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Tuesday, 19 February 2002

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

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.01 p.m.)—I inform the House that the Minister for Veterans’ Affairs will be absent from question time today. The minister is attending official commemorative events in Darwin to mark the 60th anniversary of the bombing of Darwin and the opening of the Garden of Remembrance. The Minister for Foreign Affairs will answer questions on her behalf.

BOMBING OF DARWIN: 60TH ANNIVERSARY

Mr HOWARD (Bennelong—Prime Minister) (2.01 p.m.)—Mr Speaker, I wonder if I might have your indulgence in relation to the 60th anniversary of the bombing of Darwin.

The SPEAKER—Indulgence is extended.

Mr HOWARD—Today represents the 60th anniversary of the bombing of Darwin. It was just before 10.00 a.m. 60 years ago that Australia came under direct attack for the first time in our history when a force of Japanese aircraft bombed and strafed Darwin. Thus began a period in Australia’s history known as the battle for Australia, but it also encompasses the New Guinea campaigns and the Battle of the Coral Sea. At least 244 people were killed on that day, including not only Australians but also American and British sailors on ships anchored in Darwin Harbour. The Japanese aircraft, which sank eight ships in Darwin Harbour, destroyed the wharf and government offices and more widely devastated the town.

Coming only days after the fall of Singapore, the attack on Darwin made all Australians feel vulnerable. The initial government response was to understate the death and damage to avoid widespread alarm. Consequently, it is not as well known to many Australians as it might be that Darwin was bombed over 60 times in the ensuing 21 months and that Townsville, Katherine, Wyndham, Derby, Broome and Port Hedland also came under aerial attack. It was a momentous period in the history of this country. Between 1942 and 1945, our nation faced the greatest threat to its security that the Australian people have ever confronted. Remembering the defence of Darwin and the onset of the battle for Australia is an important moment for all Australians.

The SPEAKER—The Leader of the Opposition would, I presume, like to respond. I extend indulgence to him.

Mr CREAN (Hotham—Leader of the Opposition) (2.03 p.m.)—I support the comments of the Prime Minister. Today marks the 60th anniversary of the first bombing of Darwin and it comes four days after the 60th anniversary of the fall of Singapore. Today we specifically pay our respects to those who died in the raids on Darwin and to those whose acts of gallantry saved it from further damage and loss of life. We also pay our respects to those who fell in the defence of Singapore and in captivity afterwards.

Sixty years ago, on 19 February, Japanese aircraft attacked Darwin in two waves, killing at least 243 people and wounding another 300, sinking eight ships and destroying numerous aircraft. It was the first of 64 such raids which caused much loss of life and provoked many incredible acts of heroism and sacrifice. The bombing of Darwin was the first time that the Australian mainland had suffered direct attack during the Second World War, but it was neither the start nor the end of threats to Australia in 1942.

We can call it Australia’s year of living dangerously, and it started with the fall of Singapore. Singapore until then had symbolised Australia’s reliance on Great Britain, especially her Navy, for our defence. The naval base at Singapore and the stationing there of British battleships gave us a certain degree of security, despite the fact that at least some of its guns faced away from the enemy and it was without modern air defences. Singapore fell on 15 February, sending a whole Australian division of 15,000 men, as well as many women, into captivity for nearly four years in hellholes like Changi. Within days of Singapore’s fall, Australia itself was threatened and was bombed—first Darwin, then Broome, followed by Derby and Horn Island. Three
months later, Sydney Harbour was attacked by three midget submarines. Throughout that year, Katherine, Port Patterson, Townsville and Wyndham were also attacked.

The reality of our nation’s difficult strategic situation was exposed by these shocks. They brought about the return of our troops from the Mediterranean theatre to defend Australia itself. They brought out the best in ordinary Australians. They gave us one of our greatest leaders, John Curtin. They led to a revolution in our national affairs and increased the nation building power of the Commonwealth government. They led to one of the greatest feats of Australian arms—the halting of the Japanese advance on the Kokoda Track at Milne Bay and at Buna. But, most of all, the events of 1942 led to a collapse of old myths about our security and our understanding that Australia needed new friends and new measures to protect us. It led initially to the US alliance and, ultimately, to the postwar immigration program as we sought to increase our population. These events, commemorated here in our remembrance of the fall of Singapore and the bombing of Darwin, are an essential and heroic part of our national story. We must never forget that those who were sacrificed that year made us the nation we are today.

