time referred to in the answer. As at 12 October 1999, Mr Foster had spent approximately 28 months in custody in Australia. 22 months of that period had been spent while the extradition hearing and associated proceedings were being conducted.

(2) My attention has been drawn to the comments made by Justice Drummond regarding the advice tendered to me by the Attorney-General’s Department. Since the honourable member’s question was asked a majority of the full bench of the Federal Court (Moore and Kiefel JJ, Carr J dissenting) upheld my surrender determination of 30 March 1999 and dismissed Mr Foster's appeal from the decision of Drummond J. The majority concluded, amongst other things, that I was not required to take into account the "likely penalty" that would be imposed on Mr Foster, were he convicted of the extradition offences, when making my surrender determination. Mr Foster has since been granted leave to appeal to the High Court on the issue of whether I was bound to take into account the "likely penalty" when making my surrender determination. Given that matter is before the High Court, it is not appropriate for me to say any more about this particular issue.

(3) Refer to my response to part 2 above.

(4) Refer to my response to part 2 above.

(5) Refer to my response to part 2 above.

(6) I did not regard the offences for which extradition has been sought as trivial in nature for the purposes of Regulation 7 of the Extradition (Commonwealth Countries) Regulation*. The offences for which extradition has been sought by the United Kingdom concern alleged attempts to secure substantial amounts of credit by using false instruments. These offences have been characterised by the UK authorities as serious. I note that all three judges in the Full Federal Court found that I had sufficient material before me to reach the conclusion that the offences were not trivial.

(7) The particulars of the three offences of using a false instrument contrary to section 3 of the Forgery and Counterfeiting Act 1981 (UK)—as set out in the documents provided with the extradition request—are as follows:

**Offence 1**

Peter Clarence Foster and Christopher Williams on or about the 18th July 1995 used an instrument which was and which they knew to be false, namely a document purporting to be a Dun and Bradstreet credit report relating to Foremost Bodycare Corporation Limited with the intention of inducing an em-
ployee of Custom Pharmaceuticals Limited to accept it as genuine and by reason of so accepting it to do some act to their prejudice or that of another.

Offence 2
Peter Clarence Foster on the 7th of July 1995 used an instrument which was and which he knew to be false namely a document purporting to be an invoice from Interhealth with the intention of inducing Jonathan Shorts to accept it as genuine and by reason of so accepting it to do some act to his prejudice or that of Gee Lawson Chemicals Limited.

Offence 3
Peter Clarence Foster and Christopher Williams on or about the 18th July 1995 used an instrument which was and which they knew to be false, namely a document purporting to be a Dun and Bradstreet credit report relating to Foremost Bodycare Corporation Limited with the intention of inducing an employee of Gee Lawson Chemicals Limited to accept it as genuine and by reason of so accepting it to do some act to their prejudice or that or another.

(8) Paragraph 53 of Justice Drummond's judgment refers to an answer given by the Lord Chancellor (UK) on 10 March 1999 to a Question on Notice asked in the House of Lords (UK). As Justice Drummond notes at paragraph 53 of his judgment, the Lord Chancellor's answer was before me when I made my surrender decision. I am advised that the Attorney-General's Department also had regard to the answer.

(9) I am satisfied that the current arrangements for processing extradition applications ensure that proper regard is given to the seriousness of the actual alleged conduct and offence charged in an application for extradition.

Medicare: Provider Numbers
(Question No. 1053)

Mr Martin Ferguson asked the Minister for Health and Aged Care, upon notice, on 23 November 1999:

(1) Has the Government considered the allocation of geographic Medicare provider numbers to counter the maldistribution of doctors between non-metropolitan and metropolitan Australia.

(2) Has the Government sought legal advice on whether the allocation of medicare provider numbers on a geographic basis may be in conflict with the Constitution; if so, has the advice been received and what is the nature of the advice.

Dr Wooldridge—The answer to the honourable member’s question is as follows:

(1) Yes, but abandoned the idea after examining the Canadian experience with geographic provider numbers.

(2) Yes, advice indicated that:

(a) it is likely a proposal would not infringe the civil conscription prohibition in the Constitution;

(b) a proposal for geographic control of provider numbers would likely be challenged in the High Court; and

(c) as there is no constitutional inhibition on the States limiting their power to restrict the locations in which a doctor is registered to practice, this is a far more sensible way to proceed.

Overseas Trained Doctors: Australian Medical Council Examinations
(Question No. 1054)

Mr Martin Ferguson asked the Minister for Health and Aged Care, upon notice, on 23 November 1999:

(1) Which States and Territories have agreed to provide alternatives to the Australian Medical Council examination process for overseas trained doctors to work in country areas.

(2) What action has been taken to achieve a uniform registration process across all States for overseas trained doctors.
Dr Wooldridge—The answer to the honourable member’s question is as follows:

(1) The Commonwealth recently offered to help states and territories streamline processes for recruiting overseas doctors to work in rural areas. All states and the Northern Territory have expressed interest in developing initiatives to address the rural medical workforce shortages on a more permanent basis.

At the Australian Health Ministers’ Conference in August 1999, a national framework was agreed to facilitate the recruitment of overseas trained doctors to work in rural areas. The framework allows overseas doctors with general practice qualifications, who seek or possess permanent residency, to be assessed by the Royal Australian College of General Practitioners (RACGP) as an alternative to the current Australian Medical Council (AMC) examinations. Doctors going through this process will be conditionally registered to work in rural areas for a period of five years.

The Commonwealth is currently working with states and the Northern Territory around details relating to immigration and Medicare access.

