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Mr SPEAKER (Mr Neil Andrew) took the chair at 12.30 p.m., and read prayers.

PRIVILEGE

Mr COX (Kingston) (12.31 p.m.)—Mr Speaker, I seek the indulgence of the chair to raise a matter of privilege.

Mr SPEAKER—Indulgence is granted.

Mr COX—On 8 November, I raised a matter of privilege relating to a suspected unauthorised disclosure of a decision by the Joint Committee of Public Accounts and Audit to establish a full public inquiry into IT outsourcing. Following an announcement by the Minister for Finance and Administration that he had established a government review, the JCPAA voted to rescind the committee’s earlier decision to conduct a full inquiry. I raised the question of a possible unauthorised disclosure of the committee’s deliberations at that meeting but no explanation of how the disclosure had come about was forthcoming. As I advised you before I raised the matter in the House, I did not have a high expectation of discovering the source of the disclosure but I considered its consequences important. On 9 November, the secretary of the committee advised me that, immediately after the 1 November meeting, there had been two sources of disclosure of the committee’s deliberations. The first was a letter of that date from the chairman of the committee to the Chair of the House of Representatives Standing Committee on Industry, Science and Resources. The second occurred the following day when staff of the committee placed on the Notice Paper, under ‘Current inquiries’ of the committee, ‘Auditor-General’s audit report No. 9, 2000-2001, First Quarter.’ Obviously, neither of these disclosures could be described as unauthorised. The latter one would certainly have signalled to the government the committee’s intentions. Therefore, there is no matter of privilege to pursue. I apologise for any time you may have spent pursuing this matter.

Mr SPEAKER—I thank the member for Kingston for his consideration.

DELEGATION REPORTS

Australian Parliamentary Delegation to the 21st AIPO General Assembly

Ms BURKE (Chisholm) (12.32 p.m.)—I present the report of the Australian parliamentary delegation to the 21st ASEAN Inter-Parliamentary Organisation—AIPO—General Assembly held in Singapore between 10 and 15 September 2000. At the outset I would like to thank wholeheartedly Mr Stephen Boyd, the secretary to the delegation, for his great support in ensuring the delegation ran very smoothly and that there were no incidents. I would also like to put on the record, on behalf of all the delegation, our appreciation of the support from the Australian High Commission in Singapore, particularly Mr Murray McLean, the High Commissioner, for his great singing ability—which got us through a very awkward evening in Singapore where we were put to shame by many of our Asian colleagues who had an adept nature of singing. We also appreciated his wisdom and advice during our trip there.

The AIPO conference, in one sense, was a bit of a mystery for us as Australians, because we were there in an observer capacity, so we could not actually fully participate in the conference. That did leave some of the delegation a bit bemused by the event. Nevertheless, when we were not allowed to attend the plenary sessions, we did use our time very wisely by making the most of our trip to Singapore and having a wonderful inspection of many of Singapore’s corporations, most notably the port of Singapore, which was an amazing facility. The tour left us all amazed at their ability to move freight in and out of Singapore. We discovered that the ultimate word for Singapore is ‘hub’ and this can be shown most notably at the port of Singapore. We also met the native bird, the crane, which moves a lot of freight in and out of the port. We also took time to meet with people within the IT industry in Singapore—the InfoComm Development Authority of Singapore—and also with the Ministry of Health, where we got a first-hand insight into many of the wonderful programs that they are developing over there with such a small, tight, contained community.
But most notable for the delegation was the plenary session at the actual conference, where we had dialogues with other countries. We had been told that this would be a fairly easy affair, but it actually turned out to be a bit more rigorous than we were led to believe by the people who briefed us. There were some fairly pointed questions from many of the Asian countries. That was, I think, very good because it did challenge us to think through the issues that were before us. They did speak at length about the wonderful support that Australia is giving to the region and the lead role we play in many issues, most notably in the environment and in education. But many of the countries did express their desire to see a two-way trade between Australia and Asian countries—not just Asian students coming to Australia but Australian students going to Asia and ideas being exchanged. We thought that this was a wonderful idea. Several of the delegations did raise issues with respect to Australia’s recent criticism of the committee system of the United Nations. That was of interest also to the various Asian countries that raised issues with us.

It was a very informative session, and we did make some recommendations coming out of that experience, which I think do need to be noted today. It is recommended that future parliamentary delegations to the AIGO General Assembly should ensure that an officer of the relevant Australian overseas post attends so that when we get very detailed questions, as we did, we might have someone on hand to assist us a bit more. It is also recommended that the Presiding Officer give consideration to the proposal that delegate secretaries to AIGO parliamentary delegations attend at least two or three of these sessions so that they have a greater understanding of what is going on and they can give far more assistance to the delegation. It would be our recommendation also—certainly from the three members who went, even though we did not put it in the report—that taking the time to actually use the AIGO experience as a dialogue session with other countries, with us taking the initiative, would be a wonderful thing.

I would also like to express my thanks to Senator Sue Knowles for her lead in the delegation and particularly to Brendan Nelson, who came to my daughter’s medical aid during the experience. I commend the report to the House.

Dr Nelson (Bradfield) (12.37 p.m.)—In speaking on the parliamentary delegation to the 21st AIGO General Assembly of the ASEAN Interparliamentary Organisation, I would firstly like to commend the leader of the delegation, Senator Susan Knowles, for the way in which she conducted herself and the way in which she led both the member for Chisholm and me during the delegation. I would also like to thank my colleagues for choosing me to be a member of this delegation. It is a privilege that I certainly do not take for granted. Amongst the things that I personally learned whilst in Singapore at this AIGO meeting was the very high regard and respect in which the member for Aston is held in our region as a parliamentarian, which is something that ought to be recorded in this House.

Attending the assembly were the parliamentary representatives of eight ASEAN countries, two special observer countries and eight observer countries. The assembly provided a forum from which to examine, discuss and propose solutions, as you would expect, to issues of common interest throughout the Asia-Pacific region. One of the most significant issues examined was ASEAN’s response to the Asian financial crisis, from which Australia has emerged essentially unscathed. The assembly noted the impact of globalisation, especially on ASEAN countries. If you think it is a significant issue here in Australia, you ought to get a feel for the way it is gripping some of the countries in our region; they really are going through very similar issues to us in terms of economic development on the one hand and the social cost and priorities of pursuing a global agenda on the other hand. The leader of our delegation, Senator Knowles, indicated in her opening address to the assembly that Australia’s experience with globalisation had been extremely favourable overall, with export industries and foreign investment contributing substantially to employment.
growth and an increased standard of living in our own country. I also strongly support the recommendations that have been outlined here today by the member for Chisholm, which are included in our report.

There are a number of key issues which I would like to draw to the attention of the House. In the plenary session, the Australian delegation drew the assembly’s attention to a couple of things; one of those was the contribution of $45 million to the ASEAN-Australia Development Cooperation Program. We certainly acknowledge the significant economic and social challenges that are being faced by ASEAN countries following the Asian financial crisis. We also placed emphasis on the need to control, prevent and contain HIV-AIDS in our region. Further to that, it also became clear that Australia’s support of Cambodia in the past has been very well received and is acknowledged to this very day. I highly commend the report to members of the House, and I also recommend Australia’s continuing involvement in this assembly.

COMMITTEES
Foreign Affairs, Defence and Trade Committee

Mr NUGENT (Aston) (12.40 p.m.)—On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade I present the committee’s report, incorporating a dissenting report, entitled Conviction with compassion: a report on freedom of religion and belief, together with the minutes of proceedings and evidence received by the committee ordered that the report be printed.

Mr NUGENT—The report that I have just tabled is an important one on a significant topic. The committee believes that human rights are universal and indivisible and that any violations of any human rights are to be condemned. Thus, violations of freedom of religion and belief are violations of fundamental human rights. It is comparatively simple to make that philosophical statement. It is also easy to use words such as ‘religion’, ‘freedom’ and ‘belief’. It is much harder to try to define them with precision. These words can mean very different things to a range of people. More importantly, the things that flow from those concepts can be very different for some groups, especially minorities whose views are out of step with governments. Topics such as freedom of religion and belief involve ideas that are central to people’s lives. They are important but very difficult concepts to discuss, let alone implement. It is worth pointing out that the members of the Human Rights Subcommittee who undertook this inquiry have their own views on belief freedom and on religion in particular. It is unlikely, therefore, that this inquiry and this report will satisfy everyone involved.

There was one jarring note in the material that we received. This was the excluding view taken by some who, while espousing tolerance, went on to say that Christianity was superior to all other beliefs. Linked to this in some submissions was a view that, as Christian standards had ‘declined’ with increasing multiculturalism, Australia had been divided into distinct communities at the expense of the all-inclusive society that had served it so well in the past. Committee members were not comfortable with this view. It seems to us that willing tolerance of different beliefs should be the essence of all religions and that to hold one up as superior is to betray the concept of tolerance.

I would like to take this opportunity to thank all my colleagues on the subcommittee for their hard work during the inquiry, particularly during the process of clearing the chairman’s draft report at subcommittee level. This inquiry was widely advertised and we received over 100 submissions, including a number of confidential documents. The subcommittee held five public hearings in Canberra, Melbourne and Sydney, hearing from nearly 50 witnesses from a variety of organisations with an interest in this topic. The subcommittee thought it was particularly important that this inquiry received the views of the major Australian churches. We were fortunate to receive some detailed submissions which set out their positions very clearly. The churches have made a valuable contribution to the inquiry process.

The subcommittee was very aware of the work done by Australia’s Human Rights and
Equal Opportunity Commission, HREOC, in its report to the government titled *Article 18: freedom of religion and belief*. This report was finalised in July 1998. In *Conviction with compassion*, the committee has made a total of nine recommendations. As I am sure some of my colleagues will want to discuss some of these in detail, I will summarise them only briefly. They dealt with: continuing support for the work of HREOC; the tabling of a government response to the HREOC report; coordination of Commonwealth, state and territory legislation in Australia to achieve a greater degree of uniformity in human rights law and practice in this country; greater promotion of freedom of religion and belief by Commonwealth, state and territory governments; promotion by the government of the universality and indivisibility of all human rights within its various international relationships; support for the United Nations in its work of extending and promoting freedom of religion and belief; continuation of government support for good governance and human rights programs; continuation of programs assisting international non-government organisations; and convening an interfaith dialogue to formulate standards for the practices of cults. These recommendations all represent achievable ways to improve freedom of religion and belief internationally and, given the powers of the various levels of government, within Australia.

One of the terms of reference for this inquiry asked us to address the extent of violations of religious freedom around the world and the probable causes of those violations. Some of the material we received on violations of that freedom is set out in chapter 5. We have not sought to focus attention on any particular country or any particular religion. This material makes very depressing reading, but it is only a selection of the amount we received. Chapter 6 includes a number of suggestions about the causes of those violations. These do not make pleasant reading either and include such basic things as fear of losing power and of ‘losing face’. While many of the matters in the report relate directly to the broad terms of reference for the inquiry, three additional subjects were also addressed: taxation arrangements for religious bodies, cults, and indigenous religious traditions.

A witness drew our attention to what he saw as inconsistencies within the current arrangements for provision of taxation concessions for religious bodies. The Prime Minister has set up an inquiry to examine the definition of charitable, religious and not-for-profit organisations. It will also examine their ‘attributes, purposes and behaviour’. The Prime Minister’s inquiry will examine a significant area of Australian life. The committee will look at the government response to that inquiry, due by the end of March 2001, with great interest.

Cults, however they are defined, can cause great misery to individual adherents and to those close to them. Part of the problem is defining the prime characteristics of cults and fixing problems when their practices threaten their own members. We have recommended that the Attorney-General convene an interfaith dialogue to formulate standards for the practices of cults. Such standards would go some way towards reducing the harmful aspects of their behaviour.

Indigenous religious traditions are not well known in Australia. As the report points out, there have been problems with the way Western society and legal systems generally have dealt with these traditions. The use of terms such as ‘spiritual’ and ‘sacred’ without definition was given as an example of one of those problem areas. In its submission, HREOC concluded that recognising and respecting the relationship of indigenous Australians to the land ‘should be a central part’ of this country’s efforts to protect freedom of religion and belief. The committee particularly noted the words of the UN’s Special Rapporteur Against Religious Intolerance following his 1997 visit. His report called for more understanding of all indigenous issues generally and especially for greater understanding and tolerance of indigenous religious traditions.

In a long inquiry such as this there are always many people who should be thanked. In particular and on behalf of the committee, I would like to thank those who forwarded submissions to this inquiry and those who
gave evidence at the public hearings. Without those valuable contributions the inquiry would be the less. There is one specific contribution that needs to be acknowledged, even if it was in some ways inadvertent. In his submission, the Reverend Dr Peter Crawford of St Mark’s Anglican Church in Emerald, Victoria, used the phrase ‘conviction with compassion rather than faith with fanaticism’. This phrase seemed to sum up the committee’s overall conclusions perfectly, and we would like to express our thanks to Reverend Crawford for providing us with the title for our report.

The committee secretariat laboured long and hard over this report. Particular thanks are due to Catherine Cornish, who worked on the inquiry until February this year. Inga Simpson wrote two long and very valuable chapters that provided much of the historical and philosophical background for the report. Valuable administrative support was provided by Jennie Wilson and then by Belinda Stewart. But the prime acknowledgment should be to Patrick Regan who, on joining the committee part way through the inquiry, which is no mean task, underwent something of a baptism of fire but survived well. On behalf of all the committee members, I express our thanks to Patrick and his team.

In its next inquiry, the Human Rights Sub-committee will examine the link between human rights and development cooperation. This will be far more familiar territory perhaps and quite different from the range of philosophical and practical problems thrown up by the powerful combination of religion and freedom. It is our hope that Conviction with compassion receives wide attention and makes a contribution to the growth of tolerance, particularly in Australia. I commend the report to the House.

Mr SNOWDON (Northern Territory) (12.50 p.m.)—I am pleased to support the committee chairman, Mr Nugent, in his general comments on this important report, particularly his remarks relating to the secretariat. The topic for this inquiry was both difficult and complex, so this was not an easy inquiry. It was also a difficult report to draft and clear. The term ‘tolerance’ can be very carefully defined for particular situations. It is a matter for concern that the concept of tolerance can be endorsed in one breath and effectively denied in the next. This was done in a small number of submissions. It was also the case that a few submissions linked a ‘decline in Christian standards’ in Australia with what was seen as the rise of multiculturalism. These are not the attitudes of truly tolerant people. I think most of my colleagues on the committee thought that Australia had moved beyond such narrow views.

We must always remember that religion is and should be a private matter; one of those matters about which individuals decide for themselves. It was not always so in this country, as there were times when individuals were judged according to their religious beliefs. For example, religion became an issue during the debate over conscription in the First World War. The nation suffered for many years because of the resulting divisions within the community. Governments should not become involved in religious matters unless, for example, the rights of individuals or minorities to follow their beliefs are being infringed in some way and government action is the only way to resolve a situation.

Our report on this subject is not the only one that has been issued in recent years. In July 1998, the Human Rights and Equal Opportunity Commission, HREOC, finalised a report on freedom of religion and belief. This was also the result of a substantial inquiry. It made a number of important recommendations about freedom of religion in this country, but its central recommendation was that a religious freedom act should be enacted in Australia. In February 1999, the government announced that it would not be adopting this important recommendation. It is not convinced that problems for freedom of religion in Australia are wide ranging enough to require such a legislative response. It has also advised the committee that any further response to the HREOC report was ‘under consideration’.

The committee accepts that there are few serious problems involving this freedom in this country. Legal definition of the rights and obligations in this important area will not automatically solve any problems that arise, but legislation has a curious way of
ensuring that everyone focuses on what they ought to do. We also think that it is not good enough that the matter is still under consideration by the government after more than two years. There has now been more than enough time to respond to this report. We urge the government to respond promptly and positively to the range of issues raised by HREOC. For example, its report makes recommendations about such matters as rights of family members in relation to decisions about autopsies and about changes recommended by the Jehovah’s Witnesses to laws governing parental consent to medical treatment of children. It is very difficult to see why these matters should not be addressed by the government in a response to the HREOC report.

Just as it is clear that the government does not want to address the HREOC report, so it is likely that it will resist some of our recommendations. This would be a pity. Because of the different powers held by the Commonwealth, states and territories, and because it is a largely private matter, religion is a difficult area for governments. We believe our recommendations are both practical and achievable and that, if implemented, would make a contribution to greater tolerance both nationally and internationally. I join with the committee chairman, the honourable member for Aston, in commending the report to the House.

Mr BAIRD (Cook) (12.54 p.m.)—I join the other speakers today and the other members of the Human Rights Subcommittee in supporting this report on religious freedom. Growing up in Australia, we are blessed by many things. We are a democratic country where citizens enjoy freedoms of association, speech and religion. Freedom of religion in Australia and overseas was the subject of this report. We can celebrate in Australia our freedom to worship our God in our own way without fear or hindrance. This is not the case in many countries overseas, and we can be grateful for our freedoms here. For someone like me who is a Christian, freedom to pursue my religious beliefs is absolutely paramount. My Christian belief gives me hope, purpose and a sense of joy and fulfillment. I know that most people who follow Christ confess to the same experience. As it is so significant to me, it is equally important that we safeguard the same rights of others to follow their own religions.

Our report looked at religious freedom within Australia and overseas. It is somewhat disappointing that we did not receive the level of support we were hoping for from the mainstream churches in Australia in terms of submissions, but, nevertheless, we had much valuable input from those who did appear before the inquiry and who put in written submissions. I would particularly like to acknowledge the excellent chairmanship of Peter Nugent, Chairman of the Human Rights Subcommittee and the member for Aston, and also the very hard work put in by the secretary of the Human Rights Subcommittee, Patrick Regan. Our recommendations recognise the importance of the Human Rights and Equal Opportunity Commission in its work relating to religious freedom, and we recommend that the Australian government continue to encourage and support its work. We believe it is appropriate that the government table in parliament a response to the recommendations made in the report given by HREOC article 18—freedom of religion and belief.

The committee also saw the importance of a coordinated review of Commonwealth, state and territory law to ensure full protection in issues of religious freedom and greater uniformity of laws related to human rights law and practice in Australia. This would also look at ways of promoting and extending religious freedom within the states’ and territories’ areas of responsibility. The committee was keen to see that the government take every opportunity in multilateral and bilateral relationships to promote the importance of religious freedom. While focus is usually on trade and commerce issues in such forums, nevertheless the committee believes that these additional issues should be raised. As a member of the committee formed to look at Australia’s relationship with the UN post-Cold War, it was interesting to note, during our visit to New York, the role the UN takes and its interest in the issues of human rights and religious freedom. The committee saw the importance of the
UN’s work in this area and believes that the Australian government should continue to support the UN in its work and role in protecting freedom of religion and belief.

The committee noted the role undertaken by the Centre for Democratic Institutions and the Australian Agency for International Development in human rights programs and recommended that the government support funding for these agencies in their role of promoting and protecting the freedom of religious belief. The committee reviewed questions of religious freedom in China, Indonesia, Cambodia, Vietnam and a number of other countries, and expressed our concern at the lack of religious tolerance in some of these areas. Obviously, continual monitoring of religious freedom in these countries will continue to be a role for the Human Rights Subcommittee and also Amnesty International.

The inquiry was a particularly interesting one which not only called for increased vigilance of religious freedom both in Australia and overseas but also highlighted the progress that Australia has made in this area. Religion will continue to be vitally important to many Australian citizens, and it is important that we remain vigilant in ensuring that we continue to enjoy all aspects of our religious freedom and celebrate it long into the future. It is a concern at this time that, in some countries, leaders of churches and priests and ministers of religion are put into prison because of their faiths and their leadership of the Christian faith and other faiths. It is for that reason that this House will continue to monitor developments in these countries and also within our own country to ensure universal tolerance of religious freedom.

Mrs MOYLAN (Pearce) (12.59 p.m.)—I join my colleagues and thank the chair of the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade, the honourable member for Aston, for his tremendous work in leading this inquiry. I also thank my fellow committee members and the committee secretariat, led by Patrick Regan, who have done a very good job. This inquiry raised a range of important issues—some of which have been dealt with by previous speakers—including some concerns about the degree of tolerance extended to adherents of other religious beliefs.

To follow up the point made by the chairman, I would like to comment on the title that the committee has chosen for this report: Conviction with compassion. In his short submission to the inquiry, the Reverend Dr Peter Crawford argued for freedom of choice in religious beliefs for each person, without abuse: economic or educational or any other penalty. This freedom of choice should extend to the ability to change those beliefs. He went on to point out that religious groups, including churches and their membership, must be able to share their beliefs with others. He noted that this sometimes leads to an exclusive view of salvation in some religions and religious groups. While propagation is an important part of the greater value of religious freedom, proclamation of the revelation of the religious idea should not lead to intolerance of other beliefs.

The Reverend Crawford argued that religious people must be able to teach their children the basics of their faith. He believes that the greater the emphasis on education and reason, the more likely it is that the choice to believe will lead to conviction with compassion rather than faith with fanaticism. In quite a short submission, the Reverend Crawford raised many of the issues that were central to this inquiry. Moreover, the phrase ‘conviction with compassion’ neatly summarised what the committee thought the message of this inquiry should be—as the chairman has already pointed out.

My colleagues have already mentioned the universality and individuality of human rights and the observance of human rights as a key factor in improving religious freedom within a country. Through AusAID, Australia’s development cooperation program continues to support democratic development and the building of human rights institutions in developing countries. They do some fantastic work and the committee has recommended that the government should continue its support and funding of the various good governance and human rights programs un-
I want to touch briefly—there is not a lot of time—on issues in relation to China and Tibet. The committee received a considerable amount of material about religious freedom in China in general, including specific references to Falun Gong and to Tibet. I believe the latter situations raise some important issues of principle. I think most people would accept the view that individuals and religious bodies should be able to practise their beliefs provided they abide by the law of the land. If you accept this view, it is possible to debate at some length the consistency and wisdom of the restrictions that some governments can place on religious bodies with which they are uncomfortable. In any case, religious bodies put themselves in a difficult practical situation if they place themselves above the law of the land, carry out unlawful activities and then claim to have been victimised. That is an important point.

I have visited China on many occasions, both privately and with delegations, and I moved freely amongst the Tibetan people—unaided and unaccompanied by Chinese officials—on my visit to that country. In fact, I was in the company of two colleagues from this chamber. I have seen people worshipping freely in the temples in China. I think it is important to remember that China is a vast country with 1.27 billion people and about 56 ethnic minorities. I think there must be a certain patience and tolerance, but we should never tolerate religious intolerance and abusive treatment of people in any situation or in any country. However, I think we must fair. There have been many changes in Tibet in the last few years and I hope that they are changes for the good. I urge people to take the opportunity to visit that country because, by seeing what is going on at first hand, we can use our influence to encourage greater religious freedom and, hopefully, greater tolerance of people's religious beliefs. *(Time expired)*

Mr PRICE (Chifley) (1.04 p.m.)—Like the honourable member for Pearce, I congratulate the chairman of the Human Rights Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade, the honourable member for Aston, on exercising a range of skills in bringing committee members together regarding this report. We thank him for that effort. I also thank the committee secretariat, particularly Inga Simpson and Patrick Regan—I am not sure what baptism he undertook, but I will accept the chairman’s comment that it was a ‘baptism’ in line with the topic of freedom of religion.

As my colleagues have said, there are many aspects to the subject of freedom of religion and belief, and to this report. In its deliberations, the subcommittee took as its starting point the principle of the universality and indivisibility of all human rights. These are enshrined in the Universal Declaration of Human Rights, adopted by the United Nations in 1948 and reaffirmed in different ways in a number of declarations and international conventions since then. Like the honourable member for the Northern Territory, I would like to see a bill of rights in Australia. I can think of no parliamentary committee that would draft a model bill of rights better than the Human Rights Subcommittee. Perhaps one day I will serve on the subcommittee that does so.

The subcommittee supported the government’s view that violations of any human rights should be viewed seriously. Any violations of freedom of religion and belief are violations of fundamental human rights. Thus it also believes that improving the overall observance of human rights is a key factor in improving religious freedom in a country. One of the most difficult of the terms of reference for this inquiry was the requirement to focus on the extent of the violations of religious freedom around the world and the possible causes of those violations. An examination of the material in chapter 5 of the report shows something of the range and number of violations of religious freedom to which the committee’s attention was drawn. It is depressing to note that not all the detailed material that was given to us has been used in the report.

The report refers to a number of countries that have already been mentioned, but I wish to turn to the situation in the Sudan. DFAT
has advised that Christians, animists and Muslims in that country who do not follow the official line suffer restrictions on their religious freedom or are exposed to discrimination—even persecution—in other areas of their lives. Forced abduction and conversion to Islam of children from the south of the country is a matter of particular concern. That problem is represented to me constantly in my electorate.

The subcommittee has made nine recommendations on matters ranging from support for the United Nations and for Australia's Human Rights and Equal Opportunity Commission—whose budget has been severely curtailed—to promoting the universality and indivisibility of all human rights in Australia's multilateral and bilateral relationships. It is very important to note the limited powers available to the federal government in this area: most of the powers are exclusive to state and territory governments. Hence, we have recommended that the Commonwealth coordinate a review of state and territory legislation to ensure the maximum degree of domestic protection of freedom of religion in order to introduce a greater degree of human rights law and practice in Australia. I certainly hope that the government will respond positively to that move.

The last appendix in the report lists some of the relevant human rights legislation in this country. This list shows that there is a considerable amount of this legislation. It also shows that the subjects covered are wide ranging. The important issue is: how effective are these laws in protecting human rights, and freedom of religion and belief in particular, in this country? If adopted by the government, our third recommendation would go some way to answering this question. With sufficient will to proceed, it would then be possible for the various jurisdictions to plug any gaps that might be found, where appropriate, and provide for a greater degree of uniformity.

As the committee chairman has pointed out, this was a very long and difficult inquiry. It also raised some issues that were not explicit in the terms of reference but which the committee believed had to be addressed. The most significant of these was indigenous religious traditions. These are not well understood in Australia, and the committee refers to a report by a UN official following a visit here in 1997.

Mr DEPUTY SPEAKER (Mr Nehl)—Order! The time allotted for statements on this report has expired. Does the member for Aston wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Mr NUGENT (Aston)—Mr Deputy Speaker, before I move the motion, may I just put on the record that, in tabling this report, there was a typing error in what I read out. There is no dissenting report attached to this particular report. I move:

That the House take note of the report.

I seek leave to continue my remarks later.

Leave granted.

Mr DEPUTY SPEAKER—in accordance with standing order 102B, the debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting, and the member will have leave to continue speaking when the debate is resumed.

AUDITOR OF PARLIAMENTARY ALLOWANCES AND ENTITLEMENTS BILL 2000

First Reading

Bill presented by Mr Beazley.

Mr BEAZLEY (Brand—Leader of the Opposition) (1.10 p.m.)—I am pleased to present to the House the Auditor of Parliamentary Allowances and Entitlements Bill to restore confidence in the parliamentary system of Australia. Our legislation, based on a 1998 Labor election promise, would establish an independent Auditor of Parliamentary Allowances and Entitlements. The auditor would have the necessary powers to: investigate complaints about guideline breaches, or the misuse and abuse of entitlements; respond to a reference from the minister or either house of parliament; initiate spot checks or undertake inquiries of its own volition; make recommendations for changes to the system; and provide advice to MPs on issues associated with use of entitlements. The auditor would be appointed by the Gov-
error-General on the advice of the minister and be subject to approval by the Joint Parliamentary Committee of Public Accounts and Audit. The position would be located in, and receive administrative support from, the Australian National Audit Office. Powers would be similar to those of the Auditor-General.

Once such a position was established, and combined with the twice-yearly tabling of expenditure on all entitlements by each senator and member, we can begin to restore confidence in the parliamentary system. And who can be surprised at the deterioration in confidence, when we see the abundance of shameful episodes over the past few years? During these years Australians have watched as government minister after government minister have fallen foul of ministerial standards of conduct. Australians have seen ethical rules fall hostage to the government’s political strategy of the day; they have seen a government, in its arrogance, put its own interests ahead of those of the Australian people.

The whole aim of this bill I am introducing today is to try to end the perception that all federal MPs are ruled by hypocrisy and double standards. This perception—and who can doubt it is well established in the Australian community today—casts a pall over all of us in parliament. The auditor would deliver certainty to the system. Too often people are suspicious of a system that appears to be overseen by the MPs themselves, in which guidelines are hazy, hard answers are rare and figures appear rubbery.

Currently, only travel and travel allowance records for each MP are tabled in the parliament. We believe that once the figures for all entitlements are tabled—and available for scrutiny—the system will be seen as much fairer, and much clearer. There will certainly be the maximum incentive for our parliamentarians to get the guidelines straight, and to comply with them in full.

Regrettably we must acknowledge that the level of public trust and confidence in politicians is at a very low level, and declining. It is not enough that the vast majority of members of parliament are conscientious about their use of entitlements. They must also be seen to be conscientious. I saw an opinion poll in Peter Reith’s electorate several weeks ago in the *Herald Sun* newspaper showing that 54 per cent of voters believe that politicians often make improper use of their entitlements, and 42 per cent believe that politicians sometimes misuse them. The Morgan opinion poll has found that the percentage of people who believe that federal parliamentarians rank high or very high for ethics and honesty has declined constantly in recent decades. Where it was up around 19 per cent in the early 1980s, it is now down to 11 per cent.

This lack of public trust in politicians is an obstacle to good leadership in this country. Innovation and change require consent. To persuade people to make changes in their lives for the better of the community and for the future of this country, we need a far greater level of trust in this place than exists now. We saw during the republic debate how easy it was for cynical groups to manipulate public opinion by playing on people’s concerns about the character and ethics of their politicians. It was enough simply to deride the republican model as the ‘politician’s republic’ for many to be turned against it. This is a very sad indictment of the way we are seen in the community. And who can wonder at this, when we see how the Prime Minister has shrunk his code of conduct to fit his ministry over recent years.

In the early days the ministers who deserved to go were forced out by the Howard government’s code of conduct. John Howard, on gaining government, said he expected ‘100 per cent compliance’ with his wish that his ministers make true statements of their pecuniary interests, and that his guidelines would be complied with in full. They were in office less than seven months when Jim Short, Assistant Treasurer, was forced to resign over conflicts of interest on his shareholdings. Three days later parliamentary secretary Brian Gibson resigned over his share portfolio. Early the next year, in 1997, Bob Woods announced his retirement, and it was later shown he was under investigation for travel rorts. In July 1997 Geoff Prosser was forced to go, over conflict of interest claims.
In September 1997 John Sharp and David Jull were forced out over travel rorts.

By 1998 John Howard had had enough. When Warwick Parer was accused of a conflict of interest, the Prime Minister stood by him. By 1998 the Prime Minister’s mantra was: ‘The ministerial guidelines are a guide: they are not a death sentence.’ By this time the Prime Minister had watered down his so-called ethics code, to lower the bar for errant ministers. When Warren Entsch was found out over a conflict between his public office and his private business interests, he was gently slapped on the wrist. And now it is the turn of Peter Reith—the man who can never get enough of attacking ordinary decent Australian workers for standing up for their just entitlements. The minister who is always accusing others of abusing the system turns out to have been involved in one of the most extensive abuses of taxpayers’ funds of anyone.

Ultimately, it is the Prime Minister’s responsibility to keep his ministers to standards acceptable to the Australian community. Here is the extract from the Howard government’s own code of conduct. Even after he watered it down, these words still remain:

Ministers are provided with facilities at public expense in order that public business may be conducted effectively … ministers should ensure that their actions are calculated to give the public value for its money and never abuse the privileges which, undoubtedly, are attached to ministerial office.

Were these clear words applied to Peter Reith’s actions? Of course they were not. Can anyone seriously think that handing his son his telecard, leading to a $50,000 abuse of taxpayers’ funds, is giving the public value for money? The matter was only exposed by a leak to the press and Mr Reith only repaid the money when forced to do so by an unprecedented public outcry.

Regarding the Reith matter, we find from sleuthing work by our senators in the Senate estimates committee last week that Mr Reith has more questions to answer about this affair. We find that his assurances to this House that the Department of Finance and Administration went through all the paperwork and said he had to pay back only $950 is far from the truth. In fact, that figure of $950 was nominated by Mr Reith, not the department. The department wanted the full amount paid and wrote to Mr Reith saying that was their view, that the $50,000 should be paid back. The department even sought three different legal opinions to back up their view. It is very clear there is a privilege associated to being in office. What we are seeing now is the abuse of privilege. We must have an independent auditor, underpinned by a strong code of conduct for ministers.

Today I am presenting this private member’s bill to give effect to our intentions. The new office will constitute a very powerful deterrent against abuse of taxpayer funded entitlements and will have a salutary effect on the administration of entitlements by government departments, and upon their use by members of parliament. In this we are following precedents well established overseas. The Americans have their Office of Government Ethics; in Canada it is the Ethics Counsellor; and, in the United Kingdom, the Parliamentary Commissioner for Standards. While the model we are proposing places a heavy emphasis on the auditing and investigative role, it also has a capacity to address any matter referred by either the government of the day or either house of parliament. We also expect it to play an important advisory role: for example, on guidelines for the use of new technologies.

It is our intention that the auditor will become a reliable, independent and authoritative source of advice to members of parliament on the varied ethical dilemmas they face in the discharge of their responsibilities. The time is well overdue for us as parliamentarians to try to restore public trust and to lift our credibility with the people we represent. We in the Labor Party have been promoting this Auditor of Parliamentary Allowances and Entitlements for the last three years. We have also been promoting the twice yearly tabling of all entitlements. We continue to believe that this expansion of current practice would be an extremely effective, practical and inexpensive way to curb any possible misuse or abuse of enti-
Transparency is a powerful incentive to do the right thing. If details of all entitlements are placed regularly on the public record and thus made available for public scrutiny, members of parliament will be truly accountable for their expenditure of taxpayers’ funds. Expenditure can be compared. Excessive use will have to be justified and irregularities explained. These proposals were incorporated into the ALP platform in 1998. The relevant section reads:

In order to enhance the accountability of parliamentarians for their expenditure of allowances, Labor will table details of expenditure of travel and other allowances annually and will establish an independent auditor of parliamentary allowances and entitlements with appropriate powers of investigation.

The people of Australia have had enough of the government’s shameful record over MPs’ entitlements. It is time to clean up the mess. It is time for an independent umpire on parliamentary entitlements. It is time for complete transparency of all entitlements. The opposition believes these initiatives will begin to restore the public’s confidence in their parliamentarians. They will go a long way towards ending the perception of hypocrisy and double standards abroad in the community today, which casts a pall over all of us in parliament.

The Roman poet Juvenal asked nearly two millennia ago: Quis custodiet ipsos custodes? Who shall watch the watchers? In other words, how can those in positions of authority be trusted to carry out their trust? I am proud to introduce this bill which goes some way to answering this conundrum—one that has troubled the ancients as well as the moderns, but which we hope at least in this country will have a faster solution. I call on the government to support this initiative in the interests of restoring public confidence in our parliamentary system. I commend the bill to the House and table an explanatory memorandum.

Bill read a first time.

Mr DEPUTY SPEAKER (Mr Nehl)—In accordance with sessional order 104A, the second reading will be made an order of the day for the next sitting.

PRIVATE MEMBERS BUSINESS

Horticultural Industry

Mrs GALLUS (Hindmarsh) (1.22 p.m.)—I move:

That this House:

(1) recognises the contribution to Australia’s export earnings of the Australian horticultural industry and its potential for future growth;

(2) notes that recent shortfalls in horticultural labour has caused delays in harvesting crops and, in some cases, spoilage of the harvest;

(3) acknowledges the need for the horticultural industry to have access to an adequate labour force;

(4) promotes recognition of the National Harvest Trail to encourage Australians to take on harvest work in different regions throughout the year;

(5) facilitates promotion of the Harvest Trail in domestic and international publications;

(6) commends the report by the National Harvest Trail Working Group entitled “Harvesting Australia”; and

(7) calls on the Government to take up the recommendations of the report.

Today I would like to bring the attention of the House to Harvesting Australia, the report of the National Harvest Trail Working Group. Unlike most reports that are brought to the attention of this House, this is a report not of a parliamentary committee but of a group set up by the Minister for Employment Services, the Hon. Tony Abbott. It arose out of concern about the number of people who are out of work in Australia and are looking for work, and the large number of jobs available in the horticultural industry. In any growing region you go to in Australia, whether it be for fruit, vegetables, grapevines or even associated activities like cotton-picking, there is a demand for labour. Some of this labour is being picked up by working holiday-makers coming to this country—on estimate that is about 20 per cent. But there is a huge need to get some of the people in Australia who are looking for work into this industry. The minister set up the working group to have a look at why we are not getting the marriage of the two and what the problem is with getting workers into the horticultural industry.
The working group found a number of reasons for this, and the report itself has over 50 recommendations. Some of those recommendations go to the government, the various departments and the various ministers. Others go to the industry itself. Others go to local communities. But, very importantly, the report found that there was an awful ignorance about the jobs in the regions. It found that people did not know they were there, that they did not know they could work for a full 12-month period and that, even if they were interested in these jobs, they did not know how to locate them and how then they were expected to find out where similar jobs were if the job they went for was casual. There are recommendations in this report which ask the minister to look at setting up a dedicated Internet site for this very purpose, which would be backed up by a free-call number for people who are aware of what they are doing so that they could phone ahead from one place, for instance from Mildura, and say, ‘I’m heading towards Shepparton. Are there jobs?’ and they would be given up-to-date information on what sort of jobs are available.

The other recommendations concern a wide area of industry, business and government. Accommodation and transport are important issues which I shall not address here. But one of the key issues which was certainly of interest to the minister was why unemployed people—not necessarily in the cities but in the regions themselves—are ignoring the whole area of horticulture. We found that there are a number of reasons for this. First of all, there was a perception amongst some people that this was not an appropriate type of work, that it was short term, that it did not require any skills and that it did not have a future. All of these perceptions are wrong. There are many jobs out in Australia. Indeed, the horticultural industry is now putting millions of dollars into expanding the range of fruit and vegetables that we are exporting. The jobs are there. Those jobs are not skill free. They need skills, and the more skilled a person is the greater their chance of having permanent employment and advancing within the industry. There is a career background to this. Somebody starting to get into the industry does not need to end up picking, pruning and packing if that is not what they want. There are opportunities to move into supervisory roles and into management.

In concluding, can I please acknowledge the members of the committee, Mr Michael Beeston, Mr Brian Caddy, Mr Don Carazza, Mr Brian Clark and Mr Vic Dolenec, and of course our own members here Mr John Forrest, Mr Alby Schultz and Mr Cameron Thompson. I also acknowledge two other members of the committee, Mr Bill Trevor and Mr Stephen Scott, all of whom worked arduously to get this report before us. (Time expired)

Mr DEPUTY SPEAKER (Mr Nehl)—Is the motion seconded?

Mr Cameron Thompson—I second the motion and reserve my right to speak.

Mr MURPHY (Lowe) (1.27 p.m.)—I share the sentiments expressed by the honourable member for Hindmarsh in her motion before this House in respect of the National Harvest Trail Working Group and especially in the call in clause 4 of this motion to ‘encourage Australians to take on harvest work in different regions throughout the year’. Of concern is the implied assertion in clause 1 of this motion. Clause 1 ‘recognises the contribution to Australia’s export earnings of the Australian horticultural industry and its potential for future growth’.

I first turn to the impact of Australia’s exchange rate relative to the United States dollar. As we are well aware, the Australian dollar has plummeted against the US dollar, particularly during this term of federal government. Reasons for this decline are unclear, but an Australian dollar that is hovering at nearly US50c is dramatically less than the pre-Howard government figure of approximately US75c. Theoretically, this should mean an increase in export earnings overall. I note that the lower Australian dollar has been impacted on significantly by the Asian crisis of the 1990s. Generally, export earning contributions to the gross domestic product have been increased by one per cent in the midyear economic and fiscal outlook, reflecting the first positive redirection since the Asian economic downturn. However, it is
noted that there are at least four factors that have contributed to a higher contribution of net exports: the stronger activity in the world economy, the moderation of domestic demand growth, the temporary boost from the Olympics and the lower exchange rate.

Putting to one side the effect of the Sydney 2000 Olympic Games, I think the remaining three factors require comment. I refer to the document titled *Harvesting Australia: report of the National Harvest Trail Working Group*. At paragraphs 2.1 to 2.18, the report refers to a high demand for agricultural and horticultural labourers in line with this export demand. At paragraph 2.9, it says that this increase in demand is due to factors such as increased cultivation size and demand for new crops, including labour intensive ones such as fruit, vegetables, cotton, olives, et cetera. It is further stated that losses are incurred from the lack of availability of sourcing domestic labour to perform picking and other tasks. Reports such as the article titled ‘Growers back overseas pickers’ in the *Courier-Mail* of 10 June 1999 indicate a level of desperation as growers seek overseas labourers to pick crops.

What lies at the heart of this matter is twofold. The export value of horticultural products has been in the order of $1.2 billion to $1.5 billion. It is understood that the National Farmers Federation said in a *Financial Review* article dated 19 June 1998 titled ‘S.A cushions poor farm prices’ that for every one cent devaluation of the Australian dollar against the US dollar we increase export earnings by some $200 million in the agricultural sector. Of this amount, horticulture constitutes approximately 10 per cent of agriculture exports, which represents between a $10 million and $20 million increase per annum. Therefore, there is both a volume effect and a price effect that are likely to be upward as the dollar continues its plunge.

All this sounds like good news. My concerns are with the use of unemployed people and the labour hire firm-contractor provisions contained in finding new sources of labour. If I read the report correctly, there is a shift recommended in the source of labour: from existing full-time workers who are essentially professional pickers to a more flexible work force based on contract labour. My concern with this trend is twofold. First, exports in horticulture may decline from the three factors noted—that is, the fall in world demand, the increase in our exchange rate and continued suppressed local demand. If any or all of these three factors are present, there will be a decrease in demand for horticultural products. Second, the contracts may be difficult to monitor for fairness. My concerns include the concept of project contractors. The *Harvesting Australia* report already acknowledges three sources of labour which are potentially capable of being subject to unfair labour arrangements: younger Australians and New Zealanders; older Australians, those retrenched and living in camper vans or caravans; and illegal workers, non-Australian nationals with ‘no work’ visa conditions, those who have overstayed their visas and those filing false taxation returns and so on.

I do not believe that the entire industry will remain scrupulous about whom they hire. The report repeatedly notes the desperation of certain producers to find any pickers at all. One may therefore say that the labour market is contaminated by such black market practices as revealed in the report. This contamination has the effect of lowering the labour market price because a producer will still have access to these illicit sources of labour. This is the result of this government’s utilitarian principles which have created entire subclasses of people who are prepared to break the law to get what money they can on a cash basis or under false pretences. I urge the working group to look more closely at how it intends to overcome current black economy practices and thus enable the market to prepare labour contracts that do reflect true value for labour. *(Time expired)*

**Mr Cameron Thompson (Blair)**

(1.32 p.m.)—It is very timely and I think worth while that we should be reviewing this motion that has been put forward by the member for Hindmarsh. Horticultural industries really are expanding, and the variety and the relevance of a broad range of horticultural industries to areas right across Australia are increasing all the time. We used to
have—and we still do have to some extent—really concentrated areas of horticultural industry, that is for sure, but the reliance of various districts on a variety of horticultural industries is increasing all the time. For example, olives are now being grown. There are tremendous opportunities for these sorts of varieties to march across the landscape, to be tried and to be used to provide employment and wealth and to stimulate the economy in many different regions of Australia. The classic example is the way the grape wine industry is spreading. In the travels of the Harvest Trail Working Group we found new grapes being grown right across the south-eastern part of Australia. No doubt they are being grown beyond that area. It really does boggle the mind to think how much wealth will be generated when those grapes come off the vine, go into wine and are exported from Australia. We really have tremendous opportunities, not only in that industry but also in plenty of others which are reliant on horticulture.

As a member of the Harvest Trail Working Group, having seen all this growth in opportunity, I think this motion is very timely. I would like to congratulate the member for Hindmarsh not only for this motion but also for the key part that she has played in forming the Harvest Trail Working Group. The problems that affect workers in rural industries and the problems that affect growers have been on the edge of many people’s consciousness. Until now, the problems have not been successfully drawn together in the way that the Harvest Trail Working Group has done. It was a very successful group, because it brought together people actively involved in a whole range of industries as well as members of this parliament. The Minister for Employment Services, Mr Abbott, was very cooperative and very helpful in the process leading up to this report which is named *Harvesting Australia: report of the National Harvest Trail Working Group*. In fact, I had the pleasure of going out and picking apples with the Minister for Employment Services. I think we filled three bins. I do not think that that would have earned us a huge amount of money, but I do have to claim that the media intervened and somewhat reduced our tally for the day. If we had been given greater opportunity, we could have earned ourselves a motser. Unfortunately, it was our first day and we did not continue. Perhaps some of my political opponents might say it is a shame that we did not continue in that vein, but it was a very worthwhile exercise to work there and to discuss with many of the pickers and many of their employers some of the serious issues that they have.

One of the things that came out of it for me was an issue that was subsequently highlighted in the report called *Numbers on the run*, which has already been tabled in this parliament. There are differing rates of tax that are applied to working holiday-makers and Australians who are working side by side in the field. It seems to me to be obvious that when people are being encouraged to lodge false tax file numbers and to basically defraud the system—when we have systems in place that encourage that kind of behaviour—that we have to get out and actively find ways to deal with it. I believe that the Harvesting Trail Working Group did find ways for those problems to be addressed. I urge the parliament to get amongst it. These are very valuable industries for the future of our country and we cannot have their reputations continually damaged by the raids and things that have occurred in the past when we have had people acting illegally and at the wrong time. (Time expired)

Mr ZAHRA (McMillan) (1.37 p.m.)—I welcome the opportunity to contribute to the debate on this private member’s motion. The horticultural industry is an extremely important employer in my electoral district. It would be fair to say that we have the full range—the whole gamut—in my constituency. It represents a significant bloc of employers in my electorate, which has a fair bit of unemployment, which actually makes it even more important to our regional economy. Flavourite tomatoes in Warragul and West Gippsland have moved from being a small employer to being a large employer over the last five or six years. They now employ more than 100 people. Recently the state government of Victoria provided a
grant so that they could access natural gas, which will enable them to further expand their operations and grow the number of jobs there. Only five or 10 years ago people would never have imagined that the hydroponic tomato industry would employ such a large number of people in a regional town, yet it is now one of the most significant employers in Warragul, and the West Gippsland district more generally.

Similarly, peas are an important part of our rural economy. As a young fellow I used to pick peas. It was pretty hard work, pretty back breaking work. It is still an important part of our regional economy. Asparagus is an important part of the horticultural industry and very significant in the western end of my district, Towards Pakenham and south of Drouin. We have fantastic wineries in and around West Gippsland, which have gone from strength to strength over the last six or seven years. I remember clearly when Bob Hawke articulated a vision of Australia having substantial exports in wine and said that wineries would be substantial employers in regional Australia and people more or less laughed at that notion. Today we see the great strength of wine regions like the Yarra Valley and other places in Victoria and in Australia more generally, and we see that that was a vision which in many ways was ahead of its time and which we are just starting to realise. Our district is now catching up with the great movement of the development of wine as an important industry in the horticultural market.

I was recently at the Drouin West Fruit and Berry Farm, which is in the western end of my electoral district. It is a real showcase. It is a fantastic example of what you can do in the horticultural context. They employ 13 or 14 people, which is amazing. Drouin is only a small town and Drouin West, where the berry farm is located, has obviously an even smaller population, yet they employ those 13 or 14 people in good jobs and generate substantial business with the numbers of people coming through the berry farm who choose to pick their own strawberries and berries and other produce which they then purchase from the berry farm. Jo, the proprietor, mentioned to me that 50,000 people visit that place every year, which is fantastic. They are combining the great potential of horticulture with the great advantages of tourism that our district has. It is a great showpiece. When I was there they had a very high-ranking delegation of Singaporean women visit them. So the Drouin West berry farm is well known not only inside Victoria and Australia but internationally. People from Singapore—which I think most people would agree is a country we can learn a lot from—were coming to West Gippsland, to the Drouin West berry farm, to see what we can do and how they can learn from our experience.

We also have other great industries in the horticultural sector in my constituency. I stand with those people, who are prepared to take a risk and try to invest in that industry to create more jobs and greater prosperity for the people in and around their area. We have a substantial risk posed to this industry by the threat of fire blight, which people are obviously very anxious about. People are concerned that all of the hard work and effort they have put in over two, three and four generations in their apple and pear orchards stands to be substantially at risk as a result of the decision taken by the federal government in its draft import risk assessment to allow New Zealand fire blight apples into Australia. I stand with the people in my constituency, who are against this. It is a substantial risk to our electoral district and a substantial risk to an important employer.

Mrs GALLUS (Hindmarsh) (1.42 p.m.)—by leave—In the few minutes that are left to me, perhaps I can thank the member for McMillan for the interesting tour of his electorate. Whether that actually added much to the debate I am not sure. But I did pick up the member for McMillan saying that there was high unemployment in his electorate and also that there was a very strong horticultural industry in his electorate.

I acknowledge that the Labor Party are up to one of their stunts and are carrying bags into the chamber. Mr Deputy Speaker, is it appropriate that I ask whether this is appropriate?

Mr DEPUTY SPEAKER (Mr Nehl)—You can ask.
Mrs GALLUS—Thank you. I stand here faced with three large bags near the opposition front bench.

Mr DEPUTY SPEAKER—Four.

Mrs GALLUS—The member for McMillan said there was high unemployment and the need for work in his electorate. Could I suggest that the member for McMillan do something about getting those two together—as does the government—instead of opposing those things the government is trying to do to get people who are out of work into work; to actually support the government.

Mr Zahra—You are going to destroy all the jobs in horticulture by importing fire blight.

Mrs GALLUS—This is a classic example of mutual obligation, where we find that the people who are unemployed actually will not take the jobs in that region. Often it is because of wrong perceptions of the job. They believe those jobs do not have career prospects. But, as I said in my speech earlier, they do have career prospects—

Mr Zahra—That will fix the 18 per cent unemployment in Moe!

Mrs GALLUS—which, from the way he is yelling across the room, I gather the member for McMillan is not aware of. Any time the member for McMillan would like me—as somebody from an urban electorate who obviously knows more than he does about horticulture in his electorate, I will be delighted to do so. One of the other problems of the people who are unemployed is knowing exactly where to go. It is quite an odd situation that the backpackers who come into the areas know exactly where to go. The reason is that there are both a word-of-mouth and an official network that go through the backpacker hostels, and they place them.

Mr SPEAKER—Order! It being 1.45 p.m. the debate is interrupted in accordance with standing order 101. The debate is adjourned, and the resumption of the debate will be made an order of the day for the next sitting. The member for Hindmarsh will have leave to continue speaking when the debate is resumed on a future day.
well as during my time in federal parliament—

Opposition members interjecting—

Mr SPEAKER—I remind the Leader of the Opposition and the Chief Opposition Whip that leave was not granted for the presentation of those petitions. The Chief Opposition Whip will remove them from the chamber.