QUESTIONS WITHOUT NOTICE

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.07 p.m.)—My question is to the Prime Minister, Prime Minister, were you told at any stage before the election, either in writing or orally, that there was any doubt about the veracity of the source of the ONA report, which you relied on at the Press Club to back your ‘children overboard’ claim?

Mr HOWARD—It is true that I quoted from that ONA report at the National Press Club—yes, I did. It is also true that—as was revealed, of which I was aware, in the estimates last night—a minute was sent on 7 November to Miles Jordana in my office, and it was addressed to Miles. This was responding to a request from Mr Jordana consequent upon a request by me that we refresh our memories on documents relating to the ‘children overboard’ issue so that I could be properly briefed for the National Press Club. It was not, as was incorrectly alleged in some reports this morning, a request for fresh documentation. What simply happened was that I said to Miles, ‘We’ve got the Press Club on tomorrow. Will you go over the material? I would like to see any written material in relation to the children overboard, because I will undoubtedly get a question about the issue,’ because it had been in the papers in the morning. There was a paragraph which stated:

We are not yet able to identify the source of the information in the ONA report, though it could have been based on the minister’s statements. But there may also have been Defence reporting, for which we are still searching.

That was what was said in the—

Mr CREAN—So there were doubts.

Mr HOWARD—I am reading from the ONA note. People will make their own judgments about that. They will also make their own judgments about the fact that, quite separately from the ONA report—and I have released this document today, and I will table a copy of it—there was a fax to me at Kirribilli House on the evening of Sunday, 7 October of a document entitled ‘Options for handling unauthorised arrivals’.

Once in the contiguous zone, the HMAS Adelaide fired volleys in front of the vessel and boarded it and returned it to International waters. This has been met with attempts to disable the vessel, passengers jumping into the sea and passengers throwing their children into the sea.

That quote is contained in the task group document. I will say this to the Leader of the Opposition, as I said to the media earlier: if this document had been given to me in the refreshing process a month later, I would have quoted from it in preference to the ONA report. I was not, as indicated—and as I indicated in the press conference—apprised by my office of the paragraph in the minute from Jones to Jordana.

Mr CREAN—Why not?

Mr HOWARD—You can ask me a second question on that, if you want to—and a third and a fourth; I do not mind. I say to the
Leader of the Opposition: I am happy to stand here as long as you like and answer your questions on this subject because this government has got nothing to hide on this issue. The reality is that you were done over in the election and you still cannot get over it—that is your problem. You were beaten fair and square in an election. This is the 2002 version of Evatt’s outrage after the 1954 election on the Petrov affair. I wonder when he is going to write to a foreign minister about it, Mr Speaker!

The facts are very simple. The ONA report was relied upon by me at the Press Club because it was the only document that I had been given. If I had been given the other document, I would have quoted from that. I was not told until after the election that the ONA report had been based on media reports. I was not told that, and, as I indicated to the press today, if I had known that before the press conference, I would not have used it. But it would not, in my view, have altered the veracity of the claims that I made.

Mr Crean interjecting—

Mr HOWARD—The Leader of the Opposition interjects again, ‘Why?’ The reason why it would not have altered the veracity is that I had a document with the masthead of the Department of the Prime Minister and Cabinet, sent to me on 7 October—the very day that Mr Ruddock made his statement—and it contained an absolutely unambiguous statement that children were thrown overboard by the passengers.

It also serves to remind us that the following day this vessel sank at the hands of the passengers, not at the hands of the Royal Australian Navy. As a result, the lives of all of those children were put at risk. Most Australians are aware of this. They are aware that if you deliberately sink a vessel with a lot of children on it you are putting the lives of those children at risk, and I think that is reprehensible behaviour.

Honourable members interjecting—

The SPEAKER—I would remind all members of their determination to raise the standards in the House and of my determination to enforce the standing orders.

Mr HOWARD—Very briefly, I said that I was going to table the document of 7 October. As I indicated earlier this morning at a news conference, I omitted a section of that report because it bears on relations between Australia and Indonesia. It does not have any relevance to the issue now before the House. I took the view that it would not be helpful to that relationship, which I know is close to the heart of those who sit opposite, as it is to many on this side of the House. If the Leader of the Opposition wants to view the material that has been omitted, I am perfectly happy to make it available to him.