Recent changes in medical registration arrangements across all States and Territories have impacted on the ability of overseas trained doctors to practise without AMC certification in two ways:

- overseas trained doctors who hold the Fellowship of the RACGP can obtain medical registration without the requirement to also pass the AMC. This extends the arrangement provided to specialists to general practitioners, thus bringing into line recognition procedures for the two groups of doctors;
- medical boards have removed the time restriction on area of need positions, meaning that overseas trained doctors can work in area of need positions longer term without a requirement to undertake the AMC examinations. It is, of course, in the best interests of overseas trained doctors to sit the AMC examinations as this is the only route to general (unrestricted) registration.

Currently the Commonwealth is working with the States and the Northern Territory to provide alternatives to the AMC examination process for overseas trained doctors to work in areas of workforce shortage.

(2) (a) The Australian Medical Council has a standing uniformity committee which currently monitors medical registration processes across all States and Territories to ensure uniform registration processes are in place.

(b) These measures are policy based and supplement the current legislative mechanism that allows all registered medical practitioners uniform entitlement to medical registration (Mutual Recognition Act 1992).

(c) The Commonwealth facilitated a meeting on 21 February 2000, which was attended by representatives of all States and Territories, to discuss medical registration issues, including mutual recognition issues, arising from recent overseas trained doctor recruitment strategies across the States and Territories. At the meeting, the States and Territories acknowledged the importance of consistent registration standards in new initiatives.

(d) In its 1999 Annual Report, the Australian Medical Workforce Advisory Committee (AMWAC) noted that general implementation of its recommendations has been good, with 66% of suggesting training program adjustments already in place. However the Government is concerned that a number of disciplines remain slow in implementing increases in training numbers, notably the areas of radiation oncology, orthopaedic surgery and ear, nose and throat surgery.

The Commonwealth’s support for these new State and Northern Territory recruitment initiatives is therefore contingent upon the States’ agreement to meet this collective responsibility to promote an adequate supply and appropriate distribution of the medical workforce, to better meet the health needs of our community. In view of this joint commitment, I have written to urge each State and the Northern Territory to work with the medical colleges in their respective jurisdictions to ensure that the AMWAC recommendations are implemented in a timely manner.
**Defence Force Recruiting: Privatisation**  
*(Question No. 1075)*

Mr Edwards asked the Minister Assisting the Minister for Defence, upon notice, on 6 December 1999:

1. Has the Government privatised defence force recruiting; if so, (a) why and (b) what expertise do Employment National and Manpower have in the specialised area of defence force recruiting.

2. How many Service personnel are posted to defence force recruiting in each State, and where are they located.

3. What role will personnel referred to in part (2) now have in the armed services.

4. What guidelines and criteria have the Government given Employment National and Manpower to ensure that their recruitment campaigns select personnel who are suitable for Australia’s armed forces.

5. Has his attention been drawn to claims made by current serving personnel that the Government is more interested in a public relations campaign rather than proper recruiting procedures; if so, what steps is he taking to ensure that the current high calibre of service personnel is maintained through the new privatised recruiting procedures.

Mr Bruce Scott—The answer to the honourable member’s question is as follows:

1. Not at this time. However, following an open Invitation to Register Interest, five organisations (including an In-House Option Team) have been shortlisted and invited to tender for the provision of recruiting services to the Australian Defence Force (ADF).

   (a) In March 1997, the Defence Efficiency Review indicated that there was room for operational efficiencies to be gained in market testing identified Defence Force Recruiting Organisation (DFRO) activities. It recommended ‘a significant number of recruiting processes should be market tested’. In 1998, Coopers & Lybrand Consulting was engaged to review the recruiting function to identify activities and processes that could be market tested to achieve those efficiencies. The consultancy identified certain parts of the operational process that could, and should, be market tested. The tender closed on 28 February 2000 and the successful Recruiting Service Provider will be selected in April 2000 with a 12 month limited ‘pilot’ contract being implemented on 1 July 2000. The ‘pilot’ contract will provide the ADF with the opportunity to:

   - ascertain if the Service Provider is able to deliver recruiting services at the agreed contractual standard prior to the full transfer of responsibility for recruiting services to the Service Provider;
   - gain confidence in the delivery of recruiting services by the Service Provider;
   - determine the Service Provider’s capacity to work with the DFRO, the ADF and stakeholders to improve the efficiency of the recruiting function.

   However, as a separate initiative in response to the situation in East Timor, Manpower has been engaged to provide interim support to field recruiting operations and assist in promoting ADF jobs through their regional offices. Manpower, however will not be conducting medical, psychometric testing or selection interviewing of applicants as part of this interim arrangement.

   (b) No specialised recruiting expertise is required to provide the current interim support to field recruiting operations. The contractor has been provided with eligibility criteria (age, education, citizenship) and ADF career information to allow basic eligibility checks to be performed. Application vetting and applicant testing and selection interviewing, will be performed by ADF Recruiting Units.