Mr Leo McLeay interjecting—

Mr SPEAKER—The Chief Opposition Whip has been asked to take an action and will do it straightaway.

Mr Leo McLeay interjecting—

Mr SPEAKER—I warn the Chief Opposition Whip.

Mr KATTER—I gave the standard answer that being from North Queensland all my calls to government offices, as well as from one place to another in my electorate, involve expensive trunk calls. From my point of view it is a pedestrian answer to a pedestrian question. However, late the next day—on returning from a day out bush discussing a dam proposal—at the first opportunity I had to discuss the matter in detail with my office, I found out that the period of the phone account being referred to went all the way back to 1997. This put an entirely different complexion on the questions put to me. In 1997, during a three-week period, someone had improperly used the telecard assigned to me. The Department of Finance and Administration very efficiently advised us concerning the anomaly as soon as it occurred. I immediately contacted the department and advised them that the calls had been made from cities that I was not in at the time and that the calls were also ridiculously out of line with my normal usage. I am advised that the amount was some $13,000. I felt that we should bring in the police straightaway, and this was also the opinion of the departmental officers. I arranged for the card to be cancelled forthwith. The police were brought in immediately but, after many weeks and arguably months of investigation by the police, Telstra and DOFA, the culprit or culprits have not been found. Members of my family have never had access to the telecard numbers and, in addition to this, for security reasons I have always only carried them in my memory. As soon as I became aware on Friday that the account they were referring to went all the way back to 1997, I immediately contacted your office, Mr Speaker, and asked for permission to make a statement to the House. I must also again apologise to those media people who contacted me. (Time expired)

Work for the Dole

Ms KERNOT (Dickson) (1.48 p.m.)—In my talks with Work for the Dole providers over recent months a number of issues have become increasingly clear: the increasing numbers of projects that are beginning with less than 50 per cent capacity, the high number of participants who drop out within a month or so of the six-month course and the number of people who are inappropriately referred by Centrelink—these include many people who would be more appropriately placed in intensive assistance or the Community Support Program. Despite the continuing rhetoric about the success of Work for the Dole, another argument needs to be mounted concerning claims about the actual success that Work for the Dole has in getting people into work.

The government’s own net impact study of Work for the Dole shows that as few as 24 per cent of participants get a job or training after going on Work for the Dole. This is after six months. This compares with 15 per cent of people who get a job or training of their own accord. A net impact of only nine percentage points for a six-month long program with no training, just attitude, is not an outstanding success. It is totally inappropriate to consider extending Work for the Dole to the mature age unemployed. These Australians need reskilling, not so-called work experience. There are many more constructive solutions which could be offered to mature age unemployed, many of which are outlined in Age Counts, which is an excellent report. These are solutions based not on punishment and not on breaching quotas. (Time expired)

White Ribbon Day

Mr BAIRD (Cook) (1.50 p.m.)—I rise today to note that this is the International Day
for the Elimination of Violence Against Women—White Ribbon Day. I would like to particularly commend Senators Kay Patterson, Meg Lees and Rosemary Crowley. I speak in my role as chairman of the Amnesty International Parliamentary Group. It is a shocking statistic that, globally, violence against women is estimated to cause more deaths than accidents, malaria or cancer. It is also an issue that transcends national boundaries—it occurs every day in every country. Some of the other human rights abuses that Amnesty International deals with are more prominent in some countries than in others. The sad reality with violence against women is that it occurs right around the world and quite often in the home.

In December last year, the United Nations designated 25 November—last Saturday—as the inaugural day for the International Day for the Elimination of Violence Against Women and made the white ribbon the symbol of this event. The white ribbon stands as an internationally recognised symbol of hope for a world that is free from violence, or even the fear of violence, against women. This is a terrible issue and it is encouraging to see wide bipartisan support for White Ribbon Day and what it stands for. Violence against women cannot be tolerated. Focusing public attention on it in this way is an important first step to be taken in eliminating it as an issue. I think you will see that all members and senators from all sides of the political equation will be wearing their white ribbons in question time today. There is a motion being moved in the Senate condemning violence against women. It calls on all governments to condemn this.

New England Electorate: Floods

Mr St CLAIR (New England) (1.53 p.m.)—I rise to bring to the attention of the House an event just over a week ago in the southern half of my electorate: a massive flood that started in the back of the Nundle Ranges and came down and tore the heart out of three small communities in my electorate—Nundle, Woolomin and Dungowan. The flood went on to the major regional city of Tamworth, where the floodwaters rose to an enormously high level. The city of Tamworth is protected by a levy bank system that worked exceptionally well, although the New England Highway was cut at the bridges at Tamworth. A lot of water moved on into the electorate of my colleague John Anderson. I offer special thanks to John Anderson for coming up to both my electorate and his own, which is adjacent to mine, and being with our farming communities.

The communities have lost an enormous amount, particularly the small communities. The town of Nundle itself has lost two major...
bridges. The other bridge there has been substantially weakened and now has a load limit of 25 tonnes. Whole sections of roads have been ripped and gouged out. The farmers in Woolomin, another little farming village, predominantly rely on grazing but they also grow lucerne. In that area fences, sheds and people’s hay stocks were all washed down the river. The damage from these floods, as we often see on national television, is often confined to the major centres. — (Time expired)

Martin, Mr Daryl
Mr HORNE (Paterson) (1.55 p.m.)—On Saturday night I had the pleasure of attending a farewell function for the Principal of Tea Gardens Public School, Daryl Martin. Daryl has been a teacher in the New South Wales state education system for 35 years, and for all except one of those years he has been a principal; obviously he taught in a number of one-teacher schools. It was interesting that tributes for Daryl came from former students, from teachers with whom he taught, from families and from community members. He is well regarded because, at every school at which he taught, he initiated a tree planting program. He is renowned for his environmental concerns. He taught at schools such as Yarramalong, Gooli, Burren Junction and, for the last 17 years, at Tea Gardens.

It is timely to mention teachers such as Daryl while we are having the education debate in this place, because that night’s celebration points out how important public schools are as a focal point in small country communities where people do not have choice and where teachers who are committed, such as Daryl Martin was, act more than simply as teachers. Daryl brought democracy to the Tea Gardens Public School. He established a school parliament. Having been there to the opening of that parliament many times, I am aware of their behaviour being considerably better than the behaviour here. — (Time expired)

Smith, Mr Ross
Dr NELSON (Bradfield) (1.56 p.m.)—It is often said as a truism that no-one is irreplaceable. But today I would like to pay trib-ute to a man who died recently in the electorate of Bradfield and who may prove that truism not to be true. We recently lost Mr Ross Smith. Ross leaves his wife, Margaret, and an extended family; not only a biological family but also a family in the areas of law, cricket, the church, the Liberal Party and a whole range of charities and communities throughout the upper North Shore of Sydney. Ross Smith was a man who made everyone other than himself the centre of his own life. He spent all his life asking himself what he could do for his cricket club, for his beloved Liberal Party, for his church and for the myriad small charities of which most of us would be unaware throughout our communities.

In a world of fundamentalist intolerance and unprecedented economic and technological change, what we need most is one another, and losing Ross Smith from our community and from the electorate of Bradfield will diminish us very much as a community and as a people.

Hansard
Mr MURPHY (Lowe) (1.58 p.m.)—My late father was a country solicitor in Dunedoo, New South Wales, for more than 30 years, and he took a very keen interest in politics. As a very young boy growing up in Dunedoo, I still remember dad listening to the ABC’s broadcast of parliament at all times of the day and night. Dad was also a passionate reader of Hansard reports from both houses of both the New South Wales state parliament and the federal parliament. Dad possessed a great knowledge of parliament in his time, thanks to the ABC and Hansard.

Not long after being elected to this House, I remember telling the then Chief Hansard Reporter, Bernie Harris, of my late father’s devotion to Hansard and my interest in learning more about the work of the staff who compile Hansard reports. Bernie gave me a brief history and an understanding of the work of the parliamentary reporting staff, and concluded amusingly that Hansard would always give me the speech I made, not the one that I thought that I had made. When Mr Bernie Harris took up his new post I approached the Manager, Client Services, Ms
Val Barrett, who gave me a tour of the workplace of the parliamentary reporting staff and provided me with a very thorough understanding of the work of her staff. I learned much from this experience; I even learnt what a ‘turn’ is.

I wish to take this opportunity to congratulate Bernie Harris, Ms Barrett and all her staff for the excellent job they have done for all of us. Moreover, I am sure that I speak on behalf of most of the members of this parliament when I say that the service provided to us is second to none. Well done all the parliamentary reporting staff. My dad, too, would be very proud of you.

Parkes Electorate: Floods

Mr LAWLER (Parkes) (1.59 p.m.)—I rise to speak on the same issue as mentioned by the member for New England. While not wishing for a second to take away from the disaster that happened in the north of the state to which he drew attention, I wish to draw attention to the plight of farmers in my part of the world. Although their main streets were not awash with flat-bottomed boats, the damage to the crops in my part of the world is every bit as bad. I had a meeting in my office last week with representatives of the farming community in this part of New South Wales, rural councillors and local government, and they all expressed concern about the plight of our area. The damage is every bit as bad as it is in the north of the state. We had representatives from as far south as Parkes, Condobolin and Forbes and from as far out as Cobar, Dubbo, Gilgandra, Nyngan and Trangie. Farmers in all those areas have lost a lot of their crops, and some, for the third year in a row, have had their crops destroyed. I would like the House to be aware that it is not just the farms in the electorate of New England, which have been the focus of the national media, that have suffered.

CONDOLENCES
Webb, Mr Charles Harry

Mr SPEAKER—I inform the House of the death on Wednesday, 15 November 2000 of Mr Charles Harry Webb, a Member of this House for the Division of Swan from 1954 to 1955, and for the Division of Stirling from 1955 to 1958 and 1961 to 1972. Members who wish to pay tribute to the service of Mr Webb may do so at a later time. As a mark of respect to the memory of Mr Webb I invite honourable members to rise in their places.

Honourable members having stood in their places—

Mr SPEAKER—I thank the House.

QUESTIONS WITHOUT NOTICE
Illegal Immigration: Woomera Detention Centre

Mr SCIACCA (2.02 p.m.)—My question is to the Minister for Immigration and Multicultural Affairs. I refer him to media reports, over the past two weeks, of sexual abuse allegations at the Woomera Detention Centre. Minister do you recall saying on ABC News Radio, in relation to more recent allegations of a brothel operating at Woomera Detention Centre, that it disappoints you when people say they know and then do nothing about it? When did you, your office or your department first become aware of the allegations of a 12-year-old boy being raped by his father and the boy being sold to other detainees for sex in exchange for cigarettes or money?

Mr RUDDOCK—Let me first make this point: I and the government regard with the utmost seriousness any allegations of child abuse in the community, in a detention environment or elsewhere. Matters of that sort are very serious and when they are raised the people who are best able to deal with them should investigate them. In South Australia, for instance, that is the division of family and youth services in the Department of Human Services. In relation to the situation at the Woomera Detention Centre, there have been a large number of allegations over a period of time about, in the main, a small number of specific instances and more generalised allegations that are designed to promote a wider degree of interest in these matters.

The fact is that there were investigations carried out in South Australia by the Department of Human Services, as a result of reports that were being made. There were investigations also undertaken by the police. While I do not have the specific dates, I think they commenced as early as April this
In relation to those matters, with the information that was then to hand, there were no findings on which any charges could be brought. When further information is brought to our attention, if it raises new issues which have not been previously examined, we will arrange for that material to be brought to the attention of the people best charged with dealing with those matters.

In relation to a specific document, which had not previously been brought to the attention of the state Department of Human Services—my department ascertained that the document was not before the South Australian department—arrangements were made, I think on Monday of last week, for that document to be brought to the attention of the South Australian Department of Human Services. It was as a result of finding that that document had not been previously seen by the authority, and that it may raise—it may not necessarily substantiate the claims—matters that require further investigation that I took the view—

Mr Sciacca—Mr Speaker, I rise on a point of order on the question of relevance. The question is: when did he find out—

Mr Speaker—The member for Bowman will resume his seat. By any measure, the minister is being entirely relevant to the question asked and I call him.

Mr Ruddock—When it was clear that that document was one which had some matters that required further examination, I instigated an inquiry. I have today announced the terms of reference for that inquiry into the procedures by which these matters are dealt with and also to look at how those procedures would have operated in relation to these specific allegations, to facilitate the inquiry.

Ms Macklin—When did you know about it?

Mr Ruddock—The fact is that there have been a wide range of generalised allegations—

Ms Macklin—This specific one.

Mr Ruddock—There have been a wide range of specific allegations and generalised allegations over a period of time. When those matters are raised, they are examined. I do not know the specific dates upon which people might write to me and bring matters to my attention. When they are brought to my attention, I refer them to my department for appropriate investigation. There is nothing unusual about that, because I note that the Leader of the Opposition is alleged to have received the same letters that have been written to me—and even to this point in time he has not brought those matters to my attention to seek any investigation of them.

Roads: Funding

FRAN BAILEY (2.08 p.m.)—I address my question to the Prime Minister. Is the Prime Minister aware of the need to upgrade the roads of Australia at both the local and national level?

Opposition members interjecting—

FRAN BAILEY—To continue the question: what action is the government prepared to take to help upgrade this important infrastructure?

Opposition members interjecting—

Mr Speaker—I will recognise the Prime Minister when some courtesy is being extended by those on my left!

Mr Howard—The answer to the question is that, between you and me, yes, I am aware. I am aware of the great importance of investing in the country’s economic and infrastructure future. That is why, along with the Deputy Prime Minister, today I announced the injection of an additional $1.6 billion to upgrade the local road network of the Australian nation. This injection of money represents a 75 per cent increase in the amount of money being committed by the federal government to the local roads of Australia. It represents the greatest single increase ever in local road funding by any federal government in this country.

Contrary to the absurd and premature claims of the Leader of the Opposition, this is not a pork-barrelling favouritism exercise for the rural and regional electorates of Australia. I have had drawn to my attention that three councils in Western Australia—one of them is called Kwinana, one of them is called Mandurah, and one of them is called the City of Rockingham—are wholly or
partly in the division of Brand, which is held by the Leader of the Opposition, and will between them receive $4.75 million. Undoubtedly, the Leader of the Opposition will be inviting those councils to send the pork back to Canberra. That is what the Leader of the Opposition will be doing.

The truth is that this is a package which, in relation to the packet of money going to each state, is going to be distributed in accordance with a formula established when the Labor government was in power. It is not a formula within each state which has been devised by the coalition parties to help coalition seats. If the member for Capricornia thinks this is such a pro Liberal-National Party package, maybe she wants the $21.9 million that is going to councils within or touched by the division of Capricornia to be returned. Perhaps the normally loquacious member for Hotham wants to return the $9.6 million going to the councils in his division. Or indeed the member for Paterson, who is never short of an interjection, might want to return the $8.8 million going to the councils in the division of Paterson.

Never let it be forgotten that, when I made the announcement, this is what the Leader of the Opposition had to say: ‘not to fund a boondoggle for the National Party, which is what is going on here’. Can I say to Kirsten Livermore then: ‘Welcome to the National Party. We are going to fund $21.9 million for your division.’ And listen to this comment. I am sure everyone at the Local Government Association annual gathering here in Canberra next week is going to love this comment made on 12 November in South Perth—I wonder whether he was in the City of Rockingham—by the Leader of the Opposition: ‘if he merely spends it on roads’. That shows the mindset. When you say ‘merely’ spending it on something, you think the expenditure is irrelevant, trivial and unnecessary, don’t you? You do not regard it as a valuable piece of infrastructure. The Leader of the Opposition also said, ‘I think there’s a stench of pork about the whole handling of this issue.’ So there is a stench of pork about distributing something in accordance with a Labor Party formula!

But we should not be surprised that the Labor Party should have such a strange array of reactions in relation to this matter. Only this morning the Leader of the Opposition was asked about this issue. His attention was drawn to the fact that the announcement does include the provision that something in the order of $350 million out of the $1.2 billion will go to councils in the greater metropolitan area. Every single council in Australia will benefit, not only the country councils but also the city councils. They will benefit in a graduated way according to need. It is a fair and decent package that will help the road infrastructure of Australia. But this is what the Leader of the Opposition also had to say, and it showed the clarity that he brings to these matters. Listen very carefully because it contains within it the germs of an alternative policy.

Mr Costello—Come on!

Mr Howard—It does, believe it or not. It has surfaced. He had this to say, and listen carefully:

But we reserve the right to isolate any elements of this which constitute pork barrel and included in the funding arrangements to deal with petrol in the way in which we think and we will announce by the next election ought to be dealt with.

That is the Labor Party’s policy. I suppose, true to his style, what the Leader of the Opposition will say is: that is exactly the answer I wanted. The reality is that the Leader of the Opposition, to use a colloquialism, jumped the gun on this issue. He made a false allegation. He has now been revealed as being absolutely in a ridiculous position. This is a fair package. It is a package that is going to help every part of Australia and I look forward to the Labor Party expediting its passage through the parliament.

Illegal Immigration: Woomera Detention Centre

Mr Sciacca (2.16 p.m.)—My question is again to the Minister for Immigration and Multicultural Affairs. Minister, I ask you again: when did you, your office or your department first become aware of the allegation of a 12-year-old boy being raped by his father and the boy being sold to other detainees for sex in exchange for cigarettes or money? Are you aware that during Senate estimates
committee hearings last Wednesday your departmental officer told the committee that the department and you first became aware of the allegation of this incident in mid-July?

Mr RUDDOCK—The fact is that, while I cannot be precise as to the nature of the dates and times upon which particular reports might be made to me by departmental officers—

Ms Macklin—This is a serious matter.

Mr RUDDOCK—I don’t think it is.

Ms Macklin—What? You don’t think it is serious!

Mr SPEAKER—The minister has the call. The member for Jagajaga!

Mr RUDDOCK—or complaints made in writing or allegations made to my departmental officials or their officers, I expect that when those issues are raised they will be pursued appropriately by those who have received the information. When you ask what information I have received, and you want detailed information—

Mr Crean—When?

Mr RUDDOCK—Even as to when, I will initiate a search to ascertain what information we have received.

Mr Crean—Will you come back into the House?

Mr SPEAKER—The Deputy Leader of the Opposition! The minister has the call.

Mr RUDDOCK—Let me make the point I made earlier; matters have been the subject of substantial investigation by the police and by Family and Youth Services in South Australia in relation to allegations where there was specific evidence of a substantial character that required investigation. As a result of those investigations, no charges were brought and no children were taken into care. It was only as a result of further information, which my department disclosed last week to Family and Youth Services in South Australia, that a further inquiry was initiated. We take the issue of child abuse, wherever it occurs, very seriously. You will not find any want of application on our part in dealing with those matters.

Let me make one further point: I think there also needs to be a degree of care about the way in which these generalised allegations are made. There have been a lot of people in detention, some of them found to be refugees. One or two specific instances relating to specific individuals ought not to be used as a basis for generalised charges and claims which reflect upon the generality of the people who have been detained. Nor do I think it is reasonable for people who have a view about detention policy and who are seeking to unwind it to unnecessarily and inappropriately reflect upon the integrity and professionalism of officers of the Department of Immigration and Multicultural Affairs or those people with whom we contract. There is clearly a good deal of innuendo and unsubstantiated allegations about the detention centres and this seems to have a wider purpose. Where there have been specific matters of substance where people have first-hand information that warrants investigation, those investigations have been proceeded with. Where there is any suggestion of any lack of application on our part, I have arranged for those matters to be further examined.

ROADS: FUNDING

Mr CAUSLEY—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services.

Mr Sercombe—It’s a trick question. Don’t answer it.

Mr SPEAKER—Member for Maribyrnong! The member for Page has the call. The member for Maribyrnong’s persistent interjections are not appreciated.

Mr CAUSLEY—Would the Deputy Prime Minister advise the House of the benefits that will flow from the federal government’s $1.2 billion local road funding program in electorates such as my electorate of Page? Why has the government assigned such a high priority to fixing local roads? Is the Deputy Prime Minister aware of any alternative views on the merits of providing a $1.2 billion boost to local government authorities in both country and urban areas to repair their roads?

Mr ANDERSON—I thank the honourable member for his question. He and many
other members in this place have raised the importance of local roads with me on many occasions—the member for New England, the member for Dawson, the member for Blair; I can think of any number, so I had better not start. It has been constantly raised. Indeed, it has even been raised in many ways by people like the member for Paterson. The member for Paterson is not in the chamber now, but a few moments ago he made some scoffing remarks about how unnecessary this package was and that it would probably go to building a superhighway to Kirribilli House. He has scuttled out—I should imagine, to reassure the people from the councils of Dungog, who will get from this about $1½ million dollars; Gloucester, about $1½ million; and Great Lakes, about $2½ million dollars. The mayor in Gloucester has just said that it is the best thing the federal government has done for many years for him and for his council. And so it goes on—nearly $2 million for Maitland and $2 million for Port Stephens. The member for Paterson was in here narrowcasting one message—that it is not necessary, or that it is a pork barrel, or that it is trivial or unnecessary work, or whatever the case may be—but he has scuttled out to reassure his own councils that this is of course needed. That is what he has done.

The member for Page asked: what will it mean? I have travelled many of those roads in the member for Page's area. I know what they are like. I know particularly how badly they deteriorate after a bit of rain. They have been subjected to many years of neglect. Many of these roads are like the capillaries of the body—the blood vessels that are so important to the corporate health of the whole—and the fact is that they were built in the fifties and sixties and have been allowed to deteriorate. Oh, the member for Paterson is back. That was a quick call to all the local councils out there, was it?

**Mr Speaker**—The minister will come to the question.

**Mr Anderson**—Let us see you now carry the courage of your convictions and say that the seat of Paterson does not really need the money; it is trivial and unnecessary.

**Mr Howard**—That will go down well.
for months, saying that the coalition must spend more money on rural infrastructure. That is what he has been saying. The minute it happens, what happens? The Leader of the Opposition came out on the Sunday when we indicated that there would be more money spent on local roads, and said that it was just a ‘boondoggle’ for the National Party. Then, discovering that that might be an insult to rural people—because, according to the Collins dictionary, it actually means ‘trivial or unnecessary works’—he revised it the next day to say that he just meant pork-barrelling. So now he wants to insult rural people by saying it is pork-barrelling. The Leader of the Opposition uses a lot of words. I think it is worth making the comment that—

Mr Martin Ferguson—You have to get the dictionary out each time.

Mr ANDERSON—Yes, you have to get the dictionary out each time; that is a very useful interjection from the other side. I freely admit that I did not know what a boondoggle was. The Leader of the Opposition clearly did try to have it two ways. On the Monday, he said it was a pork barrel; the day before it had been trivial and unnecessary. But George Megalogenis has revealed that, when he was leaving the press gallery in Canberra—as I understand it, to go to Melbourne—in September 1999, the Leader of the Opposition wrote to him and said:

Your departure is no boondoggle.

We assume that he did not mean ‘your departure is no pork barrel’; we assume that he meant it was no trivial and unnecessary thing. You had better come clean, Leader of the Opposition. Is a boondoggle a trivial and unnecessary thing, or is it a pork barrel? Plainly, it is not a pork barrel. We have seen that. You only have to look casually across Queensland: for example, at the seat of Blair, $16 million; Capricornia, $21 million; Maranoa, $51 million. If you then look at the funding formula that the Prime Minister has been referring to, it is an honest formula. It is a formula that meets needs rather than political ends. It will be very widely welcomed for the very serious and worthwhile exercise that it is.

Illegal Immigration: Woomera Detention Centre

Mr SCIACCA (2.28 p.m.)—My question is again to the Minister for Immigration and Multicultural Affairs. Again, I refer you to the allegations of sexual abuse of a 12-year-old boy and to your comment of a few moments ago that you take these issues seriously, particularly insofar as they relate to child abuse. Minister, given the serious reports from various and credible sources on or soon after 17 March of the alleged abuse of the young boy, why was he kept in the same environment, where he was allegedly repeatedly sexually abused, until last Tuesday, fully eight months after the incident?

Mr RUDDOCK—The situation is that there were investigations by the relevant authorities who have the capacity to require that young people who may be the subject of abuse are removed if they are in danger. The investigations that were undertaken did not substantiate that there was such a danger in relation to the young person involved. There were thorough investigations by Family and Youth Services as well as by the South Australian police.

An opposition member interjecting—

Mr RUDDOCK—I do not investigate these matters and I do not think you would regard me as being the expert person to do so.

Ms Macklin—You don’t know when you found out about it.

Mr Leo McLeay interjecting—

Mr SPEAKER—The member for Jagajaga, the minister has the call. The Chief Opposition Whip has already been warned.

Mr RUDDOCK—I will help members with some advice as to what is expected in these matters. A large number of people in and around the detention centre in South Australia have certain responsibilities. South Australian law requires that, if people employed in a number of occupations suspect on reasonable grounds that a child is being or has been abused or neglected and if that suspicion is formed in the course of that person’s work, they must notify Family and Youth Services as soon as practicable after they form that view. The persons who are
required to report abuse include medical practitioners, pharmacists, enrolled and registered nurses, dentists, psychologists, members of the police force, social workers, teachers, government employees and employees of non-government bodies who are charged with delivering particular services, including residential services.

Australian Correctional Management employs two medical practitioners, 13 nurses, two counsellors and a teacher at Woomera, and they have certain obligations. These matters are becoming matters of wider public comment now. However, as to the specific issues that were raised in March and April, investigations were undertaken and the responsible authorities formed no view that the young person ought to be removed from the care of his father. That situation was reassessed only when a further document came to light in circumstances that prompted the investigation that I have announced.

Economy: Midyear Economic and Fiscal Outlook 2000-01

Mr HAASE (2.32 p.m.)—My question is addressed to the Treasurer. Would the Treasurer advise the House of the outcome of the midyear economic and fiscal outlook 2000-01 released on 15 November?

Mr COSTELLO—I thank the honourable member for Kalgoorlie for his question. Since the House last sat, the government has released its midyear economic and fiscal outlook for 2000-01. I can advise the House that the government has revised up slightly its growth forecasts for the current financial year, with exports making a substantial impact on our growth—a one percentage point contribution—which is the first positive contribution to growth from exports since the Asian financial crisis. In addition, the government revised up its expectations of surplus to $4.3 billion on a cash basis—$1.5 billion higher than estimated at budget—and $8.4 billion in fiscal terms. This reflected increases in expected revenue collections, principally coming from strong company profits—which, in this economic environment, are amongst the highest ever recorded in Australia.

The government continues its plan to pay off Labor’s debt. In its last five budgets, the Labor Party accumulated $80,000 million in debt. This government has not borrowed a dollar in net terms since it came to office and, by the end of the year, it will have repaid $50 billion of Labor’s $80 billion debt. Moody’s commented on the midyear review as follows:

The AAA domestic debt rating is well supported by the current fiscal policy framework, positive fiscal balance and a low and declining public sector debt burden. From our perspective, the mid-year review provides further evidence of these favourable trends.

I think there was even an unintentional word of congratulation from the Leader of the Opposition who, after the midyear review came out on 15 November, was quoted as saying, ‘We don’t have a debt problem.’ We may not have much of a debt problem now after we have paid back $50 billion, but we were certainly not in that position after the Leader of the Opposition, the then Minister for Finance, ended his reign by having accumulated $23 billion of debt in just two years while he was responsible for Commonwealth finances.

The kind of investment that this government can make in the roads of Australia is a consequence of good economic management. It was not possible earlier when the government did not have its own books in order, and it could not have been done at a time when the budget was haemorrhaging, as it was when the Leader of the Opposition was finance minister. One pay-off for good economic management is the kind of investment that the Prime Minister and the Deputy Prime Minister have just talked about. In line with the growing economy, we can continue to reduce unemployment, which is now at a 10-year low. If we continue to run the Australian economy, we can take it even lower.

I must draw the attention of the House to one of the more bizarre musings that I have seen in recent times from a Mr P.J. Keating, which appeared in the Sydney Morning Herald of 21 November 2000. In his letter, Mr P.J. Keating, one-time Treasurer of Australia and inspiration to the current Labor frontbench, had this to say:
Alan Ramsey reminds everyone … of the anniversary of the beginning of the recession of 1990. He uses this to draw a link to recent statements by the Treasurer, Peter Costello.

In his cynicism, he fails to mention that the recession set up the economy for its longest and strongest period of growth in 100 years.

Mr Keating is still boasting about how he put Australia into recession and about all the alleged benefits that that is supposed to have brought to the Australian community. It has taken us 10 years to recover from the Labor Party recession, and its architect is still boasting about his handiwork. That handiwork put the unemployment rate up to 11.3 per cent, the budget peaked at a $17 billion deficit and we accumulated $80 billion worth of debt. Yet Labor is still boasting about the way in which it put Australia into recession. That is the claim from Labor’s inspiration and leader.

There have been Treasurers and Prime Ministers in the past who have suffered recession because of international factors and have tried to avoid them. I have never heard anyone boast about producing a recession, except for the Labor Party. They boast about it as an achievement. Here we are 10 years after the event and they are still claiming that one of their great achievements was to put the Australian economy into recession and to peak unemployment at 11.3 per cent. When this government was elected we set about undoing the damage of Labor; we set about repaying the debt. They fought us every single step of the way—and the best thing that can be said for them is that they failed.

**Australian Federal Police: Operation Morocco Unit**

Mr McCLELLAND (2.38 p.m.)—My question is addressed to the Attorney-General. I refer to the Attorney’s answer to the member for Denison’s question about the closure of the Australian Federal Police’s unit Operation Morocco, which is responsible for investigating child sex tourism, in which the Attorney said:

I understand that the priorities have been determined by the AFP and there is no need for that unit to be continuing as a separate unit.

I refer also to the Attorney’s letter of the same day, in which he said:

I am advised by Senator Vanstone that the AFP has not downgraded its commitment to investigating allegations of paedophilia.

Attorney, can you confirm that Operation Morocco has now been completely shut down, its operations wound up and its files simply archived away? Will you confirm that Operation Morocco had been actively monitoring the travel activities of at least 200 known paedophiles and had been pursuing five active investigations into Australian paedophiles, including an allegation regarding the sex crime killing of a child in East Timor? Minister, why has the government failed to pursue these paedophiles?

Mr WILLIAMS—The member for Barton is quite right: I did write to the member for Denison on the day he asked me the question about the closure of the unit in the AFP. I explained, as advised to me by Senator Vanstone, that the Melbourne office of the AFP had integrated paedophile investigations with the way the AFP manages its work. It adopts a flexible team approach throughout the AFP very successfully. This is the same method that is used for the highly successful drug investigations that have resulted in a significant number of drug hauls.

What has transpired since that letter I am unable to date to say, but I will inquire of Senator Vanstone. The AFP runs all its operations on this flexible team approach. It does not have units segregated. You have people moving from one team to another. It did have, and that was an exception, but there is now no exception in respect of paedophile investigations. But I will inquire of Senator Vanstone and, if there is anything further to be said, I will advise the honourable member.

**Roads: Funding**

Mr LINDSAY (2.41 p.m.)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister advise the House how the federal government’s commitment to local road funding compares with state contributions? How would local roads benefit from an injection of state funds commensurate with the historic $1.2 billion federal funding package announced today?
Mr ANDERSON—I thank the honourable member for his question. I have been up to his electorate in recent times where, amongst other things, we announced $20 million for a RONI, a road of national importance. His question rightly asks whether the Queensland state government have yet matched that. Have they?

Mr Howard—that is pork barrelling too!

Mr ANDERSON—that is pork barrelling too! I notice that that region will now benefit from around $7½ million under the new program, which I know will be widely appreciated as well.

There is no doubt that, if the state governments were to similarly recognise the importance of local government road funding and local road funding in the way that we have, we really could see some quite dramatic action. To come to some states, Victoria is a case in point. Historically, the federal government contributes around 16 per cent of funding for Victoria in local roads, but the Bracks government’s contribution is just three per cent. That is all it is: three per cent.

To put that into numbers, the federal government’s allocation of $250 million—that is what it will be—for Victorian local roads over the next four years, on top of their existing FAGs allocation, really does make Mr Bracks’s $14 million contribution look a bit thin.

Mr Costello—Did you say he puts in $14 million?

Mr ANDERSON—Yes, that is right, $14 million. So we are putting in $250 million over and above the normal grants, and Mr Bracks is just going to put in $14 million. We challenge him to do better. I have met councils in his electorate that tell me that their tar resealing program has had to be reduced from the appropriate 30-year cycle to an 80-year cycle. So I think there would be real benefits in Victoria doing better.

The Beattie government in Queensland is not doing much better. They throw in just five per cent of funding on Queensland’s local roads. Ours was double that at 10 per cent. So, on top of that, we are now allocating an additional $250 million—serious money indeed—over four years to local roads in Queensland. It has to be said that that is a somewhat better performance than Mr Bacon in Tasmania, who does not give anything at all.

Then there is New South Wales. New South Wales does have a slightly better record—I would be to first to admit that; always fair on this—but I have to say that, amazingly, on hearing that the federal government were intending to increase funding for local roads, the New South Wales minister immediately sent me a great long list of all the roads that he wanted funded under the program. As we have made quite plain, we are not going to get into that business of political considerations here. But the other interesting point about it was that he listed his own outline of roads that he wanted funded—and there was not a local road amongst them. So he plainly belongs in Mr Beazley’s camp: they are boondoggles, trivial and unnecessary.

Goods and Services Tax: Petrol Prices

Mr BEAZLEY (2.45 p.m.)—My question is to the Prime Minister. In the light of your admission to Neil Mitchell last week that you are collecting more GST on petrol than you expected to, do you recall him asking how much the GST is taking in petrol taxes? Do you recall telling him you could not get an answer in half an hour but you would find out? Prime Minister, now that you have had three days to find out, will you answer the question: how much is the GST taking in petrol tax?

Mr HOWARD—My understanding is that there has been an alteration in the consumption pattern of petrol and, as a result, if you have a look at the Mid-Year Economic Review, you will be able to find the answer.

Rural and Regional Australia: Local Government Capital Works Funding

Mrs DE-ANNE KELLY (2.45 p.m.)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister provide the House with examples of the types of works able to be supported in a typical local government area in rural Australia? Is the Deputy Prime Minister aware of
alternative policies that would jeopardise local government access to these funds?

Mr ANDERSON—Mr Speaker, I—

Mr Crean—Big day out.

Mr ANDERSON—Yes, it is a big day out; that is right. I would be the first to admit it is good fun. We have some good news. And the people of Dawson have welcomed this announcement. There is no doubt of the capacity of local governments in the Dawson electorate to significantly accelerate some much needed programs. Councils will have the flexibility to undertake a very broad spectrum of works and approaches: bitumen sealing of dirt roads, reconstruction of roads to ensure all-weather access, bridge strengthening to carry heavier vehicles and development of strategic freight routes. That is important. Local councils may choose to combine with others—indeed, even with the private sector—in areas where forestry is beginning to boom, for example, and where some added local road infrastructure could see a much more rapid acceleration of economic development and jobs in any given region. Then there is the construction of new roads to help with things like tourism which, in many parts of Queensland in particular, is being very actively pursued by local communities. In that sense, it fits very well with one of the priorities that was identified at the Regional Australia Summit last year.

I was interested to note that representation from the member for Dawson for the Bowen Shire Council in Queensland highlights what a typical council might hope to achieve with a significant boosting of their funding. They hope to re-lay the surface of 15 vital local roads and to undertake capital works on roads to hospitals and important road connectors to major centres like Brisbane. There is quite a list; I have actually seen it. They will go a very long way indeed towards achieving their wish list. I suspect they will achieve virtually all of it under the program that we have put out. This will benefit the economy and the people of that electorate very significantly. I have no doubt that the people of Dawson would want those opposite to facilitate the passage of the legislative requirements to enable this to happen in the most useful way and the most straightforward way. That is what local governments want and that is what the people that they represent want.

Goods and Services Tax: Petrol Prices

Mr BEAZLEY (2.48 p.m.)—My question is to the Prime Minister. Prime Minister, you undertook to the listeners of 3AW that you would find out the GST take on petrol. How much is it?

Mr HOWARD—As I think the Leader of the Opposition knows and as I have had confirmed to me since I made that comment, it is possible to indicate the impact on the excise collection, but because the price of petrol is a fluctuating price and because consumption patterns can alter it is simply not possible to do a disaggregation of the GST on petrol from the GST on other items.

Ms Macklin interjecting—

Mr SPEAKER—The member for Jagajaga is warned.

Mr HOWARD—if the Leader of the Opposition had read the remainder of the transcript, he would have also noticed that I drew attention to the fact that the excise compensation arrangements for the GST were based on an assumed or strike price of 90c a litre. Mr Beazley—It was wrong.

Mr HOWARD—Oh, it was wrong. I see. It was based on a strike price of 90c a litre. The point I made to the listeners of 3AW—

Mr Crean—You broke your promise.

Mr SPEAKER—Deputy Leader of the Opposition, the Prime Minister has the call.

Mr HOWARD—and the point I would make to the Leader of the Opposition is that, to the extent that at some time in the future the price of petrol falls below 90c a litre and remains below 90c a litre, far from the new taxation arrangements leading to an increase in the price of petrol, in fact the arrangements—because they were based on a strike price of 90c a litre—could indeed result in there being, as a result of the GST, a reduction in the GST excise take under the arrangements applying to the price of petrol. So I would counsel the Leader of the Opposition and the Deputy Leader of the Opposition against taking, as they always do, a short-term view of these things. The predic-
tions being made by many people indicate that the price of petrol might well fall. The price of crude oil might well fall in the months ahead and the impact of that on the arrangements we set up when the GST was introduced would turn out to be extremely beneficial. And, once again, the Leader of the Opposition and the Deputy Leader of the Opposition will be demonstrated as having shot the gun.

**Environment: Hague Convention on Climate Change**

*Mr BILLSON (2.52 p.m.)*—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of the government’s reaction to the recent climate change negotiations held in The Hague? Is the minister aware of any alternative views?

*Mr DOWNER—First, can I thank the honourable member for his question. In fact, I recognise the great interest the member has shown in the whole question of climate change and the COP6 conference, which I think he attended as an observer.*

*Opposition members interjecting—*

*Mr DOWNER—He was one of the observers who actually regularly attended and took a great interest in the sessions as they took place. The government regret that it was not possible to reach a final agreement in The Hague on the outstanding issues in the Kyoto protocol. The government have taken a very constructive approach to the whole question of climate change. We believe the international community needs to address it, and we believe Australia should make a fair contribution. We diverge from those who believe that Australia should make an unfair contribution or that we should make a disproportionate contribution, sacrifice more jobs proportionately and sacrifice more of our living standards than other countries should. It is not reasonable to ask the Australian public to bear a heavier burden than the publics of other developed countries. We have agreed to targets. That was done in Kyoto some time ago. We wish to meet the targets, and we wish the international community to meet the targets, causing a minimum of damage in terms of both jobs and the living standards of our people.

At the meeting in The Hague, Senator Hill did his usual very professional job in leading the Australian delegation. Indeed, his work was complimented by the chairman of the meeting, Minister Pronk of the Netherlands. Senator Hill played a particularly important role as the chair of what is called the ‘Umbrella group’, which includes us, the United States, Japan, Canada and five other countries. We very much appreciate the constructive role that Senator Hill, Ambassador Hillman, our Ambassador for the Environment, and others played.

In the final stages of the negotiation, the ‘Umbrella group’ and the European Union came very close to reaching agreement on the key issues which were before the conference in The Hague: on domestic action to be taken to address greenhouse, on emissions trading, on sinks and on the question of compliance, though there is frankly still some way to go on the issue of the role of the developing countries in the whole process of the protocol. It is unfortunate that in the end internal disagreements amongst European Union member states meant that the European Union was, after all, unable to sign up to the deal. The conference has now concluded, and it has been agreed to resume the conference probably but not definitely in Bonn in May next year. We will be looking to the meeting in Bonn, and we hope that it will be possible for the details of the package to finally be put together. But it is important for the House to understand that this meeting in The Hague got very close to finality and to a successful agreement, and it is unfortunate that only disagreements within the European Union ultimately led to it being impossible to conclude the agreement we had hoped to get.

**Goods and Services Tax: Petrol Prices**

*Mr CREAN (2.56 p.m.)*—My question is to the Treasurer. I refer to your claim that you are not collecting any more petrol tax as a consequence of the new tax system. Hasn’t your own Treasury secretary admitted that you are taking more petrol tax because ‘if the price of petrol goes up, the amount of
GST ... goes up because that is how the tax system works’? Treasurer, will you now admit that you are taking more petrol tax as a consequence of the new tax system?

Mr COSTELLO—I think this matter has been well and truly canvassed. As the mid-year economic and fiscal outlook showed, the take from excise was less than foreshadowed at the budget.

Mr Crean—Mr Speaker, on a point of order: this is his stock answer. He only talks excise. We want total tax.

Mr SPEAKER—The Deputy Leader of the Opposition is warned.

Mr COSTELLO—I think I was 15 seconds into answering his question when he decided to try and interrupt. As the midyear review showed, the take from excise is actually less than forecast in the budget. He then goes on to say that the Treasury secretary said something to the contrary. The Treasury secretary was so misreported by the Sydney Morning Herald that he put out a statement, one of the strongest statements I have ever seen in my life, where he said that the headline in the Sydney Morning Herald was a lie—that was the word that he used—and he went through the way in which the story had been misreported. I cannot actually put my hand on his press release at the moment—

Mr Crean interjecting—

Mr COSTELLO—I cannot put my hand on the press release that the Treasury secretary put out last week. He has a big point now, Mr Speaker—a real big point. Anyway, it is on the record, it was put out and I think all of the media are aware of it. I certainly hope the Sydney Morning Herald is aware of it. Let us come now to the indexation point, which will take place in February next year under the Labor Party legislation. That is a point you never hear. The government does not amend anything. The government does not introduce a rate. All the government—

Mr Crean—You can adjust it.

Mr COSTELLO—We can adjust it, he says.

Mr SPEAKER—The Treasurer knows to respond to the question, not to the interjection.

Mr COSTELLO—Our task in life is to amend the Labor Party’s legislation which it put in place in 1983 and never once adjusted. It never once adjusted its legislation so it is now our obligation to do so.

Not only did they introduce the excise indexation, but when the indexation was not enough—and the indexation in the 1980s was eight per cent per annum—do you know what the Labor Party did? It came in and put it up by 5c a litre in the 1993 election. Then the Leader of the Opposition says—and this is his absolute, latest thing—‘if I was in government I would change it next February.’ He is making promises from opposition about what he would do when he knows he is not in office. He does not actually go out and say what he would do if he were elected; he does not say, ‘I give a pledge that the moment I am elected I will go out and I will do such and such.’

Mr Beazley—I rise on a point of order which goes to relevance, Mr Speaker. People are sick of this sort of nonsense from the Treasurer.

Mr SPEAKER—The Leader of the Opposition will come to his point of order or resume his seat.

Mr Beazley—He was asked a specific question: Will you now admit that you are taking more petrol tax as a consequence of the new tax system?

He has been into the answer for 10 minutes now, Mr Speaker, and we have not heard an answer to that question.

Mr SPEAKER—The Leader of the Opposition will resume his seat.

Mr Tuckey—Did you get that suntan in Queensland, Kim?

Mr Beazley—I got the suntan at Walgett, Wilson.

Mr SPEAKER—The Leader of the Opposition has already been extended a good deal of grace, thanks to the unnecessary interjection of the Minister for Forestry and Conservation.
Mr COSTELLO—I do thank the Leader of the Opposition for his point of order because it gave me a chance to find the press release of the Secretary of the Treasury, which I think was their big point. I table it, Mr Speaker. It is under the headline, ‘The Sydney Morning Herald is wrong’ and says:

The headline in today’s Sydney Morning Herald claiming that I had agreed that the GST is the culprit in the rise and rise of petrol is a straight lie.

That is the Secretary of the Treasury. No wonder the Deputy Leader of the Opposition, knowing that that release had been put up, came to the dispatch box and asked the question—relying on that report as if it were the truth, knowing that the Secretary of the Treasury had put out a statement saying it was a lie. It is the kind of material that we are used to from the Deputy Leader of the Opposition and, frankly, he shames the Labor Party with his conduct.

Small Business Ministerial Council Meeting

Mr ROSS CAMERON (3.03 p.m.)—My question is to the Minister for Employment, Workplace Relations and Small Business.

Mr Tanner interjecting—

Mr SPEAKER—The member for Melbourne is warned.

Mr ROSS CAMERON—Could the minister outline to the House the results of the meeting last week at Mount Gambier of the small business ministerial council?

Mr Wilkie interjecting—

Mr SPEAKER—The member for Swan is warned.

Mr REITH—I thank the honourable member for Parramatta for his question. He is a great champion for small business in his seat. That is good for small business and it is great for the whole community in his seat because it means more jobs and greater prosperity. I compliment him on the work that he does. Small business will be delighted with the road funding announcement today because, if you are in small business and you want to get your goods to your markets, under the coalition you will have better roads. And what will the Labor Party do? If they are elected they will be taking the money back. That would be their view, because they see it all as a bit of pork-barrelling. Helping small business is the last thing that the Labor Party would want to do.

I thank the member for his question. We did have a constructive meeting. We looked at various aspects of small business, including electronic commerce. We are concerned about indigenous people in small business, and of course we are looking at duplication to save small business red tape so that they can get on with their jobs. Business is also an important issue. The meeting was well attended by members from the coalition side of politics. For example, showing and demonstrating the importance of small business we had, from Western Australia, the Deputy Premier of Western Australia—obviously a member of cabinet. That is how important it is from Western Australia’s point of view. From South Australia we had the Treasurer of South Australia because a coalition Treasurer knows the importance of small business to the economy. From the ACT we had the new Deputy Chief Minister. From the Northern Territory we had Tim Baldwin, the Minister for Small Business, who again is a great champion for small business. At the Commonwealth level, as members know, small business is represented in the cabinet. And why? Because this government gives priority to small business and it is important that the small business point of view be strongly heard. I am sad to say, however, that that basically was the full list of attendees at that meeting. Not one single Labor Party state minister for small business attended the meeting. Nowhere in the Labor Party at the state level could they find a minister to represent the interests of small business. You can only take from that that the Labor parties at the state level in Queensland, New South Wales and Tasmania have taken a line from the member for Brand who said:

We have never pretended to be a small business party, the Labor Party. We have never pretended that.

How right he is and how sad it is for the small business community that they do not get the representation that they deserve. And what does the shadow minister at the federal
level say about small business? He is singing a very different tune. At this year’s Labor conference he said that the Labor Party, state and federal, has ‘stepped up its bid for small business and rural support’. They say one thing and do another. They were not even prepared to turn up to a regional centre—to represent the interests of small business. This just demonstrates Labor’s real attitude to small business. Quite frankly, they could not care less about it, and they will prove it again when we introduce our bill on unfair dismissals for small business. What will the Labor Party do? They will vote against it again, because they are not interested in promoting small business.

**Petrol Prices**

*Mr CREAN (3.07 p.m.)—My question is again to the Treasurer. It refers to his previous answer in which he claimed that Labor had never cut fuel excise. Is it not true that Labor did precisely that, as reported by Laurie Oakes, returning a fuel tax windfall not once but seven times? Is it not true that your own preferred modeller, Chris Murphy, has advised you to discount the February fuel excise indexation based on:*

... a precedent for discounting set in February 1988, when the Hawke government discounted the excise indexation adjustment.

Treasurer, if Labor was prepared to give tax windfall back by discounting excise indexation, why won’t you?

*Mr COSTELLO—It is well worth putting the facts on the table in relation to this. The honourable member might be puzzled, after reading that out, to hear how the petrol excise was 6c per litre in 1983 when the Labor Party came to office and how when the Labor Party left office in 1996 it was 34c a litre. Since the Labor Party was giving back windfalls people might be worried about how it went from 6c a litre under the Labor Party to 34c. Indexation was introduced by Mr Paul Keating in his budget of August 1983, and this is what he said:*

As a second step towards countering the declining trend in real excise revenues—

This is when excise was 6c a litre—

the Government is introducing from tonight a system of six-monthly indexation of traditional excise rates ... This measure will allow for the maintenance of the real value of excise rates in a non-destabilising fashion.

Listen to this—this is why you introduced indexation:

Previous erratic reactions to the declining trend in collections, most notably in 1978, have destabilised the sales patterns of the industries concerned, imposed sudden and large increases on consumers ... So in 1983 that legislation, which the Labor Party operated under for 13 years, was only being introduced to help consumers. After indexation was introduced in 1983, in 1986 a funny thing happened—the world price of oil fell. Do you know what the Labor Party said? The Labor Party said if the world price of oil falls we put up excise. That was the argument. On 16 April 1986, because the world price of oil had gone down, they lifted the excise rates 5.329c per litre in one hit. Then when the price of oil had gone down further by May of 1986 they lifted the excise 2.622c per litre. Then they raised it again in 1986. After that, the public said, ‘If you’ve got to raise the excise because the price of oil falls, what should you do when the price of oil goes up?’ The Labor Party said, ‘It is only fair that we take those increases off’—not the indexation but the increases that they put in place as a result of falls in world oil prices. This is what they did. They put the price up by 11.9c because the price of world oil had fallen. When world oil went back up what did they bring it down by? Not 11.9 but 7.6. Then when it became obvious that the oil price—

*Mr Beazley interjecting—*

*Mr COSTELLO—it was a 4.3 per cent increase—would continuously rise thereafter they gave up this system. When the oil price came down the Labor Party put the excise up, and as the oil price went up the Labor Party abandoned the system—with a net 4.3 per cent increase. Indexation then continued—1986, 1987, 1988, 1989, 1990, 1991, 1992, 1993. Then we got to the famous 1993 budget. Notwithstanding the fact that they had had full indexation for 13 years, they
decided in the 1993 budget to, over and above indexation, increase the petrol excise by 5c. This was not indexation. The Labor Party actually had to introduce a law to say that indexation was not enough, the fiddle on the world oil price was not enough. They were actually engaging in discretionary increases which were at the time pledged by and defended by the Minister for Finance.

This government has never had a discretionary increase in petrol excise. Never once did we have a discretionary increase in petrol excise. This government has left in place the historic indexation arrangements that were in place under the Labor Party legislation since 1983. The last indexation, which took place in August of this year, was 0.6c. Why? Because under this government we were not running an eight per cent per annum inflation rate. When the Labor Party were running an eight per cent inflation rate and indexing by eight per cent per annum they never found that enough. So they went out and voluntarily and discretionarily legislated to index that.

That is how you get the explanation as to how, when the Labor Party came to office, the petrol excise was 6.155c per litre and by 1996 the cheating on the import parity pricing, the full indexation and the discretionary indexing had taken it to 34.183c per litre. The Labor Party never showed any interest in petrol when they were in office—this is all a complete invention—and they did not run for the last election with a policy on indexation. We went to the new tax system with this same policy. The public is now getting benefits with increased growth, and that is what you get from better economic management.