Unions: Non-member Fees

Mr FARMER (2.15 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Is the minister aware that unions are continuing to levy fees on non-members? What is the government’s response to this as far as freedom of choice is concerned?

Mr ABBOTT—I thank the member for Macarthur for his maiden question. I congratulate him on his election to this House. I thank him for the inspiration that he has provided for millions of Australians over the last few years. I am aware of the issue of compulsory union levies, and I would say to the member for Macarthur that basic fairness requires that people cannot be charged for services they have not requested. If someone sent me something that I had not requested and tried to charge me for it, that person would be guilty of a scam—a scam, pure and simple. Despite this, unions are now trying to charge non-members $500 a year if they happen to work at places where unions have a monopoly over workplace bargaining. This means that potentially millions of Australians are liable to a $500 a year union tax. I am pleased to say that some decent Labor people have serious misgivings about these compulsory union levies. The Premier of New South Wales, Bob Carr, said:

You can’t put a tax on other members of the workforce and the state can’t require the collection of union fees from non-unionists.

Good on Bob Carr! The member for Barton, the shadow minister for workplace relations, said in answer to a question about these levies:
Before I felt comfortable with that concept, I would want to know why unions are unable to recruit members in a particular area. These are reasonable points that have been made by reasonable members of the Labor Party. The big question is: does the Leader of the Opposition share his senior colleagues' misgivings about these compulsory union levies, which have been described by the Industrial Relations Commission as 'little but an attempt to coerce people to join unions'. This issue, which will come before the House shortly, is a real test of whether members opposite believe in freedom of association or whether they believe in industrial conscription; whether they are a democratic political party or whether they are just the siamese twin of the ACTU. On that score, I think Australians owe a debt of gratitude to those members opposite who have had the courage to attack the notorious 60-40 rule; members like the member for Werriwa, the member for Barton, the member for Griffith, the member for Melbourne—decent Labor people who are standing up for freedom and democracy. They deserve the support of all members opposite. In particular, there is the member for Hunter who said that the problem isn’t just the 60-40 rule itself, but it is the further rule which says that every member of the Labor Party must also be a member of a union too, which means that the Labor Party is a hock—

Mr Swan—Mr Speaker, on a point of order: I ask whether this is relevant to the minister’s responsibilities—

The SPEAKER—The member for Lilley will resume his seat. The minister was asked a question about—

Honourable members interjecting—

The SPEAKER—Since clearly no-one wants to hear my ruling, I simply invite the minister to return to the dispatch box.

Mr ABBOTT—Members opposite, particularly the member for Hunter, have made it very clear that unless there is change the Labor Party will be nothing but a wholly owned subsidiary of the ACTU. I say to members opposite that they will very soon have a chance to demonstrate their intellectual integrity, and their political independ-ence, by supporting the government’s legislation to ban compulsory union levies.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.21 p.m.)—My question is to the Prime Minister. I refer to the letter released today by Ms Jane Halton in which she recalls her ‘extreme shock’ at learning that there were doubts that the children overboard photographs were not what they purported to be. Prime Minister, if this senior official was so shocked at the news, and immediately conveyed that to Mr Max Moore-Wilton and to Mr Jordana, how can you expect us to believe it was not taken seriously by either of them? How can you expect us to believe that none of these people passed the news on to you?

Mr HOWARD—I should point out in reply to that question by the Leader of the Opposition that the letter does record extreme shock. It does refer to her and her husband vividly remembering the shock. I would make the observation that this recollection had not been available some weeks earlier when the initial statement was made to the inquiry.

Mr Swan—Public Service Medal.

Mr HOWARD—I simply make that observation. I would also make the observation in answer to the question—

Ms King interjecting—

The SPEAKER—The member for Ballarat may be a new member, but even she has been here long enough to acquaint herself with standing order 55.

Mr HOWARD—Seeing as the Leader of the Opposition has raised the question, can I just read from the letter. The letter reads:

My memory is that I received a phone call at about 7.30 at night from the Department (Ms Bryant) in which she told me that an officer from International Division in PM&C (I understood this to have been Ms Harinder Sidhu) had conveyed to her that a staff member in Ms Sidhu’s section had overheard some Defence Officials at a meeting where, in the tea break, they had discussed the photos and their belief these were not what they were purported to be.