2. The numbers and locations of established permanent ADF recruiting staff are as follows:

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<tr>
<th>HQ DFRO</th>
<th>Location</th>
<th>Count</th>
</tr>
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<tr>
<td></td>
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<tr>
<td>ADFRU (1) Sydney</td>
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<tr>
<td>-----------------</td>
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<tr>
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<td>CRC Darwin</td>
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<tr>
<td>ADFRU Perth</td>
<td>Perth</td>
<td>19</td>
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<tr>
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<td>Cairns</td>
<td>4</td>
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<tr>
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<td>10</td>
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<tr>
<td>CRC Tasmania</td>
<td>Hobart</td>
<td>13</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>399</td>
</tr>
</tbody>
</table>

Notes: ADFRU – ADF Recruiting Unit  
CRC – Careers Reference Centre  
(3) The personnel referred to in part (2) will continue to perform their current role during the interim arrangement with Manpower. Post-July 2000, it is expected that the Recruiting Service Provider will require uniformed ADF personnel to be ‘embedded’ within their organisation for the purposes of describing ‘Service life experience’ to potential applicants. As is the current practice, such personnel would be selected from volunteers from technical and non-technical trades and would generally serve up to three years in recruiting, before returning to their normal Service employment. However, it is anticipated that current ADF personnel numbers dedicated to the recruitment function will be reduced as a result of the market testing process and that any surplus personnel will be redirected to combat and combat-related functions.  
(4) Manpower has no authority to select personnel for the ADF under the current interim arrangement. Their role will be to refer potential applicants to ADF Recruiting Units for testing and selection. Post-July 2000, the successful Recruiting Service Provider will be required to adhere to detailed eligibility and selection criteria contained in the Request for Tender documentation. However, final applicant selection, from a list of suitable candidates, will remain with the ADF. The Key Performance Indi-
The decision to market test ADF recruiting services originated from the Defence Efficiency Review recommendation that there was room for operational efficiencies to be gained in market testing identified DFRO activities and is supported by an independent recommendation by a consultant. Any decision to proceed with the outsourcing of recruiting services will be subject to the maintenance of current enlistment standards and operational effectiveness.

Crime: Investigations
(Question No. 1089)

Mr Kerr asked the Minister representing the Minister for Justice and Customs, upon notice, on 7 December 1999:

(1) How many of the more than 43,000 public employees engaged in law enforcement at a State or federal level have full time responsibility for investigating crimes involving art theft and fraud or copyright offences.

(2) Will the Minister establish an arts and cultural industry investigation unit within the Australian Federal Police or as a specialist common service agency with the States and Territories; if not, why not.

(3) What is the estimate of the annual value of artistic and intellectual property (a) stolen, (b) illicitly copied or pirated and (c) fraudulently passed off as genuine.

Mr Williams—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

(1) Information received from the Australian Federal Police and State police services indicates that resource allocations for specific investigations are determined in accordance with agency plans and priorities. Responsibility for investigating crime involving art theft and fraud and copyright offences is determined by the police services on a need and priority basis.

(2) Police services must ensure that limited resources are directed to matters of the highest priority. The AFP does not allocate resources to deal with individual types of crime. All matters referred are assessed against the AFP’s Case Categorisation and Prioritisation Model and the decision made to accept or reject matters takes into account that assessment, levels of available resources and the relative priority of other matters. The establishment of a specialist common service agency devoted solely to arts and cultural industry investigations has not been raised in relevant Commonwealth/State police services fora.

(3) With respect to Australia, advice received from the Australian Federal Police, State Police services, the Australian Bureau of Criminal Intelligence and the Australian Institute of Criminology indicates that such data is not maintained and therefore not available. However, internationally, the International Foundation for Art Research has estimated that the value of stolen art range from US$500 million to US$7,500 million.

Sydney (Kingsford Smith) Airport: Runway Crosswinds
(Question No. 1097)

Mr McClelland asked the Minister for Transport and Regional Services, upon notice, on 8 December 1999:

(1) Did the Bureau of Air Safety Investigation (BASI) recommend that Airservices Australia and the Civil Aviation Safety Authority need to reconsider the policy of routinely operating any runway at Sydney (Kingsford Smith) airport, with up to 25kt. crosswinds solely to cut noise, when other runways are available.

(2) Will he take steps to ensure that BASI’s recommendation be put in place; if not, why not.

Mr Anderson—The answer to the honourable member’s question is as follows:
(1) No. The recommendation in the BASI Air Safety Report *Systemic Investigation into Factors Underlying Air Safety Occurrences in Sydney Terminal Area Airspace* addressed safe operations and was not specifically directed at noise operations. Recommendation R980164 states:

“Airservices Australia, in conjunction with the Civil Aviation Safety Authority, reconsider the current policy of routinely operating the short runways at Sydney with up to 25 kts crosswind when other runway options are available.”

(2) The maximum crosswind criterion at Sydney Airport was increased to 25 knots in 1989. CASA undertook a review of the 25 knots crosswind criteria and this review involved consultations with Airservices Australia, the aviation industry and the pilots’ associations. Following that review CASA indicated that it considered that the longstanding practice of routinely operating runways with up 25 knots of crosswind before initiating a change of nominated runway does not pose an unacceptable safety hazard.

**Job Network: Performance Ratings**

(Question No. 1130)

Mr Jenkins asked the Minister for Employment Services, upon notice, on 15 February 2000:

For each Job Network site in the Eastern Melbourne labour market region of the Department of Employment, Workplace Relations and Small Business, what were the performance ratings for (a) Intensive Assistance, (b) Job Search Training and (c) Job Matching.

Mr Abbott—The answer to the honourable member’s question is as follows:

As part of the announcement of the conditional offers for the second Job Network tender round, information on Job Network members’ performance ratings was released on 3 December 1999. Job Network members were rated according to their average performance in each region where they operate. Attached is the performance information relating to the East Melbourne Labour Market Region. This information is also currently available on the internet at: http://jobnetwork.dewrsb.gov.au/secondjn.htm.

**Job Network: Employment Services Contract 1**

(Question No. 1131)

Mr Jenkins asked the Minister for Employment Services, upon notice, on 15 February 2000:

For each Job Network site in the Eastern Melbourne labour market region of the Department of Employment, Workplace Relations and Small Business, how many clients were serviced under Employment Services Contract 1 for (a) Intensive Assistance, (b) Job Search Training and (c) Job Matching.