Work for the Dole

Mr CHARLES (3.15 p.m.)—My question without notice is to the Minister for Employment Services. Would the minister please give the House an update on the Work for the Dole program.

Mr ABBOTT—Last week the government announced nearly 250 new Work for the Dole projects providing work experience for nearly 5,000 additional participants, including four projects for 62 participants in the electorate of La Trobe. This brings the total number of Work for the Dole projects to well over 4,000 for some 105,000 participants. I am pleased to say that 36 per cent of Work for the Dole participants are in employment or education and training three months after leaving the program.

This year the government introduced more flexibility into the program whereby participants could be reassigned, if necessary, to meet urgent community needs. I am pleased to say that last week 20 Work for the Dole participants in Narrabri and Lightning Ridge began helping with sandbagging and other emergency work. In addition, 37 participants in Gunnedah and Tamworth are helping this week with clean-up operations. This is the kind of thing which happens when you ask what people can do rather than what people cannot do and is why Work for the Dole has become one of the signature programs of the Howard government. I am sure every member of this House would want to salute each and every one of those participants for demonstrating that great Australian instinct to have a go.

Petrol Prices

Mr BEAZLEY (3.17 p.m.)—My question is to the Deputy Prime Minister. Deputy Prime Minister, have you seen the letter to me, copied to you, from the secretary of one of your branches, Liz Tomlinson, in which she said:

Symbolically we are dying. We cannot continue to absorb the current prices of fuel.

Do you still refuse to give any relief to struggling motorists? What is the point of spending money on roads if people cannot afford to drive on them?

Mr ANDERSON—I thank the honourable member for his question. I have seen the letter of course—in fact I have a copy of it here. I am glad that the Leader of the Opposition went out to Walgett in my electorate yesterday. It is my hope to go there later this week when the flood peaks hit—because it takes several days for the flood waters to get out there. But I just make this comment: had he cared to ask any of those people out there whether they were going to stop using their roads because of fuel prices they would have said, ‘No, we won’t—we can’t. We still have
to educate the children; we still have to run our businesses; and we still have to go to the doctor or whatever. The important point to be understood there is that better roads save wear and tear and fuel in very serious proportions. I have a neighbour in my part of the world who tells me he blows four tyres a year taking his kids to the school bus. Those tyres are worth about $200 a throw. A serious upgrade of his local road is going to make a big difference to his cost structure there.

But I have seen the letter. I must say that I was pleasantly surprised—and I was surprised—to discover that the chairman of that particular branch, which I might add was the first branch after my own to renominate me for the National Party for the seat of Gwydir at the next election, had written to me. I quote from that letter, in part, as follows:

The letter sent to Mr Beazley was meant to inform him of how tough things are in the bush. In my opinion the Australian Labor Party have never understood the impact of high prices on the bush, and have cared very little for the concerns of country people. When the Labor Party were last in government I recall the amount of excise on fuel going up by about 500 per cent. Thankfully we have a coalition government. I cannot start to imagine how much tougher things would be for people in the bush if the Labor Party were still in government. Their record damaged us badly, not only on fuel but on high interest rates, for many years. I know that the National Party and you, as our federal member, have fought hard to help reduce fuel excise.

Mr Beazley forgot to mention that—a $2.2 billion reduction in fuel excise of overwhelming benefit to people in rural and regional Australia. He forgot to mention that in his gracelessness. The letter goes on to say—I think quite opportunely—

I am looking forward to hearing what Narrabri’s share of the finances will be when you and the Prime Minister announce the local roads package later today. Thank you for the strong representation you continue to give the electorate.

Mr Beazley—Mr Speaker, I seek leave to table the letter from the secretary in Narrabri.

Leave not granted.

**Education: School Funding**

Mr ANDREWS (3.21 p.m.)—My question is addressed to the Minister for Education, Training and Youth Affairs. Would the minister inform the House about further support for the government’s school funding bill and why it is important that this legislation pass through the Senate as soon as possible. Is the minister aware of any threats to the establishment of a fair funding system?

Dr KEMP—I thank the honourable member for Menzies for his question. One of the surest indications that the government’s funding bill for schools is a very fair and equitable piece of legislation is the very strong support it has from all Australian religious groupings and indeed from Australia’s major ethnic communities. I previously informed the House about the support for the bill from the major churches in Australia, and members may be interested to know that in the past week the Most Reverend Harry Goodhew, Primate of the Anglican Church of Australia, has written to the Prime Minister restating his and his church’s support for the government school funding package. I quote:

Acting on behalf of the Anglican Church of Australia, I previously joined other church and school leaders in signing a joint letter calling for the speedy passage of the State Grants (Primary and Secondary Education Assistance) Bill 2000. I confirm my ongoing support for the early passage of this legislation.

But this is not good enough for the opposition; for their own pathetic reasons, they want to drag out the passage of this bill for as long as possible. They see the non-government sector as if it were a collection of wealthy schools when in fact the non-government sector is comprised of schools serving some of the lowest socioeconomic level communities in Australia.

Last Thursday the Prime Minister officially opened Al-Faisal College in Auburn, Western Sydney, a school with a legitimate enrolment of 341 students. The Leader of the Opposition will be pleased to know that there is no rorting of these enrolments, there are no dodgy deals here; these are genuine students from a needy community. This is one non-government school that the opposition does not want to talk about. As reported in last Friday’s *Sydney Morning Herald*, the President of the Australian Federation of Islamic Councils, Mr Abbas Ahmed, said the college, which will receive $1.1 million in
Commonwealth funding in 2001, could not have been set up without the Prime Minister. Mr Ahmed went on to say:

The Prime Minister’s policy on education is so just and so fair that we would not have been able to do this without it.

That sums up the attitude of communities around Australia. Whether they are Aboriginal community schools, whether they are Anglican schools—particularly low fee schools—whether they are Islamic schools or whether they are Jewish schools, all want this legislation passed because they recognise it as fair. The opposition should cease its obstruction of this legislation in the Senate and get on with providing Australia’s schools with $22 billion over the next four years.

**Petrol Prices**

**Mr HORNE** (3.25 p.m.)—My question without notice is to the Prime Minister. Prime Minister, have you seen reports that high fuel prices have caused a major blow-out in costs for charities such as Meals on Wheels, including the Forster and Tuncurry Meals on Wheels Service, whose Treasurer, George Mazaraki, says disadvantaged people are bearing the brunt of the government’s fuel pricing policy. I quote him:

_Honourable members interjecting_

**Mr SPEAKER**—The member for Paterson will come to his question.

**Mr HORNE**—Do you want me to start again, Mr Speaker?

**Mr SPEAKER**—The member for Paterson will come to his question.

**Mr HORNE**—I quote Mr Mazaraki:

Why should people who are disadvantaged and use Meals on Wheels because of their situation, their age or frailty, be penalised because of the cost of fuel. It’s not fair. It should not happen.

Prime Minister, why don’t you listen to conscientious and concerned people like Mr Mazaraki and do something about fuel prices—for a start, by keeping your promise—or is he just another whinger?

**Mr HOWARD**—If the member for Paterson wishes to send me Mr Mazaraki’s letter I will be very happy to give him a prompt and courteous reply. In that prompt and courteous reply I will express my concern that over the last 18 months the price of crude oil has trebled, and that that is the reason high petrol prices are imposing an unhappy burden on many sections of the Australian community. In the course of replying to Mr Mazaraki I will also point out to him that, as a result of the announcement I made today about road funding, the ratepayers of the Port Stephens shire council—

**Mr Horne**—Great Lakes.

**Mr HOWARD**—Great Lakes; well, Port Stephens does well, too. In fact, they all do well. I will point out with the same degree of politeness and courtesy to Mr Mazaraki that as a result of this the financial position of councils will be much stronger. They will have to spend this extra money on roads, but the fact that they have extra money to spend on roads means that there will be less pressure on other areas of the budget, including the provision of many charitable and welfare services. As a result, it is a good deal all round. So I suggest you get Mr Mazaraki’s letter around to me as soon as possible, and he will get a prompt and courteous reply with great enthusiasm from me.

**Trade: Agreement with Singapore**

**Mr LLOYD** (3.28 p.m.)—My question is addressed to the Minister for Trade. Will the minister inform the House how the recently announced trade agreement with Singapore will advance Australia’s export interests?

**Mr VAILE**—I thank the honourable member for his question, and recognise his interests in improving the export opportunities for members of his constituency on the Central Coast of New South Wales. The Prime Minister’s announcement on 15 November that Australia will be negotiating a free trade agreement with Singapore is tangible evidence of the government’s commitment to advancing Australia’s trading interests. We are prepared to take every opportunity to open up new markets for Australia’s exporters, whether that be through bilateral relationships, regional relationships or multilateral relationships. This agreement will strengthen an already important economic relationship, with two-way trade between
Australia and Singapore currently standing at $12.5 billion.

The negotiations agreed to between our Prime Minister and the Prime Minister of Singapore are expected to commence early in 2001 and conclude within a 12-month period. We are particularly interested in improving market access in areas such as legal and financial services and telecommunications. During the process of the negotiations we will be consulting broadly with Australian business and other interested parties in this particular market.

Today, I would also like to announce that we are going to appoint Mr Don Kenyon as Australia’s lead negotiator in the Singapore FTA. Don Kenyon is an experienced trade negotiator, former WTO ambassador and, most recently, was posted in Brussels as ambassador to the EU.

This FTA with Singapore is an important step for Australia and it is interesting to know that it is only the second Australia has participated in. The other very successful FTA we were involved in was with New Zealand. The closer economic relationship with New Zealand was started some 17 years ago when trade between New Zealand and Australia was standing at, I think, about $1.7 billion. Today, it stands at about $14 billion. It is interesting to note that it was also a coalition government that instigated that negotiation all those years ago. So, unlike the Labor Party, our government is prepared to be pragmatic and take every opportunity to expand market access opportunities for our exporters, whether it be in the multilateral scene or in bilateral negotiations like this one that we are embarking upon with Singapore. Again, the Labor Party has been left cheering in the grandstand on this issue. We have seen a lot of rhetoric from the shadow spokesman on trade for the Labor Party about what we should and should not be doing. History has recorded that during 13 years in office it did nothing in this regard. The last FTA we negotiated was instigated by a coalition government. This FTA negotiation was again instigated by a coalition government. The Labor Party, in 13 years, did nothing to pursue this agenda.

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

PERSONAL EXPLANATIONS

Mr McCLELLAND (Barton) (3.32 p.m.)—Mr Speaker, I wish to make a personal explanation.

Mr SPEAKER—Does the honourable member claim to have been misrepresented?

Mr McCLELLAND—Yes.

Mr SPEAKER—Please proceed.

Mr McCLELLAND—In an article appearing in today’s Courier Mail, written by Michael McKenna, it was imputed that I had proposed certain amendments to the Copyright Amendment (Digital Agenda) Bill 2000 as a result of a benefit provided by Microsoft to the Australian Labor Party National Conference. That imputation is completely baseless and entirely false.

Mr LEO McLEAY (Watson) (3.32 p.m.)—Mr Speaker, I claim to have been misrepresented. I wish to speak on a matter of personal explanation.

Mr SPEAKER—Leave is granted.

Mr LEO McLEAY—I have been misrepresented most grievously by the Minister for Forestry and Conservation. He said in the House on 9 November that I had been guilty of a breach of privilege and that it was in Hansard. That is not true, he knows it is not true and it is just another example of the way this minister deals with the truth.

QUESTIONS TO MR SPEAKER

Parliament: In Camera Proceedings

Mr MELHAM (3.33 p.m.)—Mr Speaker, I have a question for you. On 24 November 1999, the House of Representatives Standing Committee of Privileges tabled its report Proposed release of the in camera evidence to the Bankstown Observer inquiry and, as you recall, on 22 June 2000 and 27 June 2000 I asked of you a number of questions in relation to that in camera evidence inquiry. The Leader of the House, upon indulgence, at that stage reported to the House in these words:

Hopefully, we will come to a considered view on the proposals coming from the committee sooner rather than later.
Given the fact that it has been over 12 months since the committee report was tabled and that today is exactly five months to the day the Leader of the House mentioned that he would look at this ‘sooner rather than later’, can I ask you to liaise with the Leader of the House, given the fact that you, by unanimous resolution of this House on 11 October 1984, have authority to release those documents. I do that in the knowledge that, on 1 January next year, the Archives will release the cabinet papers of 1971 under the 30-year rule. I would think that it would be in the interests of this House that we release this century, if it is to be the case, the in camera evidence on the Fitzpatrick-Browne inquiry. Mr Speaker, you indicated that you would require a resolution of the House, even though that is not necessary. We only have another seven days left, so I ask for something to be progressed.

Mr SPEAKER—As all members would be aware, the Browne-Fitzpatrick case and papers cover both historic and sensitive matters. I have looked at the matter, as requested by the member for Banks some months ago. I understand it is currently a matter of correspondence and negotiation between the Leader of the House and the committee. I invite the Leader of the House to add to that, if he wishes.

Mr REITH (Flinders—Leader of the House) (3.35 p.m.)—Mr Speaker, on indulgence: I can advise members of the House that there have been negotiations and discussions with a view to establishing a system whereby certain material could be made available on a basis consistent with the 30-year rule and processes that apply to other government documents. The discussions are well advanced and my intention is that very shortly there will be a statement including the details. The matter is well advanced.

Questions on Notice

Ms ELLIS (3.37 p.m.)—Mr Speaker, under standing order 150, I would be grateful for your assistance in getting an answer to question No. 1600 I lodged on the Notice Paper on 5 June to the Minister for Aged Care. I am yet to receive a response.

Mr SPEAKER—I will follow that matter up as the standing orders provide.

Questions on Notice

Mr EMERSON (3.37 p.m.)—Similarly, Mr Speaker, could you write to the Treasurer again and ask him whether he might like at some stage to provide an answer to my question of 3 April 2000—question No. 1290?

Mr SPEAKER—I will look into the matter raised by the member for Rankin.

PETITIONS

The Clerk—Petitions have been lodged for presentation as follows and copies will be referred to the appropriate ministers:

Petrol Prices
To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament.
The petition of certain citizens of Australia draws to the attention of the House the extremely high price of petrol and other fuels and the increase in the amount of tax on fuel due to:
The Government’s failure to keep its promise that the price of petrol and other fuels would not rise as a result of the new tax system, by reducing the excise by the full amount of the GST;
The fuel indexation increases on 1 August 2000 and 1 February 2001, which will be significantly higher than usual because of the inflationary impact of the GST; and
The charging of the GST on the fuel excise, making it a tax-on-a-tax.
Your petitioners therefore request the House to:
Hold the Government to its promise that its policies would not increase the price of petrol and other fuel;
Support a full Senate inquiry into the taxation and pricing of petrol;
Consider the best way to return the fuel tax windfall to Australian motorists.

by Ms Hoare (from 107 citizens),
by Mr Jenkins (from 62 citizens),
by Ms O’Byrne (from 51 citizens) and
by Mr Rudd (from 1,159 citizens).

Asylum Seekers: Work Rights
To the Honourable the Speaker and the Members of the House of Representatives in Parliament assembled:
Whereas the 1998 Synod of the Anglican Diocese of Melbourne carried without dissent the following Motion:

That this Synod regrets the Government’s adoption of procedures for certain people seeking political asylum in Australia which exclude them from all public income support while withholding permission to work, thereby creating a group of beggars dependent on the Churches and charities for food and the necessities of life;

and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil and Political Rights.

We, therefore, the individual, undersigned Members of St Martin’s Anglican Church, Mount Martha, Victoria 3934, petition the House of Representatives in support of the abovementioned Motion.

And we, as in duty bound will ever pray.

by Mr Costello (from seven citizens).

Asylum Seekers: Work Rights

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and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil and Political Rights.

We, therefore, the individual, undersigned Members of St Andrew’s Anglican Church, Somerville, Victoria 3912, petition the House of Representatives in support of the abovementioned Motion.

And we, as in duty bound will ever pray.

by Mr Reith (from 31 citizens).

Television: Codes of Practice

To the Honourable the Speaker and Members of the House of Representatives

The petition of residents of the Nation of Australia draws to the attention of the House that:

God’s name is misused on television (TV). Particular concern is expressed relating to excerpts that advertise future TV programs that include the words, or words like ‘Oh My God!’, ‘For God’s sake’, ‘Oh God’, ‘Jesus Christ!’, ‘for Christ’s sake’, ‘Good Lord’, ‘Jesus’, ‘Christ’, ‘Lord’ and ‘God’ irreverently. They taint the programs in which they advertise.

God’s name is precious to us. It is the name we love and revere.

The Bible says in The Ten Commandments’ in Exodus Chapter 20 Verse 7 – ‘You shall not misuse the name of the Lord Your God, for the Lord will not hold anyone guiltless who misuses his name.’

Matthew Chapter 12 Verse 36 where Jesus Christ says – ‘But I tell you that men will have to give an account on the day of judgment for every careless word they have spoken.’

Your petitioners humbly ask you to place in all three national TV Codes of Practice a section to Ban the irreverent use of the above words/phrases in excerpts that advertise future TV programs

Ensure programs containing the irreverent use of the above words/phrases display a classification symbol, different to the language (L) classification symbol to indicate this.

by Mr Baird (from 11,333 citizens).

Goods and Services Tax: Dermatological Medicines

To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:

Considering that many people in Australia suffer chronic skin disorders which require them to outlay large amounts each week to treat or relieve conditions such as eczema or psoriasis;

Considering further that the entire range of products used to treat these conditions have been exempt from Sales Tax but that, with a GST, some only will be GST-free;

Therefore, your Petitioners request that the Parliament request the Minister for Health to determine, pursuant to section 37-48 of the A New Tax System (Goods and Services Tax) Act 1999 that all goods registered on the Australian Register of Therapeutic Goods as safe and efficacious for the treatment of dermatological conditions be GST-free.

by Mr Griffin (from 8,318 citizens).
United Nations Convention on the Elimination of All Forms of Discrimination Against Women

To the Honourable the Speaker and the Members of the House of Representatives assembled in Parliament:

We the undersigned citizens of Australia draw to the attention of the House the anger felt by many women and women's organisations and individuals at the decision of the Federal Government to not sign the Optional Protocol to the UN Convention on the Elimination of All forms of Discrimination Against Women (CEDAW); the Federal Government’s decision to not participate in the various UN Human Rights Committees and the decision of the Federal Government to amend the Sex Discrimination Act 1983 without consultation with or respect for the wishes of affected groups.

Your petitioners therefore request that the House require the Federal Government to reconsider and to make any further decisions only after the Government has held consultations with those citizens likely to be affected by such decisions or as the result of consultations with women’s organisations.

by Mrs Hull (from four citizens).

Human Rights

To the Honourable the Speaker and Members of the House of Representatives assembled in parliament:

We the students of the Catholic schools of Mackay and district, draws to the attention of the House, that we appreciate our rights, privileges, freedoms and opportunities as citizens of Australia. We live in a safe, secure and resourceful environment where we are able to grow and learn as individuals and as communities. As the youth of today and the leaders of tomorrow, your petitioners therefore ask the House to endeavour to ensure that our country will always be a place where diversity is celebrated and where all citizens can find equality of opportunity, justice and acceptance.

by Mrs De-Anne Kelly (from 2,769 citizens).

Patents Act

We the undersigned citizens and residents of Australia call on the Australian Parliament to amend the Patents Act 1990 so as to prevent and ban all patents on living things. Living organisms, whether big or small, are a part of creation; a part of the natural world. They reproduce and spread by natural processes. They were not ‘invented’, they ‘are’. Living things are not easily controlled as are inventions of the mind. Living things by their very nature are thus not ‘inventions’ to be patented and made exclusively the intellectual property of any individual or company.

To allow anyone to claim patents on any living creature is immoral and a violation of life. Patenting of life forms turns them into commodities and is an exploitative treatment of the environment.

Your petitioners ask that all members of Parliament, regardless of party affiliation, respect the deeply held views of ordinary Australians and amend the Patents Act accordingly.

by Mrs Moylan (from 20 citizens).

Banking: Branch Closures

To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:

We, the residents of Drummoyne, draw the attention of the House to the closure of the National Australia Bank branch in Victoria Road, Drummoyne.

We ask the House to protect the right of all Australians to have access to bank branches in their local area.

by Mr Murphy (from 29 citizens).

Roads: Funding

To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:

The petition of certain citizens of Australia draws to the attention of the House the chronic condition of the road systems from Scottsdale, the heart of the north east horticultural and dairy industry, to Launceston, the nearest city and distribution point.

Your petitioners therefore request the House to require the government to make the necessary improvements to the road system from Scottsdale to Launceston.

by Ms O’Byrne (from 36 citizens).

United Nations Convention on the Elimination of All Forms of Discrimination Against Women

To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:

The petition of certain residents of the State of Tasmania draws to the attention of the House the
impact of discrimination against women and the need for appropriate recognition and ratification of international treaties to combat discrimination.

Your petitioners therefore pray that the House act to ensure the ratification of the fourth optional protocol on discrimination against women.

by Ms O’Byrne (from 25 citizens).

Petrol Prices

To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:
The petition of certain residents of the State of Queensland draws the attention of the House to:
The rapidly escalating cost of retail fuel
The further financial pressure this is causing many Australian families
The likelihood of rising inflation because of the impact of the fuel prices on transport costs
The frustration felt by motorists because of the weekly price cycle which is driven by demand, not competition.

Your petitioners therefore ask the House to:
Hold a full-scale inquiry into the petrol pricing practices of the oil industry
Have the ACCC monitor the prices, costs and profits of the oil industry including the profits derived from all refinery products
Reverse the 1 August 1998 decision under the Prices Surveillance Act 1983 to remove the price oversight role of the ACCC for the petroleum industry
Call upon the Minister for Financial Services and Regulation to formally declare petroleum prices under the PSA enabling the ACCC to consider whether proposed price increases are justifiable
Call upon the Federal Government to honour its commitment to Australian motorists to reduce the petrol excise by the equivalent amount of the GST.

by Mr Sercombe (from 2,636 citizens).

Aviation: Essendon Airport

To the Honourable the Speaker and Members of the House of Representatives in Parliament assembled:
The petition of the undersigned citizens respectfully shows that:
We call on the Federal Government to relocate Impulse Airlines to Melbourne airport as a matter of urgency
We call on the Federal Government to relocate the aviation facilities from Essendon airport within 5 years
We call on the Federal Government to refuse any permits for passenger aircraft to fly out of Essendon Airport.
And your petitioners as in duty bound will ever pray.

by Mr Kelvin Thomson (from 72 citizens).

private members business

Casual Employment

Mr Sawford (Port Adelaide) (3:39 p.m.)—I move:

That this House acknowledges the grave dangers inherent in the dramatic rise of precarious casual employment in Australia.

John Kenneth Galbraith in his book The good society: the human agenda stated, amongst other things, three basic propositions: firstly, before knowing what is right, one must know what is wrong and what specifically could be right; secondly, there is a tragic gap between the fortunate and the needful; and, thirdly, the question to ask is: how should this gap be closed in very practi-
cal terms? If I remember correctly, he was writing about the many things that afflict modern societies and they include unemployment and wage policies and the widening gap between rich and poor. Taking Galbraith’s lead, what is wrong with employment in this country and what is the impact of precarious casual employment? For the entire 1990s, only 923,500 jobs were created and analysis of that figure reveals a damning and alarming fact. Of that job growth, 71.4 per cent was in precarious casual employment. That is right—659,800 jobs, or 71.4 per cent of the total jobs created during the 1990s, were casual precarious labour. In fact the total number of casual employees in Australia is not far from topping two million.

Full-time permanent employment has been the traditional entry point for Australian workers to acquire a living wage, standardised working times and conditions of employment such as sick leave and annual leave. That has all changed. As the July ABS figures clearly show, that change is dramatic. Protection for casual employees in Australia follows the trends of the United States: that is, basically no protection whatsoever. This is in marked contrast to the European trend to legislate for the protection of casual employees. Perhaps this explains why in the United States the number of high wage earners has fallen from 28 per cent to 21 per cent of the population; middle wage earners have fallen from 27 per cent to 16 per cent—that is a most dramatic fall; and low wage earners have grown from 35 per cent to 63 per cent—and that is a most dramatic rise. This is John Kenneth Galbraith’s second proposition: a tragic gap between the fortunate and the needful. The data for Australia simply follows the American trends. That is the real labour market this government has and continues to create. It makes an absolute lie of the government’s claims of increasing choice for families as far as the affordability of education or health is concerned, to cite but two examples.

Further analysis of the July 1999 ABS figures provides actual examples of John Kenneth Galbraith’s first proposition: before knowing what is right, one must know what is wrong. Precarious casual employment in Australia has doubled from 13.3 per cent in 1982 to 26.4 per cent in 1999. Obviously, at the same time as casual employment has been growing, full-time employment has been falling. In 1990, full-time permanent employment was 73.5 per cent; in 1999, it dropped to 63.4 per cent and it is continuing to drop. Under this government, precarious casual employment appears to be replacing full-time permanent employment. As far as part-time employment is concerned, casual employment stands at the quite remarkable figure of 64.6 per cent. For those employees working fewer than 14 hours per week, casual employment is at a high of 81.8 per cent. For those working between 15 and 24 hours per week, casual employment is 55.1 per cent. For those working between 25 and 34 hours per week, casual employment has grown steadily to 11.1 per cent. Again, that information comes from the July 1999 ABS figures.

One factor that is often overlooked with casual employment is the distinction between short-term casual employment and long-term casual employment. Casual employees are increasingly used up by employers as permanent employees, yet they are deprived—cheated would be a more accurate word—of the standard rights, benefits and entitlements associated with permanency. These trends are worrying. With no security and no loyalty given, why would loyalty and productivity be returned? Everyone ought to know that after any change is instituted short-term, a spurt of productivity gains is a given. But fair dinkum businesses in Australia ought to be in the business of long-term productivity gains. That is the real measure of business leadership—productivity and long-term success. It is a pity that those narrowly based overseers of those individuals who sit in front of financial computer screens do not recognise that fact and the very real negative impacts on their fellow Australians.

Last Thursday I received a letter from a constituent in the Liberal held seat of Boothby in South Australia, expressing his frustration at the lack of opportunity to find full-time employment. Let me quote from his introductory paragraph:

Monday, 27 November 2000
REPRESENTATIVES
22739
I am writing to communicate my community concerns re the lack of full time, long term employment. The problem is not being addressed by our political representatives who choose to deny that a problem exists.

Got it in one, citizen of Kingswood, elector in the federal Liberal seat of Boothby. I repeat his claim: our political representatives choose to deny that a problem exists. And that denies John Kenneth Galbraith’s first proposition: before knowing what is right, one must know what is wrong and what specifically could be right. Indirectly, it also denies his second proposition relating to the tragic gap between the fortunate and the needful. But what of his third proposition: the question to ask is how should this gap be closed in very practical terms. In simple terms, that means getting Australians back to work.

The developed world, not only Australia, has created a chronic and endemic unemployment problem, and the manipulation of the unemployment data in the last 10 years fools no-one. Current economic orthodoxies appear incapable of solving the problem and relying on economic growth alone will not solve that problem. Government intervention is required. Employment dividends must be a part of all government policies. There are ways out of the malaise. According to John Moorhouse of the University of South Australia, over 20 million hours of overtime are worked in this country. Since 1978, overtime for males has increased by 70 per cent and for females the rate of increase is over 100 per cent. Simplistically, 20 million hours of overtime is equivalent to 500,000 40-hour per week jobs. Granted, not all those hours are paid overtime, but serious consideration could lead to the release of between 100,000 and 200,000 jobs.

There are many government portfolios that could be examined to increase the employment dividend for the taxpayers’ expenditure—take transport, which is the flavour of the month at the moment. Why have we allowed a situation to develop in Australian shipping where we carry less than seven per cent of our trading products and less than 3.4 per cent in international containerisation? Why do we export billions of dollars and thousands of jobs in freight and insurance costs? Why has it taken so long to build the Alice Springs to Darwin railway and develop Darwin as a major port? Why are the alignments and capacity of rail in Australia more suited to the 19th century than the 21st century? Why have we failed to get the right balance and attitude to investment in roads, rail and shipping? Why have we taken the popular short-term roads route at a disadvantage to shipping and rail?

A German study, published widely around the world in the early 1990s, demonstrated that, if you spend one billion deutsmarks, which is about $1 billion, on road construction, you would create between 10,000 and 12,000—at the outside 14,000—jobs. If you spent the same amount of money on heavy or light rail, you would increase the employment dividend to 22,000 and 23,000 jobs respectively. Why don’t we just do it? Other questions are: why do we export so much in a raw form? Why do we fail to recognise that the current world market for environmental management and technology is between $500 billion and $1,000 billion and increasing rapidly and that Australia is ideally placed to meet the challenge of renewable energy systems, clean water, clean air, and new initiatives in environmental management and technology? Why can’t we be part of the action? Are we simply going to let Germany, Japan, the United States and the Scandinavian countries take all of the available market? Are we in Australia that wimpish? Do we care so little for our citizens that full-time permanent employment for the majority is a thing of the past and that the only future for the majority of Australians is low skill employment and low wages? If that is the case—and I certainly hope it is not—the sooner this government gets out of the way the better. Australians deserve better. (Time expired)

Mr DEPUTY SPEAKER (Mr Nehl)—Is the motion seconded?

Mr Leo McLeay—I second the motion and reserve my right to speak.

Dr NELSON (Bradfield) (3.50 p.m.)—Whilst I support the genuine and committed concern of the member for Port Adelaide and, I am sure, of the seconder, the member...
for Watson, I do not actually agree with the motion itself. My father had two principal employers throughout the 50 years he spent in the work force. His father had one. He signed on as a clerk at the age of 15 and he finished as head bookkeeper in the same company at the age of 65. Life was like that. Employers expected loyalty, and in return an employee could reasonably expect a stable working life, certainly in the same occupation and more often with the same employer. But how things have changed. My children, who are now 14, are likely to have at least seven different jobs throughout their lives. Perhaps more surprising for those of us who were repeatedly asked from the age of six, ‘What are you going to do when you grow up?’ the next generation actually welcomes this uncertainty about which we are so concerned. Instability now affects even the profession of medicine. A study of the 1992 medical graduates from the University of Adelaide, for example, has found that six years after graduating barely half remain practising medicine or intending to do so. The social commentator Hugh Mackay has observed that young people want to keep their options open. They do not want to be hemmed in in the way their parents were, tethered to the same career and the same employer forever. In their world, forever is three years and five years is an eternity.

During the recent national inquiry into mature age unemployment and career transition, of which the member for Port Adelaide and I were deputy and chair respectively, we encountered the other extreme: men, especially after two or three decades of continuous employment, often with the one employer, would compound the grief of losing a job by refusing to consider casual or part-time options. Typical of the comments made to the public hearings was:

I’ve spent twenty years working in finance. Why should I take a job with lesser status in a different field?

One of the many keys to a successful transition is a preparedness to consider portfolio employment. Instead of one employer, a successful strategy for a number of mature age persons has been to do one day with one employer in one field, a couple of days elsewhere and a couple of half-days in a third job. A day of reskilling or retraining often complements a parcel of different jobs. Unlike men, especially over the age of 45, women need very little encouragement to see the benefits of such an approach. The offer of a casual job is often a taster for a full-time position. Mission Australia, for example, told the inquiry in Melbourne:

... because of unfair dismissals and other laws, a lot of employers are reluctant to offer a permanent position. What they do is try someone on a casual basis first.

If that works out, then the offer of permanent employment—either part time or full time—will often follow. As the generational attitude of many men prevents them from considering a couple of days of casual employment, often good opportunities actually go begging. The 1998 *Forms of employment* survey by the Australian Bureau of Statistics would seem to bear much of this out. Three-quarters of casuals not on fixed contracts expected to be with their current employer in a year’s time; 25 per cent had been in the same job for three years. The world of work has changed and certainly not always for the best. Sadly, stubborn resistance to the reality of the modern workplace is setting some unemployed people up for failure.

The member for Port Adelaide made the comment that the casualisation of the work force had, in some way, adversely affected productivity, when, in fact, productivity rates in Australia today are three times what they were, for example, through much of the eighties. When you examine the data from *Employee earnings, benefits and trade union membership* published by the Australian Bureau of Statistics, it confirms that casual employment has had a two-thirds share of growth, as the member for Port Adelaide said, in total employment in the period between August 1988 and August 1998. Despite steady long-term growth in casual employment in this 10-year period, a slowdown in growth has been detected over the last four years, and there has been a decline observed in the 12 months to August last year of 14,500 or 0.7 per cent. In other words, whilst there was a growth in casualisation of the work force in the 13 years, shall we say,
from 1983 to 1996, it has actually plateaued in the last four years. The reduction in the level of casual employment in the last year has contributed to a fall in that casual density from 26.9 per cent in August 1998 to 26.4 per cent in August 1999.

There is a perception that is commonly associated with casual employment that the nature of this kind of employment leads to less secure employment for individuals. This proposition is not really supported by data which was included in the August 1998 ABS Forms of employment survey, which found, amongst other things, a significant proportion of self-identified casuals not on fixed term contracts—in fact 77 per cent—expected to be with their current employee in a year’s time; just over 56 per cent of self-identified casuals on fixed term contracts expected to have their contract renewed after 12 months; and just over a quarter of self-identified casuals had been with their current employer for three years or more. It also ought to be pointed out that the greatest proportion of people who are working under casual contracts are young people who are involved in education—people who are between the ages of 15 and 19 years.

The former award restrictions which applied in the industrial relations environment prior to the introduction of the Workplace Relations Act in December 1996 by this government saw restrictions on access to regular part-time work for people who actually wanted that kind of work. Workers now at least have access to a broader range of forms of employment, including regular part-time work or casual work, if that is what they want. Of particular importance to the issue of employment preference is the ability of people who are working to actually get longer or indeed shorter working hours if that is what they want. Another point that was made in the Forms of employment survey by the ABS is that 57 per cent of self-identified casual employees who were currently working full time wanted absolutely no change to their existing working hours—so that is almost six out of 10 workers—whilst one-quarter of them wanted to work more hours, even though they were working in a full-time capacity. And just over 47 per cent of part-time casuals were actually happy with the length of working hours, while 45 per cent wanted to work longer hours.

Another fact that this publication picked up was that only 19 per cent of people who identified themselves as casual employees had looked for permanent employment in the three months before the interview. In other words, the corollary of that is that the vast majority were actually happy with their working environment. That does not mean that all people working casually are happy with that situation; of course they are not. But the fact is that a significant proportion of them are and actually enjoy the flexibility and indeed the increased remuneration that is attached to casual work, for which they forgo other aspects of entitlements that are attached to full-time employment.

The annual rate of growth of casual employment, as I said, has actually slowed to 1.6 per cent over the past year and that compares with 7½ per cent over the period from 1990 to 1996, during which we had a Labor government. The issues are not as simple as perhaps some would like to think that they are, but we are living as a part of the world and, in order for us to be able to compete with the rest of the world and to offer my children a reasonable prospect of carrying a job in it, we need to ensure that the labour market and working conditions are sufficiently flexible for people to be able to work to the maximum level of their productivity in an efficient way and, most importantly, in an environment which creates the flexibility that is necessary for them and their families and to not just be locked into the world of work that my grandfather and, to a lesser extent, my father worked.

Mr Leo McLeay (Watson) (4.00 p.m.)—I take great pleasure in seconding the motion moved by the member for Port Adelaide because I think he has identified an issue that has crept up on Australia: the growing number of Australians who are employed in casual positions. We should ask what our employment gives us. At its most basic, employment gives us a wage—which people used to regard as a regular income. This regular income provided the stability that was necessary for a whole range of so-
cial endeavours, such as getting married, buying a car and a house, and having children—in other words, for investing in the future. But it goes even further than that: a regular income allows people to begin to invest in their retirement through superannuation.

These are some of the things that lock young people into society and give them a commitment to the society of which they are part. If they secure a job with a regular income, that, in turn, encourages them to look to the future and to hope and plan for better things. It gives young people a reason to have a positive outlook. However, our work also gives us many intangibles. Our job gives us an identity. One of the first things we often ask people during a social conversation is, ‘What do you do?’ We are not asking whether they stand on their head in a corner and do yoga each night; we are asking them about their employment. The answer to that question often puts that person in context: it will sometimes reveal a common interest or the fact that that person has things to tell us. It also gives us some idea about where a person fits vis-a-vis us and the rest of the people in that room or that conversation.

Work might give us an indication of a person’s education or income. It certainly tells us much more than what a person does in the work force. It does not tell us simply that a person is a nurse, a courier or a worker in an insurance company. Of course people obviously also see themselves as a mother, brother or a member of a club. But, first and foremost, work is a social identifier that gives a person an idea of his or her self-worth. I used to be a telephone technician, which reveals my training in life. The member for Bradfield, who has just spoken, is a doctor. That tells people where he fits in life and what his interests are.

That is the way it used to be when there was a lot of full-time work. Full-time employment extended rights and obligations to both employers and employees: workers gained access to holiday pay, sick leave and maternity leave and employers were obligated to provide a safe working environment and to pay employees’ superannuation contributions. New forms of work and work relationships have begun to emerge in recent years with the increase in outsourcing or contracting-out of significant areas in certain industries. This development has significantly extended the scope of casual or precarious employment beyond the traditional areas of part-time work. As a consequence, people are not quite sure what they are: a doctor or a taxi driver; a telephone technician or a McDonald’s worker?

Casual workers may be employed for a few hours at a time, on a daily or monthly basis or on a two-year contract—but there are not too many people on two-year contracts. Such employees become less likely to be employed, in the traditional sense of the word, by the company for whom they are working. Companies are increasingly using labour hire firms to take care of the personnel side of their operations and, in many ways, to circumvent industrial conditions. Interestingly, there has also been a jump in the number of people holding down multiple jobs. With the number of part-time jobs increasing, many workers are having to take up two or three positions in order to earn what used to be considered a living wage.

In 1998 the ABS reported that the proportion of employed persons holding multiple jobs had increased from 3.7 per cent in August 1987 to 5.2 per cent in August 1997. Over that period, while the total number of people in employment increased by 17 per cent, the number of multiple job holders increased 66 per cent—and this trend continues today. Many of those workers were in low-paid jobs—in other words, they had been forced to take on two or more jobs in order to make ends meet. While the number of people working in part-time positions by choice or because of personal circumstances had increased, the ABS statistics reported in September 1999 that a significant number of people in part-time positions wanted to work more hours—another symptom that things are not what they seem on the employment front.

While flexibility in employment can have pluses for workers, it also has drawbacks. Some of these drawbacks are not obvious at first—especially to individual workers. They are more significant to society as a whole.
Casual workers are not entitled to many of the entitlements that accrue to full-time workers. For example, they do not have access to holiday pay and sick leave. While people may feel that they can do without annual holidays and instead take advantage of random periods without work, not having access to sick leave can be a serious concern for workers with loans or mortgages. There are many public health implications for workers who force themselves to attend the workplace when they are not fit. There are also health and safety concerns for those in the workplace.

Casual workers cannot access maternity leave. As we talk about the declining birth rate and its implications for Australia’s economic wellbeing, one would think that the government might be interested in learning whether the casualisation of the workplace has been an impediment to people seeking to have children. But, no, the government has not addressed any of those concerns, which were set out in the report of the Human Rights and Equal Opportunity Commission entitled *Pregnant and productive*. Fortunately, the ACTU is trying to extend this entitlement to all workers—casual and full time—through a case currently before the Industrial Relations Commission.

Without the certainty of regular income, casual workers can fall into the debt trap, if indeed they can gain access to credit at all. Workers are emboldened often by the prospect of a day’s employment to take out a loan but, when the job is not renewed or the next position pays less, they cannot make their repayments. I think financial institutions should take a good look at their current lending practices with this in mind. They are often more willing—as we saw in the newspaper today with these so-called interest-free periods of loans to purchase consumer goods—to push onto workers a loan product which in the end they default on. Workers seeking mortgages for housing loans face an even greater battle. Often on the basis of a two-year contract, they try to negotiate loans with a life of 25 or 30 years. Not only do banks have to take a leap of faith, so do the workers. This may be why it was recently reported for the first time ever, with the need for people to have a more secure financial income, that two-income households now outnumber single-income households in Australia. It also may account for the rise of people holding down multiple jobs.

Of course, people in casual employment have little prospect of career advancement with current employers. An employer is not encouraged to put obligations into training, et cetera, because that worker is not likely to be there for long. Who provides training and development to staff who may be gone next week? Again, this is an issue that has implications for Australia as a whole, not just for individual employees. Again, the ACTU has taken note of the potential impact such deskilling may have on the economic security of Australia and is negotiating with labour hire firms to ensure that training is available to contract workers.

But I would like to return to the question of self-image. As I have already noted, rightly or wrongly, our society often classifies people according to their job, and people rely upon their employment for self-esteem. This is one of the very difficult matters confronted by unemployed people: the lack of social status that comes from not having a job. Ask any person who has been unemployed for a long time and they will confirm this for you. How does someone fare who may, over a period of months, be employed in two or three positions or be employed in two or three part-time positions at the same time? They can often be in a state where they are not quite sure what their social status is or what they are as a person.

We need to get our head out of the sand on this issue. We need to take a good look around at what changes are occurring, and we need to identify which of these changes are worth encouraging and which should be discouraged. I think people often saw casual work employment as a chance to provide greater work options for people. Unfortunately, rather than expanding options for workers, we are seeing casualisation reduce options for workers. The pendulum has swung too far in the one direction, and I think the parliament on both sides should be looking at this issue.
Mr DEPUTY SPEAKER (Mr Jenkins)—Order! The time allotted for the debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

**Rail: Freight**

Mr St CLAIR (New England) (4.10 p.m.)—I move:

That this House:

1. recognises the importance of an efficient and well networked rail system to the Australian economy;
2. urges private and government capital investment to ensure more freight is carried by rail to reduce the extent of road transport as an issue of public road safety; and
3. applauds the initiative of the Government in the abolition of diesel fuel excise for rail use as a significant element in the reduction of rail freight cost thereby encouraging greater use of rail.

It gives me great pleasure to rise today to talk on rail. Many have heard me in this place speaking on the road transport industry, but I do have a passion for transport generally—and certainly rail has played a very significant role in hauling the nation’s freight over the history of this country. Railways carry more than 400 million tonnes of freight per year, transporting many millions of tonnes of agricultural produce. As a matter of interest, Australia’s first public railway was drawn by horses along an 11-kilometre track between Goolwa and Port Elliot at the mouth of the Murray River in South Australia. It opened on 18 May 1854. My electorate of New England is also notable in that the highest summit of any mainland railway in Australia is in Ben Lomond on a sadly disused line between Armidale in New South Wales and Wallangarra on the Queensland-New South Wales border. May I say in tribute to the people of Ben Lomond village: they have certainly done a wonderful job in maintaining the facilities there.

Competition reform and open access to government railway infrastructure has resulted in private companies offering freight and passenger services over government owned track. Perhaps we need to further evaluate the role of governments in the operation of the railways. We may eventually move to the same relationship as the road transport industry, where the government owns the infrastructure and private operators own the rolling stock—or there is a partnership of both. This is a complex issue because of the fact that rail networks, like the road networks, are jointly owned by state and federal governments. We all know the single biggest criticism of the rail network is the fact that different states implemented different rail gauge systems when they built their networks before the turn of the previous century before last. That occurred because rail developed in Australia as a collection of separate networks, with each state government being responsible for the ownership, development, operation and regulation of the rail network within its jurisdiction.

Although the primary responsibility of rail has rested traditionally with the states, the Australian federal government, the Commonwealth, has been involved in rail operations, maintenance and construction of rail infrastructure since 1912. One of the most important actions of this government was to abolish diesel fuel excise for rail use—36c per litre—thereby reducing operating costs and encouraging greater use of rail freight. But this government has made many important announcements as part of its efforts to revitalise rail. The Alice Springs to Darwin rail link in the Northern Territory will be built with $480 million in government contributions and $750 million in private capital. Construction will take three years from early next year and will provide an estimated 7,000 jobs in the regional parts of this country. The federal government, together with the New South Wales and ACT governments, has entered a proving up stage with a private sector company to develop a commercially viable high-speed train service between Canberra and Sydney. The journey would take about 90 minutes using new technologies such as the ‘Very High Speed Train’.

A recent report by the Bureau of Transport Economics shows that Australian Transport and Energy Corridor’s proposal for a private inland railway between Melbourne and Brisbane has very significant economic benefits. The economic analysis indicates that every dollar spent on the project should generate a
benefit of between $3.60 and $8.50. This equates to a total economic benefit of at least $5 billion over the life of the asset. The analysis was commissioned by the Minister for Transport and Regional Services and was conducted by the BTE using data from ATEC’s pre-feasibility study. The release of the BTE analysis followed the recent announcement by the minister of a $30,000 contribution to a market study on extending the proposed Melbourne-Brisbane inland railway line from Toowoomba to Gladstone and Emerald.

The federal government’s ‘one-stop shop’ access objective for all interstate rail operations Australia-wide was boosted with the signing of a lease agreement covering the interstate standard gauge lines throughout Victoria. The 15-year agreement between the Australian Rail Track Corporation and the Victorian government paves the way for additional investment in Victoria’s mainline rail track. The ARTC is committed to spending more than $60 million on track improvements that will enable freight trains to operate 21-tonne axle loads at speeds of up to 115 kilometres per hour. Over half the money is coming from the Commonwealth government and $22 million has been spent already. (Time expired)

Mr DEPUTY SPEAKER (Mr Jenkins)—Is the motion seconded?

Mr Tim Fischer—I second the motion, and reserve my right to speak.

Mr MOSSFIELD (Greenway) (4.15 p.m.)—The success of the New South Wales rail system in coping with the record crowds at the Olympic Games and the Paralympic Games highlights the advantage of the rail system in moving large numbers of people from point to point, and this is covered in the first point of the motion of the member for New England. The same advantage applies in the rail transport of rural and mining products from regional Australia. It has also proved the most efficient mover of containerised freight over long distances, where greater fuel efficiencies have offset the advantages that road transport has in providing a site to site delivery. However, in recent years, rail has been losing its share of this market, where road transport is becoming the major freight mover. This goes to the second point of the member for New England’s motion.

The government needs to determine how our three major inland forms of transport—air, road and rail—are to interact to provide Australia with the most economic and value added form of transport. As part of a nationwide transport plan, the federal government has a significant opportunity with the introduction of the high-speed train project to integrate two of Australia’s major transport modes—rail and air. The Speedrail group has been selected as the preferred proponent to develop and operate the Sydney-Canberra very high speed train project. Speedrail will be a link to domestic and international air services at both Sydney and Canberra airports. Speedrail will also connect with the Sydney rail network, with passengers joining Speedrail at Central and Campbelltown stations on the trip to Canberra.

The Speedrail group, in a submission to the House of Representatives Standing Committee on Communications, Transport and the Arts ‘Rail reform: a mid-term review seminar’, have projected Speedrail as delivering long-term economic, environmental and transport benefits to the east coast of Australia. The Sydney-Canberra project would be the first step in the establishment of a high-speed train network that would serve the major cities along the east coast of Australia. Such a network would put some 75 per cent of Australia’s population within 1½ hours of a capital city. Speedrail would utilise world standard very high speed train technology, incorporating standard gauge track and 25 kilovolt electrification. This would maximise compatibility with existing rail systems and lower the cost of accessing major city centres. The development of a Brisbane-Melbourne network could be achieved over a 30-year period. It would take some 5.3 million vehicle trips off the road, resulting in a substantial saving in energy use and in greenhouse emissions. The very high speed train uses much less energy per passenger than cars or aircraft.

Speedrail is powered by electricity. The introduction of the full east coast network is expected to lead to a 10 per cent reduction in
greenhouse gas emissions. This is equivalent to a saving of over 5,500 kilotons of carbon dioxide by the year 2036. To achieve a similar magnitude of greenhouse gas emission abatement, it would be necessary to plant forests over an area the size of Sydney. One of the most significant benefits of Speedrail would be the diversion of travellers from regional and intercity air services, which would extend the life of Sydney airport by 20 to 25 years. For many air travellers, particularly those using regional flights, VHST services would be more compatible, more frequent, less expensive and more convenient, as they would provide direct access to the centres of capital cities.

The Sydney to Canberra Speedrail group have stated that the construction of the Speedrail project would be equivalent to the Olympic Games project in terms of employment, with some 15,000 jobs being created in the construction stage and some 2,430 permanent jobs being created once the construction stage is completed. In conjunction with local industry, Speedrail have developed a plan that would ensure more than 80 per cent of the construction inputs will be sourced in Australia. This project would assist local firms, many of which are small and medium sized businesses already seriously affected by the GST. The major rolling stock servicing and maintenance facility would be constructed in Canberra, so providing considerable skilled employment for that region. In considering major infrastructure projects such as the Speedrail, the government should look beyond the economic rationalist view of just the bottom line. The government should look at the social, environmental and employment advantages of such schemes.

Mr TIM FISCHER (Farrer) (4.20 p.m.)—As I happily enter my final year in this parliament, I go back to where I started—my maiden speech in 1971 in the New South Wales state parliament in which I highlighted transport as a policy priority I would pursue throughout my state and, as it happened, federal parliamentary career. I continue to pursue that and will continue to pursue that even beyond federal parliament. Why? Because it makes a lot of sense to have a strategic approach to transport in this vast continent that has the right balance between road and rail. The federal government stepped forward today with a terrific package which will help many rural local roads and help directly all councils across the nation. We must also not lose sight of the huge cultural change which has come about in rail and the way that has been facilitated by the government, as recognised by the motion ably moved by the member for New England, which refers to the abolition of the diesel fuel excise tax and the need for better coordination in this area. I strongly second that motion.

The factors are many, not the least of which is that a steel wheel on a steel rail has one-seventh of the friction of a rubber tyred wheel on a bitumen surface. Therein lies the benefit and the efficiency associated with rail for the movement of heavy freight, iron ore, wheat grain, container freight, double stack container freight east to west and the like, as well as heavy passenger duty, which was the case during the Olympics. There were 30 million passenger journeys from Sydney Central to Homebush and on to Lidcombe during that short period, demonstrating that rail can perform when properly operated. In fact, the culture has changed a great deal over 30 years. It was not a very popular form of transport—it still has some difficulties to correct—and it lost a lot of freight during the 1970s and 1980s. There has now been a swing back, as privatisation, more competition and more infrastructure improvement have started to have an effect.

One good example is that, when Australia Post have a backlog of freight in Brisbane and Sydney on Fridays, they shift that by road overnight to Parkes, where it is loaded into double stack containers on a super freighter of the National Rail Corporation at FCL’s operation at Goobang junction at Parkes and then goes on fast rail freight from Parkes to Perth. Through this intermodal process, the freight arrives one day quicker in Perth for distribution on Monday morning. It is a terrific example of how you can use a combined road-rail operation and make a profit. You can create a win-win situation and help environmentally as well.
Of course, Queensland Rail is in a different category, but it has also done a lot of investment in infrastructure and in research and development. Its operation to facilitate the very good piece of strategic thinking by Hugh Morgan and others with Duchess phosphate at a location between Mount Isa and Cloncurry is a case in point. Sulphuric acid is moved by rail from Mount Isa back to Duchess. Phosphate is dug out of the ground, and gas is brought up from the south by pipeline. After some initial test difficulties, it is now being made into terrific fertiliser and being rolled out to Townsville. There is some road usage as well.

In supporting this motion, I want to say to the House that we still have a long way to go. The cultural change, the introduction of sensible competition and the improvement in infrastructure still mean that there are far too many main lines, including the Sydney-Melbourne main line, running on a very tight set of curves and grades, not the least of which is the Albury-Wodonga case. I will continue to push for improvements there in conjunction with my colleagues to really bring about an improvement to the main line, which will allow much faster freight train operation between Sydney and Melbourne as well as support other projects which are in the pipeline and the subject of studies at this time. There is a future for rail. We will live to regret the huge amount of rail track ripped up in this country over the last 100 years. It does involve the need for a coordinated approach, both federal and state. That is happening, and the best example of that will be the Melbourne to Adelaide to Alice Springs to Darwin link. Then people can go on to Asia. It is long overdue. It was promisedconstitutionally and is now about to be signed off in terms of the financials. It is helped by $165 million of correct and proper expenditure by the federal government. I commend this motion to the House. It is very timely.

Ms HALL (Shortland) (4.26 p.m.)—I rise to speak to the motion on rail moved by the member for New England. It is time for the government to show some leadership and make a real commitment to our rail network. It is all very well making promises, but let us see some action. It is essential that the government recognises the importance to our nation of an efficient and well-networked rail system. In February 1999, I spoke to a motion in this House on nearly the same topic—the importance of upgrading our rail network. What has happened since then? Nothing. The same problems still exist, and the same talk is still going on. Where is the leadership? Where is this government’s leadership? Isn’t it about time that it actually acted?

The current rail network is not meeting the needs of Australians. It is creating problems in regional areas like the regional area I represent here, and that is the Hunter and the Central Coast. It is forcing more trucks onto the road. That is impacting on the roads and causing problems for our roads. It means that goods are being transported by road when they could be transported more efficiently by rail. But the investment has not been made. Even coal is being transported on roads, and the damage that that is doing to our road network is enormous. It is impacting on the economic viability of the regions and it is inhibiting the transfer of goods, which in turn is affecting the industries that produce those goods. It is forcing them to transfer the goods by road, which in turn is forcing the government to invest money in those roads.

Today the government has been boasting about its massive expenditure on roads, expenditure that it has been forced to make because of its broken promise to the Australian people, the promise that petrol prices would not increase because of the GST. Every single Australian knows how false that statement was, and they are not going to be duped by the government’s latest action. They are going to be just as disappointed about the lack of action in the area of rail. The government has not acted to upgrade the track between Sydney and Melbourne. That needs straightening—we all know that. A major problem is the bottleneck in Sydney, and it is a problem when you have goods travelling between Newcastle and Melbourne. That has a direct impact on the area that I represent here in this parliament. It is a regular thing for trains to be delayed for up to six hours. It is a major problem for what
should be a seamless rail system. When will the government address this? When will it address the need for a standard gauge from Brisbane to Perth? I heard the previous speaker say that the government was about to sign off and that the government was about to act. The government is always about to do something. How about doing it? There is a need for a major investment in rail infrastructure, because poor infrastructure is a major disincentive to the use of rail. If there is no investment in rail, we will continue to lose one of our most valuable assets.

The reports *Tracking Australia, Revitalising rail* and *Progress in rail reform* identify areas that the government needs to address. Some of those areas include the need for more comprehensive land transport planning, additional investment in the interstate track, better management of and access to the national track, competitive neutrality between private and government owned operators and neutrality in the conditions affecting competition between different transport modes, especially road and rail. These are very important things. The government needs to show some leadership and take some action by making a commitment to an integrated national transport plan which will lead to a more rational allocation of investment in road and rail networks and the upgrading of the national track, to name just a few initiatives that need to be taken. I call on the government to make a commitment to our national rail network and, as such, to our regions—regions such as the region that I represent, regions that are struggling under the burden of this government's GST petrol bonanza. I implore the Prime Minister to invest in Australia's future in a planned and coordinated way by implementing the recommendations of the government commissioned reports.

**Mr McArthur (Corangamite) (4.31 p.m.)—**In July 1995 I attended a meeting called to discuss the standardisation of the national track. It was convened by the former government, and I do complement the then Prime Minister, Mr Keating, for achieving the outcome that it did. Since 1927 there had been a number of commissions and governments which had tried to bring in a national gauge, but on this occasion it was actually achieved—from Brisbane to Perth. That was a historic moment. Since that time there have been considerable changes to the rail system in Australia.

Also, I was close to the West Coast Rail operators who privatised the Warrnambool to Melbourne country line on broad gauge in Victoria. That line was going to close, but the initiative and drive of Gary McDonald and John Gibson of West Coast Rail managed to keep it open. They now transport more than 300,000 passengers per year. The line remains profitable and provides an excellent service for the electors of Corangamite, Wannon and Geelong. We now have 30 private operators in Australia which means that there has been a dramatic change of culture and attitude surrounding railway operations throughout the nation. Productivity and efficiency have improved by $2 billion each year. Now we have a situation—from Perth to Adelaide, for 2,700 kilometres—where 75 per cent of the freight task is undertaken by railway operations because of the efficiencies that are gained, because of the distances that are hauled and because of the ability of rail to compete very effectively with road operators. The Melbourne to Adelaide section running through the plains of Corangamite has also been improved and transformed. That journey now takes 11 hours. It allows the passenger operators of the Overlander to complete two journeys in a 24-hour period. The cost of freight since 1995 has declined by 40 per cent in the main corridors—a dramatic change from the historical position.

The fundamental problem facing the railway system in Australia is the state based nature of the operations. Rail is run by governments with a state by state culture, set of rules and regulations. Now there are attempts to get a national safety and accreditation system so that trains can move across borders without state regulations. In Victoria, the privatisation operation of urban trains has been very successful under the Kennett government. Likewise in Victoria, the sale of V-Line Freight to Freight Australia is now efficient, winning business and revolutionising freight operations. I note for the public rec-
ord the very good performance of Queensland Rail under Vince O’Rourke, who is retiring. He has done a remarkable and outstanding job in making that railway system efficient. He has attracted investment from government and has made it a world-class operation.

The key point in this motion is rail access. In New South Wales we have a situation where the Rail Access Authority charges both public and private operators for access to the track. They have to maintain the track and make sure it is upgraded by way of capital expenditure. At the national level we have the National Rail Track Corporation which is responsible for maintaining the track, for upgrading it and for ensuring that all operators have access. David Marchant, who addressed the House of Representatives Standing Committee on Communications, Transport and the Arts on Friday, I think understood those issues. Hopefully operators will be able to gain access at competitive rates. The real problem is that rail operators have to pay for track access when road operators do not. It is important that fuel excise be made the same as it is for road operators. I am indebted to the Australasian Railway Association for this quote in their bulletin: Road transport requires three times more fuel for the same freight task than rail. Fuel costs represent 15-20% of rail operating costs, but over 30% of long distance road transport costs. Cheaper fuel will benefit road more than rail because the relative costs for road will be reduced more than those for rail.

As the member for Farrer said, the important thing is that rail is fundamentally more efficient on the long haul compared with road, but road does not pay an access charge, so reduced excise is important for rail. *(Time expired)*

Mr GIBBONS (Bendigo) (4.36 p.m.)—I am delighted to participate in this debate on rail and follow my friend the free marketeer extraordinaire from Corangamite. Last Friday I attended a seminar conducted by the House of Representatives Standing Committee on Communications, Transport and the Arts in Sydney on rail reform. As honourable members will be aware, there have been three main reports into rail reform in recent times. One is called *Tracking Australia*, which was produced by what is now the CT and A committee. It was released in July 1998. The second report was *Privatising rail*, which was a report produced by the rail projects task force. That was released in April 1999. The last one was called *Progress in rail reform* and was produced by the Productivity Commission. It was released in August 1999.

The underlying theme of all of these reports is very similar, and it was the same as the feeling generated at the seminar on Friday, that is, that the industry wants to get on with the job of reform and in fact demands that the Howard government do just that. Private operators want to be able to serve Australia as a single market, rather than having to deal with the increasingly irrelevant and inefficient state borders and requirements.

A key issue discussed was how to attract private sector funding. The major impediments to private sector funding appeared to be the lack of competitive neutrality between road and rail, that the rules are unclear and change across jurisdictions and that there is a lack of consistency across jurisdictions. The rail industry is not saying that they are the same as the road industry but that the same funding and regulation criteria should apply to both.

Clearly, the states are somewhat of an impediment to reform of the railway industry, and I note that the government has included a statement in its response to the *Tracking Australia* report under the operational uniformity provision which states:

If the current process of rail industry co-regulation under State/Territory accreditation and operational codes is not working effectively by mid-2001, the Commonwealth will seek agreement of jurisdictions to establish a new institutional framework for the rail industry, similar to the National Road Transport Commission, using Commonwealth legislation.

I suggest that the government should get on and do precisely that just now. It has listed the date as mid-2001. Clearly there is not
going to be any progress in rail reform before that date. I would suggest that the Howard ministry get on with the job and put that process in place and ensure that we will get a competitive rail industry over the next few years.

Not all states are experiencing obstructionist views. I note the Bracks state government in Victoria, for example, has introduced a policy called the ‘fast rail links to regional centres’. This is going to give big benefits to areas like Geelong, Ballarat and Bendigo. It is going to be upgrading 500 kilometres of track in Melbourne and rural Melbourne. It is going to create about 9,000 jobs. The Bracks government is clearly in favour of rail and supportive of the rail industry. I notice the member for Corangamite is getting very excited about that, as well he might, because obviously it will be a fast rail link down to the squattocracy of Corangamite.

I am delighted to support this motion which was presented by the member for New England who, as everybody knows, is a truck operator of vast experience and, indeed, who made a substantial contribution to the fatigue in the transport industry report that this committee just put out. I note that some while ago the member for New England called the main highways around Australia ‘Australia’s main arteries’ and he had the gall to describe the Labor Party as the cholesterol that blocked those arteries. Given the huge price that people in regional Australia expect to pay for their fuel now and given that the Howard government has announced a substantial roads package and not one dollar for rail, I put to the member for New England that the cholesterol has now been provided by the National-Liberal coalition.

Mr DEPUTY SPEAKER (Mr Jenkins)—Order! Whilst the member’s time had not expired, the time allotted for this debate has expired.

Mr Gibbons—I was just getting started.

Mr DEPUTY SPEAKER—Order! The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. The member for Bendigo will have leave to continue speaking when the debate is resumed.

GRIEVANCE DEBATE
Question proposed:
That grievances be noted.

Banking: Interchange Fees
Mr LATHAM (Werriwa) (4.41 p.m.)—I grieve for the way Australia’s banks are ripping off consumers through the excessive charging of interchange fees. These fees have become the phantom menace of the Australian banking system. They are completely hidden from consumers, allowing the banks to apply huge mark-up margins and to distort the pricing mechanism for retail banking. Interchange fees are paid between financial institutions when customers of one institution are provided with card services by another financial institution. They commonly apply to credit card, debit card and ATM transactions.

A recent study by the Reserve Bank and the ACCC has exposed the scale of the rip-off on these fees. ATM charges are causing the most widespread problem. Around 30 per cent of ATM transactions in Australia are undertaken by customers of another financial institution. The average cost to the banks of an ATM withdrawal is 49c per transaction, yet on average the banks levy an interchange fee of $1.03. Most banks also impose a foreign ATM fee on their cardholders, increasing the average fee to $1.35 per transaction. This represents a mark-up against costs of 175 per cent, which is absolutely remarkable.

In recent times the unit cost of providing ATM services has fallen, yet none of these benefits has been passed on to consumers. The great ATM rip-off is costing Australian families hundreds of millions of dollars each year. It is a disgraceful example of customer exploitation and collusive profit taking by Australia’s financial institutions. Fortunately, the RBA-ACCC report has recommended a solution: the introduction of a direct charging regime. Under this system cardholders would pay a fee directly to the ATM owner without the payment of foreign fees to their own bank. The direct charge would need to be clearly displayed on the ATM, thereby intro-
ducing an element of competition and consumer choice into the market.

The situation with credit cards is no better. Interchange fees are determined by the financial institutions which are members of the card schemes. They are paid to the credit card companies by the merchant’s financial institution. In Australia the banks incur an average cost of 43c per transaction yet receive net revenue of 72c—a mark-up of 67 per cent. Increasingly, credit card transactions are being made over the phone or on the Internet. Given the lower level of cost for these ‘card not present’ transactions one would expect a lower interchange fee. Even though this is standard practice overseas, in Australia such transactions actually attract the highest fee rate of interchange charges.

The current interchange arrangements are also responsible for the inequitable cross-subsidisation of credit card users by other consumers. This is because, in general, merchants retrieve their cost by increasing the price of their goods and services, rather than applying a user surcharge. The major credit card companies, Visa and Mastercard, do not allow the surcharge to be levied. Accordingly, the RBA-ACCC report found that:

Credit cardholders and financial institutions which are credit card scheme members are subsidised by other consumers. The study’s view is that ‘no surcharge’ rules suppress important signals to end users about the costs of the credit card network, and that such rules are not desirable.

With respect to debit cards, Australia is the only nation in the Western world to impose fees on debit acquirers. In other countries the payment is made to the credit card company or there are no interchange fees at all. Other than to satisfy the greed and anticompetitive practices of the banks, there is no sound reason why interchange fees should be charged in Australia’s debit card network. These problems reflect a failing in the regulatory system for Australia’s financial institutions. The Australian people, quite frankly, have had a gutful of the banks, but unfortunately this sentiment is not reflected in the laws of this parliament.

The RBA-ACCC report is clear-cut: action must be taken to introduce a direct charging system for ATM transactions and prohibit the imposition of foreign fees. Action is also needed to produce lower fee levels for ‘credit card not present’ transactions. Further, the parliament should move to eliminate the no surcharge rule and thereby prevent the cross-subsidisation of credit card costs by other, normally lower income, consumers. Finally, I advocate that there should be a prohibition on the charging of interchange fees in the debit card system. These reforms would not only produce a fairer financial system in Australia but also make that system more efficient.

Australia already has a highly developed electronic network for financial transactions. Unfortunately its full potential is not being realised. The banks have encouraged the use of credit cards at the expense of the use of the debit card network. This has allowed them to charge higher fees and to further exploit their customers. Worldwide it is obvious to consumers and financial institutions that debit cards are the most cost-effective means by which funds can be electronically transacted. In Australia, however, this system has been deliberately restricted by the banks. Consumers have been denied fair access to the debit system, with what should be its low-cost structure and potential for a revolving line of credit, without the sorts of costs associated with credit cards.

The RBA-ACCC report suggests that making the cost of credit card use more transparent and directing price signals to the cardholder and the credit provider would be fairer and much more efficient than current arrangements. A move to user or provider pays would reduce our reliance on credit cards and give Australian consumers better access to the more efficient and cost-effective debit card system. For too long the financial system has been run in the interests of the banks and their mega profit-making. Reforms are needed to make this a consumer driven industry.

There has been a lot of talk about the supposed benefits of deregulation. What deregulation was supposed to achieve was a consumer driven industry. Because of the interchange fees of the banks, this has not occurred. There is a distortion in this market which pushes people into the use of credit
cards rather than the debit card network. We should have a consumer driven industry, with the lowest possible fees and highest level of consumer choice. The RBA-ACCC report shows how this can be done with respect to interchange fees. We can end the phantom menace that is afflicting the Australian financial system and do something about this problem if, as a parliament, we are willing to follow the recommendations of this landmark report. The great bank rip-off must end and both sides of parliament should be taking action.

I look forward to raising these issues on Friday when the House of Representatives Standing Committee on Economics, Finance and Public Administration has its chance to put matters before the Governor of the Reserve Bank, Ian Macfarlane. I know that other members of the committee have long had concerns about the level of bank fees. We now have this report, Debit and credit card schemes in Australia: a study of interchange fees and access, by the Reserve Bank in tandem with the ACCC. This gives the committee a chance to put these matters directly to the governor and see what recommendations he can make for parliamentary legislation.

This sort of problem has gone on for too long. I think in general we have had enough of bank-bashing rhetoric. It is now time for the parliament to convert that rhetoric into substantial legislative reform—to take the rhetorical concern about the banks and turn it into the hard edge of public policy. In all these areas—ATM transactions, credit cards and debit cards—many improvements need to be made to the system of interchange fees. Unfortunately the average Australian banking consumer does not know enough about these matters—the fees have been hidden for too long. It is up to the parliament to act on this report. I look forward, in particular, to the Labor Party going to the next election with a firm policy to implement the RBA-ACCC recommendations and, at long last, giving Australian banking consumers a fair go.

Petrol Prices

Mr NAIIRN (Eden-Monaro) (4.50 p.m.)—

In the grievance debate today I want to speak on the issue of petrol prices and related matters. I certainly do grieve for the high prices that people are paying for fuel right around my electorate. There is quite a substantial range, from Queanbeyan, where you can today buy the cheapest unleaded fuel at 93.9c a litre, through to, in some places, prices of $1.03 and $1.04 to, in some of the towns further to the south of my electorate, prices of probably up around $1.06 and $1.08. That is quite a difference from one end of my electorate to the other. Interestingly, Queanbeyan currently has, and has had for some months now, cheaper fuel than Canberra—it is about 3c a litre cheaper in Queanbeyan than in Canberra—and the price has been maintained at a reasonably low level, compared to Canberra, for some time. In fact, since the change in taxation from 30 June to 1 July, those prices in Queanbeyan at least have been kept down, but that is not the case in other areas. So I have quite an interest in what has gone on in that respect.

Today there is a farce going on in my electorate—the farce being perpetrated by the Labor Party of a so-called inquiry. They very cleverly ran advertisements and put coats of arms on them to make people think that this was some sort of official inquiry, but really all it was was a bit of political grandstanding, as we usually get from the Labor Party. The hypocrisy of this Labor Party stunt is quite staggering. We have currently got people like Senator Sue West making comments. Senator West said:

The rising cost of fuel, especially for country people, is something we have to stop.

Then we had the actions of Labor senators when the Senate was inquiring into the new taxation system. They actually complained that the tax cuts that we were providing, particularly the cuts in petrol tax through excise, were too generous. They said:

They will encourage private cars at the expense of public transport.

They also said:

They will encourage more heavy transport vehicles onto Australia's roads, by shifting freight away from railways.

That is straight out of the Senate inquiry into A New Tax System. They prevented us making further cuts—they did not support
the greater rebate that we were proposing—forcing us into a compromise with the Democrats, and now they are running some sort of inquiry into why fuel prices are high. I do not think people will miss the hypocrisy. I was interested to see that this so-called inquiry—and I use the word 'inquiry' in inverted commas—was taking place in Queanbeyan today, in Batemans Bay this afternoon, and in Bega and Cooma tomorrow. At least two members of the Labor Party in this House have gone off to take part in this political grandstanding rather than representing their constituents here in the parliament. For instance, I notice that the member for Hunter and the member for Kingston, and there may be others, are not here in the parliament today. I hope their constituents back in Hunter and Kingston know that their elected members are not interested in representing their views here in the parliament. They are supposed to be here representing their electorates. They have gone into Queanbeyan today to do a bit of political grandstanding on an issue which they are totally hypocritical about. I draw to the attention of the constituents of Hunter and Kingston that their members are more interested in playing political games than they are in representing them in this parliament.

We all know that the major reasons for the high cost of petrol is the substantial increase in world oil prices and the Australian dollar exchange rate. Over the last 18 months or so we have seen the price of oil rise from $US10 or $US11 a barrel to about $US35 a barrel—over three times the price. If you take the exchange rate into account as well, it means that the price of fuel has risen from around $A18 a barrel to almost $A70. The current price is $US35, with an exchange rate of 52c. That is the equivalent of $A68 or $A69. The reason fuel is over $1 in my electorate as opposed to being 70c or 80c has got nothing to do with tax; it is by far and away the price of fuel. People are upset because they are paying $1.05 or $1.06 rather than 75c or 76c, not because it is a cent or so here and there, which the Labor Party inquiry is trying to make out is the major reason for high fuel prices. You could talk to people and say, 'Well, the government could easily knock a few hundred million dollars off their income by taking a cent or two off excise.' But what you do with that several hundred million as opposed to what motorists will make out of it are two very different things. People are unhappy about the price being 20c or 30c higher, which is what has occurred over the last 18 months, and that is the issue.

But the Howard government is not having grandstanding so-called inquiries. I remind members that, under the Labor government, they held inquiry after inquiry into petrol pricing. And what did they actually deliver? They delivered fuel tax excise increases from 6c a litre to 34c a litre. Their inquiries did not do a great deal of good when they were official inquiries, so these grandstanding inquiries will not prove a thing. We are getting on and doing things for the people of Eden-Monaro, and today’s announcement of the road package will certainly be welcomed. The amount going to the eight shire and city councils in Eden-Monaro is quite substantial: nearly $13 million over the next four years. That is a 72 per cent increase in their normal funding.

A number of our councils have been trying to get additional roads done and spend a bit more on maintenance and those sorts of things, and they will be very pleased with this. For instance, the Bega Valley shire, which gets a bit over $1 million a year in local road grants, will be getting an additional $731,000 each year for the next four years. Bombala shire, which normally gets about $400,000 a year, will be getting an additional $288,000 a year for the next four years. Cooma-Monaro shire, which normally gets $573,000, will be getting an additional $413,000 a year for the next four years. Eurobodalla, which normally gets about $850,000 a year, will be getting over $600,000 additional funding for the next four years. Queanbeyan, which normally gets $368,000 a year, will be getting an additional $266,000 a year. The Snowy River shire, which gets nearly $480,000 a year, will be getting an additional $345,000 a year for the next four years. Tallaganda shire, which normally gets $363,000 a year, will be getting an additional $262,000 a year for the
next four years. Finally, Yarrowlumla shire, which receives $440,000 a year, will be getting an additional $318,000 a year for the next four years.

They are substantial increases. I know of a number of road projects that all those councils are keen to spend more money on. For instance, the Bega Valley have been trying to get main road 272 between Tathra and Bermagui further upgraded. They will now be in a position to put some additional money into that project so it can be accelerated. The Eurobodalla shire has a project called the ‘spine road’. I have always said that it was a great project and that, if we could ever find a way to get some additional money, it could be accelerated. Eurobodalla shire now has an opportunity to put some additional money into that project. Queanbeyan City Council really need the ring-road done, which the New South Wales government reneged on. Perhaps with this additional money and by talking with the ACT government they may be able to start on that.

Nursing Homes: Thames Street

Ms BURKE (Chisholm) (5.00 p.m.)—I wish to raise today recent events surrounding a nursing home: Moorfields facility in my electorate, known as 75 Thames Street in Box Hill, otherwise referred to as Moorfields. This facility was opened just two years ago and the approved provider is the Uniting Church of Australia. The facility has 120 beds and caters for 60 high care residents. In October, disturbing information came to light about a range of inadequate and dangerous procedures that were being carried out by the Moorfields facility. These allegations were not of a trivial nature. I would like to the read into Hansard a few of the allegations reported by the supplementary audit report into the facility during their belated inspection on 30, 31 August and 1 September this year:

Residents do not receive adequate nourishment and hydration.
Residents’ continence is not managed effectively.
Residents’ right to privacy and dignity is not recognised and respected.
There is no effective infection control program.

The audit report rated the hostel in the areas of health and personal care, and physical environment and safe systems as ‘a serious risk’. Accordingly, the department found that there was an immediate and severe risk to the safety, health or wellbeing of residents and the provider did not comply with all its responsibilities in relation to quality of care.

On 13 October sanctions were approved, including a ban on Commonwealth funding for new residents for six months. At first glance, it would appear as if a very concerning situation had been dealt with adequately by the Aged Care Standards and Accreditation Agency. Sadly, this was not the case. The Australian Nursing Federation lodged a complaint with the department of aged care on 29 November 1999, some nine months before their claims were investigated. There are absolutely no excuses for these delays, considering that some of the concerns raised were as serious as infection control, the lack of dignity for the terminally ill and problems with medication. Surely, the department should have left no stone unturned to investigate the facility. However—despite the denials of the minister—the department, under questioning in the Senate estimates last week, revealed there had been extensive delays in the handling of complaints about 75 Thames Street. Even when the department received notification of serious risks at Thames Street, it took a further six weeks before penalties were imposed.

My office had received complaints about the facility in the intervening period. I have had many about food and relative nursing standards. Since the details of the complaints hit the front page last week, I have received a call from a man about his companion, whom he has cared for for many years of his life. She was at Thames Street for respite care. One morning, she suffered a stroke. It has now robbed her of her speech and many basic functions. Apparently, she was not found by staff until 11.30 a.m., on the floor, hours
after she had had a stroke. This is appalling both because she had not turned up for breakfast and because nobody had even bothered to check. So there she was, lying on the floor for many hours. If she had been gotten to earlier, maybe she would not be in the situation she is now in. This neglect has led to her being confined to a nursing home for the foreseeable future. I heard about this incident only recently after the story came to light in the press.

I have had many other confidential complaints about Thames Street and I have always referred them on to the complaints scheme. As most members will attest, MPs work on the basis that a constituent’s complaint will be taken seriously when we refer them to review bodies such as the standards agency. I no longer have the confidence that complaints I often receive will be properly investigated. It is difficult enough to convince the families of aged care residents to come forward with their complaints. As many members would know, a lot of family members are reticent about coming forward with their complaints, as they already suffer enough guilt when they admit a loved one into care and they have genuine fears that their loved one may be turned out or treated badly because they have complained about something.

Now I find out it has taken up to nine months for a serious complaint to be looked into. This further destroys public confidence in the system. So why did it take nine months to investigate these serious complaints? Is the agency, like the entire sector, underfunded? Is it ministerial dithering or neglect? One could offer any number of reasons for the delay. In fact, nine months seems to be a magic number with this minister, who delayed the beginning of the accreditation process for nine months. The only conclusion that can be reasonably drawn is that the minister is incapable of managing her department. She has not got a clue what is going on and yet again she has let down older Australians. Ministerial incompetence is never welcome. However, the need for proper process is of heightened importance in the delicate area of aged care, and the minister is simply not up to the job.

This facility at 75 Thames Street has now had a nurse adviser appointed and the Uniting Church has replaced the management of the hostel and has installed consultants. Indeed, the Uniting Church was also angered that it had taken nine months to investigate the complaint. I certainly hope that 75 Thames Street can realise its potential as a quality provider of aged care in my electorate of Chisholm. This is particularly important at present, as there are only 862 aged care beds in Chisholm. This number will need to be increased in a short period of time, as suburbs like Box Hill, Burwood, Oakleigh and Clayton continue to be home to many aged residents. Of the residents in my electorate, 23 per cent are aged 65-plus and have very real and immediate needs for retirement villages, hostel care and nursing homes. Their needs are unmet both in my electorate and across the country. Of the residents in my electorate of Chisholm, 21 per cent are aged between 50 and 65, meaning they are in the baby boomer bracket and will have a need for high quality care facilities over the next 10 to 20 years. So that means 44 per cent of residents in my electorate—close to half—are in a position where aged care facilities will be an issue for them in the coming years.

There are two other elements of aged care I would like to touch on in the time I have left. The first is the impending bed shortage due to the government’s bumbling introduction of accreditation. I am on the record in this place as supporting the process of accreditation, but it needs to be done appropriately, with spot checks and the investigation of complaints in speedy time. All companies or agencies that are in receipt of such huge public funds must be subject to checks. More importantly, these companies have been entrusted with the care of older people in their twilight years. It is inexplicable how the government could have set 31 December 2000 as a deadline for accreditation yet delayed by nine months the enabling regulations to kick the process off.

After questioning last week by the shadow minister for aged care, Senator Evans, the Department of Health and Aged Care at a Senate estimates committee hearing revealed...
that 31 facilities have failed accreditation, five have not applied and 15 to 20 will not be certified and hence accredited. This is an unmitigated disaster and we may see as many as 2,500 beds closing after the deadline passes. As most of the community winds down for Christmas, many families will be left with the unenviable problem of trying to find a suitable place of care for their loved ones. What is most curious is the fact that the government does not appear to have outlined any contingency plans in the lead-up to the accreditation deadline. I certainly join with Senator Evans and ANHECA in appealing to the government to put in place a consistent and efficient system of consulting with residents and their families about alternative forms of accommodation in the event of further bed shortages or indeed bed closures.

The final issue I would like to address is the broader question of funding the aged care sector. A recent Productivity Commission report found that the government will underfund the aged care sector by $200 million in 2001. The majority of aged care dollars are provided for the most sick and frail, those over 75 years and those in the last two years of their lives. Only six per cent of the aged population are in nursing homes or hostels, yet this is where the majority of government funding goes. It would be my observation that there will be a push for increased funding of home and community care which will keep many older people out of residential care and in the more comfortable and familiar surroundings of their own homes. However, there will always be a need for high care, particularly as life expectancy rates increase. The longer people live, the more likely they are to need to spend their final years in some form of assisted accommodation. As the cost of advanced medical breakthroughs continues to rise, combined with the influx of people in the aged care bracket via the baby boomer generation, we will need to commit enormous funds into the aged care sector.

With subsidies running at up to $120 a day per resident by the government, we must as a society work out ways to meet the cost of caring for older people. No-one can say that the answer is obvious, but the government must pay more serious attention to this issue than it has. It must have a minister who can actually do her job. But it is not only the government who must face up to this need to inject serious funds into the aged care sector. The aged care sector must also be prepared to diversify the service it provides. As I have entered many aged care facilities in my electorate, I am often surprised that most facilities cater only for particular residents and one level of care. The Ageing in Place concept is gaining currency, and I think we need to encourage nursing homes and hostel providers to invest in more holistic facilities.

It is timely to be discussing this issue as the government’s Aged Care Amendment Bill 2000 will be debated in the Senate tonight. Whilst Labor supports the general thrust of this bill, the bill does not deal with the most pressing problems in this sector. It is time for an independent inquiry to be conducted into the government’s complaints system. I know I speak for all of my electorate when I say that I never want to read again a 30-page report detailing the neglect that is contained in the agency’s report into 75 Thames Street. The government stands condemned for failing to have in place a system that can deal swiftly and appropriately with these shocking cases. (Time expired)

Australian Labor Party: Queensland

Mrs SULLIVAN (Moncrieff) (5.10 p.m.)—I grieve today for the people of Queensland. In Queensland Labor is in turmoil, a turmoil which is entirely self-inflicted. Our newspapers have been full of reports recently of matters relating to the rorting of the Australian electoral roll by certain identities in the Labor Party in Queensland. Last week this reached into the parliamentary party in a quite stunning way when the Deputy Premier of Queensland, Jim Elder, was required to resign his position because members of his family who did not reside at his address were nevertheless enrolled to vote at his address. Today the papers carry reports of the appointment of the new Deputy Premier of Queensland, one Terry Mackenroth.

I would like to quote from an article in today’s Courier-Mail headlined ‘It helps to be an SOB’. I know that unparliamentary lan-
guage cannot be used under the guise of quoting. This story uses the initials 'SOB' in the headline and it further quotes the Premier where no initials are used. Wherever I quote the article I shall use the initials, but understand that that is not what the Premier did. This article points out that Mackenroth, in replacing Elder, was replacing the leader of the AWU faction in Queensland. It is the AWU faction which stands accused of having systematically rorted the Queensland electoral rolls. The reports we get are that this was done for the purpose of Labor Party preselection, but the point remains that people who were falsely enrolled, either real people with real names enrolled at false addresses or people using false names, were then entitled to vote in those names at those addresses in local, state and federal elections.

The Premier is quoted as saying that he backs Mackenroth because he is 'a hard-headed SOB who can help him deliver reform'. The columnist makes the comment: 'It sounds like a massive rationalisation.' Indeed, it is a massive rationalisation because the most urgently needed reform in Queensland relates to the electoral system. I do not think we can expect Mr Mackenroth to be delivering any of that. Mr Mackenroth was forced to resign as a minister from the Goss government because he was involved in rorting his travel allowance. He follows Mr Elder, who has been forced to resign for rorting the electoral rolls. I just want to add a little aside about Mr Elder, who attacked me several times in the Queensland parliament when I was Parliamentary Secretary to the Minister for Foreign Affairs with responsibility for Australia’s aid program. The basis for his attacks was that I was not ensuring that more contracts for Australia’s aid were coming to Queensland firms. I found this a curious basis of attack. Australian aid is contracted out under an open and competitive tender system. It seemed to me that the Deputy Premier was alleging that I should have been intervening within government in that independent, arms-length process in order to make sure that a few of my mates got some contracts. I dare say that is the sort of thing Mr Elder might have done in Queensland. It is not the sort of thing that I was interested in entertaining in my job; indeed, the system would not have allowed it. But Mr Elder is the sort of person who would have seen that as a legitimate basis for attack.

In common with most, if not all, members of the House of Representatives, as I receive electoral roll updates I write to people who appear to have enrolled for the first time. In the case of my electorate, which has a high rate of growth and also a fairly high rate of turnover, these letters can amount to some thousands. Therefore, I do not individually scrutinise addresses. I therefore had a fairly surprising experience after doing one of these mail-outs on one occasion a few years ago when one of my letters landed in my letterbox. I live at No. 24 in my street. This letter was addressed to No. 22. I daresay the postman saw the Commonwealth crest on the envelope and thought it had something to do with me, so he put it into my letterbox. The reason he did not put it into the letterbox at No. 22 was that there was no letterbox at No. 22; it was a horse paddock. So we had a Ms M.A. Baker who had enrolled herself at 22 Kingsway Drive, Nerang, apparently unaware that I lived at 24 Kingsway Drive, Nerang.

I went to the electoral office with this letter and asked what it was about and scrutinised the enrolment card. The enrolment card showed 22 Kingsway Drive, Nerang as the residential address of Ms Baker. Her postal address was given as ‘care of Nerang post office’. That is like saying ‘care of Canberra post office’. It is an absolutely unidentifiable address. Interesting enough, I have here—and I shall table—an extract from a letter addressed to Ms M.A. Baker from two Labor Party candidates in a local government election. This is obviously a computer generated letter, but it shows that this person was indeed enrolled on the electoral roll and had stayed there for some time. In discussing this with party members, I heard the story of some party members who had delivered individually addressed—again, electoral roll generated—letters in the state electorate of Nerang, which includes quite a bit of acreage subdivisions. They told me the same story—that a number of addresses they had been given to deliver letters to people who alleg-
edly lived at those addresses in the state electorate of Nerang were in fact uninhabited paddocks that had no letterboxes. This started to highlight to me the stage of the roting.

One aspect of the rolls that has always concerned me is the people who enrol immediately before an election. In the case of Moncrieff, this is commonly between 1,500 and 2,000 people. I wrote to these people. A very high number of these letters come back. The ones that come back are those that are addressed to absolutely undeliverable addresses. However, it is too late at that stage for the electoral rolls to do anything about those enrolments. I believe those names and addresses are false but they have to stay on the rolls because the rolls are printed from that information. After the election, those names and addresses disappear from the rolls. This is a matter of deep concern.

You may well wonder why anyone would bother enrolling falsely in Moncrieff, as Moncrieff is considered to be a safe non-Labor seat. It has implications for the Senate election for a start, but it does also hold within it two highly marginal coalition state seats. One set of addresses for which I commonly get a high number of returns is what we call the strip—Surfers Paradise, all those high-rise buildings, the great majority of which are not owner occupied. It would be pathetically easy to select a significant number of high-rise addresses which are not owner occupied and enrol people at them for an election. The letters would go into the letterboxes and, because the owners would not be emptying the letterboxes, nobody would know the difference. That part of my electorate sits within the marginal seat of Southport, notionally a Labor seat but held for the coalition only because the state member, Mick Veivers, is a former rugby league international player and very popular with Labor voters. There is no dispute that he has a high personal vote amongst Labor voters and so he holds the seat of Southport for the coalition.

The other electorate to which I referred is Nerang, also a marginal electorate. What about Kingsway Drive? At the time this happened, I lived, as I still do, in the state seat of Albert, then held by a Labor Party member—a coalition seat then held, unfortunately by misadventure to do with preferences, by a Labor Party member. That electorate would have had many horse paddocks in it. I have no doubt at all that 22 Kingsway Drive was not the only horse paddock enrolled in the electorate of Albert for that forthcoming state election.

The matter has received a little press attention lately, and the Federal Police have been investigating certain enrolments in Moncrieff, I am told, because falsely enrolling on the electoral roll is now used as a way of establishing an identify for the purpose of social security. So now it has flowed through to social security fraud. People can enrol at several different addresses under several different names and addresses in different parts of the Gold Coast to then go and claim social security under all those persona. A parliamentary committee is looking at the matter of electoral roll fraud. I feel most urgently, as many others do, that unfortunately we are going to have to tighten up our electoral enrolment procedure so that some form of identity will have to be given and probably some form of identity will have to be provided at the time people actually vote. The matter of roting the vote in other people’s names is another subject which time does not allow me to expand on today. (Time expired)

Totally and Permanently Incapacitated Veterans: Superannuation Entitlements

Mr EDWARDS (Cowan) (5.20 p.m.)—I rise in this grievance debate to draw to the attention of the House a situation which is confronting a number of veterans in our community. I want to quote from a letter I received from a veterans advocate in Western Australia, a Mr Eric Giblett JP. He has written to me in the following terms:

I write this letter to draw your attention to what can only be described as an act of robbery, being perpetrated by the Insurance Industry. This act is targeting the returned Veterans of the community at a time when they are at their lowest ebb and unable to fight back, and also at a time when their health is such that they cannot continue in the workforce. Therefore on Medical advice they have had to retire on the grounds of ill health and
have been deemed as Totally and Permanently Incapacitated (T&PI) under Section 24 of the Veterans Entitlement Act (VEA).

When the Veterans have been retired and been made T&PI the ones with a Superannuation Policy have then made claim on their policy for the Death and Permanent Disablement section of the policy. Therein lies the problem; the Insurance Companies are refusing to payout to these disabled Veterans even though they are quite entitled to the payment. The Veterans have all met the criteria laid down by the Insurance Companies with regard to Medical evidence and in all cases have furnished the Companies with the Department of Veterans Affairs determination which is further evidence of their Medical condition (T&PI).

I as a Veterans Advocate constantly have Veterans approach me for help in these matters; the only reason I can help is that I went through this money saving exercise myself and therefore can offer assistance. To date I might add that had these Veterans not been helped to get their entitlements, the various Insurance Companies involved would have saved themselves some $2.5 Million, all at our very ill returned Veterans expense.

We are very well aware of the Superannuation Complaints Tribunal and so are the Insurance Companies and are using this as a delaying tactic not to pay. One Veteran who is going through the Tribunal has now been delayed some 2 years and to date has still not received his entitlement.

I know in the case of Mr Giblett that he had to submit some six medical specialists’ reports attesting to his own medical condition. This is after he had been made T&PI, but these were all ignored in the company’s quest to save money. Fortunately he persevered and won, and now he is in a position where he can help others. He has provided me with a few examples.

Example 1 relates to a Mr Jack Holmes, a naval veteran, who was aboard the HMAS Hobart when it was attacked by, unfortunately, an American rocket in the Gulf of Tonkin in Vietnam. Mr Holmes was badly wounded in this incident. Despite that, he came back to Australia, rehabilitated himself and put himself into the work force. Mr Holmes was deemed to be T&PI in February 1999. He lodged a claim for the total and permanent disability part of his superannuation on 16 March 1999. This was lodged with the St John Ambulance Superannuation Fund, who are underwritten by Colonial Insurance.

It was then that Mr Holmes was subjected to unreasonable requests by both St John Ambulance Superannuation Fund and Colonial Insurance. For example: (1) he was asked to provide his naval medical records, these being some 30 years old; (2) they requested a photograph of Mr Holmes and, when asked why, he was told that it was to verify the fact that it was him when he attended any future medical appointments, as it was claimed that in the past people had sent along another person to attend medical appointments. I point out that Mr Holmes had been an employee of St John Ambulance for some 20 years. There was ongoing correspondence between Mr Holmes and one of the trustees of the St John Ambulance Superannuation Fund, once again requesting that Mr Holmes provide his 30-year-old naval medical records. It was pointed out to the trustee that these records are in Canberra and they take some months to acquire, and the question was asked again as to what use they would be and why they were so persistent in trying to get them.

It was at this point that the trustee laid the blame at the doorstep of Colonial Insurance, the underwriters of the St John Ambulance Superannuation Fund, and said that they were the ones requesting this information and that the trustees of the St John Ambulance Superannuation Fund had done nothing wrong. It now appeared Mr Holmes was not only up against the trustees of the fund who he thought were the decision makers in all matters pertaining to the superannuation fund—and he had been under this impression from the time he joined the fund—but also contending with the underwriters of the fund, Colonial Insurance. All this only served to delay decisions and confuse Mr Holmes as to whom he was dealing with.

On 8 February 2000, Mr Holmes was advised that his insurance claim had been rejected. Mr Holmes then lodged a further complaint with the Superannuation Complaints Tribunal on the grounds that his claim had been rejected. This then allowed both St John Ambulance Superannuation Fund and
Colonial a further 90 days to answer why they had rejected Mr Holmes’s claim. At this point, even though the claim had been rejected by Colonial, or so Mr Holmes was led to believe, St John Ambulance Superannuation Fund had a procedure whereby they could ask Mr Holmes to attend a medical professional of their choice to verify his condition. Let us remember that, until this point, this had not been asked of Mr Holmes. At the behest of St John Ambulance Superannuation Fund, Mr Holmes attended Professor Burvill of the University Department of Psychiatry. Professor Burvill confirmed Mr Holmes’s condition, and this was sent to St John Ambulance superannuation. Then Colonial Insurance insisted that Mr Holmes attend a Dr Zelko Mustac, a psychiatrist who was well known amongst the veteran community for a bias towards insurance companies. Also, at the same time, he was requested to attend a vocational specialist of Progressive Rehabilitation Services, who happened to be located with Dr Mustac, to ascertain what employment Mr Holmes could undertake. As Mr Holmes had attended a medical professional selected by the superannuation fund and as he had already been deemed T&PI and could not undertake employment, he refused to attend Dr Mustac or the vocational specialist. This did not deter Colonial Insurance, the St John Ambulance Superannuation Fund or Dr Mustac, who proceeded to provide Colonial Insurance and St John Ambulance Superannuation Fund with a medical report anyway—this all without seeing Mr Holmes—and this report has been denied to Mr Holmes.

Example 2 relates to Mr Kim McAlear, a former member of the Special Air Service Regiment and a Vietnam veteran. He is now totally and permanently incapacitated under the Veterans’ Entitlements Act. The fund in this case is the Superannuation Trust of Australia, which is also underwritten by Colonial Insurance. Mr McAlear submitted a claim after being deemed T&PI. His claim was submitted in May 1999. This issue was also confused by the superannuation fund and Colonial Insurance as to who was making the decisions and what was actually required of Mr McAlear. This was seen as a deliberate stalling tactic. The situation of confusing Mr McAlear continued by way of letter and phone calls until March 2000—some 11 months of delay. Then an appointment was organised with Dr Zelko Mustac. This appointment was made by the Superannuation Trust of Australia at, they say, the direction of Colonial Insurance. Mr McAlear was very well aware of Dr Mustac’s leanings to insurance companies and, because of this, submitted a list of seven eminent psychiatric professionals to both the Superannuation Trust of Australia and Colonial Insurance, which he advised he would be happy to attend and would they choose one. They both refused and insisted he attend Dr Mustac and threatened Mr McAlear with monetary loss if he did not keep his appointment with Dr Mustac. Under considerable pressure, Mr McAlear, who resides in Carnarvon—some 600 or 700 kilometres north of Perth—attended that meeting with Dr Mustac, and it was Mr McAlear’s view that the appointment was carried out in such a way as to enhance the insurance company rather than the individual veteran.

I am running out of speaking time, but I want to make this point. Before someone is made a T&PI pensioner, he goes through an exhaustive testing and assessment process. The fact that someone has been made T&PI should be superior to all arguments by insurance companies. We must remember that most veterans do not want to be declared T&PI; they would much prefer to be healthy and to participate in the work force. When veterans are made T&PI, they are often robbed of the opportunity to prepare for their old age and to secure the financial interests of their families. This is unfair and these insurance companies should be brought to book. It is about time that the community stood up for our T&PI pensioners in recognition of the service that they have given this country. (Time expired)

Roads: Funding

White Asbestos: Maritime Union of Australia Ban

Mr RONALDSON (Ballarat) (5.30 p.m.)—I was very pleased to put out a press release this afternoon entitled ‘Extra $25 Million Means Local Roads on the Road to Recovery’. Some $25 million in desper-
ately needed extra funding has been allocated to local roads in my electorate.

Mr Sidebottom—What’s your margin?

Mr RONALDSON—Unfortunately, those opposite have no idea of the dramatic impact of poor local roads on country Australians. I will detail the extra funding for local governments in my area so that honourable members can hear exactly where these quite dramatic amounts are going. Ballarat City Council will receive an extra $1,227,760 per annum, making a total of $4,911,000 over four years. Central Goldfields, which forms part of my electorate, will receive an extra $550,000 per annum, or $2.2 million over four years. The Golden Plains Shire, which also constitutes part of my electorate, will receive some $752,000 per annum extra, or about $3 million over four years. The shire of Hepburn will receive some $606,000 per annum, or $2.425 million over four years. The shire of Moorabool will receive $819,000 per annum, or $3.279 million over four years. The North Grampians Shire has been allocated $950,000, or $3.8 million over four years, and the shire of Pyrenees will receive $686,000 per annum, or $2.747 million over four years.

Over the past two years, I have spent a lot of time with local mayors, shire presidents and CEOs discussing issues that are important to them, and every single time they highlighted local roads as their number one priority. Like me, they have seen the deterioration of their local road network. It has been quite dramatic, and has impacted on farmers, tourism and general transport wear and tear. Deteriorating roads lead to greater use of petrol and are a cost across the board, both economically and socially.

This roads funding program was achieved only because of proper economic management. These sums have not been plucked out of the air; this money has been found from a government-driven surplus. The Commonwealth government, in partnership with the Australian people, has put this country into surplus, and the great benefit of a surplus is that we can start spending money where it is desperately needed. That contrasts with the approach of the Australian Labor Party, which only ever borrowed someone else’s money and, over five years, drove the national budget into an $80 billion deficit. This government, through prudent financial management and in partnership with the Australian people, has arrived at a surplus that is now delivering a $1.2 billion local roads program.

Madam Deputy Speaker Gash, you represent a rural electorate and you, like me, appreciate the importance of local roads. This funding is desperately needed. Many people, including me, pleaded with the government to start reinvesting in country Victoria and country Australia when it got its finances right. That is what this $1.2 billion program is: a reinvestment in country Victoria and country Australia. It will address what I believe to be the single most important issue facing people in my electorate—both urban and rural based—and can be multiplied across our large, magnificent country.

This program is based on the principles introduced by the former Labor government. I shall make a couple of comments about that before I turn to some news that will have appalling consequences for my electorate. I am always fascinated when state governments, such as the state government of Victoria, welcome a funding package but must have a bit of a dig at it—they always want to toss in the negatives. The great challenge for the Bracks Labor government in Victoria is to match the funding. Let it put its money where its mouth is: if it thinks local roads are important, let us see it put its money in and match the Commonwealth funding so that we can make significant inroads into this problem. I challenge the Bracks Labor government to say tomorrow that it will match the Commonwealth coalition government’s $250 million allocation for local government in Victoria. We will see significant changes if that occurs.

I have spoken this afternoon to CEOs, mayors and shire presidents in my region and they are, quite rightly, absolutely jumping out of their skins. They know that this package is needed desperately—they have told me so. They asked me to represent their views in Canberra and I have been able to do that only because this government has put this country into the black and we have a
surplus that we can return to the Australian people.

There is another issue that is not of such great news. Last Friday the MUA banned the importation of white asbestos, or chrysotile as it is otherwise known, and has left such shipments on the port of Melbourne. Honourable members will probably be aware of a company called Bendix Mintex, which has a very strong before- and after-market presence in the friction product industry in this country. It is a very, very large employer in my home city of Ballarat. The MUA, without any word at all, slapped a ban on these products on Friday—and it is putting at risk 500 jobs in my electorate.

The MUA is acutely aware that the workplace relations ministers council meets on 1 December. It is acutely aware that the National Occupational Health and Safety Commission—or NOHSC, as some members will know it as—has had considerable input into this debate over some years now. It is acutely aware that Bendix Mintex is aware of the need to, at some stage, cease production using white asbestos or chrysotile. It is aware that the company needs a phase-out period. Yet, on Friday, the MUA stopped this shipment leaving the wharf and going to my constituent company and, as of today, is refusing to release it. If this is John Coombs’s swan song and his legacy on the waterfront, then heaven help us. If it had stayed on the waterfront, that is one issue. When it puts 500 jobs at risk, then it is a different issue entirely.

I want to see the AMWU stand up and put its money where its mouth is in relation to the workers at Bendix Mintex. The AMWU should be on the phone to John Coombs, telling him to wake up to himself and let due processes take place—due processes involving state ministers and the federal minister—and let NOHSC do its work, as it has been doing. No-one, me included, believes that the manufacture of asbestos based friction products should not cease. But it should cease in an appropriate time frame that does not put jobs at risk—and it should not be imposed by the MUA, which has taken this action right out of the blue and put at risk these jobs.

That product should be let through, the due processes should take place, the ministerial meeting on Friday should be allowed to proceed and NOHSC should be allowed to continue with the input it is having and the work it is doing in relation to how we deal with this product. It needs sensible people making sensible decisions—and it does not need decisions, like the one made on Friday, that defy any sense of logic, any sense of decency and any sense of protection of jobs that are so desperately needed in regional Victoria. (Time expired)

HMAS Armidale

Mr SIDEBOTTOM (Braddon) (5.41 p.m.)—In the time available to me, I would like to raise two issues. The first is on behalf of the remaining 10 survivors of the HMAS Armidale, which sank under enemy fire off the coast of Timor on 1 December 1942. Over 100 people died in that sinking. Also, there were horrific conditions experienced for days after by those who survived that sinking. The valour and bravery of Ordinary Seaman Teddy Sheean in manning his Oerlikon gun under enemy fire and going down with his ship has been well noted and the calls for the posthumous awarding of the Australian Victoria Cross for Teddy Sheean will continue. I have moved, along with my colleague the member for Cowan, a private member’s motion to that effect in this House.