Mr Abbott—The answer to the honourable member’s question is as follows:

This information is bound by the confidentiality and commercial-in-confidence provisions described in the Employment Services Request for Tender 1997. I am therefore not in a position to release details on these numbers.

**Job Network: Employment Services Contract 2**

(Question No. 1132)

Mr Jenkins asked the Minister for Employment Services, upon notice, on 15 February 2000:

For each Job Network site in the Melbourne labour market region of the Department of Employment, Workplace Relations and Small Business, what are the client numbers contained in the Conditional Offers of Business for Employment Services Contract 2 for (a) Intensive Assistance, (b) Job Search Training and (c) Job Matching.

Mr Abbott—The answer to the honourable member’s question is as follows:

Details of the numbers of clients to be assisted at individual Job Network Members’ sites are commercially sensitive and, as with the first Job Network contracts, are not publicly released by the Gov-
ernment. The table below shows the sum of offers made to contracted providers for business levels purchased through the employment services tender in the Melbourne region.

Melbourne Region Contracted Numbers

<table>
<thead>
<tr>
<th>Employment Service Area</th>
<th>IA Places</th>
<th>JST Places</th>
<th>JM Places</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>39648</td>
<td>43018</td>
<td>206497</td>
</tr>
</tbody>
</table>

IA: Intensive Assistance - place numbers reflect point in time contracted capacity.
JST: Job Search Training - place numbers are for the 3 year contract period.
JM: Job Matching – place numbers are for the 3 year contract period.

Job Network: Prospect Electorate
(Question No. 1137)

Mrs Crosio asked the Minister for Employment Services, upon notice, on 15 February 2000:

(1) What are the names of the Job Network providers contracted by the Government in the electoral division of Prospect.

(2) How many providers placed a bid for a contract with his Department and what were their names.

(3) By what sum did the GST increase the tenderers’ figures.

(4) Were any existing Job Network providers’ bids rejected by the Government; if so, (a) which providers and (b) for what reasons.

Mr Abbott—The answer to the honourable member’s question is as follows:

(1) The organisations contracted to provide Job Network services in Prospect are: Centacare Australia Ltd; Macarthur Business Enterprise Centre Limited; Uniting Church Council of Mission Trust Association; Fairfield Community Services Inc; Industrial Psychology Consultants Pty Ltd; T&A Skills Care Service Pty Ltd; Mission Australia; and, Adult Multicultural Education Services.

(2) A total of 418 organisations submitted bids to deliver services in response to the Employment Services request for Tender 1999. Employment services tenders were submitted to my Department on a confidential basis. In view of the commercially sensitive nature of the information, I am not able to release details of the full range of organisations that submitted tenders.

(3) The 1999 Employment Services Request for Tender asked for tenderers to submit prices which took GST into account. The estimated impact calculated for the industry sector as a whole is 7.2% as notified in the Request for Tender documentation.

(4) Employment services tenders were submitted to my Department on a confidential basis. In view of the commercially sensitive nature of the information, the Department is not able to release details of those organisations that submitted tenders and were previously Job Network members nor the reasons for the rejection of their bids.

Job Network: Prospect Electorate
(Question No. 1138)

Mrs Crosio asked the Minister for Employment Services, upon notice, on 15 February 2000:


(2) How many Employment National branches did not receive contracts in Job Network 2.

(3) How many Employment National workers were employed at branches which did not receive contracts.
(4) How many persons were employees of the Fairfield branch of Employment National.

(5) How many job seekers in the electoral division of Prospect were registered with the Fairfield branch of Employment National.

(6) How many full time and part time jobs in the electoral division of Prospect were filled by Employment National.

Mr Abbott—The answer to the honourable member’s question is as follows:

(1) One tender was submitted by Employment National.

(2) The contract offer made to Employment National provides for service delivery at 164 sites.

(3) Employment National falls within the Finance and Administrative Services portfolio. My Department does not have access to detailed information on the staffing levels for Employment National or any other Job Network provider.

(4) Employment National falls within the Finance and Administrative Services portfolio. My Department does not have access to detailed information on the staffing levels of Employment National or any other Job Network provider.

(5) At the close of tender submissions in July 1999, a total of 860 job seekers were registered as receiving Job Network assistance from the Employment National site in Fairfield.

(6) Between 1 May 1998 and 11 February 2000, a total of 1354 Job Network eligible job placements of which 952 were for full-time positions were made from Employment National sites in the Prospect electorate. The balance consists of casual, seasonal, part-time and temporary placements. As for job placements outside Job Network, Employment National falls within the Finance and Administrative Services portfolio and detailed information on specific placements should be directed to this portfolio.

Community Support Program: Prospect Electorate

(Question No. 1139)

Mrs Crosio asked the Minister for Employment Services, upon notice, on 15 February 2000:

(1) How many Community Support Programme (CSP) providers are located in the electoral division of Prospect.

(2) What are the names of the providers.

(3) How many persons in the electoral division of Prospect are participants in CSP.

(4) Which services were accessed by CSP participants in the electoral division of Prospect.

(5) How many tenders have been received for the second round of the programme from the electoral division of Prospect.

(6) Were any Employment National branches CSP providers; if so, which branches.

Mr Abbott—The answer to the honourable member’s question is as follows:

(1) There are two CSP providers located in the electoral division of Prospect.

(2) The providers are both located in Fairfield, NSW and are:

. Centacare; and;

. Mission Australia.

(3) A total of 224 people have participated in the CSP in the electorate of Prospect since May 1999, of these 165 are currently participating in the programme.