The HMAS Sheean, the Collins submarine named in honour of Teddy Sheean, will be commissioned in March 2001 at Fleet Base in Western Australia. Unfortunately, in a letter dated 15 November, the Minister for Defence has denied a request for the remaining 10 survivors of the HMAS Armidale and the immediate family or carers moneys for transportation to Western Australia for that commissioning. I quote from that letter to a constituent of mine, Mr Rex Pullen.

Amongst other things, it states:

I do recognise—after denying the moneys for transport of members and their families or carers from Tasmania to Western Australia—

the contribution the survivors of HMAS ARMIDALE have made to the nation but as you may appreciate, there are many other individuals and organisations who could claim a similar right
should your request be granted. Defence funds are limited and are not allocated for these purposes.

I ask the minister: how then do you give recognition of the contribution to, and for, the survivors of HMAS *Armidale* and particularly the contribution they have made to this nation? What recognition does the minister give? One of its numbers has not been accorded the full and just military honours for his deed of valour—there is no recognition there—yet the Collins submarine HMAS *Sheean* is one recognition of this deed by the Royal Australian Navy, and I hope it is indeed meant to be inclusive of the valour and the suffering of the past and present crewmen of the HMAS *Armidale*. But surely recognition of the 10 survivors—the only 10 survivors—of the *Armidale*, in the name of all of those who suffered during and after the sinking, would be quite easy: a gracious and generous payment for those 10 survivors to attend the commissioning of the *Sheean* in Western Australia.

We are not talking about 100, 50 or 20 ex-servicemen but 10 survivors. We are not talking about transporting them halfway around the world to commemorate the deeds and valour of Australian servicepeople in other parts of the world; we are talking about Western Australia. How many of these people would be able to afford the long, expensive trip to Western Australia? Surely, HMAS *Sheean* is being commissioned in the name of all those who lost their lives in, and all those who survived, the sinking of the *Armidale* in 1942.

In denying moneys for the transportation of the remaining 10 survivors to the commissioning of the *Sheean* in March next year, I ask the minister: how realistically and practically do you ‘recognise the contribution the survivors of the HMAS *Armidale* have made to the nation’? Likewise, I am not sure that—and I quote the letter again—‘there are many other individuals and organisations who could claim a similar right should your request be granted’. I am not sure there are many other individuals who remain as survivors of a sinking like that of the *Armidale* and whose deeds are recognised, in part, by the naming and the commissioning of HMAS *Sheean*. How many times is a new naval craft of such import named after the crewman of a vessel sunk during World War II? I quote again from the minister’s letter:

Defence funds are limited and are not allocated for these purposes.

What would be the cost of this exercise to the total budget of Defence and Veterans’ Affairs? In his letter, the minister alludes to the Navy investigating the possibility of the RAAF providing aircraft support, but in the letter this is quite tenuous. Even if this could be arranged, surely the department could finance the transport of the survivors to the pick-up point—again, practical recognition of the contribution of the survivors.

My constituent Mr Rex Pullen, a Tasmanian survivor of the *Armidale* who has worked assiduously over the years to keep the memory of the *Armidale* alive and to ensure the whole story of the valour and courage of the survivors is told, would greatly benefit from assistance to travel to Western Australia for the commissioning of the *Sheean*. I know he would regard this as some practical recognition of what the minister describes in his letter as Mr Pullen’s ‘contribution to the nation’. In the minister’s letter of 15 November to Mr Pullen, the minister points out that HMAS *Sheean* will visit Devonport at the earliest opportunity in order to establish a long relationship between Teddy Sheean’s region and the submarine which will proudly carry his name.

I understand that it is the first time in history that an ordinary seaman has had a craft in the Royal Australian Navy named after him. Along with Teddy Sheean’s family, Australia-wide groups of supporters and the people of Devonport and Latrobe in my electorate of Braddon, I applaud this gesture and will welcome the HMAS *Sheean* and its crew with warmth and generosity. I ask the Minister for Defence to review his decision communicated to Mr Rex Pullen on 15 November 2000. I reiterate that there are only 10 survivors of the terrible tragedy of December 1942. I ask the minister again to pay for the remaining 10 survivors to attend the commissioning of the *Sheean* in March next year in Western Australia. The extreme conclusion could be that no survivor of the *Armidale* could afford to attend the commis-
sioning of a vessel named after their fellow crewman who died assisting them. The irony will not be lost on those who know the story of the Armidale, Teddy Sheean and the survivors.

**Riverina Electorate: Commonwealth Recognition Awards for Senior Australians**

**Mrs Hull (Riverina)** (5.49 p.m.)—In light of the recent announcement of this government’s Commonwealth Recognition Awards for Senior Australians, I would like to acknowledge some senior achievers in my own electorate of Riverina. There are many senior citizens in my electorate who have contributed to a number of community services. As part of the Commonwealth Recognition Awards for Senior Citizens, I have awarded 10 senior citizens in my communities recognition medals and certificates. Without doubt, if it were not for the work of these individuals, many volunteer organisations would not be able to function. I note that the Minister for Community Services, the Hon. Larry Anthony, and the Minister for Family and Community Services, the Hon. Jocelyn Newman, will be launching the International Year of the Volunteer 2001 next week.

Let me begin by acknowledging the work of one of my 2001 volunteers, Mrs Doris Roberts of Coolamon. Mrs Roberts has been a member of the Coolamon community since birth. She has always demonstrated a true sense of town pride and is an active member of the small community of Coolamon. In recent years, she has performed the function of Secretary of the Coolamon Seniors Organisation. She has shown a commitment in organising functions for senior citizens, meeting and maintaining a close and friendly association with the general community and becoming a great ambassador for senior citizens in Coolamon.

I would also like to highlight the work of John William Cosier. Mr Cosier was a member of the Wagga Wagga Men’s Probus Club from its formation in 1983 and served as president from 1985 to 1986. However, his greatest contribution to the community of Wagga Wagga was his role as a member of the founding committee in 1957, which established what is known today as Kurrajong Waratah Industries Ltd—a company which employs and teaches people with disabilities in a number of industry skilled areas. Mr Cosier worked on the committee as secretary until 1973 and, being a founding member, was part of the original building team which used second-hand bricks to erect the first building. From 1974 to 1980, he was Vice-President of the Kurrajong Committee and president of the school board. In 1981 he became Administrator of the Kurrajong Complex for the intellectually handicapped. Now residing in Riverina Gums retirement home, Mr Cosier continues his community support by heading a residents committee which organised a charity concert in support of the Riverina radiotherapy appeal.

Mrs Dorothy Marcus of Griffith has devoted her time to the Griffith Pioneer Park, Meals on Wheels and the Griffith hospital kiosk. The Griffith community describes her as ‘a little lady with the biggest heart and widest arms’. She is always there for anyone, whether it be community or someone facing adversity. She is always the first to offer help. Mrs Marcus, who joined the Yenda Innerwheel Club in 1959, is affectionately known by the club members as a special quiet achiever.

I would now like to bring attention to Mr Gordon Jones of Matong. Mr Jones is an inaugural member of the Ganmain Historical Society and throughout the years has given his time and energy to projects such as the P&C and the local football club. He is also active on the Ganmain Agricultural Society, having spent two terms as president. The Ganmain community is particularly thankful for his work in Landcare and his work on the Matong school centenary.

Jean Magennis is another senior citizen who has contributed to the Wagga Wagga community. Jean has worked as a volunteer at the Ethel Forrest Day Care Centre. She is also active in organising and running divisional therapy activities, Crippled with polio at a young age, Jean has been confined to a wheelchair for many years and was a participant in the Paralympic Games.

Gordon Mowbray is a credit to the community of Wagga Wagga as well. A teacher
by profession, Mr Mowbray was the principal of Billabong High School. Mr Mowbray is recognised in the community for his work with Better Hearing Australia. He is currently president of the Wagga Wagga branch and has been active in teaching lip-reading, giving referrals, publicising aids for the deaf and giving lectures identifying the problems suffered by the hearing impaired.

Mr Roy Wade has been recognised by the Narrandera community for his efforts as Treasurer of the Euroly Bush Fire Brigade, the Narrandera Parkside Museum and the Narrandera camera club. Mr Wade has also been a supporter of the local branch of the Cancer Patients Assistance Society. Narrandera school students benefit from Mr Wade’s willingness to spend class time assisting them. Mr Wade continues to contribute to the cultural life of the Narrandera community.

Mrs May Cameron of Leeton is applauded and thanked by the community of Leeton. She is described by the town as one of their hardest working and most dedicated workers for charities and local causes. Mrs Cameron has devoted much of her life to working for the handicapped in the Leeton community. She has been president of the Leeton branch of the Spastic Council since 1987. She was the Leeton branch’s secretary from 1971 to 1986. Currently she is serving as both president and secretary. Mrs Cameron’s dedication is a model to the Leeton community.

It is with great pleasure that I acknowledge Mrs Coral Smith of Whitton. Mrs Smith has dedicated herself to recording and displaying local history through her work on the Whitton Historical Society. Mrs Smith has a deep concern for the area’s cultural and historical past. She has spent the last 25 years ensuring future generations have access to their local heritage. If it were not for the work of Mrs Smith, Whitton’s cultural capital would have been lost in the past.

I would like to bring the House’s attention to Mrs Ellie Lucas of Coolamon. Mrs Lucas has been the cornerstone of the local cultural pursuits, including the museum and drama societies. She has also been a member of the Red Cross Society and a hospital auxiliary. For a number of years, she has also performed the role of stewardess at the Coolamon show. At the age of 93, she truly embodies the Commonwealth Recognition Awards for Senior Australians. She is a dedicated and worthwhile member of the Coolamon community.

I am proud of the work each of these citizens has contributed to the welfare of their community. Each has shown remarkable love and respect for the wellbeing of their towns and cities. These were not the only people who were nominated for these awards; there were many others. However, a group of general people from across my electorate, including local government representation, was able to go through and expertly choose the people who they thought epitomised these special awards, given with a sense of ‘Australianship’ by the minister.

Australia’s pride and glory is its attitude to its mateship, and it is this admirable quality in volunteers that delivers us a rich and valuable existence in our communities. Country communities rally to any call for assistance. They prove themselves time and time again. When the funding is short, they are there to prop it up and to give their last hard-earned dollar to many charity causes. We see evidence of that now in the north with the flood appeals. We have found people who themselves have very little to survive on from week to week giving all of that and more to charity appeals to assist those less fortunate and those affected by the ravaging floodwaters in the north. It is with great pleasure that I stand here to applaud the work of volunteers, to applaud the work of senior citizens, to applaud the work of all those unpaid Australians who give so much to their communities in order to make Australia far richer and give a better quality of life for all people.

Mr DEPUTY SPEAKER (Hon. D.G.H. Adams)—The question is:

That grievances be noted.

Question resolved in the affirmative.

ASSENT TO BILLS

Message from the Governor-General reported informing the House of assent to the following bills:

Higher Education Funding Amendment Bill (No. 1) 2000
Telecommunications (Universal Service Levy) Amendment Bill 2000

Social Security and Veterans’ Entitlements Legislation Amendment (Private Trusts and Private Companies—Integrity of Means Testing) Bill 2000

COMMITTEES
Environment and Heritage Committee

Mr DEPUTY SPEAKER (Hon. D.G.H. Adams)—Mr Speaker has received advice from the Chief Opposition Whip that he has nominated Ms Corcoran to be a member of the Standing Committee on Environment and Heritage in place of Dr Lawrence.

Motion (by Mr Ruddock)—by leave—agreed to:

That Dr Lawrence be discharged from the Standing Committee on Environment and Heritage in place of Ms Corcoran.

VETERANS’ AFFAIRS LEGISLATION AMENDMENT (BUDGET MEASURES) BILL 2000

Consideration of Senate Message

Bill returned from the Senate with an amendment.

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

STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) BILL 2000

Consideration of Senate Message

Bill returned from the Senate with requested amendments.

Ordered that the requested amendments be taken into consideration forthwith.

Senate’s requested amendments—

(1) Schedule 8, page 123 (table, column 2), omit “110” (wherever occurring), substitute “440”.

(2) Schedule 8, page 123 (table, column 3), omit “527” (wherever occurring), substitute “1000”.

Dr KEMP (Goldstein—Minister for Education, Training and Youth Affairs and Minister Assisting the Prime Minister for the Public Service) (6.01 p.m.)—I move:

That the requested amendments be not made.

The States Grants (Primary and Secondary Education Assistance) Bill 2000 as it stands simplifies the administrative arrangements for funding students with disabilities. It is a very considerable improvement on the existing position for students with disabilities when they attend schools that are serving the neediest communities. The bill also removes the current arbitrary differences in funding between primary and secondary students and is considered to be a very significant improvement in that regard. Also, it removes the inequitable differences in allocations under current arrangements where the most disadvantaged non-government schools receive no additional funds for students with disabilities. The amendments require additional funding which Labor proposes to obtain by taking funding out of the general recurrent grants from some non-government schools. The government cannot accept amendments that are going to remove funding from schools, because all schools, government and non-government, benefit from the arrangements in this bill. Even those schools that are funding maintained will benefit.

There is no cut in funding for students with disabilities in government secondary schools, as has been claimed by the Labor Party. State governments will receive the same amount of special education funding as they receive now. For non-government schools, the bill resolves the inequitable differences in allocations under current arrangements whereas, as I have said, the most disadvantaged non-government schools receive no additional funds for students with disabilities. Under the formula for allocating funds to students with disabilities that the Labor Party put in place, I believe at the start of the 1990s, schools serving the most disadvantaged students receive no additional money. Category 12 schools with students with a disability did not get one additional dollar from the Labor Party. By providing a flat per capita grant rate to all schools, this bill will provide an extra $527 for each student in such non-government schools.

As I have said, the opposition proposes to fund this additional money for students with disabilities by taking money away from a
significant number of schools. It proposes to create a list of schools in the legislation which are excluded from the SES funding arrangements. There is great danger in this. One of the dangers is that, if such a list were ever to be created, this could mean in future other schools from other categories could be added to this list with little or no justification. The opposition cannot stand behind these amendments on the basis that certain schools should be categorised according to a blatantly broken ERI system while others can access the new SES arrangement.

Let me illustrate the anomaly that arises from the way in which the opposition in the Senate proposes to treat the schools. The anomaly in the opposition’s position is that former category 1 schools, such as Mentone Grammar School in Victoria in the marginal Labor electorate of Isaacs with an SES score of 110, would have its funding frozen but former category 2 schools, such as Meriden School in New South Wales with an identical SES score of 110, would receive a $3 million increase. That is the consequence of the Labor Party’s reliance on the blatantly broken ERI. The Penbank School, a former category 6 school with an SES score of 110—an identical score as Mentone Grammar School and Meriden School—would receive an extra $418 per student in 2004. So we have a proposal to fund an increase in funding to some students by taking money away from other schools on a completely inequitable and dangerous basis.

Mr BEAZLEY (Brand—Leader of the Opposition) (6.06 p.m.)—I oppose the motion moved by the Minister for Education, Training and Youth Affairs, Mr Kemp. I cannot believe that this government is going to persist in the wrong-headed course that it has undertaken in the provision for education; that it is going to take a principle which drew so much public support in ending the divide on issues of sectarianism in this community—and got the whole of our nation united behind a decent deal for all our schools—the needs based principle that was introduced to support private education, and stomp on it in the way it has and create a bitter divide now in the Australian community.

The minister says it is all terribly impossible to take out the category 1 schools and isolate them as a separate class. They would be effectively treated in exactly the same way as 70 per cent of the private school students who are now in the Catholic system plus another 200 schools that are funding maintained. An overwhelming number of people in private education would continue to be treated in exactly the same way as the category 1s under our amendments. Far from being in some sort of distinctive barnacle on a pumpkin type of arrangement, they would simply join the serried ranks of the vast bulk of private students, with the eminent justification that they did not need the resources that they were being granted. Numbers of category 1 private schools that are about to be in receipt of this largesse have already made it plain that they intended to raise their fees nevertheless.

Hardly anyone—apart from those who choose to massively gain from it in the category 1 area—is in the SES, because hardly anyone who looks objectively at education in this community can conclude that some consideration of the resources available to schools in terms of their capacity to attract large-scale donations and to charge heavy fees should not be incorporated in some way or another in a funding formula. It is an absolute nonsense. Their embarrassment with that proposition is one of the reasons why those in the Catholic sector have chosen to exit the government’s system and have nothing to do with it and have disdain for the SES formula as anything applicable sensibly to them.

Why does the government think it is fair to give an increase of $700 million over four years over and above normal indexation to Australia’s private schools with no matching increase for the 70 per cent of Australian children in public schools? We have moved beyond the private sector to the public sector now. Whether or not the internal distribution of money for private schools is fair—and it is not—there can be no fairness in giving a massive increase to private schools and next to nothing to public schools.

Labor’s first priority in policy and funding terms is and always will be public educa-
tion—firstly, public schools but also our universities and TAFEs. Our second priority will be to ensure that there is a decent, substantial provision for those who choose to exercise their conscience and go into the private sector for their education and to ensure that the funding of those schools is based on need, because there is no other way to guarantee decent equality of access to that choice unless funding is based on need.

The most disadvantaged sector of our community is special needs children. The Labor Party’s amendment takes from those category 1 schools money they do not need and effectively quadruples what is going to government school students and doubles what is going to the needy private school students to give them a decent deal. This is funding according to need. This is funding according to decent education priority. This is an arrangement of which we can be proud. I say this: if the government is foolish enough to not pick up our amendments this will be the battleground on which the next election will be fought.

Dr KEMP (Goldstein—Minister for Education, Training and Youth Affairs and Minister Assisting the Prime Minister for the Public Service) (6.13 p.m.)—We saw in the remarks the Leader of the Opposition just made on the States Grants (Primary and Secondary Education Assistance) Bill 2000 the fantasy land in which he is living. He seems to have very little appreciation of the total rejection of the Labor Party’s funding arrangements for non-government schools by the non-government sector. There is no-one in the non-government sector, no representative organisation—whether it is the Catholic school system, the independent school system, the Christian schools, the Aboriginal community controlled schools or the Islamic schools—which has even suggested to the government the possibility that it might retain the Labor Party’s non-government schools funding system. There is no-one in the non-government sector, no representative organisation—whether it is the Catholic school system, the independent school system, the Christian schools, the Aboriginal community controlled schools or the Islamic schools—which has even suggested to the government the possibility that it might retain the Labor Party’s non-government schools funding system. Everyone has rejected it, and the Leader of the Opposition gets up in this House and describes this thoroughly discredited system as a fair needs based system which obtains united support throughout the community. The Leader of the Opposition is totally out of touch with the reality of opinion in the community. As the Reverend Tom Doyle said about the government’s package:

... it is a very good and equitable package ... The new system is fair, open to scrutiny, yet doesn’t drain resources away from government schools. In a caring and democratic Australia, it is vital that we recognise everyone’s right to choice. The Leader of the Opposition gets up and complains that we are addressing the issues of need in the non-government sector—which his party completely failed to address in office—by increasing funding by $700 million, when this bill provides $1.4 billion extra to government schools over the next four years. He says that this bill contains hardly any new funding for government schools. It contains $1.4 billion extra for government schools, a 21 per cent increase.

In the end the Leader of the Opposition depends on the credibility of the Labor Party’s category 1. Let us have a look at where the Leader of the Opposition wishes to position the Labor Party as it moves into the next election. ‘This will be the battleground for the next election,’ he says. Let us have a look at this battleground and what the Labor Party will be saying. It will be saying that we should reduce the funding to the Bethel Learning Centre in the electorate of Werriwa, south of Liverpool, by $3,009 per student and that we will be reducing the funding for the community-based School of Total Education in Warwick in Queensland by $3,379 per student. This is what the Labor Party will be saying to the electors in the electorate of Gilmore: ‘We will be reducing the funding of St Joseph’s School, which has an SES of 106, by $1,990 per student.’ That would be a great campaign to be waging in the electorate of Gilmore! They will say: ‘We will be reducing the funding of Gib Gate School in Macarthur by $1,759 per student.’

The Leader of the Opposition will be down there in the marginal Labor seat of Isaacs, where there are two of these schools, saying they are going to be slashing funding to Mentone Girls Grammar by $2,000 per student and by $1,990 per student to Mentone Boys Grammar. That is going to be a great campaign in the electorate of Isaacs as we move towards the next election. It will be
fresh from Gilmore, I suppose, where the Leader of the Opposition has been trying to cut funding for St Josephs School. These are the rich, well resourced schools that the Leader of the Opposition has on his category 1 list. That is why this has no credibility and that is why the Anglican Archbishop of Sydney wrote to the Prime Minister last week, having heard these nonsensical arguments from Leader of the Opposition, to say that the opposition ought to pass this legislation because it is fair and equitable.

Mr BEAZLEY (Brand—Leader of the Opposition) (6.15 p.m.)—I will tell you what Father Tom Doyle said—since he got a guernsey from the Minister for Education, Training and Youth Affairs—when he was asked before the Senate committee to discuss the character of this bill: he said that the unfair, anti public school, discriminatory enrolment benchmark adjustment policy should go. He understood the divisiveness of it. The minister gets up and gives me a list of schools. I guess I could go through a list of 30 or 40 schools in every electorate that would benefit more from the policies that we will be pursuing, and I do not think they will mind one bit about the vigorous application of a decent sympathy for the public school system and for needs based funding for private education. I have to tell you, Minister, that I do not think the hundreds of thousands of parents associated with those schools, who are now those aspirational parents who are desperately worried about what is happening in the public school system, are going to worry one bit about that particular proposition of yours, but they will take note of what Father Tom Doyle had to say.

We are going to be addressing in government the urgent need for measures to reverse your government’s bias against public schools, especially in areas of disadvantage. I have already announced that we have detailed commitments on education priority zones and plans for the abolition of the EBA and a substantial increase in funding for training new and existing teachers. They are vitally important policies for the future of public education and for the future of Australia. But we are going to go further. I will be making more announcements before the next election about our additional plans for public education, because we are totally committed to reversing the Howard government’s bias against public schools and turning around the trend which sees a larger and larger share of federal education funding going to private schools. So one of the first acts of a Beazley Labor government will be to enact a bill to abolish the EBA and return category 1 schools to their current funding levels and practices.

At the beginning of this debate the Prime Minister stood up in this place and said that the category 1 schools receiving about 13 per cent of average government school costs were appropriately funded—that was his position. He got up in this parliament and stated that as his opinion, and I got up and agreed with him. We do not intend to move resolutions that exclude category 1 schools from any form of funding; we intend the situation of the category 1 schools to be exactly the same, in terms of their treatment in this round, as that being experienced by the Catholic schools and the funding maintained schools—not that they be separated into some special category, but that they be treated like the majority of schools in the private education sector. That is what we are proposing: no special treatment for the old school tie institutions of the members of the cabinet but just the same treatment as everybody else—that is all—in the particular legislation we will be pursuing. That will be the position we will be taking to the next poll on this particular matter.

I think there are going to be a large number of Australians who will think that constitutes a fair go—a fair go in education and real education spending, not class spending. By golly, it was a revelation when we looked at the narrowly based background in the education of our political opponents. When I originally looked at these things—at who was university trained—I did not bother proceeding with anything further, because the majority of the Labor Party people were university trained compared with the Liberal Party. I thought that was the end of the matter until I saw the Sydney Morning Herald. Over two-thirds of this cabinet were educated at category 1 schools, and there were
none from the Labor side. In an utterly representative educational background—that is why you cannot understand what you are doing—the Labor side had 18 government, nine non-government Catholic and two non-government, non-Catholic educated members. I am afraid to tell you that we are spot-on the national average, old son. But you represent, in the majority of your cabinet, a background that 1.5 per cent of Australians have—which happen to be the 1.5 per cent uniquely favoured by your legislation. That is a very small pool from which to draw your experience, and that small pool has led you into serious error. (Time expired)

Dr Kemp (Goldstein—Minister for Education, Training and Youth Affairs and Minister Assisting the Prime Minister for the Public Service) (6.21 p.m.)—The Leader of the Opposition loves to tramp through fantasy land—never more so than when he talks about the government’s so-called bias against government schools. I will give you bias against government schools and government school students, when 30 per cent of young people cannot read and write properly and the government does nothing about it. That is what happened when the Leader of the Opposition was in office. He did nothing to help the most disadvantaged students and he failed to tackle the most significant social justice issue in education, which is literacy.

And he has the nerve to come and tell this House that this government, which has put in place the first national literacy standards and the first national goal to get every child up to a satisfactory standard, is biased against these students.

Which government has put in place the programs that are lifting retention rates in government schools? I will tell you: it is this government. It is this government that has put in place the vocational education programs in the senior years of schooling which are lifting retention rates in government schools from just over 60 per cent to over 80 per cent. And this will continue. The Leader of the Opposition is absolutely wrong about the likely impact of the government’s policies on government schools. Our policies are lifting retention rates in government schools in a way that the Leader of the Opposition never did. The only way he knew how to lift retention rates was to push up youth unemployment. Get it up 34 per cent and then you can lift retention rates because there are no jobs for these kids. But we are lifting retention rates and getting them jobs as well. Youth unemployment has fallen. Hard-core youth unemployment over the last four years has come down almost 50 per cent, and yet we are still lifting retention rates in government schools.

But let us go with the list of the rich category 1 schools and see where these schools are. We got to the Mentone Grammar School in the electorate of Isaacs, which will lose $2,000 after the next election campaign if Labor wins. It will be a great campaign down there. The member for Dunkley will be interested to know that the Minimbah Primary School will lose $1,600 per head. I am sure he will be able to make good use of that in the election campaign. These are the Leader of the Opposition’s rich schools whose funding he is going to ‘equitably’ freeze. The Wilderness School in the electorate of Adelaide will lose almost $1,800 per student. I see that the electorate of Jagajaga has a couple of these so-called wealthy category 1 schools. The Ivanhoe Grammar School will lose $1,720 per student, and the Ivanhoe Girls Grammar School will lose $1,500 per student. That will make for an interesting campaign out there in the electorate of Jagajaga. I see that in the electorate of Melbourne Ports, which has no fewer than six of these category 1 schools, Caulfield Grammar School will lose about $1,400 per student. The International Grammar School in New South Wales will lose just over $1,000. What does the member for Jagajaga think about Eltham College? It will lose $1,255 per student. It will be a really good campaign out there in Jagajaga with three of these category 1 schools losing thousands of dollars per student.

This is where the Leader of the Opposition has positioned the Labor Party. His utter policy laziness has now landed them in a situation where he is opposed by people in his own party because of the position that he has taken, and he has positioned the Labor Party so that when it goes into the next elec-
tion campaign it will be urging that funding be slashed from schools in electorates held by the Labor Party or in marginal seats that the Labor Party wants to win. This is a pathetic Leader of the Opposition who has no policy nous whatever. This is just the latest example of his complete failure to give the Labor Party any credible policy position at all.

Mr BEAZLEY (Brand—Leader of the Opposition) (6.25 p.m.)—The blessed St Athanasius laid down in his creed that those who cannot understand are damned. And it appears that the Minister for Education, Training and Youth Affairs, despite his background, is damned, because he cannot understand exactly what it is that he is doing to ordinary Australians. Whether he understands it or not at this stage, we have decided that we are going to try to keep amending this bill, the States Grants (Primary and Secondary Education Assistance) Bill 2000, during the current parliamentary session. We hope that the pressure of public opinion will make the government accept our amendments. We have stated publicly that, if the government refuses to back down, the bill must pass this parliament before the end of the year. If the bill does not pass there will be no Commonwealth funding for any school for the start of its school year. By refusing to accept our amendments, the government is saying, in effect, ‘Give us the money for the wealthiest 61 private schools or we’ll cut off the flow of Commonwealth money to all schools.’ So defensive are they of that 1½ per cent of schools in this community that they are prepared to jeopardise the rest of them to push through their propositions which so desperately want the best for their kids but who live in ordinary households, ordinary households on average to good weekly earnings: with mortgages, with family responsibilities—are desperate that their kids get a fair go in the sorts of schools they attend, overwhelmingly public schools and needy Catholic schools. Some, too, are in Christian schools which have benefited from some aspects of these changes, and we are not opposing the resources that have gone to them. That is fine. We are not opposing the funding going to Islamic schools, Greek schools and Aboriginal schools. That is fine as far as we are concerned. But what we are concerned about is that the public schools have got nothing. All that the public schools have got out of this is what came from the indexation system—an indexation system that we invented—plus a few thousand extra, minus the effect of the enrolment benchmark adjustment. They have got nothing, effectively, from this government, nothing at all.

The effect of that on the minds and attitudes of the overwhelming number of Australians who care about their children is seen by us, daily, I might say, on our web sites. It is seen by us daily in communications with us. They know what this means. They know the privileged core at the heart of this government; a government which no longer speaks for ordinary Australians. It speaks against the many for the very few and, in the case of the background of those ministers, very few indeed but very great beneficiaries from the propositions that they have put forward. If that has to be the ground for the debate at the next election, unfortunate though
that would be, so be it—it will be. It is a poll which we welcome. It is an attitude that we are very encouraged to think has the likelihood of success. As we take it to the polls it is an important point of difference. We have a set of coherent education policies out there, and you have nothing but the support of the privileged.

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

Dr KEMP (Goldstein—Minister for Education, Training and Youth Affairs and Minister Assisting the Prime Minister for the Public Service) (8.00 p.m.)—We have just heard the Leader of the Opposition attempt to justify the extraordinary, very unfair and discriminatory amendments which the Labor Party has made in the Senate. The Leader of the Opposition’s position depends entirely on one proposition and that is that the 61 schools in the Labor Party’s old category 1 are the richest schools in Australia. Once you refuse to accept that proposition, its whole case for these amendments fall to the ground.

Let us just run through some of these 61 schools and ask anyone who is listening to this debate whether they have heard of these schools as being amongst the elite, rich schools of Australia. The Bethel learning centre in the electorate of Werriwa, which will have—

Opposition members interjecting—

Dr KEMP—The Labor Party always refers to two or three schools, but of course there are 61 schools that we are talking about here. The School of Total Education at Warwick in Queensland is going to have $3,379 taken away by the Labor Party. Madam Deputy Speaker Gash, you will be interested in St Josephs School in the electorate of Gilmore, which is regarded by the Labor Party as one of the wealthy schools catering to the rich. St Josephs School in Gilmore, under our policy, will have its funding per student increased by $1,990. The Labor Party intends to go into the election campaign saying that this money will be taken away from them. You will be very disappointed to hear this, I know, Madam Deputy Speaker. Of course, in an election campaign, to have the Labor Party arguing that almost $2,000 per student should be taken off St Josephs School would not, I think, stand the Labor Party in good stead during that campaign. Have you heard of the Gibgate School in Macarthur as one of the wealthiest schools in Australia? The parents who are struggling, scraping, saving and working extra hours to send their daughters to Mentone Girls Grammar in the marginal Labor electorate of Isaacs will not be impressed by the fact that the Labor Party intends to cut their funding by $2,000 per student. At the boys school, Mentone Grammar School, there will be a loss of $1,909 per student. This will be great election campaigning on the part of the Labor Party in these marginal Labor seats.

I know that the member for Dunkley will be very concerned to hear that the Labor Party intends to take away from Minimbah Primary School $1,603 per student. The member for Jagajaga will be concerned to hear that Ivanhoe Grammar School will lose $1,720 per student and Ivanhoe Girls Grammar $1,540 per student. In Melbourne Ports, Caulfield Grammar School will lose something like $1,442 per student. The member for Melbourne Ports has in his electorate no less than six of these schools which the Labor Party will be campaigning to rip funds away from in the course of the next election campaign. St Leonards College, in my own electorate, will be losing some $1,243, and I know from experience that the parents who send their sons and daughters to St Leonards College could not by any stretch of the imagination be regarded as rich people. They are working very hard to save the money to give their children the opportunities that they get by going to St Leonards College.

So we see the utter absurdity of this list of the 61 so-called wealthiest schools in Australia. These are not the 61 wealthiest schools of Australia. This is a very mixed group of schools and it is so because the Labor Party’s ERI funding system was not a satisfactory needs based funding system. As KPMG said in its review, it lacked most of the requirements for a needs based funding system. This government has introduced a fair needs based funding system—the SES funding system—which is acknowledged by every major religious grouping in Australia and every major community in Australia as
being fair. That is why they are urging the Labor Party to pass this legislation, to stop delaying it and to stop mucking around with people’s lives for shallow political purposes. (Time expired)

Mr LEE (Dobell) (8.05 p.m.)—We have made it clear that we have two major problems with the States Grants (Primary and Secondary Education Assistance) Bill 2000. The first is that there is a very large increase in funding for non-government schools but there is no matching increase in Commonwealth funding for government schools. The minister claims that this bill gives government schools an extra $1.4 billion. The problem is that once you discount those increases—the automatic cost indexation that is built into the legislation—the only discretionary increases that government schools get across the country is an average of $4,000 per school. The category 1 schools—the 61 wealthy category 1 schools—get average increases of $1 million per school per year and we have thousands of government schools across the country getting $4,000 a year. The Leader of the Opposition made it clear that, with this government having increased significantly funding for non-government schools, Labor’s first priority in government will be to ensure that public education gets the matching increase in funding that it deserves. Not all the problems in public education or public schools can be fixed up with money, but funding will play an important role in employing extra remedial teachers and in making sure that we have got the support that students with learning needs require. That is why we propose things like education priority zones, extra training for new and existing teachers to improve their professional development and extra assistance to ensure that kids in government schools—and in the poorer, needy non-government schools—get the help and assistance that they deserve. We have made it clear that one of the basic flaws in this legislation is that there is a pittance for government schools while category 1 schools hit the jackpot with increases of $1 million a year.

The other point to make is that the new formula that this minister has come up with to determine the needs of non-government schools completely ignores the fees and the fundraising. That is why a school like Geelong Grammar—notice how Geelong Grammar never got a mention in all the schools the minister was throwing around, nor did King’s for that matter; you would think such a supporter of the monarchy could at least say the word ‘King’s’, but unfortunately it cannot pass his lips tonight—is not in the top 216 schools of Australia, because his formula completely ignores the fees that are charged and the fundraising capacity of that school. That is the reason why this minister claims his new SES formula is fair and transparent but he is not game to apply it to 60 per cent of non-government schools that are in the Catholic systemic school system. They have to be placed outside of it. His new funding system is so fair and transparent, yet he is not game enough to apply it to the 272 non-Catholic and non-government schools that would have been worse off under his formula. This new formula does not apply to 70 per cent of non-government schools. Frankly, if it is good enough for those schools to be kept where they are, to be funding maintained, we argue that it is good enough for those category 1 schools to be treated in the same way as other non-government schools. Let us not give them the $1 million per year increase; let us treat them the same as 70 per cent of other non-government schools. By freeing up that money, we can invest an extra $145 million into special education in both government and non-government schools.

The Leader of the Opposition has made it clear tonight that our whole strategy has been about putting maximum pressure on this government to accept our amendments. That will continue to be our strategy right up to the last sitting day of parliament this year. There are some people who want us to go the extra step and block the legislation. We make it clear to those people that we understand why they have so many reservations about this bill, but we cannot stop the funding that goes to government schools as well as non-government schools that is contained in this bill. However, we do give them the commitment that one of the first acts of a Beazley Labor government will be to do these things:
to abolish the EBA, the unfair enrolment benchmark adjustment; to take back the funding that is provided in this legislation to the category 1 schools; and to provide that matching increase in funding and support for our public schools across the country. That is how we can not only make this bill fairer but also ensure that schools throughout Australia, whether they are government schools or non-government schools, whether they are in the city or the country, are better able to cater for the needs of our students. This is something we believe we should do to make Australia a knowledge nation. Education is at the centre of making Australia a knowledge nation. By making these amendments to this bill, we can ensure that Australian schools are better able to meet that need. (Time expired)

Motion (by Mr Ruddock) put:
That the question be now put.  

The House divided. [8.15 p.m.]

(Madam Deputy Speaker—Mrs J. Gash)

Ayes.............. 72
Noes................ 62
Majority.......... 10

AYES

Bailey, F.E.  Baird, B.G.  Thomson, A.P.  Truss, W.E.
Barresi, P.A.  Bartlett, K.J.  Tuckey, C.W.  Vaile, M.A.J.
Billson, B.F.  Bishop, B.K.  Vale, D.S.  Wakehin, B.H.
Bishop, J.I.  Brough, M.T.  Washer, M.J.  Williams, D.R.
Cadinman, A.G.  Cameron, R.A.  Wooldridge, M.R.L.
Causley, I.R.  Charles, R.E.  Irwin, J.
Costello, P.H.  Draper, P.  Kernot, C.
Elson, K.S.  Entsch, W.G.  Latham, M.W.
Fischer, T.A.  Galhis, C.A.  Lee, M.J.
Gambano, T.  Georgiou, P.  Martin, S.P.
Haase, B.W.  Hardgrave, G.D.  McFarlane, J.S.
Hawker, D.P.M.  Hockey, J.B.  McMullan, R.F.
Hull, K.E.  Hull, D.F.  Morris, A.A.
Katter, R.C.  Kelly, D.M.  Murphy, J.P.
Kelly, J.M.  Kemp, D.A.  O'Keefe, N.P.
Lawler, A.J.  Lieberman, L.S.  Price, L.R.S.
Lindsay, P.J.  Lloyd, J.E.  Ripoll, B.F.
Macfarlane, I.E.  May, M.A.  Rudd, K.M.
McArthur, S.  McGauran, P.J.  Sciacca, C.A.
Moylan, J.E.  Nairn, G.R.  Sidebottom, P.S.
Nehl, G.B.  Nelson, B.J.  Snowdon, W.E.
Neville, P.C.  Prosser, G.D.  Tanner, L.
Pyne, C.  Reith, P.K.  Wilkie, K.
Ronaldson, M.J.C.  Ruddock, P.M.  * denotes teller
Schultz, A.  Scott, B.C.  *Pairing
Secker, P.D.  Slipper, P.N.  * denotes teller

NOES

Adams, D.G.H.  Albanese, A.N.
Andren, P.J.  Bevis, A.R.  Byrne, A.M.  Corcoran, A.K.
Brekenton, L.J.  Burke, A.E.  Cox, D.A.  Crean, S.F.
Byrne, M.J.  Danby, M.  Crosio, J.A.  Ellis, A.L.
Emerson, C.A.  Evans, M.J.  Ferguson, L.D.T.
Fitzgibbon, J.A.  Gerick, J.F.  Gibbons, S.W.
Griffin, A.P.  Gillard, J.E.  Hoare, K.J.
Irwin, J.  Hall, J.G.  Jenkins, H.A.
Kernot, C.  Kerr, D.J.C.  Latham, M.W.  Lawrence, C.M.
Lee, M.J.  Macklin, J.L.  Martin, S.P.  McClelland, R.B.
McFarlane, J.S.  McLennan, L.B.  McMullan, R.F.
Morriss, A.A.  Melham, D.  Morris, A.A.  Mossfield, F.W.
Muphy, J.P.  O'Connell, G.M.  O'Keefe, N.P.
Price, L.R.S.  Plibersek, T.  Price, L.R.S.
Ripoll, B.F.  Quick, H.V.  Rudd, K.M.  Roxon, N.L.
Sciacca, C.A.  Sawford, R.W. *  Seccombe, R.C.G. *
Sidebottom, P.S.  Smith, S.F.  Snowdon, W.E.
Tanner, L.  Swan, W.M.  Thomson, K.J.
Wilkie, K.  Thomson, K.J.  *Pairing

PAIRS

Forrest, J.A.  O'Byrne, M.A.
Howard, J.W.  Beazley, K.C.
* denotes teller

Question so resolved in the affirmative.

Original question put:
That the requested amendments be not made.

The House divided. [8.21 p.m.]

(Madam Deputy Speaker—Mrs J. Gash)

Ayes.............. 73
Noes................ 62
Majority.......... 11

AYES

Abbott, A.J.  Anderson, J.D.  Somlavy, A.M.
Bailey, F.E.  Baird, B.G.  Truss, W.E.
Barresi, P.A.  Bartlett, K.J.  Vaile, M.A.J.

NOES

Adams, D.G.H.  Albanese, A.N.
Andren, P.J.  Bevis, A.R.  Byrne, A.M.  Corcoran, A.K.
Brekenton, L.J.  Burke, A.E.  Cox, D.A.  Crean, S.F.
Byrne, M.J.  Danby, M.  Crosio, J.A.  Ellis, A.L.
Emerson, C.A.  Evans, M.J.  Ferguson, L.D.T.
Fitzgibbon, J.A.  Gerick, J.F.  Gibbons, S.W.
Griffin, A.P.  Gillard, J.E.  Hoare, K.J.
Irwin, J.  Hall, J.G.  Jenkins, H.A.
Kernot, C.  Kerr, D.J.C.  Latham, M.W.  Lawrence, C.M.
Lee, M.J.  Macklin, J.L.  Martin, S.P.  McClelland, R.B.
McFarlane, J.S.  McLennan, L.B.  McMullan, R.F.
Morriss, A.A.  Melham, D.  Morris, A.A.  Mossfield, F.W.
Muphy, J.P.  O'Connell, G.M.  O'Keefe, N.P.
Price, L.R.S.  Plibersek, T.  Price, L.R.S.
Ripoll, B.F.  Quick, H.V.  Rudd, K.M.  Roxon, N.L.
Sciacca, C.A.  Sawford, R.W. *  Seccombe, R.C.G. *
Sidebottom, P.S.  Smith, S.F.  Snowdon, W.E.
Tanner, L.  Swan, W.M.  Thomson, K.J.
Wilkie, K.  Thomson, K.J.  *Pairing

* denotes teller

Question so resolved in the affirmative.

Original question put:
That the requested amendments be not made.

The House divided. [8.21 p.m.]

(Madam Deputy Speaker—Mrs J. Gash)

Ayes.............. 73
Noes................ 62
Majority.......... 11

AYES

Abbott, A.J.  Anderson, J.D.  Somlavy, A.M.
Bailey, F.E.  Baird, B.G.  Truss, W.E.
Barresi, P.A.  Bartlett, K.J.  Vaile, M.A.J.
Representatives Monday, 27 November 2000

Billson, B.F.
Bishop, J.I.
Cadman, A.G.
Caulfield, I.R.
Costello, P.H.
Draper, P.
Entsch, W.G.
Gallus, C.A.
Georgiou, P.
Hardgrave, G.D.
Hockey, J.B.
Jull, D.F.
Kelly, D.A.
Kemp, D.A.
Lieberman, L.S.
Lloyd, J.E.
May, M.A.
McGauran, P.J.
Nairn, G.R.
Nelson, B.J.
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.
Vaile, M.A.J.
Wakelin, B.H.
Williams, D.R.
Worth, P.M.

Bishop, B.K.
Brough, M.T.
Cameron, R.A.
Charles, R.E.
Downer, A.J.G.
Elson, K.S.
Fischer, T.A.
Gambaro, T.
Haase, B.W.
Hawker, D.P.M.
Hull, K.E.
Katter, R.C.
Kelly, J.M.
Lawler, A.J.
Lindsay, P.J.
Macfarlane, I.E.
McArthur, S.
Movlan, J. E.
Nehl, G. B.
Neville, P.C.
Pyne, C.
Ronaldson, M.J.C.
Schultz, A.
Seeker, P.D.
Somlyay, A.M.
State, S.R.
Sullivan, K.J.M.
Thomson, A.P.
Tuckey, C.W.
Vale, D.S.
Washer, M.J.
Wooldridge, M.R.L.

Adams, D.G.H.
Andren, P.J.
Bereton, L.J.
Byrne, A.M.
Cox, D.A.
Crosio, J.A.
Edwards, G.J.
Emerson, C.A.
Ferguson, L.D.T.
 Fitzgibbon, J.A.
Gibbons, S.W.
Griffin, A.P.
Hoare, K.J.
Irwin, J.
Kernot, C.
Latham, M.W.
Lee, M.J.
Martin, S.P.
McFarlane, J.S.
McMullan, R.F.
Morris, A.A.
Murphy, J. P.
O’Keefe, N.P.
Price, L.R.S.
Ripoll, B.F.
Rudd, K.M.
Sciacca, C.A.
Sidebottom, P.S.
Snowdon, W.E.
Tanner, L.

Albanese, A.N.
Bevis, A.R.
Burke, A.E.
Corcoran, A.K.
Crean, S.F.
Danby, M.
Ellis, A.J.
Evans, M.J.
Ferguson, M.J.
Gerick, J.F.
Gillard, J.E.
Hall, J.G.
Horne, R.
Jenkins, H.A.
Kerr, D.J.C.
Lawrence, C.M.
Macklin, J.L.
McClelland, R.B.
McLeay, L.B.
Melham, D.
Mossfield, F.W.
O’Connor, G.M.
Plibersek, T.
Quick, H.V.
Roxon, M.L.
Sawford, R.W.
Sercombe, R.C.G.
Smith, S.F.
Swan, W.M.
Thomson, K.J.

Wilkie, K.
Zahra, C.J.

Pairs

Forrest, J.A.
O’Byrne, M.A.
Howard, J.W.
Beazley, K.C.

* denotes teller

Question so resolved in the affirmative.

Committees

Electoral Matters Committee

Membership

Madam Deputy Speaker (Mrs Gash) (8.23 p.m.)—I have received advice from the Acting Chief National Party Whip that he has nominated Mr St Clair to be a member of the Joint Standing Committee on Electoral Matters in place of Mr Forrest.

Motion (by Mr Ruddock)—by leave—agreed to:

That Mr Forrest be discharged from the Joint Standing Committee on Electoral Matters and that, in his place, Mr St Clair be appointed a member of the committee.

indigenous education

(Targeted Assistance) Bill 2000

Consideration of Senate Message

Consideration resumed from 2 November.

Senate’s amendments—

(1) Clause 10, page 9 (after line 19), after subsection (1), insert:

(1A) When the Minister makes an agreement in accordance with the provisions in paragraph (1) (a), (b) or (c), the Minister must make a copy of that agreement available for public scrutiny prior to its commencement.

(2) Page 14 (after line 13), at the end of the bill, add:

19 Report to Parliament

The Minister, as soon as practicable after the information is available and at least annually, must cause to be laid before each House of the Parliament, a report on:

(a) how funding appropriated under this Act has been distributed, annually, by institution and by State and sector;

(b) all performance information requested and collected, aggregated by State and sector; and
(c) the reasons for any decision to reduce funding to any provider.

Dr KEMP (Goldstein—Minister for Education, Training and Youth Affairs and Minister Assisting the Prime Minister for the Public Service) (8.24 p.m.)—I would like to indicate to the House that the government proposes that the amendments be taken together and that the government will agree to the amendments to be moved by the member for Dobell in place of the Senate amendments.

Mr LEE (Dobell) (8.24 p.m.)—I move:

That the Senate amendments be disagreed to and that the following amendments be made in place thereof.

(1) Clause 10, page 10 (after line 5), at the end of the clause, add:

Notice in Gazette

(5) The Minister must, by notice in the Gazette, publish details of any agreement made under this section.

(2) Page 14 (after line 8), after clause 17, insert:

17A Annual Report

As soon as practicable after the end of each funding year, the Minister must cause a report dealing with the following, in relation to that year, to be laid before each House of the Parliament:

(a) performance information, in relation to each State and Territory and in relation to the government and non-government sector, contained in the National Report on Schooling in Australia;

(b) information relating to Indigenous students contained in any performance reports of the Ministerial Council on Education, Employment Training and Youth Affairs;

(c) the progress of the National Indigenous Literacy and Numeracy Strategy;

(d) the number of Indigenous enrolments in the pre-school sector;

(e) the year 10 and year 12 retention rates for Indigenous students;

(f) the number of Indigenous enrolments in post-compulsory education and training;

(g) the number of Indigenous students completing post-compulsory education and training;

(h) payments made under agreements made under this Act, including totals of such payments in relation to each State and Territory and in relation to the government and non-government sector.

The amendments that I have moved to replace those passed in the Senate have been negotiated between the government and the opposition. The first amendment requires information about agreements made with education providers under this act to be published in the Gazette. The second amendment requires an annual report to parliament, providing information about the outcomes of indigenous students in compulsory and post-compulsory education and training. Year 2000 data will be available through the national report on schooling and the first report to parliament under this act will provide details in respect of 2001. The report will also contain information about the distribution of funds appropriated by this act, broken down by state and sector.

The opposition has been concerned to ensure that meaningful information is available to the parliament on the progress of indigenous students relative to other Australian students, given their special needs. It was put to us by the government that such information is available through the annual national report on schooling. We consider this approach unacceptable because the ANR is a product of agreements made between the Commonwealth and the state and territory ministers for education. Its format can and has been changed without reference to the federal parliament. We strongly believe that this parliament and the people of Australia need a separate source of information about how well the education and training system is meeting the needs of indigenous people. I am pleased that the government has agreed to this.

I note that other matters, which were dealt with in our original amendments, have been the subject of agreement to provide information through the Senate estimates committee process. With the Minister for Education, Training and Youth Affairs in the chamber, I
would be grateful if he could repeat for the parliament the assurances which have been given by our various offices. The two matters, which are not covered by these amendments but have been the subject of agreements between the government and the opposition, involve a commitment by the government to make certain information available through the Senate estimates committee process, and that will be if the opposition seeks information on particular agreements between the government and providers, or if the government decides to reduce funding for a particular provider where that reduction is not caused by the normal year to year variation or week to week variation in enrolments. If the minister would confirm for the *Hansard* the government’s private agreement that, if the opposition seeks that information, it will be available through the Senate estimates committee process, I would be very grateful. I finish by thanking the minister for his cooperation in resolving these matters.

Dr KEMP (Goldstein—Minister for Education, Training and Youth Affairs and Minister Assisting the Prime Minister for the Public Service) (8.27 p.m.)—The amendments proposed by the opposition are agreed to by the government. The first provides for the gazettal of details of agreements made with education providers; the second provides for the tabling of an annual report containing certain financial and performance information. I am happy to provide a legislative basis for the reporting of performance information. This is not to say that collecting this information is new. The government already collects this information and much of it is made available through different mechanisms, such as the annual national report on schooling in Australia and Australian Bureau of Statistics publications. The proposed annual report will bring this information together in one place and should provide a useful reference for examining indigenous education outcomes and for formulating future policy directions. In addition to these amendments, the government will endeavour, as requested by the member for Dobell, to provide members with access to draft indigenous education agreements, finalised agreements upon request and details of where funding has been reduced to an education provider, except where the reduction was due to normal parameter changes, such as a decrease in enrolments or finalisation of a one-off project.

Mr SNOWDON (Northern Territory) (8.28 p.m.)—I rise to support the proposal put by the member for the Dobell but, in doing so, I want to register my concern at the data against which people will be judged. I make the point—and it is a point I have made in other debates in this parliament—that, when we are talking about national standards, and we are talking about indigenous education in this instance, standards will differ from place to place, depending on a range of historical and cultural background material. I am very conscious that the national testing formula, for example, may well be culturally inappropriate and will invariably demonstrate very poor outcomes. I am aware, for example, that in the Northern Territory recently MAPS testing was undertaken. I am advised that Aboriginal outcomes in schools in Darwin were about 70 on the MAPS test; in one particular school in the bush the outcome was one.

That raises significant issues about the tests that are being applied, the data that is being collected and the way it is being assessed. I am concerned that we should be looking at the circumstances in each location and across locations. I know the minister believes that significant improvements are being achieved, and I welcome the additional funds. However, indigenous and non-indigenous educators in indigenous education have registered their concerns with me about the appropriateness of the testing regimes that exist across schools. They are concerned about the performance based aspects of this proposal. For example, they are worried that attendance is a criterion because, in some cases, attendance—or lack thereof—may not be the fault of the school but be due to a particular circumstance revolving around that community. Attendance might be seasonal. I am aware that schools in the Northern Territory are being assessed on their staffing arrangements and I know that many bush schools are very concerned
about the formulas that they will confront next year.

There is a view that the government—and, indeed, those who advocate the model that we are discussing—is using a deficit model of indigenous education. I think we must learn something here: indigenous education, indigenous educators and indigenous people clearly have something to teach us that I do not believe we have comprehended properly in our approach to the cultural appropriateness of the education systems that we have put in place or the testing material that we use in schools. I say that as someone who has been a student and an observer of indigenous education over many years—indeed, I wrote about that subject years ago. While I welcome the increase in funds, I am very concerned that schools in the communities that I travel around might be disadvantaged by the processes used to assess the outcomes achieved in those schools.

The minister will be aware of a number of schools in the Northern Territory where outcomes for literacy in indigenous languages, for example, are considered as important—indeed, more important than outcomes for literacy in English. Yet, when we talk about ‘literacy’, more often than not that is taken to mean literacy in English. In many communities in my electorate English is a second, third or fourth language. I say to the minister: I welcome the initiatives for increased funding but I am very concerned that schools in the communities that I travel around might be disadvantaged by the processes used to assess the outcomes achieved in those schools.

TRADE PRACTICES AMENDMENT BILL (No. 1) 2000
Second Reading

Debate resumed from 9 November, on motion by Mr Hockey:

That the bill be now read a second time.

upon which Mr Fitzgibbon moved by way of amendment:

That all words after “That” be omitted with a view to substituting the following words:

“whilst not declining to give the bill a second reading, the House

(1) condemns the Government for failing to fully embrace the recommendations of the Joint Select Committee on the Retailing Sector including:

(a) the establishment of a mandatory code embracing the principle of “like terms for like customers” and the mandatory notification of retail stores and wholesale operation acquisitions by publicly listed corporations, and

(b) the establishment of a National Uniform Retail Tenancy Code, and

(2) calls on the Government to facilitate open debate about the full impact of the GST on the viability of small businesses”.

Ms GAMBARO (Petrie) (8.34 p.m.)—The Trade Practices Amendment Bill (No. 1) 2000 is of benefit to both small business and consumers, and I am very pleased to have the opportunity to speak about it in the chamber. It is always interesting to meet with small business owners and operators in my electorate to discuss the issues that concern them and that most affect their businesses. Without a doubt, fair trading conditions are always close to the top of the list of most small businesses. I come from a small business background and I know the time demands associated with running a small business and maintaining a family life, and the continual worries about turnover, cash flows and employee responsibilities. It is not easy, and I take my hat off to the many small businesses in the electorate of Petrie and around Australia.

This government has been working very hard to make sure that we help small businesses. A few years ago, I was involved in a
landmark fair trading inquiry that provided some excellent recommendations for protecting small businesses through the Trade Practices Act. *Finding a balance: towards fair trading in Australia* was a revolutionary report, and the government’s prompt response to it has been instrumental in dealing with tenancy issues such as those mentioned in the report and in developing a retail code of conduct. It has also protected small businesses against unconscionable conduct.

Finding a balance: towards fair trading in Australia was a revolutionary report, and the government’s prompt response to it has been instrumental in dealing with tenancy issues such as those mentioned in the report and in developing a retail code of conduct. It has also protected small businesses against unconscionable conduct.

It is always useful to remind the House that, during its 13 long years in office, the Labor Party produced some 17 reports on small business issues that had absolutely no impact. No action whatsoever was taken on any of those reports. The Labor Party has always failed to deliver for small business because its union bosses will not let it be—in fact, the Labor Party does not have any relevant small business policies. More than two million Australians are employed in the small business sector. These small businesses are at the hub of the Australian employment situation and they provide investment in our communities and employment for Australians of all ages. That is why the minister should be commended for this bill and its amendments, which deliver better business protection both to Australian small businesses and to consumers.

The first amendment is derived from a recommendation by the Joint Select Committee on the Retailing Sector, which looked particularly at competition issues within the retailing sector. Currently, the Trade Practices Act prevents an organisation from buying shares in a body corporate or an individual if this would have the effect of substantially lessening the competition in a market. At issue here is the definition of what a market is. The amendment will add ‘regional markets’ to the current definition in the act of what a market is. Currently, the section defines a market as a ‘substantial market for goods or services in Australia, in a state or territory’. Additionally, the amendment inserts the same provision in the competition codes of states and territories. This amendment will ensure that the ACCC will look at the impact a merger would have on a regional market. This is all about enhancing competition and giving consumers the opportunity to choose between a variety of goods and services. It also ensures that no one market will be dominated by one or two players who may not act in the best interests of consumers and the general community.

The second amendment before us also flows from a recommendation of the Joint Select Committee on the Retailing Sector. This recommendation relates to the threshold limits for unconscionable conduct provisions. Section 51AC of the Trade Practices Act was intended always to protect small business from unconscionable conduct. It therefore provided that legal provisions were available where a transaction was less than $1 million. The retailing sector report actually found that this was prohibitive to small business and that the threshold should be raised to $3 million. This provision was announced at the end of last year in a media release put out to announce the government response to the retailing sector report. **Fair market or market failure?** In that media release, the minister stated:

To enhance small business access to the unconscionable conduct provisions under section 51AC of the Trade Practices Act, the government will increase the transactional limitation from $1 million to $3 million.

It is true that the $1 million limit did lead to some small businesses losing the protection of this section of the Trade Practices Act, but it is important that all members of the House support this provision.

The third amendment is extremely important because it ensures consistency between state and territory laws and the Commonwealth Trade Practices Act in regard to unconscionable conduct provisions. There is nothing worse than being caught up in more red tape when state and Commonwealth legislation and provisions are very different. That is the last issue small businesses who are busy with their day-to-day running need or want to contend with; they really do need to deal with the business issues at hand.

The next amendment extends the definition of ‘goods’ to include items that have become fixtures after the time of supply—and there are many businesses which fit into
d there are many businesses which fit into that category. In addition to implementing the recommendations from the Joint Select Committee on the Retailing Sector, the Trade Practices Act amendment bill also implements sections of the Australian Law Reform Commission’s report *Compliance with the Trade Practices Act*. In particular, the bill amends part V of the act relating to maximum fines for breaching the consumer protection provisions. Under the new penalty regime, fines for breaches of part V will be $220,000 for an individual and $1.1 million for a corporation. This reflects the desire of the community and small business to punish those people or organisations that act in totally unacceptable ways in regard to consumer protection provisions—and those people should be punished.

Additionally, the Australian Law Reform Commission report recommended that individuals or organisations who are victims in consumer protection cases can receive some form of compensation. This means that, if an offending organisation or individual is ordered to pay a fine or pecuniary penalty as well as compensation, first priority must be given to the payment of compensation. This, of course, does not mean that the fine or penalty will be waived—but, if compensation is paid first and the defendant is in difficult financial circumstances, it will assist there. Further amendments relating to the Australian Law Reform Commission report also include changes to the system of damages for unconscionable conduct. Section 82 of the Trade Practices Act will be amended so a person who is the victim of unconscionable conduct will be able to institute an action for damages. The limitation period for damages claims and ancillary orders has also been extended from three years to six years to allow time for victims of unconscionable conduct to make an application.

The Australian Law Reform Commission report found that existing sanctions, such as fines, were not always a deterrent for offending companies because they did not necessarily cause any hardship, particularly for larger corporations with large resources. Furthermore, fines were sometimes paid by shareholders and other bodies and not necessarily by those people who committed the offences. In other words, employees or managers who caused the bad conduct would not be personally liable for it and, therefore, there was very little incentive for the prevention of further offending behaviour. Under these amendments, pursuant to section 86C of the act, people who have not complied with the legislation may be forced to undertake community service—and I think that is a very welcome move. They will be placed on probation and they may have to disclose certain information or advertise information at their own expense.

The trade practices bill before us today also enhances the ability of the Australian Competition and Consumer Commission to act on behalf of small businesses that are experiencing unconscionable conduct and contravention of industry codes or contravention of consumer protection provisions. Quite an array of cases presented to us in the fair trading inquiry related to small businesses that just did not have the resources to be able to take on big businesses, and this is a welcome measure for those particular small businesses that are parties in those types of actions. This amendment will greatly assist those small businesses, and I know that both the Reid report and the Joint Select Committee on the Retailing Sector supported this provision. This measure was brought forward previously by this government in 1998 and was subsequently blocked in the Senate. It is yet another example of Labor’s failure in terms of the small business sector. This provision will be of great advantage to small business, and I urge everyone in the House to support this aspect of the legislation.

Small businesses usually have neither the time, the expertise nor the resources to take on these large offending organisations, especially when those large offending organisations have huge resources, many lawyers and a wealth of funds on tap. This is where the ACCC can step in and make representations on behalf of those businesses, using its considerable resources to assist—particularly in cases where there has been a deliberate contravention of the act. The ACCC will also be able to intervene in private proceedings where it is in the public’s interest to do so.
Additionally, there is a proposed new section—163A(3)—which will allow the ACCC to make declarations on the operation or the effect of any provision of the Trade Practices Act.

This government is firmly committed to the small business sector and always has been. The amendments before us show that the government is willing and determined to act on these recommendations and is determined to make sure that they are implemented for the small business sector. I have already mentioned Labor’s 17 reports in 13 years with no action. The Trade Practices Act provides excellent protection for the small business sector, and it is vitally important that these measures work practically and are accessible for small businesses.

Just recently, the Minister for Financial Services and Regulation announced more help for small to medium sized businesses with the Attract more customers technology publication. This is an innovative approach. The brochure will help businesses to boost their business through telecommunications technology, such as the phone and the Internet. It provides practical advice, such as 10 ways customers can access services, including free-call phone, automated CT phone service, interactive voice response service, fax back phone service, the Internet and much more. The publication is very good in that it has some great small business stories to tell. Many small businesses have experienced great success with small technological changes and, particularly, by adapting to new technologies.

One such story is that of a company called Dyson vacuum cleaners. What can be exciting about a vacuum cleaner company, you may be wondering. James Dyson, the inventor and the manufacturer of the innovative bagless vacuum cleaner, offered superior customer service by providing a seven-day-a-week free-call customer service help line, the number of which was printed on the handle of his product. These are very simple innovations that take little effort but are invaluable to customers. The brochure is being distributed through business enterprise centres, industry associations, Countrylink and regional development departments. Information is also available online. This is an excellent publication and I recommend it to all small to medium business operators.

By offering good practical advice and information, along with better consumer protections under the Trade Practices Act, the federal government is delivering on its commitment to small business. I am continuously meeting with businesses in all areas of my electorate and it is important that we keep that pipeline going. The feedback that I get from a large number of my business constituencies is very important to me, and I will work hard to ensure that I help to maintain their profitability and look after their business interests. In Aspley, Bracken Ridge, Deception Bay, Margate and McDowall, small businesses all want to get on with the job. They want to be protected from unacceptable conduct from their competitors, whether they are large or small competitors. It is also important that consumers be protected. There is not a day when a constituent does not come to me because a large corporation or an individual has been involved in a scam or unconscionable conduct. It is too late when I see elderly members of our community lose $60,000, as in a recent case. It is too late when the telegraphic transfers occur or the money goes from the bank account.

These measures will protect small businesses and consumers. These amendments prove once again that this government is committed to providing this protection after careful consultation with those members of the community which will be most affected by them. I wish to congratulate members of the Joint Select Committee on the Retailing Sector on their hard work. I know it was a painstaking inquiry. A number of states were visited and the inquiry was very intensive. I would also like to congratulate the minister on transforming the recommendations of the committee and others into workable and practical legislation, such as the amendments we have before us. I commend the Trade Practices Amendment Bill (No. 1) 2000 to the House.

Mr JENKINS (Scullin) (8.49 p.m.)—I am very pleased to speak to the Trade Practices Amendment Bill (No. 1) 2000. My involve-
ment with the gestation of this piece of legislation was through both the Reid committee and the Baird committee. These have been mentioned tonight by the honourable member for Petrie. In both those committee inquiries into the retail sector, we learnt that there needed to be government involvement to ensure that there was a level playing field. That should basically characterise the outcome of any government in putting in place a piece of legislation like the Trade Practices Act. This legislation is a continuing refinement as we have a better understanding of how the players in the market actually operate and the way in which, whether because of their size or because of their position in the market, they are able to in some ways manipulate that market.

Small business, in particular, requires the government's involvement in ensuring that the market is fair to ensure that at all stages there is transparency. I think back to the Reid committee inquiry, where we looked in great detail at a whole host of matters and, especially, at the way in which retail tenancies operated. One of the constant complaints made to that committee was that there was not a level playing field. This complaint was made on the basis that parties in the transactions that surrounded retail tenancy did not have access to the same information and that the processes involved in putting in place tenancy agreements were not transparent. What interested me about the circumstances that we investigated as part of the Baird committee inquiry—where we looked at the part of the retail sector that is to do with supermarkets and groceries—was that, again, one of the constant concerns of small business was they felt that they did not have equal access to information and that they could not be sure that they were in fact operating and competing on equal terms.

The opposition do have some concerns about the way in which this piece of amending legislation has been presented to us as the response to the Joint Select Committee on the Retailing Sector's inquiry and the report of that inquiry entitled Fair market or market failure?: a review of Australia's retailing sector. This piece of legislation and the government's response did not support or put into action a number of the recommendations of that report. That is of concern to us on this side of the House, and that is illustrated by the way in which the second reading amendment that has been sponsored by the shadow minister is framed.

One of the things we see is that, whilst the joint select committee recommended that there be a mandatory code of conduct, what is to be put in place is a voluntary code of conduct. If we look at the history of the way in which codes of conduct have developed in Australia, we will find examples which illustrate that where those codes of conduct have been put in place in a voluntary fashion they have not been as successful as they could have been. When we are talking about a mandatory code of conduct, we are really talking about some form of legislative underpinning being provided, perhaps through the Trade Practices Act.

One of the clear examples that we can give—and that arises out of the work that was done on the Reid inquiry—is the example of the franchising code of conduct. Of course, we have recently had the review by this government of the mandatory code of conduct, where the government has expressed its continuing support for that code of conduct and for its mandatory nature. I think it is important that we do put that on the public record yet again. The Parliamentary Secretary to the Minister for Employment, Workplace Relations and Small Business, the honourable member for Longman, only last month, in speaking about the work of the review of the franchising code of conduct, indicated that the government supported its continuation, that it supported the continuation of the industry advisory body, the Franchising Policy Council, for a further two years and that funding was to continue for the private service provider, the office of mediation adviser, which assists franchisors and franchisees in settling disputes. To me that seems a pretty good model for the way in which we should be seeing codes of conduct progressed. In fact, because of the way in which the code of conduct for the grocery industry and the Retail Grocery Industry Ombudsman Scheme have been put in place, there is a little bit of concern about whether
it will be the success that it could be. Perhaps it is one of these occasions when one can say that, if it succeeds, one will be very pleasantly surprised.

Another set of recommendations from the joint committee’s report that were rejected relate to the mandatory notification of retail grocery store acquisitions or the mandatory notification of retail wholesale acquisitions. These were unanimous recommendations of the committee. During the joint select committee’s inquiry, we looked at recommendation 2.1 of the 1997 Reid report and recommended a uniform national retail tenancy code. Of course, the opposition’s second reading amendment highlights that. We will have great concerns if the recommendations, including the establishment of the national uniform retail tenancy code, are not fully embraced. The opposition are trying to put on the public record with great certainty that we really believe there needs to be leadership at the federal level to ensure that there is such a national scheme.

If we have a look at the variety of different tenancy schemes across the country, it is particularly difficult for businesses that operate in more than one jurisdiction. The stories that were heard during the Reid report about some of the conditions imposed on retail tenants can be quite harrowing for those concerned. It appears that the Commonwealth wishes to avoid really grasping the nettle about this as an issue. I am sure that the honourable member for Wills will join me in expressing pleasure that the Victorian Minister for Small Business and Consumer Affairs has announced a review of retail tenancy legislation in Victoria. I know that the honourable member for Wills was a very keen observer and assisted in making sure that people put to the Reid inquiry their concerns about what was operating in the state of Victoria with retail tenancies at that time. Whilst things have improved in small part, there is still much that we believe should be done. I hope that the review by the Office of Regulation Reform within the Department of State and Regional Development incorporates some of the issues that were highlighted by small business about their tenancy agreements.

I now turn to the three amendments contained in the bill that arise from the report of the Joint Select Committee on the Retailing Sector. As I have indicated, I was pleased that I had the opportunity to work in the capacity of deputy chair of the joint select committee. I think it was a hardworking committee, as has been alluded to by other speakers. Because it represented all of the political parties represented in the Australian parliament, both in this place and in the Senate, it truly explored the issues from a variety of viewpoints. Often that can come to outcomes and conclusions that are hard to put together.

The fact that there was absolute agreement on nearly all of the points that the joint committee put in place was important. From the outset it was felt that one of the major points of policy that the committee should look at was capping the amount of market share that the three majors would have. A number of members of the committee brought into the inquiry established positions in support of that capping. It is pertinent to note that after a great deal of exploration on that position we were able to get a unanimous decision that a cap at this stage would be unworkable. There is no use taking a high and mighty stance and saying that we will put in place something that sounds good just to appease those who are shouting very loudly. When I say they were shouting very loudly, I think we understood that many of the small businesses were adopting that attitude because they were seeing a lot of the market share go into the hands of the majors. But the simple cap was not going to be a workable solution.

That is why I say, when the committee worked so well together and was able to put together unanimous decisions, it is very sad to see that the government has chosen not to implement all of them in full but to water them down. For instance, there was bipartisan support for the recommendations of the committee and the government would have had the full support and cooperation of the opposition and the shadow minister to implement them. Arising out of the inquiry there was the political will to implement the
recommendations in full. That is why to miss that opportunity is very sad.

The first amendment contained in this amendment bill expands the definition of ‘market’ and allows the ACCC to consider the concept of regional markets in assessing acquisitions and mergers. While the ACCC’s own merger guidelines apparently allow for this already, the legislative recognition of this concept will make it absolutely explicit. The fact that it will be part of legislation underscores the general direction that elected representatives who have an interest in this area want the ACCC to take into their inquiries about whether there has been abuse of market dominance. The reason behind this amendment is that the committee saw many examples of a phenomenon called creeping acquisitions in rural and regional Australia. This is where the acquisition of one independent store by one of the major players like Coles or Woolworths would not in itself—that is, the single acquisition—represent the lessening of competition in a wider market but, over time, would impact significantly on the operation of competition in particular regions. That particular concern was put to the committee by the National Association of Retail Grocers of Australia, NARGA. It was thought by the committee that we should have a tighter definition of ‘market’ that really reflects what happens out there on the ground, and those are the types of things that should be investigated.

I see the honourable member for Eden-Monaro is to follow me in this debate. One clear example of the way dominance in a regional market is able to take place outside the grasp of ACCC investigation was in his electorate. The facts that were put to us in hearings that took place in the Eden-Monaro region about what happened in Cooma, for instance, led the committee to believe that this type of amendment to the act is important. Currently, if a transaction is over $1 million there is no access to section 51AC of the Trade Practices Act, which deals with unconscionable conduct. The opposition have always believed that this limit was far too low, particularly for those in high-volume, low-margin businesses. The Reid inquiry first had a different definition that was to be used to ensure that small business could get access to these aspects of the Trade Practices Act. We are pleased to see that we can have the amendment to allow greater access. The shadow minister used the example of service station proprietors in his contribution earlier in this debate. The new limit of $3 million substantially expands the coverage of section 51AC and will make certain that all firms have the protection of this section.

The third amendment extends the powers of the ACCC to allow it to take representative action under part IV of the act. It will mean that when the ACCC is in court prosecuting a case against a party that may have breached predatory pricing rules or any other offence under that part of the act it will also be able to get compensation for an aggrieved party. At the moment when the guilty parties are fined it is exactly that—a fine that goes to the government for a breach of the act and no part of it goes in compensation to the injured party. This has been seen to be one of the shortcomings of the present act and this amendment will serve as a remedy to the injured party.

It is interesting to look at examples of behaviour that has been outside these sections of the Trade Practices Act in the past. One has to wonder whether the fines that had been put in place have really had the added educative role that they might have had. One case mentioned to the joint select committee in Tasmania—and I am sure this will be of interest to you, Mr Deputy Speaker Adams—involved a firm called Chickenfeed and the George Weston company and related to the pricing of biscuits. What came of the ACCC’s action in that case was that the firm George Weston was fined I think $900,000. But, as was indicated in the write-up about this case and the decision earlier this year, the behaviour for which George Weston got a fine of $900,000 occurred four days after George Weston was fined $1.25 million because of its interference in the pricing of bread in a case that was conducted, I think, from the suburb of Preston in Melbourne.

In both of these cases there is an indication that there were aggrieved parties that, because of the behaviour of the company, did
suffer some form of injury. Whilst there have been more clear cases put to both inquiries of the way in people have been aggrieved, in both of these cases the companies that were the aggrieved parties because of how the supplier had operated might have had some opportunity for redress under the proposed amendment. So that is a change that obviously has our support.

Finally, I would like to go to one of the underpinning principles that I think applies to a lot of the behaviour, and it is why the opposition has put on record its disquiet through the second reading amendment: we believe that under the Trade Practices Act we should legislate to ensure that we have like terms for like customers. Through the inquiry we were given evidence about how the Robinson-Patman act operates in the United States. The Robinson-Patman act gives like terms for like performance for like customers. If we were able to put in place in a legislative form that type of condition, I think that small business would have much more certainty that when they are out there in the market in competition with bigger players, at least the processes are transparent, and that they are getting a fair go. At the end of the day, that is all that they ask for. They come up with suggestions, those inquiries have looked at those suggestions, and the government has made a response. In turn, the opposition has made a response also to those things. I think that gradually we are seeing that the provisions of the Trade Practices Act are giving a market that has a more level playing field. *(Time expired)*

Mr NAI RN *(Eden-Monaro)* *(9.09 p.m.)*—I rise to speak on and commend the Trade Practices Amendment Bill (No. 1) 2000 for the way it will improve the way the Trade Practices Act 1974 delivers protection to small Australian small businesses and consumers. Having spent all of my working life in business prior to going into parliament—the 13 years prior to coming into parliament in my own business—I have certainly taken a great interest in the matter of protection for small business. Really, when it comes to the crunch, all small business is really looking for is a reasonably fair playing field. It does not want any great favours; it just wants to be able to compete fairly. In many situations small business can compete very well with larger businesses. They are a lot more flexible, and they can more easily fit into niche markets and so on. But when larger business uses its size and its market power, that is where small business relies on things like the Trade Practices Act for protection.

The object of the Trade Practices Act is to enhance the welfare of all Australians through the promotion of competition and fair trading and provision for consumer protection. These amendments serve to update the enforcement and remedies provision to ensure that the act continues to deliver appropriate protection to Australian businesses and consumers and continues to promote competition and fair trading. Over roughly the past 20 years we have seen the demise of hundreds of around the corner grocery stores, butchers, bakers, newsagents and other small retailers as a result of the continuous expansion of major supermarket chains and major specialty retailers. The government does not want to invoke protectionist measures for small independent retailers; it wants simply to provide measures which it believes will enhance competition in the marketplace.

In 1994 the Australian Law Reform Commission reviewed the operation of the act in the Australian Law Reform Commission report No. 68: *Compliance with the Trade Practices Act 1974*. Particularly, the commission reviewed the enforceability of the act’s provisions and concluded that there were a number of areas that could be amended to improve the act. These suggestions have been taken into account in this bill. The government set up the Joint Select Committee on the Retailing Sector, of which I was a member, on 10 December 1998. The committee was given a reference to inquire into and report on the impact of market concentration in the retail sector and recommend possible revenue neutral courses of action for the government to take.

Like the Law Reform Commission, the retail sector committee also considered the provisions of the Trade Practices Act and the protection it provides. Extensive hearings were held around Australia in places such as Launceston, Bendigo, Dubbo, Cooma and
Bundaberg. Numerous submissions were considered, and the committee also looked at overseas developments, such as approaches adopted in OECD countries. In August 1999 the committee released the report *Fair market or market failure?*—or what has become known as the Baird report, after the chair of the committee, the Hon. Bruce Baird, the member for Cook, whom I must commend for his excellent chairmanship. As the member for Scullin said just a short while ago, the committee did work extremely well together.

The committee recommended that amendments be made to the TPA to enhance the protection provided to small business and consumers. The response to *Fair market or market failure?* was released by the federal government in December 1999. The federal government supported the joint select committee’s recommendations to develop an industry code of conduct, establish and fully fund an independent retail grocery industry ombudsman to help resolve industry disputes, and to amend the Trade Practices Act 1974 to improve access by small businesses to remedies and damages. The government has delivered on all of these accounts. This bill in particular deals with the latter.

The principal amendments to the bill will do a number of things. Firstly, they will increase the maximum penalty levels under the TPA to $1.1 million for corporations and to $200,000 for individuals for offences against the consumer protection provisions. The Law Reform Commission reviewed the current penalties and recommended they change after it found that the current maximum penalties were insufficient to reflect the community’s disapproval of actions that constitute contravention of the TPA.

Secondly, the bill will allow the Australian Competition and Consumer Commission, the ACCC, to protect consumers and small businesses by intervening in private proceedings and instituting representative actions. This initiative is significant for small business, and was given particular focus by the Select Committee on the Retailing Sector. The committee found that a significant body of evidence alleged instances of predatory pricing, where it was said that the major chains were prepared to lose money in certain stores to wipe out the competition. Evidence was consistent and widespread, with the theme in complaints being that the difficulties lie in establishing predatory conduct under the current provisions of the Trade Practices Act. The committee recommended that the ACCC be given wider powers to bring representative actions as a way of addressing the issue of predatory pricing. Small businesses may not have the time, resources or legal expertise to engage in legal proceedings. In these cases the ACCC is therefore better placed to initiate proceedings on behalf of small businesses for significant and broad ranging breaches of the competition provisions in the act.

Thirdly, the bill provides the court with the ability to impose non-monetary penalties, such as community service orders, probation orders, corrective advertising orders and adverse publicity orders, where it finds the act has been breached. The Law Reform Commission felt that in some cases a fine was not the appropriate action and that other methods of punishment might further the objectives of the act. Community service orders, for instance, require a person who has contravened the act to perform a service for the benefit of the community. This is directed at redressing the harm caused in the community as a result of the contravention and at encouraging future compliance with the TPA.

A probation order is designed to impose control over aspects of the conduct of the party in contravention of the act. It means to achieve a change in order to prevent a repetition of the contravention. An order requiring the disclosure of information requires a person who has contravened the act to provide information to consumers and businesses in the hope of redressing the harm caused by the contravention of the act. An order requiring an advertisement to be published requires a person who has contravened the act to publish an advertisement which addresses the contravention of the act. An adverse publicity order may require a person who has contravened the act to publish, at their own expense, an advertisement detailing their breach of the TPA.

Fourthly, the bill extends the limitation period within which a person can commence
legal proceedings to six years from the date that a cause of action accrued. This is in line with most common law statutes of limitations. Fifthly, the bill ensures the courts give preference to ensure that the victims of contravention are compensated in preference to a fine or penalty being recovered. This addresses cases where a person who contravenes the TPA has been directed to both pay a fine or pecuniary penalty and compensate those who have suffered loss or damage as a result of the contravention. Where the person who has contravened the act has insufficient financial resources to do both, the court is to give preference to compensation.

The specific problems being addressed by the bill are deficiencies in the act’s compliance and redress mechanisms, the lack of appropriate remedies for business and consumers, barriers to the institution of proceedings under the act, that the available remedies are not effective in encouraging future compliance with the act and remediating the harm brought about by the contravening conduct, and that the objectives of the act—to promote competition and fair trading in the Australian marketplace—are not fully realised.

The bill does not change the legal rights and obligations of any person. Rather, it ensures that the act’s enforcement and remedies mechanisms work more effectively in Australia’s current economic climate. If there is no action, the courts will find it necessary to rely on the existing legislative provisions, which will perpetuate the problems currently being experienced by enforcement agencies, businesses and consumers. This bill is but a part of the continuous work by the federal government in ensuring a healthy economy. An independent retailing sector is essential to the overall wellbeing of the Australian economy. Independent retailers bring social benefits to Australian consumers and maintain competitive forces within the market.

Concerning the Baird report and the government’s response to that, I mentioned earlier that the government had fulfilled its promise to develop an industry code of conduct and to establish and fully fund an independent retail grocery industry ombudsman to help resolve industry disputes. I notice that the member for Scullin said he would have preferred that it was a mandatory code of conduct rather than a voluntary one. It seems to be working quite well already, and I think the way in which the industry has got behind the voluntary code is excellent. It is probably a shame that other industries, like the oil industry, did not do something similar. The oil industry has not progressed to the implementation of a code of conduct in the same way that the retailing sector has.

The appointment of the Retail Grocery Industry Code of Conduct Committee in February this year was the first step in developing a voluntary industry code of conduct. The code committee was chaired by the national chairman of Minter Ellison, Mr Ian Davis. It comprised a distinguished cross-section of industry representatives and drew on expertise from the retail grocery industry. The code, which was released only a few weeks ago, represents five months of work by the code committee. Its successful development shows the capacity of industry to work cooperatively to identify solutions to industry problems with minimal government intervention. The code deals specifically with produce standards and specifications, contracts, labelling and the notification of acquisitions of controlling interests in the retail grocery business to the Australian Competition and Consumer Commission. However, all unresolved vertical supply disputes arising between industry participants will be able to be mediated by the retail grocery industry ombudsman.

The code will be a bonus for all in the industry. It is always easier to mediate disputes than to go to court. It will deliver quicker results for farmers and for small businesses, for whom it is usually difficult to engage in full-scale litigation. It will also make things easier for larger wholesalers and retailers. At the time of launching the code, Minister Reith also announced that the retail grocery industry ombudsman position, fully funded by the government, would be an interim one for the first six months, to be undertaken by the Accord Group. Accord’s principal, Mr David Newton, is an experienced commercial mediator and is the current provider of mediation information and referrals under
the federal government's franchising code of conduct. At the end of this acting term, the government will announce a permanent appointment after considering the views of all interested parties.

One of the other recommendations of the committee which was taken up by the government and also included in this bill is in relation to definitions and taking into account regional markets. This was also brought up by the previous speaker, the member for Scullin. I am very pleased to have had a hand in putting forward that recommendation and its being taken up. Basically, it amends the definition of 'market' to also include 'region'. As the member for Scullin rightly pointed out, that partly came about because of stark examples both in Cooma and Batemans Bay in my electorate of Eden-Monaro which came to the fore during our hearings in Cooma. When the Woolworths group took over the Cannon group a few years ago, they basically ended up with a monopoly in both Cooma and Batemans Bay. This was because, whereas previously there were both Woolworths and Cannon stores in both locations, when Woolworths bought out the Cannon group there were two Woolworths stores in both locations with no competition. When you look at the evidence from the ACCC, in hindsight I think the ACCC acknowledge that probably something should have been done at the time to have Woolworths sell off particular stores in those circumstances. We wanted this regional aspect to be considered because although from an overall state point of view it probably did not make all that much difference, from the point of view of its impact on a region it certainly did. So I am pleased that the recommendation made by the committee on that particular aspect was not only accepted by the government but also included in this bill.

I think the major stores took a great deal of notice of the inquiry. It was interesting that the various major grocery retailers were represented at nearly all the committee's hearings, no matter where we were. The Coles group in particular had people at every hearing. I can assure members that having that inquiry made the major stores sit up and take notice. I hope they have gone back and looked very closely at their systems and the way they do business with small business and their suppliers. It is great if they have done that. One of the things that some of the majors were criticised for was their lack of support within small communities. They may have been providing support to major welfare groups and charitable organisations on a national or a state basis, but within some of the small regional areas they were not doing a great deal. I have been informed subsequent to the inquiry that Coles have reviewed their community donations program and given local store managers funds and authority to participate in activities in their local community.

Coles have instituted other things since the inquiry. They have reissued and reinforced the company's supply relations policies and codes of behaviour through special staff communications. They now display internal dispute mechanisms on their Internet site, along with their internal code of conduct. They have included a dispute resolution clause in their standard contracts. They have appointed a specific person to be very much involved in the code of conduct area as well. They have established an audit process at store level. In addition, they have been involved with the industry in putting forward a number of other matters in relation to the overall code of conduct in the industry. We cannot knock that. They have obviously taken note and realised that they should do things better. While we need to keep an eye on activities, it is good to see that they have taken note and have changed some of the ways in which they run their business. The Baird report delivered some great recommendations, and the government has taken these on board. I urge all members to support this bill for the further safeguard it brings to consumer sovereignty and for the benefits it will bring to the Australian marketplace.

Mr SIDEBOTTOM (Braddon) (9.28 p.m.)—The purpose of the Trade Practices Amendment Bill (No. 1) 2000 is to amend the Trade Practices Act 1974. While the bill’s main aim is to improve the lot of Australian small businesses, we must recognise its shortcomings and the many challenges
still facing small business in this country—
hence the second reading amendment, which
highlights this government’s reluctance to
wholeheartedly get behind our small busi-
ness sector. I support the shadow minister,
the member for Hunter, in condemning the
government for failing to fully embrace the
recommendations of the inquiry of the Joint
Select Committee on the Retailing Sector.
The committee’s report, *Fair market or mar-
ket failure?: a review of Australia’s retail-
ig sector*, has been embraced by Labor as a
blueprint for the future of Australia’s retail-
ing sector. This was reinforced at the ALP
national conference in beautiful Hobart re-
cently.

Small business is often referred to as the
engine room of Australia’s economy, but for
many of today’s small business people it is
grinding away rather than humming. Despite
this government’s neglect of small business
in preference to the big end of town—and
this is reflected in this government’s social as
well as economic policies—over 60 per cent
of Australia’s employment growth over the
past decade has come from the small busi-
ness sector. It is little wonder that small
business, a constituency the Howard gov-
ernment used to call its own, is now, contrary
to the earlier comments by the member for
Petrie, turning its back on the coalition.

I note a key finding of the joint parlia-
mentary inquiry report *Fair market or mar-
ket failure?* was:

... that a viable independent retailing sector is
essential to the overall wellbeing of the Austra-
lian economy.

Yet this government has rejected key rec-
ommendations of the inquiry and, to the
dismay of the independent retailers in par-
ticular, did not support a mandatory code, as
listed in recommendation 5, including the
principle of ‘like term for like customers’,
which would have promoted fairer competi-
tion. I reiterate, as the shadow minister
pointed out earlier in this debate, that Labor,
as part of its new platform, will adopt all of
the recommendations of the Joint Select
Committee on the Retailing Sector. This in-
cludes the establishment of a mandatory
code of conduct embracing the principle of
like terms for like customers, and specific
provisions that address transparency in vul-
nerable supply markets, product labelling
and packaging requirements, contractual un-
certainty and truth in branding—in other
words, a level playing field for independents
and the major chains.

If independent operators are able to meet
manufacturers’ buying requirements—for
example, a minimum purchase of a particular
product—then it is reasonable to expect that
they may be given the same terms and con-
ditions as the majors. Currently that is not
the case and will not be, given this govern-
ment’s attitude. At the moment it is more like
‘like it or lump it’ for the independent small
businesses rather than like term for like cus-
tomers, where the Australian Competition
and Consumer Commission may seek infor-
mation from corporations on a confidential
basis, revealing key terms and conditions of
contracts of supply. It is those businesses in
regional and rural Australia, well away from
the big supermarkets in metropolitan areas,
that have to carry the can. They have to bear
the additional costs such as transport, and
this is demonstrated dramatically today. Of
course, ultimately, it is the consumer who
pays.

Complementary to recommendation 5,
mandatory notification of retail stores and
wholesale operation acquisitions by publicly
listed corporations, as recommended by the
inquiry in recommendation 4, has also been
rejected by this government. Why is this?
What is the concern? I notice members op-
posite do not tackle this issue in any mean-
ingful way. To only make it voluntary again
shows a lack of conviction and support for
the small business sector by the coalition.

Labor has also embraced recommendation
7 to establish a national uniform retail ten-
ancy code. I note in particular it says in rec-
ommendation 7:

The committee is concerned that in major shop-
ning centres there is a lack of transparency with
regard to the cost of floor space rent. That is, the
seller (landlord) has knowledge, the buyer (pro-
spective tenants) has none. Prospective tenants
are therefore prevented from making informed
decisions in assessing the market rent as it applies
to particular areas of retail space.

It goes on:
The committee therefore recommends that the government revisits this recommendation with a view to implementing a uniform retail tenancy code through the operations of the Council of Australian Governments.

I note that in the most recent issue of the national magazine *Retail World* the chief executive of the National Australian Retail Grocers Association, NARGA, Mr Alan McKenzie, drew some comfort from the Labor Party’s approach. Mr McKenzie said:

At least Labor has pledged support for the key recommendations of the Baird report—

that is, the joint parliamentary inquiry into Australia’s retail sector—

so all is not lost.

‘All is not lost,’ said Mr McKenzie. He went on to say:

Labor has given substance to the mantra that there needs to be a viable independent sector.

I would remind the member for Petrie that Mr McKenzie is talking about the Labor Party, not the coalition. In the platform endorsed at our national conference in Hobart this year, Labor recognised that small business plays a central role in the Australian economy and expressly noted:

... its concern over the growing concentration of market power in the grocery retailing sector and the impact on small and independent retailers and on rural and regional communities.

We believe the dynamism of small business cannot be underestimated and should be encouraged. Its potential to further invigorate the Australian economy must be explored through active assistance from government. Like many regional and rural areas around Australia, there is a growing reliance in the small business sector. Indeed, the health of small business is often the barometer of regional and rural economic wellbeing. That is why I and my colleagues are concerned at the dilemma facing many small business people in my electorate, who feel that their businesses are at the crossroads.

I would like to share with you an example. I was recently contacted by Mr Jonathan Cahill, a second generation newsagent in Burnie, who left me in no doubt as to his concern for the future. He wrote:

I hope to one day be able to hand my business over to my children but I feel the way things are heading the only thing I will be showing my children are the words ‘small business’ in the dictionary with the explanation: Once the backbone of the country and the lifeblood of the community but made extinct by large greedy chain stores.

Market domination by major chains such as Woolworths and Coles is indeed one of the major issues confronting independent retailers, as it should be for government. As Jonathan Cahill points out, he is not against competition. In fact he wrote:

I am a strong believer in competition because it makes us better retailers and therefore the public benefits, but by allowing these stores—

that is, the major chains—

to get a stranglehold they are using competition to smother competition so there is no competition.

Like many other instances, competition leads to domination by the few, elimination of the many and price control in the long run. Competition literally becomes all consuming.

Here is just one other example of what Mr Jonathan Cahill is talking about. He says he can buy Coca-Cola to sell in his store cheaper at his local supermarket than he can by buying direct from Coca-Cola, with the supermarket still maintaining a healthy margin. I am sure you have all heard of examples of that throughout Australia. That is hardly a level playing field for small business. To put the concerns of small business people into perspective, in Tasmania the two major supermarket chains have almost 80 per cent of the market. The issue of market domination by the major chains continually surfaces in my home state, and it is little wonder given the discrepancies in supermarket prices.

My colleague the member for Denison has for years demonstrated that Tasmanian shoppers are paying too much for their groceries. Indeed, survey after survey shows we in Tasmania pay among the highest prices for groceries in Australia. An Australian Bureau of Statistics survey in August showed massive differences in prices of many everyday items across Australia. It showed Tasmanian shoppers have the nation’s most expensive supermarket bills, together with those in
Darwin. Is this the price we have to pay for market domination? Recently, as highlighted by the member for Denison and me, we had the ludicrous situation in Tasmania where shoppers on the north-west coast and in Hobart were paying considerably more for the same grocery lines being offered at the same supermarket chain in Launceston. The price discrepancies ranged from 20c to over $1 per item. As I understand it, the supermarket chain had just launched a new store in Launceston and as part of its local promotion decided to slash its prices to herald the opening. But it raises the question: if there was real competition, why wouldn’t all items be discounted all of the time? It just shows how consumers can be manipulated at the whim of the major supermarkets. I raised these concerns in a letter to the Chairman of the Australian Competition and Consumer Commission, Professor Allan Fels, but as yet have not heard back from him.

Mr Martin—He didn’t write back?

Mr SIDEBOTTOM—He did not write back; he was too busy with other major items. To me it is not simply about economies of scale, as we in Tasmania are so often told; it is also about market domination. Let me give you another example. In my electorate of Braddon, as is the case in a number of other states, we recently experienced a milk price war. Following deregulation of the dairy industry, supermarkets with their huge buying power have successfully driven down the cost of milk. Of course the immediate and initial benefit to consumers is obvious, but many people particularly in my electorate asked at what cost. I think this is a question that many people, particularly in rural Australia, are asking: at what cost does the consumer benefit? In Tasmania, one supermarket chain threatened to bring milk in from interstate if it could not source it as cheap as it wanted locally. Ultimately, it got what it wanted but in the process threatened to drive a local milk processor in Burnie out of business, together with 40 jobs. The end result for the supermarket, I am told, is that it is now paying 87c a litre for its milk while independent operators are paying well over a dollar a litre—again, hardly a level playing field for independent small businesses.

Dairy farmers have also been caught in the crossfire of the milk price war following deregulation of their industry as farm gate prices of milk continue to fall. Given the stranglehold of the major chains Australia wide, small retailers continue to be frustrated by a lack of interest from this government in the chains’ continuing acquisition of leading independent stores. Nationally over the past five years, the major chains have bought out more than 100 independent grocery stores accounting for a combined annual turnover of around $1.3 billion. Contrary to what the member for Eden-Monaro would have us believe from his speech a moment ago, independent grocery retailers have watched the majors gobble up their competition, grocery item by grocery item and store by store. They are battling to survive.

But there is the perennial sleeper stirring slowly away at small businesses, and not just grocery retailers, across the country: the goods and services tax and the business compliance regime imposed on small business operators. It is well known that the new tax system has placed substantial additional costs and demands on small and medium businesses, which often struggle to absorb them. Financially, the government offered what it felt was a GST sweetener for small business: a $200 cheque to cover compliance costs of the new tax. Big deal! Remember that the Treasurer publicly promised that no business would go to the wall because of the GST. There have been numerous reports of small business going out of business either because of the GST or where the GST was a contributing factor. Granted the evidence is mostly anecdotal, but there are some in small business I have spoken to who believe the crunch is yet to come.

It soon became clear after 1 July, contrary to what the Treasurer bleated, that many small businesses were either dangerously relaxed about the GST or finding competition so tough that they decided initially to absorb it. According to some commentators, the GST is a national cash flow accident waiting to happen. Let us hope not, but we will gradually see and find out as businesses prepare and submit their first business activity statements—and no wonder an extension
has been granted for that! Terry Edwards, the Acting Chief Executive of the Tasmanian Chamber of Commerce and Industry, and Sam Richardson, the General Manager of the Tasmanian Independent Wholesalers, have warned small business operators who initially tried to absorb the GST and those who are having cash flow difficulties at the moment that their crunch is about to come as well.

It is proving to be by no means an easy task for small businesses around Australia. Not only are these small businesses tax collectors for the federal government; we are warned that tens of thousands of them could face fines for late lodgment of their business activity statements. Again, no wonder an extension has been granted in anticipation of this debacle. A recent survey by the National Tax and Accountants Association found that more than 90 per cent of accounting firms felt they would not be able to lodge all BAS forms by the deadline. Again, no wonder an extension was granted. Small businesses are being overwhelmed by the additional paperwork because of the GST—as if they have not got enough to worry about—yet the onus remains on individual businesses to collect the GST. And remember that the tax office never misses out. Mr Cahill finished his letter to me with a plea to do something for small business. He said, 'Let's hear you speak up for the small business person.' It is a plea as pertinent for those opposite as it is for me. Let's hope our voices are heard.

DR MARTIN (Cunningham) (9.45 p.m.)—It is with mixed feelings that I enter the debate tonight on the Trade Practices Amendment Bill (No. 1) 2000, for the simple reason that in the course of the last parliament I was the shadow minister for small business on behalf of the Labor Party and was quite heavily involved in discussions with the small business constituency at large and with organisations that actively represented and others that purported to represent their interests in Australia. Therefore, it comes as no surprise that, after the work that was done between 1996 and 1998 in respect of small business and the rhetoric that flowed from the Minister for Employment, Workplace Relations and Small Business, Peter Reith, about his professed concern for them and what needed to be done for them, here we are late in the year 2000 still dealing with legislation that will afford some protection for small businesses in this country. I indicate that it is my intention to make some comments on the amendment that has been moved by my friend and colleague the member for Hunter, the Labor Party's shadow spokesman on small business issues, because I think they are quite relevant to the debate at hand.

The legislation we are debating this evening is a reflection of a number of amendments proposed as a result of recommendations contained in the report of the Joint Select Committee on the Retailing Sector. Honourable members will recall that, following the 1998 election, the government established that particular joint select committee on 10 December 1998. I just remind the House that one of the policies I took to the election of 1998 on behalf of the Labor Party was that an inquiry of this nature be established. I announced that in Melbourne, and several days later—surprise, surprise—Minister Reith decided he better do the same thing. So he announced that there would be another inquiry into the retailing sector if the government were successful at the 1998 election. As a result, we saw that established under the chairmanship of the honourable member for Cook.

But that inquiry came hard on the heels of one which had been conducted within this place chaired by another Bruce. Bruce Reid, the former member for Bendigo. The Reid committee report made a number of significant recommendations in respect of the retailing sector, specifically for small business. The areas which he touched upon and which the committee unanimously endorsed at the time were reflected again in the work of the honourable member for Cook in this later committee. It is quite interesting, when you look behind what Minister Reith said in response to the Reid committee’s recommendations, which, as I said, were universally accepted in this parliament, that very few of the recommendations were actually acted upon by Mr Reith and the government at the time. One of those recommendations that I
will come to in a moment was the creation of a uniform retail tenancy code which, again, has been recommended by the honourable member for Cook’s committee.

This bill proposes a number of amendments to the Trade Practices Act 1974. I will mention three in particular: firstly, to insert the term ‘region’ into section 50 in respect of merger provisions; secondly, to raise the transaction limit under section 51AC—that is, small business protection against unconscionable conduct—from $1 million to $3 million; and, thirdly, to allow the ACCC to take representative action and to seek damages on behalf of third parties for breaches of part IV of the act—that is, restrictive trade practices. The second amendment has a familiar ring to it. It makes me think: where have I heard this before? At the time the discussion was raging about what particular transaction limit of these problems in small business of unconscionable conduct could be considered by the ACCC, my memory tells me that this $1 million limit was considered to be too low. At the time the legislation was being drafted to deal with some of these matters, I seem to remember moving, on behalf of the opposition, some changes which recommended that $3 million be the limit. At the time the government did not think that was appropriate. But here we are, a couple of years down the track, considering an amendment tonight which does just that: increases the limit to $3 million. I guess that says something about the way in which over time, when people have an opportunity to experience the way in which what were seen to be reasonable approaches to the plight of small businesses, particularly in terms of unconscionable conduct, could be dealt with, changes are necessary to reflect perhaps a more modern approach. But, as I say, that probably should have been done a couple of years back when the opportunity first arose.

The honourable member for Braddon, in his contribution just a moment ago, made reference to the fact that when the Joint Select Committee on the Retailing Sector was created in December 1998 and undertook the latest inquiry into small business a deal of pressure came from NARGA—that is, the National Association of Retail Grocers of Australia. They were concerned about the inverse market power which seemed to be there in respect of their operators compared to the majors in this country. I well remember having quite a number of discussions with NARGA in the lead-up to the election, listening very intently to their concerns and, as a consequence, agreeing that there was a need for further inquiry and that we would have that retail inquiry if we were elected. As I have said, Minister Reith subsequently decided to do much the same thing.

In the lead-up to that election, NARGA were looking for some assistance, but, unfortunately, what they were looking for was not reflected, yet again, in what the government decided to do. The committee’s report entitled Fair market or market failure?, which was presented on 30 August 1999, contained 10 unanimous recommendations. I think that is significant because, as I said, in the Reid committee, and now in the Baird committee, the recommendations were unanimous. Those recommendations went to a number of specific issues. They were from people who had worked extremely hard and worked well together as parliamentarians, trying to make recommendations to the government of the day to improve the lot of small businesses. Regrettably, though, what we saw once again was the Minister for Employment, Workplace Relations and Small Business leading the charge. When the government tabled its response to that committee report in December 1999, it committed itself to act on many of the committee’s recommendations but rejected a number of proposals that NARGA believed at the time were crucial: making the proposed industry code mandatory instead of voluntary, including in the code the principle of like terms for like customers, mandatory notification of retail grocery store acquisitions by publicly listed companies, the mandatory notification of wholesale business acquisitions by retailers and retail businesses by wholesalers, and, finally, the establishment of a uniform retail tenancy code.

As I said, the government in dealing with these issues decided to accept some of the recommendations of the unanimous report of
the committee but threw some others out. As I have indicated, they certainly chose to support the measure that the Trade Practices Act be amended to give the ACCC the power to undertake representative actions and to seek damages on behalf of third parties under part IV of the act—and that is great; Labor certainly supported that. The recommendation to amend section 50(6) of the Trade Practices Act to provide for the definition of market to include the regional market concept was also included by the government, and again that was something which Labor supported. The establishment of a retail industry ombudsman, as recommended in the committee report—again supported by Labor—was supported by the government and some budget funding was made available in the most recent budget.

The recommendation in respect of the mandatory code of conduct that I talked about earlier was not considered by the government to be appropriate, and they continue along the line of saying that mandatory codes of conduct do not work; they have to be voluntary. I remember that, when this was proposed after the Reid committee, the logic of their argument escaped me. I could never quite work out how by mandating something, rather than simply leaving it on a voluntary basis, it in some way placed a more onerous task on small businesses. If they were prepared to do it—and even the shonks that might be out there would have to do something about it—that was far more preferable than just making it voluntary, because, of course, not everybody was prepared to be involved in it. Nevertheless, the government, true to form, have decided that they will not support that. We have said that we want to see a mandatory code. The committee’s recommendation No. 5 contains the sorts of things that we would like to see included in it. Regrettably, as I said, the government have not agreed to it, and the shadow minister has already indicated what our response to that will be at an appropriate time.