(4) The CSP was developed to help job seekers overcome their severe and/or multiple barriers to employment before participating in Intensive Assistance in the Job Network. CSP providers assist participants to develop a plan to address their needs and then act as brokers to assist participants to access
services already available within the community or within their own organisations. The services to which CSP participants are referred will depend on the participants’ specific needs and circumstances but may include helping participants access counselling, stable accommodation, drug or alcohol rehabilitation programmes and other activities addressing significant or debilitating personal development needs.

(5) The tender process is currently under way and I expect to announce successful providers in late March. Due to probity concerns I cannot advise on the number of tenderers whilst the process is still under way.

(6) No Employment National branches were CSP providers.

**Tarcutta Truck Changeover**

*(Question No. 1142)*

Mr Martin Ferguson asked the Minister for Transport and Regional Services, upon notice, on 15 February 2000:

(1) At what stage of development by his Department is the proposed Tarcutta truck changeover.

(2) What is proposed for the changeover facility.

Mr Anderson—The answer to the honourable member’s question is as follows:

(1) and (2) The current facility at Tarcutta was approved and constructed many years ago by State and local government authorities. It provides off-highway parking for heavy-vehicle operators to take rest breaks, exchange trailers, and access a range of nearby commercial facilities.

In 1996 the Federal Government asked the NSW Roads and Traffic Authority (RTA) to investigate the scope and possible locations for a new truck changeover facility at Tarcutta and made $100,000 available for this purpose. The RTA report was released for public comment last October. Representatives from the Department, the RTA and Wagga Wagga City Council met in December 1999 and agreed to seek expressions of interest from potential private sector investors to develop either of the sites identified in the report.

A business consultant was appointed in February 2000 to coordinate the call for expressions of interest and to assist in evaluating bids received. Expressions of interest are likely to be advertised March/April 2000.

The new and larger facility is expected to provide similar amenities in a safer environment for truck drivers, while also meeting expected traffic growth along the corridor. The services that will be provided at Tarcutta are a matter for commercial interests to consider.

**Murray River: Bridges**

*(Question No. 1147)*

Mr Martin Ferguson asked the Minister for Transport and Regional Services, upon notice, on 15 February 2000:

(1) How many bridges cross the Murray River between NSW and Victoria.

(2) Has an assessment been made by his Department, or discussions held with the NSW and Victorian Governments, concerning the roadworthiness of the bridges; if so, what were the findings.

(3) Who has responsibility for the construction and maintenance of each bridge and what proposals are in place to replace or upgrade the bridges by the Federal, NSW and Victorian Governments.

Mr Anderson—The answer to the honourable member’s question is as follows:

(1) There are 28 bridges that cross the Murray River between NSW and Victoria.

(2) and (3) Road funding is a responsibility of all levels of government. As agreed by Heads of Government in 1991, the Commonwealth has responsibility for the National Highway System, the States for costs of State arterial roads, and local government for local roads. The Commonwealth is therefore only responsible for bridges on the National Highway at Albury, Tocumwal and Mildura.
Both the NSW and Victorian Governments have made an assessment of Murray River bridges on the National Highway that may be affected by the increase in mass limits for heavy vehicles. None of these bridges require upgrading to meet this requirement.

The Federal Government is however providing Federation Funds, to a limit of $44 million, for the replacement of three bridges on the Murray River at Euchea/Moama, Robinvale/Euston and Corowa/Wahgunyah.

Community consultation and the route selection process have commenced for these bridges.

**Industrial Relations: Australian Workplace Agreements**

*(Question No. 1149)*

Mr Martin Ferguson asked the Minister for Employment, Workplace Relations and Small Business, upon notice, on 15 February 2000:

With respect to Australian Workplace Agreements (AWAs) approved by the Employment Advocate and the Australian Industrial Relations Commission, (a) how many industrial AWAs are there on an industry by industry basis and (b) how many individual AWAs are there for the Commonwealth Government and each State and Territory Government.

Mr Reith—The answer to the honourable member’s question is as follows:

As at December 31, 1999, 86,188 AWAs had been approved by the Office of the Employment Advocate and the Australian Industrial Relations Commission.

(a) On an industry by industry basis (using the one digit ANZSIC coding by which OEA records industry data), AWAs are apportioned as follows:

<table>
<thead>
<tr>
<th>ANZSIC Code Description</th>
<th>Proportion</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture, Forestry and Fishing</td>
<td>1.30%</td>
<td>1118</td>
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<tr>
<td>Mining</td>
<td>3.93%</td>
<td>3389</td>
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<tr>
<td>Manufacturing</td>
<td>8.44%</td>
<td>7274</td>
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<tr>
<td>Electricity, Gas and Water Supply</td>
<td>2.02%</td>
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<tr>
<td>Construction</td>
<td>1.75%</td>
<td>1508</td>
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<tr>
<td>Wholesale Trade</td>
<td>2.46%</td>
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<tr>
<td>Retail Trade</td>
<td>10.22%</td>
<td>8804</td>
</tr>
<tr>
<td>Accomodation, Cafes and Restaurants</td>
<td>5.35%</td>
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</tr>
<tr>
<td>Transport and storage</td>
<td>5.77%</td>
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</tr>
<tr>
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<td>8.71%</td>
<td>7511</td>
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<td>Finance and Insurance</td>
<td>5.01%</td>
<td>4319</td>
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<tr>
<td>Property and Business Services</td>
<td>4.15%</td>
<td>3576</td>
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<tr>
<td>Government, Administration and Defence</td>
<td>21.91%</td>
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<td>Education</td>
<td>1.16%</td>
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<tr>
<td>Health and Community Services</td>
<td>5.36%</td>
<td>4616</td>
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<tr>
<td>Cultural and recreational Services</td>
<td>5.20%</td>
<td>4483</td>
</tr>
<tr>
<td>Personal and Other Services</td>
<td>7.26%</td>
<td>6254</td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>86188</td>
</tr>
</tbody>
</table>

(b) 29,313 (34.01 per cent) of all AWAs approved (as at 31 December, 1999) were in the public sector.
Grains Council of Australia
(Question No. 1151)

Mr Martin Ferguson asked the Minister for Agriculture, Fisheries and Forestry, upon notice, on 15 February 2000:

(1) What are the details of the restructuring of the Grains Council of Australia (GCA), and how extensively was he or his Department consulted.