Recommendation No. 7, which I would briefly like to talk about, dealt with a uniform retail tenancy code. As I indicated earlier, it was a revisitation of the Reid report, because recommendation 2.1 of the Reid report dealt with a uniform retail tenancy code, and it has not been implemented. The most recent committee, the Baird committee, was concerned that in major shopping centres there was still a lack of transparency with regard to the cost of floor space rent, in that the seller, the landlord, has knowledge; the buyer, the prospective tenant, has none. Prospective tenants are therefore prevented from making informed decisions in assessing the market rent as it applies to particular areas of retail space. The committee therefore recommended that the government revisit this particular recommendation about creating a uniform retail tenancy code with a view to implementing such a code through the operation of the Council of Australian Governments, COAG. The government simply said, ‘Sorry, we ain’t going to do that. There is no way in the world that we are going to have this uniform retail tenancy code.’

I ask members to consider how many times they have been in their own shopping centres, particularly regional shopping centres, and have spoken to small business operators—many of them doing it a bit tough—about the problems they encounter with some of their landlords. They say that, when they sign a retail lease, they sign it in good faith that passing traffic is going to be what it is said to be; that there are going to be no encumbrances to people walking through the shopping centre; that people will not be diverted somewhere else; that escalators are going to bring traffic via their shop, and so on. Then, suddenly, when they move in, they find that the management says, ‘Actually, we do not like the design of this place anymore; we are going to make major changes.’ The person who has that retail tenancy is suddenly left with something completely different: some dingy little corner of the shopping centre which no-one walks by. These are the sorts of problems that a uniform retail tenancy code can help to overcome.

These are arguments that have been around ever since Bruce Reid’s committee brought down its report three or four years ago. Its recommendations were appropriate then. They were the sorts of recommendations that the Labor Party supported on behalf of small business then and they are the
sorts of recommendations that we would support again. As my friend and colleague the member for Hunter has remarked in the past, they make a lot of sense. I note that my friend the member for Newcastle is here. I well remember that, when I was the shadow minister for small business, I went to his electorate and visited Garden City—I was actually in Newcastle the other night; I am sorry he could not be with us—and I went to Charlestown Square. I had a look at the operations of those sorts of shopping centres because of these various problems. I have to say that I do not think they have changed. I am sure that the member for Newcastle, who has been a very vociferous voice in support of improvements for small business, will have something to say about this in a moment.

I cannot let slip the opportunity to comment about the amendment moved by the member for Hunter, which calls on the government ‘to facilitate open debate about the full impact of the GST on the viability of small businesses’. I do not know about you, Mr Deputy Speaker, or other honourable members, but I am starting to hear media commentary about BAS and stories from my small business constituents about people going out of business and blaming the GST’s implementation. Those stories, which clearly identify significant problems, show that the chickens are coming home to roost for this government. If honourable members want proof of this, it is fair to say that they need look no further than the emails and messages that they receive from small business operators in their constituencies. I will share one with the House. I received this email on Thursday of last week from a chemist in Wollongong, and I think it is typical of some of the concerns that small businesses have been raising. It states:

Thought you might like to know that my accountant has filed BAS statements for the new business—
this chemist has just started up another pharmacy in central Wollongong having operated one for a while in Corrimal—
each month since July (August return).
I HAVE STILL NOT RECEIVED ANY REFUNDS AS OF TODAY.

The email is dated 23 November 2000. He goes on to say:

GREAT IDEA THIS NEW TAX SYSTEM!
Can anyone explain logically why I must pay GST on 99% of stock I purchase from my wholesalers, yet 98% of what I sell either as prescriptions or medicine is GST free?
Fair question, I would have thought. He continues:
And on top of paying 10% more for my stock I wait for months for the refund. It doesn’t do much for the cash flow. Two & a half weeks ago we were promised the refund within 5 days, earlier this week it was 2-5 days.
Regards ...

It is signed by the pharmacist in question. That is the sort of issue that small businesses in my electorate are raising with me, and these are the sorts of genuine concerns that are being expressed by small business operators who told me that they were looking forward to the implementation of the GST because they thought it might not be too bad for them. At the time, I remember saying, ‘Hang on. Wait till you see what happens to your cash flow. What about when you have to put in these business activity statements? Wait till you have to go and see your accountant every now and again.’ Little did I realise that small business operators would have to spend days and days just talking to their accountants to ensure the accuracy of their records because they are frightened of the tax penalties that might accrue if they get something wrong.

These are the sorts of problems facing small business in Australia, and they were identified in my area by the Illawarra Regional Information Service in its Illawarra Business Survey of September 2000. The survey found that employment is contracting in our region for the first time in over a year, particularly amongst the region’s small business sector. When one looks at this highly reputable survey by IRIS—which the other day celebrated 20 years of existence and is doing a tremendous job both in Australia and in working on some international contracts—one can see that trading conditions are down. Employment levels and expectations are also down. An analysis, by organisational size, of
businesses with between one and 20 employees—which is a small business—found:

As forecast the small business sector felt the full brunt of lower post GST spending activity. A net 4% of firms reported good trading levels, well below the net 25% of the previous quarter. Small businesses also were found to be the least optimistic for the December quarter.

These are the sorts of problems being generated not by me but by the fact that small businesses are being subjected to massive changes that the Prime Minister said would be good for them. The Parliamentary Secretary to the Minister for Employment, Workplace Relations and Small Business, who is at the table, waves around a document and says ‘But what about the legislation?’ If he looks at the amendment that was moved by the shadow minister, he will see what I am talking about.

To sum up, this legislation seeks to amend the Trade Practices Act by inserting the term ‘region’ into section 50, by raising the transaction limits under section 51AC to $3 million and by allowing the ACCC to take representative action and seek damages on behalf of third parties for breaches of part IV of the act. They are genuine issues that need to be addressed, and we are pleased to support them. However, we continue to raise in this place the fact that this government and the Minister for Employment, Workplace Relations and Small Business constantly turn a blind eye to the plight of small businesses right around this country. As a consequence, we will continue to come into the chamber and raise these sorts of concerns every time they are drawn to our attention by constituents such as the pharmacist and the half a dozen or so other people whom I see each day. I will continue to send to the shadow minister, the shadow Treasurer and others newspaper clippings about each small operation that is going out of business in my electorate because of this government’s insensitivity to the needs of small businesses and its lack of recognition of the role that small businesses play in Australia.

Mr ALLAN MORRIS (Newcastle)

(10.05 p.m.)—I rise to speak on the Trade Practices Amendment Bill (No. 1) 2000. I took part in a parliamentary inquiry into small business in 1989—I think it was the first major small business inquiry undertaken by a House committee—which produced the Beddall report. In 1996-97 I took part in the next small business inquiry, which produced what became known as the Reid report. So in my time in this House I have participated in two substantial inquiries into small business and I have found that, while the issues change to some degree, the underlying problems do not.

I found it difficult to accept the comments of the member for Petrie, who spoke earlier in this debate. She was a member of the Reid committee, which tabled its report in May 1997. It was a bit rich for her to talk about what has not been done when the committee recommendations that she supported have never been seen the light of day. The honourable member voted with the government against attempts to put into operation the issues that she supported as a member of that committee. The deliberations of that committee were quite difficult: many of us compromised some of our stronger views to accommodate government members’ sensitivities in order to maintain a bipartisan viewpoint and in the hope that the committee’s recommendations would become legislation. Some key aspects of that report have still not been enacted—and obviously will not be. To hear a member of that committee who has that kind of record talk about what Labor has or has not done is more than rich: it is disgraceful.

But then I should not be surprised. This is the government that talks small business while, on a regular basis, it does it in. It constantly talks about how it represents small business. Yet it has done the most dreadful thing to small business that I have seen in my 25 years of public life: the GST effect on small business is absolutely horrendous. We know that, and we knew it would be so—and so did members opposite. Yet they still pretend that they are advocates and supporters of small business. There was that nonsense promise by the Prime Minister to cut red tape by 50 per cent. He has increased it by 1,000 per cent, and more for some people. Take some of those micro-businesses, some of those one- and two-people businesses: their
life has become an absolute nightmare, thanks to those opposite. So the pretence that the Liberal-National Party supports small business can be seen for what it is—pretence. The fact is that we know that, and small business knows that now. The fact that government members still maintain that pretence is kidding nobody; it fools no-one.

This legislation tonight is at least two years too late for a lot of people who, since December 1998, have been negotiating leases in New South Wales. The one thing that this bill has is negotiation by the Commonwealth on the Trade Practices Act in terms of competing issues. The fact is that, back in December 1998, the New South Wales government passed legislation dealing with commercial leases, having clauses in there about unconscionable conduct which drew their power from the Trade Practices Act. Since the Reid report, and even before, we have been fighting to try and give some equality in negotiations between tenants and landlords, particularly and mainly—almost solely—in shopping centres.

We went over shopping centres all over Australia. We talked to tenants and ex-tenants and we talked to landlords. We all know of the horrendous problems those people face in those shopping centres. In so many cases they are locked in. The previous speaker mentioned a few examples. Let me just give you one. Most of the public do not understand, and most parliamentarians do not dig much into it, but take a situation the member for Cunningham raised earlier where management decides to rearrange the place, to refresh it and give it a bit of a different flavour and, in the process, take away traffic from a particular shop. Those in that shop might see its trade drop 60, 70 or 80 per cent in a matter of weeks. Mind you, whilst the rearranging is being done, there is probably a 100 per cent drop, but for the next year their figures are down 40, 50 or 60 per cent. That is not uncommon. It is happening almost every month somewhere in this country. Technically they can get compensation for that if they can prove there are sustained losses. But, mind you, they have to be paying the rent at the same level. In other words, they still have to be paying the huge rent from their massively reduced takings because, if they do not, they cannot claim compensation.

Most of them do not know that. Most of them say, ‘Look, my business is down by 20 per cent; I’ll pay you 20 per cent less because obviously you’ll eventually compensate me for that.’ But one year, two years or four years later, when they start to settle up, they are told, ‘Look, we’re sorry, you’re in breach. You’re not entitled to compensation because you were not paying the full rent.’ It is those nice little things in the leases, those nice little clever tricks, that we are speaking of. So for years the poor people are going broke, expecting at least to have their rent eventually reduced and suddenly finding that that is not going to happen and that they are liable for the full rent. That is unconscionable. That should not be in any lease. We all know that. We have known it for years and years.

Yet in 1998 the New South Wales government brought into the commercial tenancy act clauses to accommodate that. The New South Wales government could not enact it because it required the Commonwealth Treasurer’s approval—and he would not approve it. Two years later, we are finally getting to legislate what was being asked for by the New South Wales government in late 1998. That is when the New South Wales parliament enacted it. It had been negotiated for months before that. So we have had two years where tenants in New South Wales who were negotiating leases in that period could have had the benefit and protection of those clauses but were not able to. Why? Why not? What has been the problem? Who was the government representing then—small business? All those tenants who were crying out for it?

I know that the Treasurer got letter after letter from small business, organisations and individuals asking why this was not being done. The shadow minister last year brought amendments into this House and moved them to enact that part of the New South Wales legislation. The government voted against those amendments then, but they are in this legislation now. They voted against
them last year; now they are finally bringing
them forward. What kind of nonsense, what
kind of game playing, what kind of insincer-
ity is involved in such actions? This is what
we have had from a government and mem-
bbers who get up there week after week and
parade about being the champions of small
business. Let me tell you that the people who
have gone broke in the last two years will not
thank you for it, nor will their friends or
neighbours. You go through any shopping
centre in the country and you will find empty
stores. These provisions would have pre-
vented a landlord from offering those spaces
to someone at less than was offered to the
previous tenant. That is just the kind of ex-
ample I mentioned earlier about having to
pay the full rent, even though your takings
have been destroyed by the actions of man-
agement—and they admit that. So these pro-
visions would have actually protected tenants
from that occurring.

We all know also that the New South
Wales provisions were being seen by all the
other states as the possible model and possi-
ble basis for national uniform procedures.
The Commonwealth would not do it, but the
states individually could. But, because the
Commonwealth would not accept these pro-
visions and do what was required to accom-
modate the New South Wales changes, eve-
erything has been on hold and other states
have tried other means and other ways. So
when I hear members opposite lecturing me
about their support for small business and
how this side of the House does not support
it, let me tell you that I have spent years try-
ing to fight for some of these issues. Par-
ticularly evident tonight was the hypocrisy of
the member for Petrie. She must think we all
have very short memories; she must think we
really do not understand. She displays either
great arrogance or great stupidity—perhaps
one could argue that it is a combination.

The government still will not accept the
part about tenancies. The Reid report was an
important report. We worked extremely hard
to get bipartisan views on that and we gave it
enormous substantiation. We gave that in-
quiry great backup to give the government
more than enough evidence of why these
things were so important. The development
and growth of shopping centres in this coun-
try has been enormous. It has transformed
the business sector. The shift in businesses
all over the country—and in geography, in
urban settlements and so on—by the devel-
oment of very large regional shopping cen-
tres has been breathtaking. It is difficult for
governments to keep up with that. We all
understand that. We are always going to be
behind the pace when these changes are
moving so rapidly. But, since 1997, there has
been no excuse. Think through how these
centres work. For example, there is the as-
pect of goodwill, which was normally a part
of business. Shopping centres say that there
is no such thing, that there is no goodwill,
and that the tenants are there because the
landlord lets them there. The landlord has
actually consumed and taken the goodwill.

Amongst all of those issues, we were try-
ing to get the government to accept some
principles, and one of those principles was
uniformity. But we are still seeing now the
government violently opposing any idea of a
mandatory code. So the second reading
amendment moved by the shadow minister
condemning the government for failing to
insert into the legislation that the code of
conduct be mandatory is extremely impor-
tant. We all know the fallacious belief of the
government that somehow business will
regulate itself is a joke. It is not just us but
also the consumers who know it is a joke. It
was confirmed last week by the health min-
isters from New Zealand and Australia with
respect to the health labelling of foods. If
businesses were so keen to do things them-
selves, they would not need governments to
tell them what to put on their packets. But
everything we get done has to be dragged
out.

The Reid report was tabled in 1997. We
posed a number of issues, and the govern-
ment kept saying: ‘We don’t need this. It’s
excessive, it’s overdone and it’s too much.’
In the 3½ years since the Reid report, things
have got worse, not better. So the govern-
ment’s attempts to stem the tide, to hold it
and to turn it back, have not succeeded. To
be arguing 3½ years later that compulsion is
not needed in these regulations is not just
nonsensical but damaging. The people who
will suffer in the years ahead because of this government’s failure are the small businesses that they purport to speak for. Their pretence to be speaking for small business is now an open joke amongst small business. I am sure the small businesses in the electorates of those opposite are no different from those in mine. Whenever I visit them and talk to them about how things are going, they make it very clear how much they regard the government as being supportive of small business! I think the previous speakers referred to some of the comments made in their own electorates about how complex matters are and the difficulties from which they now suffer.

The shadow minister’s amendment also refers to the need for a national uniform retail tenancy code. We have been around the traps on this umpteen times, particularly since the Reid report. I would have thought at least one or two members of the Reid committee who are still in the parliament on the government’s side would have had the good grace to refer to the fact that they voted in favour of the committee report. They agreed to it. They come in here and oppose these amendments. This gives the lie to the pretence of those opposite that they speak for themselves, that they are not caucused and that they are not told how to vote.

I sat in discussions with these people for weeks while we negotiated the outcomes of that report and while those conclusions were drafted and finalised. They were not told how to vote in that committee. They volunteered to support a national uniform retail tenancy code. Tonight, they are speaking against it and voting against it. They have offered no evidence as to why they have changed their minds, not one bit of background or feedback to say, ‘We got it wrong.’ They do not mention it at all. It never happened. It is some aberration in their past. Then they also say that the Liberal Party does not vote as a bloc and that they all have the right to cross the floor. Let us see a few of them cross the floor. Let us see the ones who supported it in the Reid committee cross the floor. There is John Forrest, Teresa Gambaro—

**Mr DEPUTY SPEAKER (Mr Nehl)**—The honourable member knows that he should refer to all members by their seats, not by their personal names.

**Mr ALLAN MORRIS**—There is the member for McEwen and the member for Aston. I do not know all the electorates.

**Mr Brough**—Do your research.

**Mr ALLAN MORRIS**—There is the member for Petrie and the member for Mallee. Mind you, Mal, I probably know more than you do.

**Mr DEPUTY SPEAKER**—I doubt that very much, Member for Newcastle.

**Mr Brough**—You’re just having a stab in the dark.

**Mr ALLAN MORRIS**—I am talking about the electorates of those committee members. I think I would have a chance against Mal Brough, any time. Do we want to have a challenge? So let us go through the committee members. There is the member for Mallee, Mr Forrest of the National Party. He voted in favour of a uniform tenancy code at a national level. He voted in favour of there being sitting rights for tenants. What is he voting for today? The member for Petrie, Ms Gambaro, did the same. The member for Aston, Mr Nugent, did the same. The member for McEwen, Mrs Bailey, did the same. They get up here and lecture us, week in and week out. A couple of them are quite notable for saying how much they support small business and how much we do not. Small business wanted those recommendations. They wanted the ones that we put forward. They asked us, they put forward the evidence, all the evidence was there—and it was an enormous amount of evidence—and it was adopted unanimously by the committee. It was adopted without argument, without dissent, and it came forward.

The amendment from the opposition for a national uniform tenancy code will be opposed by those people, and it is about time they explained why. The small businesses in their electorates are entitled to know why they have changed their minds since the report in 1997 when they were in government. It is not as though they have changed from government to opposition. Why are they
changing their minds and voting against what they supported then? The promise made to small business by the Prime Minister about halving red tape by 2000, when in fact in 2000 he has ironically magnified it for small businesses by many hundreds of per cent, is a lie. The refusal to accept a national uniform tenancy code is a tremendous slap to people in shopping centres. There is a delay of two years for the states to be able to draw on the unconscionable conduct clauses of the Trade Practices Act for their state tenancy commercial leases. The states were doing what the Reid committee asked for but the government failed to do, so the states started to do it, and the Commonwealth have deliberately blocked them. They did not sit idly doing nothing; they actually blocked them. They actually voted against amendments brought in by the shadow minister. It was not just a sin of omission; they were actually blocking it.

For those reasons, small business is now not in the pocket of the government, as some would have thought in the past. In fact, I do not think it has ever been there anyhow, but that was the pretence of those opposite. The shopping centres of this country are in difficulty now. Those difficulties will get worse in the next six months in particular. We will see more and more empty shops and empty spaces, and we will see more and more of the people in those centres going broke. These difficulties could have been minimised—though not avoided, because they are partly GST related—if there had been decent tenancy laws that gave those people some equality in negotiating with their landlords. The idea of an individual small business man negotiating with the very large organisations that run those centres on an equal basis is laughable. It does not happen, and we know it does not. The Reid committee attempted to correct the balance. In fact, Mr Deputy Speaker, you will recall that the report called *Finding a balance: towards fair trading in Australia*, was about finding a balance between tenants and landlords. In 1998, the state government in New South Wales attempted to correct the deficiencies that the government left after the Reid report.

We in opposition tonight are in fact accepting the amendments of the government but are putting forward the next logical step, which is a national uniform retail tenancy code and a mandatory code of conduct. The government would deny both of those. It would deny small business the things that it actually needs the most. For that reason, small business will have no joy in the totality of this debate and of these amendments.

Debate (on motion by Mr Brough) adjourned.

ADJOURNMENT

Motion (by Mr Brough) proposed:

That the House do now adjourn.

Health: Austin Repatriation Medical Centre

Ms MACKLIN (Jagajaga) (10.26 p.m.)—Tonight I want to congratulate the heart surgeons at the Austin Repatriation Medical Centre, who have done an extraordinary job of successfully wrapping up a heart, a procedure that is going to give a new lease of life to many people suffering heart disease. Two weeks ago, a patient, Mr Walter Barber, had his heart successfully wrapped in a polyester mesh by a surgical team of nine in a four-hour operation at the medical centre. As some people may have heard on the radio, before the operation Mr Barber was unable to walk more than 80 metres. Now apparently he is almost running around the ward in the hospital. Mr Barber had congestive heart failure, a common form of heart disease in people who have survived a heart attack. Scar tissue from the heart attack prevents the heart from pumping blood effectively, making the heart muscle dilate. It is an extraordinary thing that the surgeons and all the other supporting staff have done at the Austin Repatriation Medical Centre. On behalf of all the local people in the electorate of Jagajaga, I extend my congratulations to the people who have conducted this extraordinary new procedure.

It is fantastic that we are going to see our local hospital, an outstanding teaching and medical research hospital, leading the world in a procedure that could help many of the one in eight people who will suffer from heart failure. This groundbreaking operation
is of course really possible only in a major teaching and research hospital. It is fantastic that we have been able to maintain this hospital in public hands. We have fought for the last six or so years to prevent the hospital being privatised by the previous Kennett government. We have been extraordinarily pleased with the new Bracks government announcing a $320 million redevelopment of this fantastic teaching hospital.

I was very disappointed to read in our local paper, the Heidelberger, what the current Leader of the Opposition and Leader of the Liberal Party in Victoria, Dr Napthine, said. As the headline in the Heidelberger of 17 October says, ‘Tear it down: Libs’. That is a very disappointing approach, given that we have such extraordinary work taking place in that hospital. The newspaper says that the state opposition will overturn the $320 million Austin Repatriation Medical Centre re-vamp if it wins government at the next election, as long as the work is not too far advanced. The one thing that this hospital does not need is any more talk about the redevelopment not going ahead. We want the whole community, no matter what their political persuasion, to get behind this redevelopment. It is an outstanding hospital, a fact most recently witnessed by the fantastic work that this group of surgeons have done with this new heart operation. Many other examples of extraordinary work also go on there.

I call on all members in our local area, in particular the Liberal members led by the Leader of the Liberal Party in Victoria, to drop their opposition to the redevelopment and to recognise that the insecurity suffered by everybody who has worked in the hospital and by all the patients who depend on the hospital has gone on for far too long. We really need the Liberals in the local area and in the state to recognise that the local people have spoken loud and clear. They want their hospital to remain a public hospital. They want it to be redeveloped. The Bracks government has put $320 million in. So, for the sake of our fantastic hospital, let us all get behind it and support them so that they can get on with this world-breaking work and deliver the services that our community values so much.

**Dawson Electorate: Jubilee Petition**

Mrs DE-ANNE KELLY (Dawson) (10.30 p.m.)—It is with great pride and pleasure that I rise to speak about a very special petition that I have brought forward today and presented to the Australian parliament. This petition was signed by thousands of Catholic schoolchildren in the Mackay district in Dawson. The petition promotes the Jubilee vision. The wishes of the petitioners read as follows:

We the students of the Catholic schools of Mackay and district, draw to the attention of the House, that we appreciate our rights, privileges, freedoms and opportunities as citizens of Australia. We live in a safe, secure and resourceful environment where we are able to grow and learn as individuals and as communities. As the youth of today and the leaders of tomorrow, your petitioners therefore ask the House to endeavour to ensure that our country will always be a place where diversity is celebrated and where all citizens can find equality of opportunity, justice and acceptance.

To circulate this petition through the fine community of Catholic schools in Mackay and its district was a major undertaking and not taken lightly. That such commitment and organisation was required, show in itself the sincerity, the hope and the fine sentiment of the cause.

Signing a petition is one practical way that every Australian can demonstrate his or her involvement in the free and democratic process. For the many students who signed this petition, it represents not just a genuine concern about the country they will inherit but a readiness to be involved in the shape and direction of that future. Importantly, these student petitioners have recognised that with rights go responsibilities and with freedom goes vigilance.

The petition is one of many activities that Catholics schools in Mackay have undertaken as part of the year 2000 as a year of extraordinary Jubilee. Jubilee is an ancient biblical tradition, first recorded in the Book of Leviticus. It is an ancient Jewish tradition and to practise Jubilee is a life option, a spirituality, a way of being and becoming. I am tremendously heartened that the petition calls for a celebration of diversity and thus recognises the many diverse backgrounds of
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all Australian citizens. I am also proud that it calls for a society where all citizens can find equality of opportunity, justice and acceptance because that recognises that prejudice, hatred, racism and intolerance have no place in the Australia of the 21st century. These young people are asking every member of parliament to make their judgments against this background of hope and anticipation. Certainly, it is a request that I am proud to accept.

It is also important to note that this fine petition with these noble sentiments came from the Mackay and its district Catholic school system. I believe that there could be no finer demonstration of what philosophies are nurtured in an enlightened and caring Catholic environment. Those who have the trust of the students also deserve our commendation and admiration for the way that they have guided their young charges towards tolerance, respect, responsibility and community involvement. I know the House joins with me in wishing our young leaders of the future all the very best on their path ahead.

Australian Defence Force: 3rd Battalion, Royal Australian Regiment

Mr PRICE (Chifley) (10.34 p.m.)—Tonight I wish to make a few remarks about the Defence subcommittee inquiry, which I have found deeply disturbing. It will be 1,000 days in 15 days time since Bronwyn Bishop, as the junior defence minister, was first informed by Mrs Nishimura of the violence in 3RAR. In that time there has been not one ministerial statement of the government’s attitude towards violence, bastardisation and victimisation. There has been no comprehensive ministerial statement on the events in 3RAR, much less any directions the ministers may have provided, but I live in hope.

The committee has not at this stage scheduled any further hearings on 3RAR or any of the other incidents that other witnesses have brought before the committee. I have been distressed about the matters that have been stated to me. Let me give you an example. A young soldier in corps training fell foul of an NCO. In the words of his father, a Steyr rifle was rammed into his son’s rectum and it was alleged that it was fired. There has been no-one charged over the incident. Furthermore, it is claimed that no further counselling can be provided for the soldier because of a lack of money. This soldier is still being victimised. You will understand that I am most anxious to follow up this matter but cannot do so until the committee holds further hearings.

I note it is reported in an article in the Australian that Major General Abigail at the award ceremony for 3RAR stated that he doubted that inquiries would produce evidence of systemic problems inside 3RAR. I cannot divulge in camera evidence, but I can say that I strongly disagree with those comments. To date the committee has not called all those who have reported injuries consistent with bashings, but then again those witnesses from 3RAR who have appeared before the committee did not report their injuries as bashings. So perhaps the committee should consider subpoenaing all those suspected of being bashed. I note that, in a Canberra Times article of 26 November, Mr Harvey, a former member of 3RAR, claims that violence did occur and NCOs sanctioned it. Another witness, who has approached me and who was a former member of 3RAR, is willing to testify that he left in 1994 because of the culture of violence in 3RAR. This places the violence much earlier than 1996, as asserted by Army. I sincerely believe that the committee has a better understanding about what happened and why after one day’s hearing than the ADF Legal Office.

In relation to 3RAR, I want to place on record that I want to know the following information. I stress that this is not a committee view, but rather my own. When will all those who are to be charged be charged? How will the ADF overcome the legal impediments associated with the two failed courts martial? When will those responsible for the culture of violence be charged, or investigated and charged—that is, when will Command be held responsible and accountable? When is it expected that the trials will be completed?

On the day of the public hearing, Admiral Barrie announced two initiatives. One was an audit by a federal judge and the other was the creation of a new post of inspector general.
The committee has been provided with no details other than what was announced on the day. These initiatives do not address the systemic failures in 3RAR, as I see them. There appear to be problems with the professional competency and lack of experience of the permanent legal officers of the ADF and the advice they offer. I put aside their relentless campaign to close the inquiry down using the pretext of the sub judice rule. Whatever residual doubts I had about the creation of an independent director of military prosecutions have been well and truly overcome.

Lastly, I believe that the investigative skills of the military police need to be boosted by the use of the Australian Federal Police. I note that in recent times Army is doing just that, and I congratulate them on it. There are other issues of the provision of counselling and compensation for both serving members of the ADF and those who have left the ADF—that is, veterans. These issues need to be addressed.

Mr IAN MACFARLANE (Groom) (10.38 p.m.)—The people of Queensland continue to watch with interest as the proceedings of the Shepherdson inquiry into electoral fraud unfold. In just the last week we have seen three Labor members of state parliament named at the inquiry and we have witnessed the resignation of Deputy Premier and factional heavyweight Jim Elder. For a long time Jim Elder has been heralded as the great white hope of the AWU faction. Jim Elder was meant to be the man most likely to succeed Peter Beattie and, from all accounts, he took great delight in undermining his leader at every possible opportunity. There certainly has never been any love lost between Peter Beattie and his former deputy. It is unlikely that the situation will be any different when Terry Mackenroth is sworn in as Deputy Premier later in the week.

Mr Mackenroth was very influential as a member of the former Goss Labor government. Together with many of his colleagues he worked hard to ensure that Peter Beattie did not progress beyond the backbench. But, given that the Shepherdson inquiry has now indicated it will be examining allegations of criminal activity by Jim Elder, Mr Beattie needs to put on a brave face and make do with whatever the factions serve up. While Mr Beattie fronts the media and talks tough, the truth is that he is a powerless figurehead who does not have the ability to control his own caucus members, let alone save his government from the rots, scandals and other issues which now inundate his party. Mr Beattie’s problems appear to stem largely from the AWU faction, which represents the largest and most powerful bloc in caucus. Anybody who thinks that its members are going to lie down and die is fooling themselves.

Regardless of what the AWU has done or is doing, the spotlight must now turn to the Premier himself. The questions that remain unanswered are: ‘What does Peter Beattie know?’ and ‘When did he find out?’ A quick look at the biographical details of members of the Queensland parliament shows that Mr Beattie was state secretary of the Labor Party from 1981 to 1988 and state campaign director for 16 different elections. With eight years and 16 different elections under his belt it is very difficult to believe that Mr Beattie knows nothing of the types of rots that are now being revealed in the Shepherdson inquiry. It is even more difficult to believe Mr Beattie’s claims when you consider his own observations during a failed preselection attempt in 1986. In his self-aggrandising autobiography, entitled In the Arena, Mr Beattie states:

Door knocking the area was an interesting experience. One female party member was not at home when I called on her at the vacant allotment where she purportedly lived. To my not particularly great surprise she later voted in the preselection. I am not sure what honourable members are meant to read into these types of comments, especially given the revelations of the past few months. I might also point out, for the information of the House, that Mr Beattie lost his preselection to the member for Bowman, Mr Sciacca. If Mr Beattie made such observations in 1986, why is he now claiming the Sergeant Schultz defence and claiming, ‘I know nothing.’ Mr Beattie would have us believe that he is as pure as the driven snow, a man of integrity and hon-
Esty who has become the innocent victim of electoral rorting within his party.

Unfortunately, to believe Mr Beattie you would have to make three very broad assumptions. Firstly, you would have to believe that there was no rorting in the Labor Party while Mr Beattie was state secretary. Secondly, you would have to accept that there has been no rorting since Mr Beattie became leader of the Labor Party in 1996. More to the point, you must also believe that Mr Beattie—a creature of the Labor Party; a man who lives and breathes politics—had absolutely no idea that his colleagues, friends and acquaintances, and probably anyone else, were rorting elections and internal party ballots during the entire life of the Goss Labor government. Mr Beattie expects us to believe that he spent nearly six years on the backbench of the Goss government oblivious to the fact that the AWU was up to no good. He expects us to believe that the preselection upsets and factional brawls occurring around the place were par for the course and totally above board. He expects us to believe that he had no concerns or suspicions whatsoever about these matters.

Mr Beattie must be either the most naive person ever to become leader of the Queensland Labor Party or a good actor. I tend to think he is the latter. That is probably why he joined Actors Equity and maintains his membership of its successor, the Media, Entertainment and Arts Alliance. Mr Beattie is a master of spin and a self-confessed media tart. There is little doubt that the Premier knows more than he is letting on, and there is little doubt that the whole sorry saga is going to get worse for the Labor Party in Queensland. Mr Beattie laments that Mr Elder did not fully disclose his involvement to him. I am sure the people of Queensland will sit in judgement when the truth is revealed and it becomes painfully obvious that Mr Beattie did not fully disclose the truth to them. (Time expired)

Gellibrand Electorate: African Immigrants

Ms ROXON (Gellibrand) (10.43 p.m.)—I am pleased to say that I have something of much more significance and interest to talk to the House about tonight, which is a book that I was honoured to launch on Friday in my electorate, called Our Journey: Traditional and Refugee Stories by Women from the Horn of Africa. In my electorate of Gellibrand I have a very large community from the Horn of Africa, mostly Ethiopian and Eritrean people and also a large number of men and women from Somalia, the Sudan and a number of other countries. People would probably be aware that there are about 70 different tribes that are found in the Horn of Africa, and they reflect a lot of different cultural and tribal interests. This group of women came together under the guidance of the Maribyrnong City Council with funding from Adult, Community and Further Education and the Australia Council not only to learn English on their arrival in Australia but also to tell their stories of their country. They have put together the most fantastic book, which deals with traditional cultural aspects of their lives in Africa and also some of the most harrowing refugee stories that you might hear.

So it was quite an innovative project where the women were able to learn English. A number of these women are from different warring tribes, but they were able to come together to talk about their stories, find a way of integrating their lives with Australia and share these very difficult stories with us. I particularly wanted to say this, because a number of people have asked me today what it is I have on my hand. The people in the House would be able to see that I have a rather dramatic pattern on it. While it probably looks a bit like a hippie pattern, it is a traditional African pattern. It is a henna decoration, which is something that African women—

Mr Brough—Put it in Hansard.

Ms ROXON—I would put it in Hansard if I could, but unfortunately it is something that the members will be able to benefit from only if they are in the House. I am told, a little to my dismay, that it will last for two weeks, so probably most of the members in the House will be able to have a good look at it before that time is up. When I launched the book the women put on a traditional coffee ceremony, as well as painting each other’s hands, as is traditional in their country. They
were adamant that I should take part in the ceremony. I did make some effort to have my feet painted rather than my hands, but I was told that only married women are able to have their feet painted and had to settle for my hand being painted.

These are the sorts of stories that you can find in the book. I would like to read an excerpt from one of them because the cultural stories are quite interesting. For the women to be prepared to talk about their country, be named and actually be in a book that is available for purchase are quite bold things to do. Some of the stories are happy stories. This story from Asia Adem is about her daughter’s wedding. She is from Eritrea and her family was living in Cairo. She says:

... on 17 July 1971 it was my daughter’s wedding day. My mother and all my sisters came from Sudan, to prepare for the occasion. In our custom the bridegroom pays all the expenses—which seems like a good innovation—and buys her presents like jewellery and clothes. Also in our tradition the bride puts henna on her hands and feet. On this day she can invite her family and close friends to celebrate at home. The bridegroom also puts henna on his left hand only.

It goes into some detail about the wedding ceremony, the sorts of food that people ate and a number of other interesting facts. But far more distressing are some of the other stories told by these women of escaping persecution. There are stories of how they came to be refugees and what their lives were like in war-torn Ethiopia and Eritrea. Asha Ali—I am reading a small excerpt from her story—talks about how her family escaped on a camel:

On the camel was a small wooden bed. I sat on this with one child in my lap and the others at my side. At night we were frightened of wolves and snakes and so the children slept on the wooden bed while I stayed awake in case they were attacked. I was pregnant at this time.

I am not going to read from some of the most difficult and confronting stories in this book. Suffice to say, I would encourage members of the House and anyone else who is listening to purchase a copy of Our Journey, and I would certainly be happy to assist in facilitating that if people are interested. While I am marked for two weeks with this African pattern, I must say that that is a good way of advertising the stories of these women and commending them for their bravery in putting these stories on paper. I congratulate Deanna Ganya and Amina Malekan for all the work they have done in putting together this book.

Parkes Electorate: Flood Damage

Mr LAWLER (Parkes) (10.48 p.m.)—I wish to bring to the attention of the House the extent of the economic disaster in my electorate of Parkes in western New South Wales. The devastation of crops in that region is a calamity of huge proportions and will have implications for us long after the more photogenic flooding to our north has dried up and been forgotten. I sympathise wholeheartedly with the hardship of those flood victims, but it should not be forgotten that this crisis first hit grain farmers in my region and that it will continue to do so long after the floodwaters recede. Full credit must go to the local media in our area for not being distracted from what is the real crisis of our region—that is, the long-term economic ramifications caused by the virtual destruction of this year’s grain crops.

At this stage it seems that almost all of the 1.15 million hectares of wheat in the central west around Condobolin, Narromine, Trangie, Forbes, Parkes, Dubbo, Nyngan and Warren have been lost or severely downgraded to the point of near worthlessness. In that same area half of the 130,000 hectares of barley suffered the same fate. An emergency meeting in my office last Thursday to discuss the disaster was told the human toll on individuals and communities must be highlighted to help keep the issue on the public agenda. Two dozen farmers, industry representatives, bank managers, rural councillors and local government officials heard that the region could have suffered $500 million worth of crop loss in the recent rains. One delegate estimated that, in annual wage terms, the Dubbo area alone would lose the equivalent of up to 9,000 salaries.

Many farmers who will not reap anything have lost everything they invested—in two cases, just anecdotally, this equates to $345,000 and $400,000 respectively. So it is
not surprising that the human cost of the disastrous losses was a constant theme of Thursday’s talks, highlighting the plight of not only devastated farm families but also rural employees and their families, small business operators and even councillors and officials overwhelmed by the scale of the tragedy. One rural councillor said, before Thursday’s meeting, that he knew of one business in the south of the electorate where at least half of that business’s customers were going to settle their accounts after the harvest. The spectre of increased depression will also bedevil small communities already reeling after years of economic difficulty. One mayor spoke of his fears that the situation could raise the risk of suicide in the farm community, while a rural counsellor said she had spoken to two farm families in her immediate area forced off their properties within a week.

It is essential that the support mechanisms available be put into action immediately to not only provide short-term aid but restore some hope to the people who have lost everything and who probably cannot see a lot of hope at the moment. But it should also be remembered that more substantial long-term measures can come only after the full weight of the situation is determined. Representatives from five banks attended Thursday’s meeting: ANZ, Commonwealth, Westpac, PIBA and National Australia Bank. They all expressed a strong commitment to flexibility towards their hard-pressed customers. They should be commended for doing so willingly and, in at least two cases, well before being approached to do so. I trust those commitments will be met. Key points from that meeting included a greater awareness of the wider economic impact on the region, the need for financial assistance to plant next year’s crops, a call to link assistance to loss and not to farm debt, and demands that such aid be available to all farmers suffering crop losses due to the recent deluge, not just flooding.

But as creeping floods threatened to add to the misery, the need for emotional support was reinforced, alongside the need for financial assistance. As well as on the dire financial position, we must also concentrate on the human face of this disaster: not only the farm, but also the farm family; not only the business in town, but also the bloke who runs the business and his family, and so forth. When we talk about two failed seasons before this one, we are also talking about the two years of anxiety and money worries that these people had already endured before these crops were washed away. It also needs to be kept in mind that boundaries are difficult to ascertain. In fact, there are many farmers in the Brewarrina area who have had even less coverage than those in the Narromine-Trangie area and whose crops have endured the same fate. While flat-bottomed boats in town streets make for good footage, the economic impact of the crop losses will be far more severe and lingering. Few crises of any description could match the potential of this disaster to cripple farming communities and to drain precious regional prosperity.

**Roads: Funding**

Mr HORNE (Paterson) (10.53 p.m.)—Coming from a local government background, I can assure everyone in this House that I am aware of the importance of roads to rural and regional communities. That is why I was surprised today by what I saw as the misplaced euphoria of people sitting opposite as the Prime Minister and the Deputy Prime Minister unveiled what I consider to be one of the greatest hoaxes ever played on rural and regional Australia: roads to recovery. It is a hoax because in no way does it return the money to the people of Australia that this government is taking from them in additional fuel taxes. It will not respond to the needs of rural and regional communities, and I will use the electorate of Paterson to identify the reason.

We all heard the Deputy Prime Minister say a fortnight ago on AM, ‘Farmers should be grateful for what this government has done for them.’ I can tell him exactly why farmers will not be grateful. In Dungog shire alone, where current local roads grants are worth $497,000, this local government area can look forward to an additional amount of $359,000 for each of the next four years. That one shire has about 70 wooden bridges. To replace one of those bridges alone would cost more than the total that they are getting.
Mr Brough—So don’t give it to them, Bob?

Mr SPEAKER—The member for Longman. The member for Paterson has the call.

Mr HORNE—The member for Longman probably does not understand that roads are a lottery. Everyone likes to drive over a good road, but while any new road that is built will be appreciated by some and used more by some than by others, everyone who lives in rural and regional Australia will continue to pay the exorbitant prices for fuel for which this government refuses point-blank to give relief.

Mr Brough—How much tax?

Mr HORNE—The member for Longman continues to believe what he has been told by his party bosses. He continues to believe that this is the only result possible.

I represent one of the fastest growing areas in Australia, and I will talk about a road that passes through four of the five local government areas I represent, Buckets Way, where I met the Deputy Prime Minister last April when he came to announce $277,000 in black spot funding. He was quite euphoric about that, too; of course, he was announcing it before the budget. The money has not been spent yet. This is money that was announced last April—it has not been spent yet. The farmers are supposed to be grateful to this government for identifying their needs and responding to them. That particular road, Buckets Way, has been identified by the local government areas that are responsible for it as requiring $62 million to bring it up to standard. The Hon. Carl Scully, the New South Wales Minister for Transport, stepped in. He offered the local government authorities $6 million, they put in four and, over the next three years, $10 million will be spent on that road—not nearly enough. At that April meeting with the Deputy Prime Minister, I challenged him to match the state donation. The announcement today of roads to recovery in no way matches that funding.

Mr St Clair—That’s because the states won’t accept their responsibilities.

Mr SPEAKER—The honourable member for New England!
(2) recognises that section 17 of the Citizenship Act denies Australian born citizens the benefits and privileges that come from holding two or more citizenships;

(3) acknowledges that countries such as New Zealand, the UK, Ireland, Canada, France, USA, Italy, South Africa, Switzerland, the Netherlands, Brazil and the Federal Republic of Yugoslavia allow their citizens to obtain another citizenship without losing their original citizenship; and

(4) calls on the Government to repeal section 17 of the Citizenship Act to allow Australian born citizens the same rights as those naturalised Australian citizens who may hold dual citizenship.
The following answers to questions were circulated:

**Bradfield and Calare Electorates: Nursing Homes**

(Question No. 1125)

Mr Andren asked the Minister for Health and Aged Care, upon notice, on 9 December 1999:

1. Is he able to say whether the Commonwealth Government is unable, under the Constitution, to
   (a) limit the fees charged by medical practitioners for their services and (b) ensure aged pensioners and
   other people on low incomes are direct billed or at least charged only the schedule fee for medical
   consultations and services.

2. Will he provide, for the electoral divisions of Bradfield and Calare, data in respect of (a) Level B
   surgery consultation MBS Item number 23, (b) total unreferred attendances and (c) total diagnostic
   imaging services, for services processed in 1998-99 (i) number of services (ii) fees charged (iii)
   schedule fees (iv) schedule fee observance (v) percentage of services direct billed and (vi) average
   patient contribution per service (patient billed services only) for persons aged 65 years and older.

3. If he is unable to provide the data requested for the electoral divisions of Bradfield and Calare
   could he provide the requested data for each of the six RRMA classifications in NSW.

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

1. (a) The Commonwealth has no general power to regulate the fees charged by medical practitioners
   but may require medical practitioners to limit the fees charged for their services as a condition of their
   services attracting Medicare benefits.  (b) The Commonwealth has no general power to require that
   aged pensioners and other people on low incomes are direct billed, or at least charged only the Schedule
   fee for medical consultations and services.  However, the Commonwealth could exercise a specific
   power, if it so chose, to require that aged pensioners and other people on low incomes are direct billed,
   or at least charged only the Schedule fee, for medical consultations and services as a condition of those
   medical consultations and services attracting Medicare benefits.

2. Medicare data are captured at the postcode level.  Since many postcodes overlap Federal
   Electoral boundaries, the only way that Medicare data for the postcodes in question can be apportioned
   to Federal Electoral Divisions is to use data from the Census of Population and Housing on the
   proportion of each postcode falling into each Federal Electoral Division.  In using this approach it is
   assumed that rates of utilisation are proportional to population, which may not be the case.  A further
   complication arises with Medicare services that are captured for Post Office Box postcodes.  Since the
   population for these postcodes from the Census is zero, Medicare services cannot be attributed to a
   Federal Electoral Division.  In the case of Sydney GPO (postcode 2001), Medicare enrollees could live
   anywhere in the Sydney Metropolitan area.  As a consequence, any resultant statistics might be
   unreliable.

3. The requested statistics by RRMA for patients 65 years and older in New South Wales, in 1998-
   99 (year of processing) are as follows:

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<tr>
<th>RRMA</th>
<th>Services</th>
<th>Fees Charged</th>
<th>Schedule Fees</th>
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<tbody>
<tr>
<td>Capital City</td>
<td>3,160,869</td>
<td>69,544,664</td>
<td>78,963,581</td>
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<tr>
<td>Other Metro Centre</td>
<td>768,119</td>
<td>16,837,928</td>
<td>19,191,004</td>
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<tr>
<td>Large Rural Centre</td>
<td>222,319</td>
<td>5,234,129</td>
<td>5,554,158</td>
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<td>Small Rural Centre</td>
<td>397,920</td>
<td>9,212,518</td>
<td>9,941,209</td>
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<tr>
<td>Other Rural</td>
<td>539,458</td>
<td>12,827,706</td>
<td>13,474,475</td>
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<tr>
<td>Other Remote Area</td>
<td>24,965</td>
<td>562,066</td>
<td>623,337</td>
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<tr>
<td>Unallocated</td>
<td>2,870</td>
<td>66,587</td>
<td>71,795</td>
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<tr>
<td>Total</td>
<td>5,116,520</td>
<td>114,285,598</td>
<td>127,819,558</td>
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</table>

Schedule Fee Observance, Percentage of Services Direct Billed and Average Patient contribution per
service (patient billed services only)
<table>
<thead>
<tr>
<th>RRMA</th>
<th>Sch Fee Obs (%)</th>
<th>Dir Billed (%)</th>
<th>Pat Cont per Ser</th>
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<tr>
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<td>Other Metro Centre</td>
<td>91.8</td>
<td>89.1</td>
<td>$6.13</td>
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<td>73.6</td>
<td>61.1</td>
<td>$5.88</td>
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<td>78.6</td>
<td>68.7</td>
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<td>70.5</td>
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<td>80.1</td>
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<tr>
<td>Unallocated</td>
<td>82.8</td>
<td>80.3</td>
<td>$9.65</td>
</tr>
<tr>
<td>Total</td>
<td>88.6</td>
<td>84.7</td>
<td>$7.07</td>
</tr>
</tbody>
</table>

Unreferred Attendances Services, Fees Charged and Schedule Fees

<table>
<thead>
<tr>
<th>RRMA</th>
<th>Services</th>
<th>Fees Charged</th>
<th>Schedule Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital City</td>
<td>5,084,782</td>
<td>133,134,176</td>
<td>151,522,766</td>
</tr>
<tr>
<td>Other Metro Centre</td>
<td>1,125,354</td>
<td>28,368,748</td>
<td>32,513,737</td>
</tr>
<tr>
<td>Large Rural Centre</td>
<td>312,029</td>
<td>8,066,505</td>
<td>8,704,888</td>
</tr>
<tr>
<td>Small Rural Centre</td>
<td>561,985</td>
<td>14,396,187</td>
<td>15,696,528</td>
</tr>
<tr>
<td>Other Rural</td>
<td>762,900</td>
<td>19,524,886</td>
<td>20,846,848</td>
</tr>
<tr>
<td>Other Remote Area</td>
<td>44,135</td>
<td>1,066,609</td>
<td>1,186,979</td>
</tr>
<tr>
<td>Unallocated</td>
<td>6,431</td>
<td>199,094</td>
<td>210,448</td>
</tr>
<tr>
<td>Total</td>
<td>7,897,616</td>
<td>204,756,205</td>
<td>230,682,194</td>
</tr>
</tbody>
</table>

Schedule Fee Observance, Percentage of Services Direct Billed and Average Patient contribution per service (patient billed services only)

<table>
<thead>
<tr>
<th>RRMA</th>
<th>Sch Fee Obs (%)</th>
<th>Dir Billed (%)</th>
<th>Pat Cont per Ser</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital City</td>
<td>93.8</td>
<td>91.5</td>
<td>$9.37</td>
</tr>
<tr>
<td>Other Metro Centre</td>
<td>93.6</td>
<td>90.1</td>
<td>$5.90</td>
</tr>
<tr>
<td>Large Rural Centre</td>
<td>78.1</td>
<td>63.6</td>
<td>$5.54</td>
</tr>
<tr>
<td>Small Rural Centre</td>
<td>81.6</td>
<td>71.0</td>
<td>$5.92</td>
</tr>
<tr>
<td>Other Rural</td>
<td>75.8</td>
<td>63.4</td>
<td>$5.94</td>
</tr>
<tr>
<td>Other Remote Area</td>
<td>90.2</td>
<td>81.7</td>
<td>$6.21</td>
</tr>
<tr>
<td>Unallocated</td>
<td>80.1</td>
<td>76.8</td>
<td>$12.66</td>
</tr>
<tr>
<td>Total</td>
<td>90.5</td>
<td>85.9</td>
<td>$7.24</td>
</tr>
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</table>

Diagnostic Imaging Services, Fees Charged and Schedule Fees

<table>
<thead>
<tr>
<th>RRMA</th>
<th>Services</th>
<th>Fees Charged</th>
<th>Schedule Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital City</td>
<td>670,743</td>
<td>81,824,314</td>
<td>88,998,500</td>
</tr>
<tr>
<td>Other Metro Centre</td>
<td>153,269</td>
<td>18,420,192</td>
<td>20,444,339</td>
</tr>
<tr>
<td>Large Rural Centre</td>
<td>49,787</td>
<td>6,294,503</td>
<td>6,593,808</td>
</tr>
<tr>
<td>Small Rural Centre</td>
<td>78,094</td>
<td>8,868,370</td>
<td>9,628,458</td>
</tr>
<tr>
<td>Other Rural</td>
<td>104,404</td>
<td>11,997,526</td>
<td>12,898,796</td>
</tr>
<tr>
<td>Other Remote Area</td>
<td>5,368</td>
<td>644,560</td>
<td>696,777</td>
</tr>
<tr>
<td>Unallocated</td>
<td>1,014</td>
<td>133,462</td>
<td>138,546</td>
</tr>
<tr>
<td>Total</td>
<td>1,062,879</td>
<td>128,182,927</td>
<td>139,399,224</td>
</tr>
</tbody>
</table>

Schedule Fee Observance, Percentage of Services Direct Billed and Average Patient contribution per service (patient billed services only)

<table>
<thead>
<tr>
<th>RRMA</th>
<th>Sch Fee Obs (%)</th>
<th>Dir Billed (%)</th>
<th>Pat Cont per Ser</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital City</td>
<td>87.2</td>
<td>73.4</td>
<td>$17.11</td>
</tr>
<tr>
<td>Other Metro Centre</td>
<td>92.5</td>
<td>79.1</td>
<td>$10.72</td>
</tr>
<tr>
<td>Large Rural Centre</td>
<td>75.0</td>
<td>60.8</td>
<td>$22.93</td>
</tr>
<tr>
<td>Small Rural Centre</td>
<td>87.2</td>
<td>68.3</td>
<td>$15.13</td>
</tr>
<tr>
<td>Other Rural</td>
<td>84.9</td>
<td>70.0</td>
<td>$20.11</td>
</tr>
<tr>
<td>Other Remote Area</td>
<td>86.9</td>
<td>74.9</td>
<td>$20.32</td>
</tr>
<tr>
<td>Unallocated</td>
<td>75.0</td>
<td>52.7</td>
<td>$15.40</td>
</tr>
<tr>
<td>Total</td>
<td>87.2</td>
<td>72.9</td>
<td>$16.97</td>
</tr>
</tbody>
</table>

The above statistics relate to the RRMA of patient based on Medicare enrolment postcode.