(2) What is the nature of the executive salary packages of the GCA’s top executives relative to the previous packages, and is it a fact that the average salaries paid to GCA’s top executives is $100,000.

(3) Was he or his Department consulted about the proposed salary structure and the increases proposed; if so, did he approve the increases.

Mr Truss—The answer to the honourable member’s question is as follows:

(1) The Grains Council of Australia (GCA) is the peak policy body of the Australian grains industry, representing growers. The GCA, an incorporated body, is a Commodity Council member of the National Farmers’ Federation.

The GCA is unconnected with Government and there is no obligation or reason for the GCA to consult with either the Department of Agriculture, Fisheries and Forestry or myself on its restructuring proposals.

(2 and 3) For the same reasons, the question of remuneration paid to the GCA’s executive is not a matter for Government involvement.

Roads: Scoresby Freeway
(Question No. 1152)

Mr Martin Ferguson asked the Minister for Transport and Regional Services, upon notice, on 15 February 2000:

Has the Government received representations from the Victorian Government, local councils, community groups and parliamentary representatives to classify the Scoresby Freeway in Victoria as a road of national importance: if so, when, and what was the nature of the request.

Mr Anderson—The answer to the honourable member’s question is as follows:

The Government has received representations from the Victorian Government, local councils, a community group and a federal parliamentary representative seeking the designation of the Scoresby Freeway as a road of national importance.

The future development of the Scoresby corridor is currently under review by the Victorian Government.

Insurance Enquiries Complaints Boards: Consumer Representatives
(Question No. 1155)

Mr Kelvin Thomson asked the Treasurer, upon notice, on 15 February 2000:

(1) What are the names, occupations and contact details for the consumer representatives on (a) the Insurance Enquiries and Complaints Ltd Board and (b) Insurance Enquiries and Complaints Ltd Claims Review Panel.

(2) For what reasons are the consumer representatives referred to in part (1) appointed.

(3) What are the details of any other government authorities, statutory authorities and non government organisations to which those persons have been appointed by the Government.

(4) What is the role and term of these positions.

(5) Will he provide a list of previous consumer representatives on the Insurance Enquiries and Complaints Ltd Board and Insurance Enquiries and Complaints Ltd Claims Review Panel.
Mr Costello—The answer to the honourable member's question is as follows:

1. Details of consumer representatives on the Board of Directors of the Insurance Enquiries and Complaints Ltd and the Insurance Enquiries and Complaints Ltd Claims Review Panels are listed in the published and electronic versions of IEC Annual Reviews.

2. Article 23 of the Articles of Association of the Insurance Enquiries and Complaints Ltd (IEC) provides for the Commonwealth Minister responsible for Consumer Affairs, currently the Minister for Financial Services and Regulation, to appoint 3 people with experience in consumer affairs as Directors to the Board of the IEC Ltd.

   Section 16.7 of the Terms of Reference for the IEC Ltd provides for the Commonwealth Minister responsible for Consumer Affairs, currently the Minister for Financial Services and Regulation, to appoint one consumer representative to each Claims Review Panel and to appoint alternate representatives to the Panels.

3. I am not aware of any other positions to which these persons have been appointed by Government.

4. See (3).

5. This information is available from IEC Annual Reviews.

Goods and Services Tax: Price Increases
(Question No. 1156)

Mr Kelvin Thomson asked the Treasurer, upon notice, on 15 February 2000:

Has his attention been drawn to the Australian Competition and Consumer Commission’s (ACCC) GST update of November which says that the purpose of the price exploitation provisions is not to ensure that all prices are reasonable and that the Commission’s role is not to object to profits that are already high.

What is to stop retailers from hiking up prices before the goods and services tax comes into effect.

Is the ACCC monitoring prices concerning items on which no wholesale tax is payable.

Mr Costello—The answer to the honourable member’s question is as follows:

1. The focus of the price exploitation provisions is on changes in prices resulting from the New Tax System changes, not on the level of prices per se. The prohibition on price exploitation is designed to ensure that consumers receive the full benefit from indirect tax reductions, and to ensure that the New Tax System changes are not seen as an opportunity for businesses to raise profits.

2. The Government has introduced legislation enabling the Australian Competition and Consumer Commission to take immediate action against businesses that unreasonably raise prices in anticipation of the GST. Businesses that contravene the price exploitation prohibition may face substantial penalties of up to $10 million for corporations and $500,000 for individuals.

3. Yes. The Australian Competition and Consumer Commission has been given very broad powers to monitor prices under section 75AY of the Trade Practices Act 1974. These powers are not limited to goods currently subject to WST.

Parthenon Marbles
(Question No. 1159)

Mr Latham asked the Minister for Foreign Affairs, upon notice, on 15 February 2000:

1. When was his attention drawn to the two-day conference, "On Cleaning the Parthenon Sculptures", organised by the British Museum at the end of November 1999.