Medicare data are captured at the postcode level. It has not been possible to allocate some postcodes to an RRMA category. These services have been included in ‘unallocated’.
The statistics, by year of processing, relate to services rendered on a ‘fee-for-service’ basis for which Medicare benefits were paid. Excluded are details of services to public patients in hospital, to Veterans’ Affairs patients and some compensation cases.

In compiling statistics on the average patient contribution per service, for in-hospital services this represents aggregate fees charged less aggregate Schedule fees, while for out-of-hospital services it represents aggregate fees charged less aggregate benefits paid (divided by the number of services). This computation understates the average patient contribution, since some inpatients without private insurance are only covered to the level of the Medicare benefit. On the other hand, this computation overstates the average patient contribution since, for in-hospital services, many practitioners discount fees in exchange for payment within a specified period. The fee charged in these circumstances reflects the original fee charged and not the fee actually paid. Furthermore, details of supplementary benefits paid by health funds, above the level of the Schedule fee are not available in Medicare statistics. Statistics on the average patient contribution per service must be treated with caution, due to concerns about the reliability of the underlying data.

**Department of Health and Aged Care: Hospital Expenditure (Question No. 1218)**

**Dr Lawrence** asked the Minister for Health and Aged Care, upon notice, on 6 March 2000:

1. For each year from 1994-95 to 1998-99 what was the total expenditure on hospitals.
2. What (a) sum and (b) percentage of the total was covered by private health funds in each year.
3. What was the Total Health Price Index in each year.
4. What was the Government Expenditure on Hospital and Clinical Services Index in each year.
5. What was the Hospital and Medical Services CPI in each year.
6. What were the ratios of benefits paid to contribution incomes for private health insurance funds in each year.
7. What percentage of households in each of the income quintiles had private health insurance in each year.
8. Using constant dollars, what were the top hospital premiums and the average hospital premiums in each year.
9. What was the ratio of reserves to benefits payable for the private health insurance funds in each year.
10. What was the number and percentage of admissions to private and public hospitals in each year.
11. What was the number and percentage of hospital bed days in private and public hospitals in each year.
12. What was the number and percentage of separations from private and public hospitals in each year.
13. What were the most common diagnoses for those admitted to private and public hospitals in each year.
14. What were the most common procedures carried out in private and public hospitals in each year.

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

1. The data on total expenditure on hospitals from 1994-95 to 1997-98, not including private patient in-hospital medical expenditure, is publicly available from the following published sources:
   - Tables 23, 24 and 25, Australian Institute of Health and Welfare (AIHW) 1999, Health expenditure bulletin no. 15: Australia’s health service expenditure to 1997-98. Canberra: AIHW (Health and Welfare Expenditure Series); and
The data for 1998-99 is yet to be compiled.

(2) The data on the sum and percentage of the total covered by private health funds in each year, not including private in-patient in-hospital medical expenditure, is publicly available from the following published sources:

- Table 11, Australian Institute of Health and Welfare (AIHW) 2000, Health expenditure bulletin no. 16: Australia’s health service expenditure to 1998-99. Canberra: AIHW (Health and Welfare Expenditure Series); and
- Figure 32a and Table 13, Private Health Insurance Administration Council (PHIAC) Annual Report: Operations of the Registered Health Benefits Organisations 1998-99.

The data for 1998-99 is yet to be compiled.

(3) Information on the total health price index in each year is available from:


(4) Information on government expenditure on hospital and clinical services index in each year is available from:


(5) Information on the hospital and medical services CPI in each year is available from:


(6) Information on the ratios of benefits paid to contribution incomes for private health insurance funds in each year is available from:

- Figure 5, Private Health Insurance Administration Council (PHIAC) Annual Report: Operations of the Registered Health Benefits Organisations 1998-99.

(7) The Australian Bureau of Statistics (ABS) has only published data relating to the percentage of persons in various income ranges having private health insurance for the 1995 National Health Survey and the June 1998 Health Insurance Survey. The full references are:


(8) The following table shows the total contribution income, ie for all hospital and ancillary products, per standard equivalent unit (SEU) for all health funds. An SEU equates to a single membership, while other types of memberships, for example a family policy, equate to two SEUs. The Private Health Insurance Administration Council (PHIAC) did not separate hospital and ancillary contributions until 1997-98.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CPI</td>
<td>763.82</td>
<td>791.70</td>
<td>836.52</td>
<td>896.02</td>
<td>922.47</td>
</tr>
<tr>
<td>94.7</td>
<td>98.7</td>
<td>100.0</td>
<td>100.0</td>
<td>101.2</td>
<td></td>
</tr>
<tr>
<td>SEU</td>
<td>806.57</td>
<td>802.13</td>
<td>836.52</td>
<td>896.02</td>
<td>911.53</td>
</tr>
<tr>
<td>deflated by CPI</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Sources:

Figure 31, Private Health Insurance Administration Council (PHIAC), Operations of the Registered Health Benefits Organisations Annual Report 1998-99.

Australian Bureau of Statistics, Consumer Price Index 6401.0.

(9) Information on the ratio of reserves to benefits payable for the private health insurance funds in each year is available from:

- Figure 5, Private Health Insurance Administration Council (PHIAC) Annual Report: Operations of the Registered Health Benefits Organisations 1998-99.

(10) Hospital data is collected on separations (or discharges) rather than admissions, as hospital episode details may end up differing from those anticipated on admission. Nevertheless, separations should very closely match admissions in each year. Relevant information on the number and percentage of private and hospital separations is highlighted in question 12.

(11) Information on the number and percentage of hospital bed days in private and public hospitals in each year is available from:


(12) Information on the number and percentage of separations from private and public hospitals in each year is available from:


(13) Australia has two hospital morbidity databases, one maintained by the Department of Health and Aged Care, and the other maintained by the Australian Institute of Health and Welfare (AIHW). Information may be sourced from:


(14) Australia has two hospital morbidity databases, one maintained by the Department of Health and Aged Care, and the other maintained by the Australian Institute of Health and Welfare (AIHW). Information may be sourced from:


Goods and Services Tax: Overseas Medical Research Grants
(Question No. 1608)

Mr Martyn Evans asked the Minister for Health and Aged Care, upon notice, on 6 June 2000:

(1) Has his attention been drawn to concern by members of the medical research community that grants from overseas based funding bodies such as the National Institutes of Health in the US and The Wellcome Trust in the UK will be subject to the GST and that no comparable refund will be available, effectively reducing the grant by 10%.

(2) Is this concern justified; if so, will he act to ensure that Australian researchers in receipt of overseas sourced grants are not disadvantaged by the GST.

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

On 5 October 2000 I provided an answer to the honourable member (Hansard, 5 October 2000, page 18796). My Department has now received further advice from the Australian Taxation Office and I can now add to my previous answer. The paragraph should read:

In most cases, research services supplied in return for grants from overseas based funding bodies fall under an ‘exemptions’ sub-section of the GST Act, and hence the supplies will be GST-free.

Sub-section 38-190(1) item 2 of the Act provides for things other than goods or real property to be GST-free when supplied to a non-resident who is not in Australia, provided either:

(a) the supply is not work done on goods or real property in Australia; or (b) the recipient is not registered for GST (nor required to be registered).

It is likely that few overseas grant organisations will be registered for GST.

This means that most research services undertaken by Australians in return for grants from overseas organisations will be GST-free.

However, as indicated in my original response, any non-residents who do make a creditable acquisition through a registered agent, and who are registered for GST, will be entitled to an input tax credit.

Prospect Electorate: Unemployment
(Question No. 1658)

Mrs Crosio asked the Minister for Employment Services, upon notice, on 22 June 2000:

(1) Was the unemployment rate for the statistical local area for Fairfield, NSW 11.3% for the March quarter 2000.

(2) Based on the quarterly figures, does Fairfield have the highest rate of unemployment in the Sydney region.

(3) Is this the highest quarterly unemployment rate for Fairfield since June 1999.

(4) How many job network sites are located in Fairfield.

(5) During the tendering process for job network 2, was there any intention to make the job network sites in a particular region relative to the labour markets; if not, why not.

(6) Does the Fairfield-Liverpool statistical region have an unemployment rate of 8.5%.

(7) Is the Fairfield-Liverpool statistical region a different region to the small area labour market of Fairfield.

(8) How many job seekers are registered with each job network site, in the electoral division of Prospect.

(9) How many full time and part time positions have been filled in the electoral division of Prospect, through the services of the job network sites located in the electoral division of Prospect.

Mr Abbott—The answer to the honourable member’s question is as follows:
(1) The unemployment rate estimate published by the Department of Employment, Workplace Relations and Small Business, in the March quarter 2000 Small Area Labour Markets publication for the Statistical Local Area (SLA) of Fairfield, was 11.3 per cent.

(2) Yes.

(3) While the unemployment rate in Fairfield in the March quarter 2000 was the highest recorded since the June quarter 1999, such a comparison is inappropriate; these quarterly estimates are not adjusted to take account of seasonal or other variations and are therefore not directly comparable.

The most meaningful measure is therefore to compare the current quarter with the same quarter in a previous year. In Fairfield, the unemployment rate in the March quarter 2000 was 11.3 per cent, 3.1 percentage points lower than it was 12 months earlier. The previous March quarter peak was 22.5 per cent in the March quarter 1993.

(4) There are 9 Job Network sites located in Fairfield, 5 of which offer intensive assistance.

(5) The distribution of these places to the 19 Labour Market Regions and the 137 Employment Service Areas was determined by the Department of Employment, Workplace Relations and Small Business, based on estimates of the number of eligible job seekers registered with Centrelink, as looking for work.

There was no predetermined estimate of the number of Job Network sites to be contracted within a particular region, although there was a desire to provide client choice of providers within Employment Service Areas. For reasons of coverage and diversity, it was expected that there would be at least two or three providers of Job Matching, Job Search Training and Intensive Assistance, in any Employment Service Area.

The number of sites offering Job Network services in a particular region as a result of the second employment services tender, was determined by the number of places and sites in bids placed by those tenderers rated most highly in the tender assessment process.

(6) According to the latest ABS data available, the unemployment rate in the Fairfield-Liverpool labour force region was 9.0 per cent in May 2000.

(7) Yes, the ABS labour force region of Fairfield-Liverpool is comprised of the SLAs of both Fairfield and Liverpool.

(8) As at 23 June 2000, 10 018 job seekers in the electorate of Prospect were enrolled with a Job Network member.

The following Job Network members have sites in the Prospect electorate with job seekers enrolled with them:

<table>
<thead>
<tr>
<th>Adult Multicultural Education Service</th>
<th>4496</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centacare Australia Ltd</td>
<td>4657</td>
</tr>
<tr>
<td>Fairfield Community Resources Centre</td>
<td>5329</td>
</tr>
<tr>
<td>IPC Employment Pty Ltd</td>
<td>4712</td>
</tr>
<tr>
<td>Mission Australia</td>
<td>4752</td>
</tr>
<tr>
<td>T &amp; A Skills Care Service Pty Ltd</td>
<td>4727</td>
</tr>
<tr>
<td>Wesley Uniting Employment</td>
<td>5446</td>
</tr>
</tbody>
</table>

Note: Some job seekers are represented more than once in the above figures because job seekers are encouraged to enrol with more than one Job Network member and 4335 have chosen to enrol with all Job Network members in their local area.

(9) From 1 May 1998 to 30 June 2000, Job Network Members operating in the Prospect electorate filled around 1017 permanent and temporary positions.

A full time and part time breakdown is shown in the table below.

<table>
<thead>
<tr>
<th>Type of Position</th>
<th>Permanent</th>
<th>Temporary</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Full Time</td>
<td>478</td>
<td>246</td>
<td>724</td>
</tr>
<tr>
<td>Part Time</td>
<td>97</td>
<td>196</td>
<td>293</td>
</tr>
</tbody>
</table>
The department does not routinely record the electorate where Job Network Member sites are based. The table shows placements for sites with postcodes within the Prospect electorate. Job seekers may register with up to five Job Network Members. Therefore job seekers residing within the Prospect electorate may register with Job Network Members outside the electorate and placements outside the electorate are not reflected in these figures. Placements shown are those for which a Job Network Member may be eligible for a Job Matching fee.

**Goods and Services Tax: Advertisements**

(Question No. 1795)

Mr Danby asked the Treasurer, upon notice, on 14 August 2000:

1. Did the government place a full-page advertisement entitled “Tax Cuts, the GST and Country Australia”, in the inner city Melbourne publication, The Port Phillip Leader on 26 June 2000.
2. How many “GST Chain” advertisements relating to regional Australia were placed in other inner city newspapers.
3. What was the cost of the advertisements.
4. How does the Government justify spending taxpayers’ funds on advertisements about regional Australia in inner city newspapers.

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

1. An advertisement titled “Tax Cuts, the GST and Country Australia” ran in the Port Phillip Leader on 26 June 2000 as a result of a publishing error by the News Suburban Group.
2. As a result of this same publishing error, the advertisement also ran in three other suburban newspapers, namely the Moreland Sentinel, Progress Press and Heidelberger.
3. and (4) Because the advertisements were incorrectly run there was, and will be no cost to Government.

**Petrol Prices**

(Question No. 1887)

Mr Andren asked the Minister for Financial Services and Regulation, upon notice, on 30 August 2000:

1. Is he aware of community concerns about a perceived lack of transparency in retail petrol prices in regional Australia, particularly with regard to the passing on of price changes relating to the fluctuations in the world parity price of crude oil.
2. Is it the case that when the cost of a barrel of oil rises or the Australian dollar drops in value the pump price of fuel rises almost immediately, but when the cost of crude oil falls, or the Australian dollar rises, the reduced cost is not passed on to consumers within the same timeframe.
3. What powers does the Australian Competition and Consumer Commission have to ensure that price cuts are passed on to consumers as quickly as price rises.
4. Does the Government consider that level of regulation adequate; if so, why.
5. Given that petrol regularly sells for 10 cents a litre less in the Blue Mountains than it does in Bathurst, will the Government support an inquiry focusing only on the reasons for and solutions to the city-country petrol price differential; if not, why not.

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

1. Yes.
2. I am advised that there is no evidence suggesting that rising Australian dollar oil prices are systematically passed on to high petrol prices more rapidly than are falling prices.
(3) The Government believes that competition in the petroleum products retail market will ensure that cost reductions lead to reduced prices. To ensure that market practices are competitive, the ACCC enforces the provisions of Part IV (restrictive trade practices) of the Trade Practices Act 1974, including the provisions that prohibit such anti-competitive practices as price fixing agreements and resale price maintenance. Various penalties and remedies are available in the Federal Court for contraventions of Part IV. The ACCC has the power to seek monetary penalties or injunctions. The monetary penalties are up to $10 million for corporations and up to $500,000 for individuals. The Federal Court also has the power to enforce undertakings concerning conduct given by a person to the ACCC.

The ACCC monitors fuel prices across Australia. It has implemented an expanded monitoring programme in relation to its responsibilities under the Price Exploitation Code. The new programme increases the number of towns in which prices are collected, the number of service stations sites within those towns and the range of fuels. Overall, the ACCC is collecting retail fuel prices at around 4000 service stations throughout Australia.

In addition to its price monitoring activities, the ACCC has been provided with information gathering powers to support its enforcement activities. Section 155 of the Act confers powers on the ACCC to obtain information, documents and evidence when investigating possible contraventions of the Act.

(4) Yes. The ACCC has a record of vigorously enforcing the Trade Practices Act 1974, and has shown a willingness to pursue businesses engaging in anti-competitive market practices. The Government regards competition, not increased regulation, as the best means of achieving the lowest possible fuel prices for consumers.

(5) No. The ACCC’s 1996 Petroleum Products Declaration Inquiry addressed the city-country fuel price differential. The Inquiry identified a number of legitimate reasons for higher fuel prices in non-metropolitan areas. The Inquiry also made two recommendations that would improve competition in the retail fuel market and make positive steps towards addressing the city-country fuel price differential. However the implementation of these two recommendations—namely the repeal of the Petroleum Retail Marketing Sites Act 1980 and the introduction of a new mandatory code of conduct in lieu of the Petroleum Retail Marketing Franchise Act 1980—is currently stalled due to industry disagreement and opposition in the Senate from the Labor Party and the Democrats.

**Goods and Services Tax: Savings Bonds**

*(Question No. 1889)*

Ms Jann McFarlane asked the Minister representing the Assistant Treasurer, upon notice, on 30 August 2000:

(1) Are self-funded retirees required to complete Form 3086FLY-5.0000 from the Australian Taxation Office (ATO) to be eligible to claim their Self-funded Retirees Supplementary Bonus.

(2) Have the forms been printed; if so, how many have been printed.

(3) What is the cost to the Commonwealth for printing the forms.

(4) Are the forms available to the public, if not, why not.

(5) How many picking slips were sent from the ATO Forms Distribution Centre to members of the public who have been unable to procure the form.

(6) What was the postage cost of sending the picking slips.

(7) Does the ATO keep a record of the length of time taken from ordering forms to dispatch from the ATO Distribution Centre; if not, why not.

(8) What is the (a) average and (b) longest waiting time for a member of the public to receive Form 3086FLY-5.2000 from the Distribution Centre.

Mr Costello—The Assistant Treasurer has provided the following answer to the honourable member’s question:

(1) Yes.
(2) In May 2000, there were 1,200,000 forms printed. An additional 500,000 were printed in August 2000.

(3) The cost for the two print runs combined is $151,759.

(4) The forms are available to the public through ATO branch offices or our Forms Distribution Centre.

(5) The Forms Distribution Centre are unable to identify how many picking slips were sent for the bonuses claim form alone, as they routinely send these picking slips for any item that is out of stock.

(6) Because the picking slips are issued for any number of forms or booklets that are out of stock, the costs are shared between the owners of the forms or booklets. Invoices are currently being prepared by the forms distribution centre - costs will not be available until the invoices are completed.

(7) The ATO monitors overall performance and carries out random checks on individual forms.

(8) The average time a member of the public will wait for the Form is 8 days. The longest waiting time for some clients could have been up to 6 weeks while stocks were not available due to excess demand. The clients who ordered forms from the Distribution Centre were advised in writing that the form was out of stock and their order would be filled as soon as possible.

**Education: Funding for Non-government Schools**

(Question No. 1915)

Mr Latham asked the Minister for Education, Training and Youth Affairs, upon notice, on 4 September 2000:

(1) Is the Government introducing a funding system for Catholic schools different to the remainder of the non-government sector; if so, (a) why and (b) will the Government collect and publish school-by-school data concerning (i) the allocation of Federal funds to each Catholic school and (ii) the performance of each school.

(2) Has the Government calculated the benefit to the Catholic systems if they joined the new SES funding model; if so, what do these calculations reveal.

(3) Is the Government aware of how each State and Territory Catholic system undertakes the distribution of funding between schools; if so, what are these methodologies.

(4) Is the Government aware of concerns that the distribution of funds within the New South Wales and Queensland Catholic systems is not as equitable as in the other States; if so, what action is the Government taking to correct this problem.

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

(1)(a) Under the new funding arrangements for non-government schools, Catholic systems will attract funding on a basis that essentially preserves in real terms the per capita equivalent of their current funding categories. All Catholic systems except in WA and the ACT were recategorised to category 11 in 1998 under the Education Resources Index (ERI) and the Government is committed to honouring this 1998 election commitment. For the 2001-2004 quadrennium, this means that all Catholic systems (except in the ACT) will be funded by the Commonwealth at 56.2% of Average Government School Recurrent Costs (AGSRC). The ACT system will be funded at 51.2% of AGSRC.

(1)(b)(i) As in the case in the current funding period, during the 2001-04 quadrennium the Government will continue to collect data concerning the allocation of funds for Catholic schools through its Financial Questionnaire, but publish only aggregated financial data. The Government is committed to collecting financial information about the operation of non-government schools and is undertaking a review of the Financial Questionnaire collection for introduction from 2002, covering the 2001 school year. The nature of the collection will not be settled until consultations with representatives from all client groups are completed. Data relating to recurrent and capital grants to individual non-government schools, previously published in the States Grants (Primary and Secondary Education Assistance) Act – Report on financial assistance granted to each State in respect of a programme year, will be made available only on request.
The reporting and accountability provisions of the States Grants (Primary and Secondary Education Assistance) Bill 2000 do not call for reporting on performance of individual schools, either government or non-government. In relation to performance information, the legislation is intended to facilitate nationally comparable reporting of the outcomes of schooling to enable comparison of the performance of States and Territories, education authorities (i.e. school sectors) and identified disadvantaged student groups.

As Catholic systems will be funded at 56.2% of AGSRC (51.2% for the ACT) for the 2001-2004 quadrennium and not on the basis of the SES scores of their individual systemic schools, my Department did not collect from Catholic systemic schools the data required for the calculation of individual school SES scores. Consequently, there is no basis on which to determine the funding that would flow to Catholic systems in 2001-2004 if they were funded based on the aggregate entitlement of their individual schools.

No. Each Catholic system in each State/Territory determines the distribution of funding between its constituent schools. There is some variation in the way individual Catholic systems allocate funding.

The Commonwealth’s Guidelines for Approved School Systems 2001-2004 specify that the approved authorities of all approved school systems have the responsibility to distribute Commonwealth general recurrent funding between their systemic schools differentially according to need within overall Commonwealth policy guidelines.

**Universities: Academic Staff**

*(Question No. 1919)*

Mr Latham asked the Minister for Education, Training and Youth Affairs, upon notice, on 4 September 2000:

For each Australian university: (a) what proportion of academic staff hold PhD qualifications; and (b) what proportion of graduates secure full-time employment within a (i) three month, (ii) six month, and (iii) 12 month period and (c) what is the average starting salary for graduates moving into full-time employment.

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

(a) The following information is additional to that provided in *(Hansard, on 30 October 2000, page 21679)*; It should be noted in relation to Table 1 – 1996 proportion of academic staff holding PhD qualifications, that the figure for the Australian National University, namely 59 per cent, relates only to the Faculties of the University. The figure for the Institute of Advanced Studies of the ANU is 93 per cent. For the Australian National University's academic staff in total, 78 per cent hold PhD qualifications.

**Australian Taxation Office: Tax Returns**

*(Question No. 1940)*

Ms Burke asked the Minister representing the Assistant Treasurer, upon notice, on 5 September 2000:

(1) Will the Government remove the requirement for the lodgement of tax returns for certain classes of employees; if so, which employees.

(2) Has the Taxation Task Force considered this proposal; if so what work has it undertaken.

(3) Did the Australian Taxation Office (ATO) consider the idea of optional tax returns.

(4) Did the ATO pilot the statement approach in 2000-2001; if not, why not.

(5) Will this idea be considered by the Board of Taxation.

Mr Costello—The Assistant Treasurer has provided the following answer to the honourable member’s question:
(1) In Tax reform: Not a New tax, A New Tax System the Government expressed interest in simplifying the tax obligations of wage earners. However, it was noted that further work was necessary to develop proposals for consideration by Government.

(2) The Taxation Task Force has not considered this proposal.

(3) The Australian Taxation Office has conducted the initial phase of a community consultation program that tested, among other things, the idea of optional tax returns.

(4) It was decided that a full scale pilot of the statement approach for the income year 2000-01 would not be feasible given the extent of other tax reform activities.

(5) There is no plan currently to refer a proposal to adopt the statement approach to the Board of Taxation. However, the proposal is still in the formative stage and it is intended that the Board will, over time, consider a wide range of issues.

**Education: Funding for Non-government Schools**

(Question No. 1970)

Mr Lee asked the Minister for Education, Training and Youth Affairs, upon notice, on 3 October 2000:

(1) Does the table “Catholic Systems – ERI/SES Funding – 1999 Figures”, provided by his Department, show that the change from ERI category 11 to SES-based funding for non-government schools involves an additional $100 704 281 per year for Catholic systems.

(2) What are the estimates for each year from 2001 to 2004.

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

(1) The table “Catholic Systems – ERI/SES Funding – 1999 Figures” was provided in response to the honourable member’s request for a table, using 1999 figures, which compared funding for Catholic systems at category 11 (category 10 for the ACT) ERI rates with SES funding at 56.2% (51.2% for the ACT) of Average Government School Recurrent Costs (AGSRC), including a primary/secondary breakdown.

(2) The estimated change in funding for Catholic systems is as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
</tr>
</thead>
<tbody>
<tr>
<td>$m</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>67.6</td>
<td>71.8</td>
<td>75.6</td>
<td>79.3</td>
<td></td>
</tr>
</tbody>
</table>

**Education: Schools Recurrent Costs**

(Question No. 1971)

Mr Lee asked the Minister for Education, Training and Youth Affairs, upon notice, on 3 October 2000:

(1) What was the most recent movement in Average Government Schools Recurrent Costs for (a) primary and (b) secondary schools.

(2) By what sum were the figures contained in the States Grants (Primary and Secondary Education Assistance) Bill 2000 indexed to give the new figures contained in the Government’s amendment to the Bill.

(3) What steps were involved in calculating the sum referred to in part (2).

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

(1)(a) $382 or 8.2%.

(b) $328 or 5.2%.

(2) For the States Grants (Primary and Secondary Education Assistance) Bill 2000, Targeted programmes were supplemented by the 2000 Average Government Schools Recurrent Cost index of 7.4%; Capital programmes were supplemented by the 2000 Building Price Index of 1.1%; and General Recurrent programmes were adjusted from the relevant percentages of the initial 2000 Per Capita
Average Government School Recurrent Costs for primary and secondary schools to those of the final 2000 Per Capita Average Government School Recurrent Costs for primary and secondary schools.

(3) The Average Government Schools Recurrent Cost index is calculated as follows from data published by the Ministerial Council of Education, Employment and Youth Affairs:

\[
\text{Total expenditure on government schools} \\
- \text{Less capital expenditure on buildings and grounds} \\
\text{Total Government School Recurrent Costs} \\
- \text{Less redundancy payments} \\
- \text{Less Commonwealth grants} \\
\text{Total adjusted Government School Recurrent Costs} \\
\text{Divided by total government school enrolments} \\
\text{Per capita adjusted government school recurrent costs}
\]

Supplementation figure = year on year change

The Per Capita Average Government Schools Recurrent Cost for primary schools is calculated as follows from data published by the Ministerial Council of Education, Employment and Youth Affairs:

\[
\text{Total In-School expenditure on government primary schools} \\
+ \text{Primary share of total Out-of-School expenditure (based on enrolment numbers)} \\
- \text{Less capital expenditure on buildings and grounds in primary schools} \\
\text{Total Government Primary School Recurrent Costs} \\
\text{Divided by primary school enrolments} \\
\text{Per Capita Primary Average Government Schools Recurrent Costs}
\]

The same methodology applies to calculate the per capita Average Government Schools Recurrent Cost for secondary schools.

The Building Price Index (BPI) is a composite index of two Australian Bureau of Statistics indices reflecting the cost of labour and materials, the Wage Cost Index (40%) and the Materials used in Building other than House Building Index (60%). The composite index is made up of 40% of the Wage Cost Index and 60% of the Materials used in Building other than Houses Index. The BPI supplementation percentage is the percentage change between the most recent December figure and the previous December figure.

**Salvation Army: Bendigo Contact Service**

*Question No. 1975*

Mr Gibbons asked the Attorney-General, upon notice, on 3 October 2000:

Has a decision been made on the application by the Salvation Army to provide a Bendigo contact service for children of separated parents; if so, when will the Salvation Army be advised of the decision.

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

The Salvation Army was advised on 24 August 2000 that their tender to provide a contact service for children of separated parents in Bendigo was successful. Since then, contracting arrangements have been proceeding with the Salvation Army, and I understand that these negotiations are nearing completion. Contact services are funded by the Attorney-General’s Department, and administered by the Department of Family and Community Services through a Business Partnership Agreement between the two Departments. There have been several contacts between the Department of Family and Community Services and the Salvation Army in Bendigo since the original notification in August.

**Passenger Movement Charge**

*Question No. 1996*

Mr Martin Ferguson asked the Minister representing the Minister for Justice and Customs, upon notice, on 3 October 2000.

What revenue has been collected from the Passenger Movement Charge each year since 1995, including 2000.
Mr Williams—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

Revenue collected from the Passenger Movement Charge (PMC) is as follows:

<table>
<thead>
<tr>
<th>Financial Year Ended</th>
<th>PMC Collected Airports ($m)</th>
<th>PMC Collected Seaports ($m)</th>
<th>PMC Collected Total ($m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994/95 *</td>
<td>63.7</td>
<td>0.4</td>
<td>64.1</td>
</tr>
<tr>
<td>1995/96</td>
<td>146.4</td>
<td>1.4</td>
<td>147.8</td>
</tr>
<tr>
<td>1996/97</td>
<td>173.6</td>
<td>0.9</td>
<td>174.5</td>
</tr>
<tr>
<td>1997/98</td>
<td>187.7</td>
<td>1.3</td>
<td>189.0</td>
</tr>
<tr>
<td>1998/99 **</td>
<td>198.6</td>
<td>1.5</td>
<td>200.1</td>
</tr>
<tr>
<td>1999/00</td>
<td>224.1</td>
<td>2.1</td>
<td>226.2</td>
</tr>
</tbody>
</table>

*Revenue collected in 1995 is for half a year. The Passenger Movement Charge commenced on 1 January 1995 at a rate of $27.

**The Passenger Movement Charge increased from $27 to $30 on 1 January 1999.

Immigration: New Zealand

(Question No. 2007)

Dr Theophanous asked the Minister for Immigration and Multicultural Affairs, upon notice, on 3 October 2000:

1. In reference to his comments on the decision by the NZ Government to introduce new provisions to regularise the immigration status of certain overstayers, is he considering a change in Government policy in relation to Australia’s common immigration agreements with New Zealand.

2. Has he considered the implications for the Closer Economic Relations Agreement if there were a breakdown in the immigration arrangements between the two governments.

3. Can he specify the ramifications he was referring to when he stated that on 19 September 2000 that it is inevitable that the NZ initiative will have significant longer term ramifications.

4. Will he threaten the immigration agreement between the two countries whenever an NZ Government decision becomes inconvenient for his own Government’s policies.

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

1. There are no plans to alter the Trans-Tasman Travel Arrangement.

2. No breakdown between the two governments is expected. Rather, both governments continue to work together on a range of issues, including immigration.

3. Amnesties do not help to address problems of illegal immigration but in fact exacerbate these. The New Zealand amnesty will have significant ramifications by encouraging illegal immigration, not only to New Zealand, but to this part of the world generally.

4. There is no threat to the Trans-Tasman Travel Arrangement. Both Governments agree that close coordination of our respective immigration policies is vital if the Trans-Tasman Travel Arrangement is to continue to work to our mutual benefit. Amnesties are contrary to this objective.

Immigration: New Zealand

(Question No. 2009)

Dr Theophanous asked the Minister for Immigration and Multicultural Affairs, upon notice, on 3 October 2000:

1. Is it a fact that under the new Transitional Provision of the NZ Government it would take at least seven years before an individual granted a transitional visa could become a NZ citizen and therefore be able to enter Australia without a visa; if so, has he given the wrong public impression of the NZ Government’s policy by claiming that it will undermine the Australian Government’s current policies.

2. Is he concerned that his comments are being interpreted as being discriminatory against Pacific Island people and having a racist basis.

Mr Ruddock—The answer to the honourable member’s question is as follows:
(1) No – under the Transitional Policy, my understanding is that most overstayers granted a temporary permit cannot apply for residence until two years have expired since the permit was granted, after which they must then generally wait three years before they can apply for New Zealand citizenship. The decision by the New Zealand Government to introduce an amnesty differs from Australia’s approach in dealing with overstayers where both sides of Parliament have consistently agreed that amnesties are an inappropriate policy tool. Amnesties are at odds with our objective to achieve a common border and harmonised immigration policies with New Zealand. Research into illegal immigration by the United States Immigration and Naturalization Service indicates that amnesties clearly do not solve the problem of illegal immigration. In fact, the Immigration and Naturalization Service research shows that the 1986 amnesty in America almost certainly increased illegal immigration.

(2) I reject any claim that my comments on this matter are racist. I am committed to a migration program that is strictly non-discriminatory on the basis of race, religion and ethnicity. In my comments I sought to highlight the Government’s view that amnesties do not provide a long-term solution to the real problems of illegal immigration.

Migration: Trans-Tasman
(Question No. 2021)

Mr Martin Ferguson asked the Minister for Immigration and Multicultural Affairs, upon notice, on 5 October 2000:

(1) For each of the last 10 years how many people (a) migrated to Australia from New Zealand and (b) migrated to New Zealand from Australia.

(2) When did the Government implement the decision to require New Zealanders to wait two years before qualifying for welfare assistance, what was the justification for this policy decision and what was the revenue saving for Australian taxpayers.

(3) For each of the last ten years (a) what percentage of New Zealand residents were not born in New Zealand (b) in which countries were they born and (c) what was the length of their New Zealand residency before coming to Australia.

(4) With respect to the New Zealand residents coming to Australia over the last ten years, has the Government compiled information on where they were born and their access to welfare assistance in Australia; if so, what is the nature of that data.

(5) With respect to the New Zealand Government’s decision to allow an additional 1,500 Pacific Islanders per year into New Zealand over the present 38,000 intake, how long are they required to remain in New Zealand before they are allowed to come to Australia.

(6) Given the New Zealand Government’s decision to grant an amnesty to illegal migrants in New Zealand, how long will those illegal migrants be required to wait before they are allowed to come to Australia and, if they do come to Australia, will they be required to adhere to Australia’s immigration laws relating to family reunion, and/or spouse visas or will partners and family members be able to join them in Australia by migrating via New Zealand.

(7) Given that the New Zealand Immigration Minister has said that New Zealand will be making its own migration decisions irrespective of their consequences for Australian taxpayers, has the Australian Government acted to end the situation whereby the Australian Government pays a greater amount of welfare benefits to New Zealanders coming to Australia than the New Zealand Government pays to Australians going to New Zealand; if not, what outstanding policy differences exist.

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

(1)(a) and (b) New Zealand citizens do not enter Australia as part of the annual Migration Program, but are included in permanent arrival and net overseas migration figures. For the past ten years, permanent arrivals to Australia of New Zealand citizens, as well as permanent departures to New Zealand of Australian citizens, are as follows:
Permanent arrivals to Australia Permanent departures to New Zealand

<table>
<thead>
<tr>
<th></th>
<th>New Zealand citizens</th>
<th>Australian citizens</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-91</td>
<td>8,340</td>
<td>2,296</td>
</tr>
<tr>
<td>91-92</td>
<td>8,206</td>
<td>7,059</td>
</tr>
<tr>
<td>92-93</td>
<td>8,356</td>
<td>6,770</td>
</tr>
<tr>
<td>93-94</td>
<td>9,620</td>
<td>7,220</td>
</tr>
<tr>
<td>94-95</td>
<td>13,620</td>
<td>7,075</td>
</tr>
<tr>
<td>95-96</td>
<td>16,238</td>
<td>7,083</td>
</tr>
<tr>
<td>96-97</td>
<td>17,508</td>
<td>6,668</td>
</tr>
<tr>
<td>97-98</td>
<td>19,397</td>
<td>6,736</td>
</tr>
<tr>
<td>98-99</td>
<td>24,686</td>
<td>4,305</td>
</tr>
<tr>
<td>99-00</td>
<td>31,615</td>
<td>5,208</td>
</tr>
</tbody>
</table>

(2) Legislation to ensure that New Zealand citizens are subject to the newly arrived resident’s waiting period for all relevant social security payments commenced from 1 February 2000 (as part of the Further 1998 Budget Measures Legislation Amendment (Social Security) Act 1999). Before that date, the waiting period applied to New Zealand citizens for some payment types, but not for others. The purpose of the amendments was to ensure that the waiting period applied consistently across all applicable payment types, and to all new migrants regardless of country of origin. Savings from applying the waiting period consistently to New Zealand citizens were estimated at $31.7 million for the four year Budget estimates period 1999-00 to 2002-03.

(3)(a) For each of the last ten years, the percentage of New Zealand citizen permanent arrivals not born in New Zealand is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Total New Zealand citizen permanent arrivals</th>
<th>New Zealand citizen permanent arrivals not born in New Zealand</th>
<th>Percentage of New Zealand citizen permanent arrivals not born in New Zealand</th>
</tr>
</thead>
<tbody>
<tr>
<td>90-91</td>
<td>8,340</td>
<td>958</td>
<td>11.5</td>
</tr>
<tr>
<td>91-92</td>
<td>8,206</td>
<td>1,044</td>
<td>12.7</td>
</tr>
<tr>
<td>92-93</td>
<td>8,356</td>
<td>1,717</td>
<td>20.5</td>
</tr>
<tr>
<td>93-94</td>
<td>9,620</td>
<td>1,914</td>
<td>19.9</td>
</tr>
<tr>
<td>94-95</td>
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<td>3,180</td>
<td>23.3</td>
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</tr>
<tr>
<td>96-97</td>
<td>17,508</td>
<td>4,473</td>
<td>25.5</td>
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<tr>
<td>99-00</td>
<td>31,615</td>
<td>9,744</td>
<td>30.8</td>
</tr>
</tbody>
</table>

(b) With respect to the countries of birth of New Zealand citizen permanent arrivals not born in New Zealand, details for the last ten years are as follows:

<table>
<thead>
<tr>
<th>Region/country of birth</th>
<th>90-91</th>
<th>91-92</th>
<th>92-93</th>
<th>93-94</th>
<th>94-95</th>
<th>95-96</th>
<th>96-97</th>
<th>97-98</th>
<th>98-99</th>
<th>99-00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>50</td>
<td>42</td>
<td>83</td>
<td>80</td>
<td>185</td>
<td>183</td>
<td>198</td>
<td>181</td>
<td>136</td>
<td>271</td>
</tr>
<tr>
<td>Australia External Territories</td>
<td>50</td>
<td>42</td>
<td>83</td>
<td>80</td>
<td>185</td>
<td>183</td>
<td>198</td>
<td>181</td>
<td>136</td>
<td>271</td>
</tr>
<tr>
<td>Christmas Island</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Norfolk Island</td>
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<td>1</td>
<td>1</td>
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<tr>
<td>New Caledonia</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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<td>2</td>
</tr>
<tr>
<td>Papua New Guinea</td>
<td>6</td>
<td>3</td>
<td>4</td>
<td>8</td>
<td>14</td>
<td>20</td>
<td>11</td>
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<td>15</td>
</tr>
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<td>Solomon Islands</td>
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<td>1</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>2</td>
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<td>3</td>
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<td>Vanuatu</td>
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<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>3</td>
<td>5</td>
<td>10</td>
<td>15</td>
<td>21</td>
<td>13</td>
<td>26</td>
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</tr>
<tr>
<td>Micronesia</td>
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<td>Kiribati</td>
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<td>2</td>
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<tr>
<td>Nauru</td>
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<td>-</td>
<td>1</td>
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<tr>
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<td>3</td>
<td>1</td>
<td>3</td>
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<td></td>
</tr>
<tr>
<td>Polynesia (excl Hawaii)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Cook Island</td>
<td>37</td>
<td>49</td>
<td>32</td>
<td>50</td>
<td>59</td>
<td>170</td>
<td>293</td>
<td>228</td>
<td>207</td>
<td>200</td>
</tr>
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<td>Fiji</td>
<td>44</td>
<td>85</td>
<td>73</td>
<td>116</td>
<td>192</td>
<td>174</td>
<td>206</td>
<td>201</td>
<td>244</td>
<td>320</td>
</tr>
<tr>
<td>French Polynesia</td>
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<td>2</td>
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<td>4</td>
</tr>
<tr>
<td>Niue</td>
<td>5</td>
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<td>9</td>
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<td>12</td>
<td>11</td>
<td>10</td>
<td>8</td>
<td>55</td>
<td>48</td>
</tr>
<tr>
<td>Samoa/Amb.</td>
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<tr>
<td>Botswana</td>
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<td>1</td>
<td>1</td>
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<td>2</td>
</tr>
</tbody>
</table>
(c) My Department does not have access to data on length of New Zealand residency of non-New Zealand born New Zealand citizens before coming to Australia.

(4) The Department of Family and Community Services (FaCS) has compiled information on New Zealand born Centrelink customers for the last three financial years. Estimates for non-New Zealand born trans-Tasman customers of Centrelink have only been derived for end January 2000 and are based on Department of Immigration and Multicultural Affairs (DIMA) trans-Tasman travellers’ details. The information provided by FaCS is as follows:

Estimated annual payments to Centrelink customers born in New Zealand* receiving payments as at end June each year

<table>
<thead>
<tr>
<th>Main payment received (a)</th>
<th>1998 Customers</th>
<th>1998 Amount ($)</th>
<th>1999 Customers</th>
<th>1999 Amount ($)</th>
<th>2000 Customers</th>
<th>2000 Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age Pension</td>
<td>15,335</td>
<td>127.5</td>
<td>16,268</td>
<td>138.0</td>
<td>16,870</td>
<td>150.0</td>
</tr>
<tr>
<td>Disability Support Pension</td>
<td>6,927</td>
<td>64.2</td>
<td>7,499</td>
<td>71.1</td>
<td>8,032</td>
<td>79.2</td>
</tr>
<tr>
<td>Parenting (Single)</td>
<td>11,235</td>
<td>171.6</td>
<td>11,994</td>
<td>186.7</td>
<td>12,606</td>
<td>204.3</td>
</tr>
<tr>
<td>Parenting (Partnered)</td>
<td>4,735</td>
<td>40.3</td>
<td>4,550</td>
<td>39.7</td>
<td>4,288</td>
<td>39.0</td>
</tr>
<tr>
<td>Family Payments only (b)</td>
<td>22,431</td>
<td>75.6</td>
<td>23,727</td>
<td>79.5</td>
<td>27,346</td>
<td>91.9</td>
</tr>
<tr>
<td>Newstart Allowance</td>
<td>21,417</td>
<td>185.3</td>
<td>17,854</td>
<td>161.6</td>
<td>16,010</td>
<td>151.9</td>
</tr>
<tr>
<td>Other (c)</td>
<td>9,130</td>
<td>61.2</td>
<td>11,454</td>
<td>76.8</td>
<td>10,805</td>
<td>78.0</td>
</tr>
<tr>
<td>Total</td>
<td>91,210</td>
<td>725.8</td>
<td>93,346</td>
<td>753.5</td>
<td>95,957</td>
<td>794.4</td>
</tr>
</tbody>
</table>

(Source: Centrelink)
Estimated annual payments to Centrelink customers born outside New Zealand * who had entered Australia using the Trans-Tasman Travel Arrangement (TTTA)

<table>
<thead>
<tr>
<th>Main payment received (a)</th>
<th>Amount</th>
<th>Main payment received (a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age Pension</td>
<td>4,700</td>
<td>37.0</td>
</tr>
<tr>
<td>Disability Support Pension</td>
<td>920</td>
<td>8.3</td>
</tr>
<tr>
<td>Parenting (Single)</td>
<td>1,887</td>
<td>32.0</td>
</tr>
<tr>
<td>Parenting (Partnered) - benefit component</td>
<td>1,600</td>
<td>16.4</td>
</tr>
<tr>
<td>Family Payments only (b)</td>
<td>4,595</td>
<td>21.3</td>
</tr>
<tr>
<td>Newstart Allowance</td>
<td>3,088</td>
<td>24.7</td>
</tr>
<tr>
<td>Other (c)</td>
<td>3,048</td>
<td>20.0</td>
</tr>
<tr>
<td>Total</td>
<td>19,838</td>
<td>159.7</td>
</tr>
</tbody>
</table>

(Source: based on end January 2000 DIMA records of trans-Tasman travellers and Centrelink data)

* Amounts are based on fortnightly expenditure annualised to full year data.

(a) Amounts shown include Family Payments (unless this is the main payment received) and ancillary payments such as Rent Assistance, Pharmaceutical Allowance, Remote Area Allowance.

(b) Family payments shown are to customers for whom this is the main payment (amounts include ancillary payments).

(c) Includes, for example, Youth Allowance, Partner Allowance, Austudy, Wife Pension.

(5) I am aware that the New Zealand Government is considering a proposal to allow additional Pacific Islander people into the country. A prerequisite for travel to Australia under the Trans-Tasman Travel Arrangement is the obtaining of New Zealand citizenship. The standard residential requirement for this is three years as a New Zealand permanent resident although I understand there are concessions that may enable some people to obtain New Zealand citizenship more quickly.

(6) Under the conditions of the October 2000 transitional provisions announced by the New Zealand Government on 19 September 2000, most overstayers granted a temporary permit cannot apply for residence until two years have expired since the permit was granted, after which they must then generally wait three years before they can apply for New Zealand citizenship (refer to (5) above). The Trans-Tasman Travel Arrangement, together with provisions set out under the Migration Act, allows New Zealand citizens free movement to Australia and the granting of a Special Category Visa (SCV). SCV holders are able to sponsor non-New Zealand citizen family members for permanent residence, subject to conditions set out in migration legislation.

(7) Both governments have agreed that the current social security agreement is unsatisfactory and needs change, owing to its complexity and the increased costs borne by Australia. In line with these commitments, Australia and New Zealand are continuing to work closely together to secure durable, simpler, more effective and more equitable bilateral social security arrangements. Australia and New Zealand both recognise the benefits that both countries derive from unrestricted trans-Tasman travel and access to each other’s labour markets under the Trans-Tasman Travel Arrangement and this free flow will continue.
Oil Companies: Terminals
(Question No. 2056)

Mr Latham asked the Minister representing the Minister for Industry, Science and Resources, upon notice, on 12 October 2000:

(1) Further to his answers to questions No. 1305, (Hansard, 27 August 1997, page 7196) and No. 2189, (Hansard, 28 May 1998, page 4223), what progress has been made in establishing open access regimes at the terminals of Australia’s major oil companies.

(2) Do these regimes allow all petrol stations to shop around for the cheapest wholesale price.

Mr Moore—The Minister for Industry, Science and Resources has provided the following answer to the honourable member’s question:

(1) All major oil companies have established open access regimes at their terminals which allow any customer who meets safety and environmental requirements to purchase fuel on the basis of pre-arranged commercial contracts.

(2) The issue of freedom of choice of supplier for service station operators depends on the nature of the operators’ contractual relationship with oil companies. This choice is not constrained by terminal access arrangements.

Private Health Insurance: Rebate
(Question No. 2060)

Mr Latham asked the Minister for Health and Aged Care, upon notice, on 12 October 2000:

(1) Has his attention been drawn to research findings by Monash University, published in the Medical Journal of Australia, showing that the Government’s private health insurance rebate will substantially increase the unit cost of health care.

(2) Has his Department undertaken a similar analysis; if so, what are the details.

(3) Does Departmental advice show that better results would be achieved by directly funding public hospitals to cope with the public demand for secondary care.

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

(1) Yes.

(2) No.

(3) It has been the practice of successive governments not to reveal details of policy advice provided by the Department to the Minister.

Private Health Insurance: Rebate
(Question No. 2061)

Mr Latham asked the Minister for Health and Aged Care, upon notice, on 12 October 2000:

(1) Has his attention been drawn to research findings from the Australia Institute showing that 50 per cent of the benefit of the Government’s private health insurance rebate flows to the wealthiest one-third of Australia’s income earners and only one-third of Australians with low taxable incomes are benefiting from the rebate.

(2) Has his department undertaken a similar analysis; if so, what are the details.

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

(1) Yes.

(2) No.
Education: School Funding
(Question No. 2078)

Mrs Crosio asked the Minister for Education, Training and Youth Affairs, upon notice, on 12 October 2000:

(1) According to the Government’s new funding system, what is the SES score of (a) Bossley Park High School, (b) Fairfield High School, (c) Fairvale High School, (d) Greystanes High School, (e) Holroyd High School, (f) Mary McKillop College in Wakeley, (g) Patrician Brothers College in Fairfield, (h) Prairiewood High School in Wetherill Park, (i) St Johns Park High, (j) St Pauls Catholic College in Greystanes and (k) Westfields Sports High School.

(2) Under the new funding arrangements, how much Federal funding will (a) Bossley Park High School, (b) Fairfield High School, (c) Fairvale High School, (d) Greystanes High School, (e) Holroyd High School, (f) Mary McKillop College in Wakeley, (g) Patrician Brothers College in Fairfield, (h) Prairiewood High School in Wetherill Park, (i) St Johns Park High, (j) State Pauls Catholic College in Greystanes and (k) Westfields Sports High School receive.

(3) Will States lose Federal Government funding if the public schools’ share of the education market falls as a result of the new funding arrangements.

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

(1) The new socioeconomic status (SES) funding arrangements apply only to Commonwealth general recurrent funding of non-government schools.

Mary McKillop College in Wakeley (f), Patrician Brothers College in Fairfield (g), and St Pauls Catholic College in Greystanes (j) are schools in the NSW Catholic system. As Catholic systems will attract funding on a basis that essentially preserves in real terms the per capita equivalent of their current funding categories in the year 2000, my Department did not collect from Catholic systemic schools the data required for the calculation of individual school SES scores.

(2) Under the new SES funding arrangements, the NSW Catholic system will be funded by the Commonwealth at 56.2 per cent of Average Government School Recurrent Costs (AGSRC) in respect of students at Mary McKillop College in Wakeley, Patrician Brothers College in Fairfield, and St Pauls Catholic College in Greystanes.

The Commonwealth’s Guidelines for Approved School Systems 2001-2004 specify that the approved authorities of all approved school systems have the responsibility to distribute Commonwealth general recurrent funding between their systemic schools differentially according to need within overall Commonwealth policy guidelines.

Commonwealth general recurrent grants for government schools are provided as block grants to government school systems. The Commonwealth has no direct role in the distribution of this funding to government schools. This has always been the responsibility of State and Territory governments.

(3) The forward estimates for Commonwealth funding for government schools through the States Grants (Primary and Secondary Education Assistance) Bill 2000 for 2001-04 are projected to increase by $1.3 billion over the previous quadrennium.