3. Did a Greek team of conservators present their findings to the conference in four linked papers.

4. Was the Australian High Commission informed of the conference.
(5) Has his attention been drawn to the report of the conference in an article entitled "Losing the Marbles" in the Times Literary Supplement of 10 December 1999.

(6) Will he and his Department take account of the proceedings of the conference in reviewing the question of the Parthenon marbles.

(7) Is he aware of a submission by members of the Australian Parliament to a committee of the British Parliament on the return of the Parthenon marbles.

(8) Will he or his Department be making a submission to the Committee on behalf of the 300,000 Australians of Greek ancestry.

Mr Downer—The answer to the honourable member’s question is as follows:

(1) The conference, "On Cleaning the Parthenon Sculptures", has not been specifically brought to my attention.

(2) I am not apprised of the proceedings the conference.

(3) Likewise, I am not apprised of those proceedings.

(4) There is no record that the High Commission was informed of the conference, but Australian Embassies and High Commissions receive notifications of many thousands of conferences each year.

(5) No.

(6) Successive Australian Governments have consistently maintained the position that the question of the Parthenon Marbles is a matter for resolution by the Greek and British governments.

(7) Yes.

(8) No.

Sydney (Kingsford Smith) Airport: Runway Operations

(Question No. 1165)

Mr McClelland asked the Minister for Transport and Regional Services, upon notice, on 15 February 2000:

For the 12 month period ending 30 November 1999, for the time slots of (a) 6 a.m. to 7 a.m. and (b) 10 p.m. to 11 p.m., what runway modes of operation were used at Sydney (Kingsford Smith) Airport and for what percentage of time were each of these modes of operation adopted.

Mr Anderson—The answer to the honourable member’s question is as follows:

Airservices Australia advises that during the period 1 December 1998 to 30 November 1999, the runway modes used were as follows:

6am to 7am
- SODPROPS 13%
- Mode 5 5.2%
- Mode 7 40.2%
- Mode 9 8.8%
- Mode 10 25.6%
- Mode 13 0.2%
- Mode 14A 7.0%

10pm to 11pm
- SODPROPS and other
- "over the water" 36.3%
- Mode 5 8.5%
- Mode 7 10.2%
- Mode 9 11.4%
- Mode 10 12.8%
Korean War Service Medal: Commonwealth Serving Personnel
(Question No. 1184)

Mr Laurie Ferguson asked the Minister Assisting the Minister for Defence, upon notice, on 16 February 2000:

(1) Did the Republic of Korea (ROK) offer in November 1951 to award Commonwealth personnel participating in the Korean War the ROK War Service Medal, also known as the ROK Star?

(2) Has he written to a number of organisations indicating that Commonwealth authorities never accepted the offer of the medal by the ROK and that until recently the Department of Defence was unaware of its existence.

(3) Has his attention been drawn to a letter from the Defence Attache of the ROK Embassy in Australia to the Australian National Veterans’ Association on 25 February 1993 indicating that the Korean War Medal was accepted by all countries participating in the Korean War; if so, is he able to say whether the statement by the Defence Attache is correct.

(4) If the statement by the Defence Attache is considered to be incorrect, which of the participating Commonwealth countries did not accept the offer of the medal to their personnel.

(5) Has the Government officially approved the wearing of the medal by Australian veterans; if not, on what basis has it refused to do so.

Mr Bruce Scott—The answers to the honourable member’s question are as follows:

(1) Yes, it was offered by the Republic of Korea through the Commander-in-Chief, United Nations Command. Why the offer was not accepted by the Commonwealth is not known and is being investigated by the Department of Defence.

(2) Yes.

(3) Yes, attention has been drawn to the letter and the statement by the Defence Attache is incorrect. The medal was not accepted by all UN countries that participated in the Korean War as the medal is not worn by all of them. Also, as stated in the same letter, the medal was not issued to all who served in the war and this is indicated by the fact that veterans are purchasing it from commercial sources as no original medal is held by them.

(4) This is under investigation by the Department of Defence.

(5) No. It has always been Australian Government policy in relation to official recognition of foreign awards that only one award will be recognised for operational service in conjunction with any Australian award for the same service. This policy was reaffirmed by the revised and more liberalised Government Guidelines Concerning the Acceptance and Wearing of Foreign Honours or Awards by Australians (the Guidelines) put in place on 22 December 1997.

At the time the Guidelines were presented to Her Majesty the Queen in their draft form, She expressed the view that She hoped that any possible embarrassment by the display of medals resulting more from the generosity of a foreign government than on the member’s service could be avoided through strict rules on the wearing of foreign honours and awards. The Australian Government reassured Her Majesty on this point and the Prime Minister gave an undertaking that the wearing of foreign honours and awards by Australians would be carefully monitored and considered on a basis of equivalence, and subject to the over-riding principle of national interest. Accordingly, the awarding of an additional foreign service award for service in Korea could be seen as confronting The Queen’s concerns.

Such a policy not only provides satisfaction that The Queen’s concerns are allayed, but also retains any Australian service award as the pre-eminent award for that service without being overshadowed by a proliferation of foreign campaign awards for the same service.

Essendon Airport: Sale
(Question No. 1185)

Mr Martin Ferguson asked the Minister for Transport and Regional Services, upon notice, on 16 February 2000:
(1) Will the Government place Essendon Airport, Vic., up for sale again; if so, when.

(2) How did the proposals received for leasehold sale not sufficiently satisfy the Governments sales objective on the last occasion.

(3) What will be the Governments sales objectives when Essendon Airport is next placed on the market and will they differ from the Governments sales objective on the last occasion.

(4) Will bidders be permitted to redevelop the site, or any part of it, for residential purposes.

Mr Anderson—The answer to the honourable member’s question is as follows:

(1) No decision on the long term future of Essendon Airport has been made. Following the corporatisation of the airport in June 1998, the Minister for Finance and Administration has sole shareholder responsibility for the airport.

(2) The sale process for Essendon Airport was terminated by the Government on 8 April 1998. The decision was taken after detailed consideration of the bids received from the two shortlisted bidders against the sales and on-going privatisation objectives set at the outset of the sales process. It was concluded that the proposals received did not sufficiently satisfy, to the level required, a number of the Government’s objectives. In particular there were significant issues in relation to the commitment of the bidders to the long term aeronautical use of the site.

(3) The Government is yet to consider these matters.

(4) Essendon Airport currently operates under the regulatory regime set out in the Airports Act 1996 and Regulations made pursuant to this Act. The Airports Regulations (Regulation 2.04) provides a general prohibition on subleases for residential development at leased Federal airports.

Age Pensions: University Research Scholarships

(Question No. 1186)

Mr Latham asked the Minister representing the Minister for Family and Community Services, upon notice, on 16 February 2000:

(1) Are university research scholarships included in the means testing of age pensions.

(2) Is this practice consistent with the Government’s commitment to lifelong learning, and in particular, third age learning among the nation’s senior citizens.

Mr Anthony—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) Yes, scholarships from Australian universities are included in the income test for Age Pension, consistent with the treatment of scholarships for all means tested social security payments.

Any additional allowances paid by a university specifically for the reimbursement of ‘out of pocket’ expenses such as photocopying or printing are not assessed as income.

(2) The Government is committed to the principle of lifelong learning and the important social role it plays in society, particularly given the increasing lifespan of the Australian population.

The Government also affirms the principle of targeting social security payments, whether Age Pension or payments to people of workforce age, to people with the least financial resources. These two principles are not at odds.

Scholarships are treated as income under the income test because they are generally intended to assist with living expenses. This means that above an ‘income free area’, pension is reduced by 50 cents for each dollar of income earned or received, including scholarship income. Under the Government’s tax reform initiatives, this pension taper rate will reduce to 40 cents from 1 July 2000.

Essendon Airport: Large Passenger Aircraft

(Question No. 1189)

Mr Kelvin Thomson asked the Minister for Transport and Regional Services, upon notice, on 16 February 2000:

Will he rule out the future use of Essendon Airport, Vic., for large passenger aircraft as was recently mooted by Virgin and Impulse Airlines.

Mr Anderson—The answer to the honourable member’s question is as follows:
The Government has advised the new entrants that access by scheduled jet services to Essendon Airport raises a number of difficult operational and environmental issues. Accordingly, the Government has told Virgin and Impulse that its strong preference is for them to operate jet services to Melbourne Airport, not Essendon.

**Job Network: Fowler Electorate**

*(Question No. 1191)*

Mrs Irwin asked the Minister for Employment Services, upon notice, on 17 February 2000:

(1) Is it a fact that (a) the Labor-held electoral division of Fowler has been provided with one additional job network site under recent tender announcements; and (b) the Liberal-held electoral division of Parramatta has less than half the unemployment rate of the electoral division of Fowler but has been provided with six additional job network sites; if so, why.

(2) Does Employment National have job network sites in the electoral division of Fowler; if not, why not.

Mr Abbott—The answer to the honourable member’s question is as follows:

(1) (a and b) The confirmed street addresses of Job Network sites show that the number of sites in the electorate of Fowler has increased by one, from twenty to twenty-one. The number of sites in Parramatta is shown to have increased by five, from eight to thirteen.

Comparisons of site numbers in electorates such as that between Fowler and Parramatta are misleading. Job Network business is allocated on the basis of Employment Service Areas (ESAs) which are defined in relation to the location of Centrelink Service Centres and have no direct correspondence to electorate boundaries. For example, the Fairfield/Liverpool ESA that covers Fowler also covers a number of other electorates. Job Network members contracted to deliver services in this ESA would be referred clients from across the relevant Centrelink Service Centre catchment area. This catchment area incorporates the major centres of Fairfield, Cabramatta, Liverpool and Casula, and ranges south to the suburbs of Moorebank and Wattle Grove. Job seekers residing in the Fairfield/Liverpool ESA may choose to receive services from any of the thirty-eight Job Network sites in the ESA, and may also receive assistance at Job Matching sites across the wider Sydney region.

Job Network business was allocated on the basis of Centrelink registration numbers. Larger business volumes are contracted in ESAs with greater numbers of registered job seekers.

(2) The Employment Services Tender 1999 did not result in an offer of Job Network business to Employment National in the ESA which covers the electorate of Fowler.

**Electricity Procurement: Commonwealth Agencies**

*(Question No. 1194)*

Mr Kelvin Thomson asked the Minister representing the Minister for the Environment and Heritage, upon notice, on 17 February 2000:

(1) Further to the Australian National Audit Office's (ANAO) report into Commonwealth electricity procurement, what Commonwealth agencies with eligible sites are not participating in the national electricity market.

(2) Is he able to say why Commonwealth agencies are not taking advantage of the savings that the ANAO report believes exist.

Mr Truss—The Minister for the Environment and Heritage has provided the following answer to the honourable member’s question:

(1) It is extremely hard to quantify exactly which sites managed by which agencies are not covered by National Electricity Market contracts, due to the devolved Australian Public Service property management arrangements.

The information sought by the honourable member is not readily available and would require a substantial commitment of resources to extract. I am not therefore prepared to direct that this work be undertaken.

(2) No. See the response to (1) above.