So you have a situation where you have a tea-break, it is passed on to a staff member,
passed on to somebody else, who has passed it on to Bryant. Ms Halton goes on to say that, from memory, she did not speak to Mr Moore-Wilton but she left a voicemail message. And then, in brackets, the letter says: (I cannot be categorical on this last point).

Mr Stephen Smith interjecting—

The SPEAKER—The member for Perth is warned!

Mr HOWARD—I would make the point that, if you really wanted to convey something that was critically important and was something that caused shock, I would have thought some attempt other than to leave a message on a voicemail was required. But I put aside the question of whether Mr Moore-Wilton was advised or not. This issue was alluded to in the Senate estimates last night, and I indicated to the House yesterday the recollection of Mr Jordana that he could have had a discussion on the issue of the photographs with Ms Halton. So there is nothing in this letter which is in any way inconsistent with what was said yesterday.

It remains the case that that issue was not conveyed to me by Mr Jordana. At no time did Mr Jordana raise that matter with me. It remains the case that I never at any stage received from my department or from my staff any advice which contradicted the original advice on which I relied. And nothing that the Leader of the Opposition has produced or anything that has come out in the Senate estimates has in any way altered that one unassailable fact.

Economy: Performance

Mr BAIRD (2.26 p.m.)—My question is addressed to the Treasurer. Would the Treasurer advise the House how international forecasters view the Australian economy? Would the Treasurer also advise the House of the views of local economic commentators?

Mr COSTELLO—I thank the honourable member for Cook for his question and for his interest in the Australian and international economic situation, which impacts so very directly on the lives of all Australians. I know the home buyers in the electorate of Cook have a great interest in interest rates and the direction in which the economy is heading. The member for Cook will know that through the last year the United States economy went into recession, as did Japan, Singapore, Taiwan and most of Asia. But the Australian economy appears to have survived the largest international downturn in the last 30 years.

I think both sides of the House will say that is a good thing for Australia: that we have managed to keep our economy growing and strong through an international downturn. You can think back to just 1990, when the international situation was not nearly as severe and yet Australia was in deep recession with 17 per cent interest rates at that time and a haemorrhaging budget. How much worse would it have been in this international downturn if the government had not strengthened the Australian economy?

According to the Economist magazine in its survey of 15 industrialised countries for growth rates in 2002, Australia is forecast on average—an average of all of the forecasters surveyed—to have a growth rate of 3.3 per cent. Not only is it the highest growth rate of the 15 developed nations in the world that are carried in the Economist but it is the highest by a substantial amount. There is no other economy surveyed where the average is above two per cent, and yet Australia is forecast at an average of 3.3 per cent. So Australia is not just leading the world but leading the world by a very substantial margin, and doing it at a time when the international economy is probably the weakest it has been in three decades.

Standard and Poors attributed this resilience in the Australian economy to structural reforms, low fiscal debt, stable inflation and conservative macro-economic management. As Standard and Poors have recognised, the government’s economic management throughout the course of the last couple of years has managed to insulate Australia against the great challenge we have had from overseas. Standard and Poors praised Australia’s fiscal flexibility, underpinned by low public debt.

If you wanted one difference between Labor Party economic management and Liberal-National Party economic management it can be illustrated in this way: in its last five budgets the Australian Labor Party ran up
cumulated debt of $80 billion. After turning around the budget, this government has now repaid $56 billion of that $80 billion. That is why Standard and Poors can talk about low public debt.

Mr Tanner—How did you do it? You sold everything.

Mr Costello—The Socialist Left member for Melbourne talks about privatisation. What, like the Commonwealth Bank? Like Qantas? Like Australian Airlines? Every now and again the Socialist Left member, as he hovers around the Macquarie Bank, likes to prove he is a modern socialist in favour of privatisation.

Let me tell you what the Labor Party’s privatisation policy was about: they ran a deficit, they sold off assets and they were still in the red and borrowed $80 billion. It is absolutely extraordinary. We would like to see a modern socialist in the member for Melbourne’s modern mantra. We would like to see him go back into all of those merchant banks and tell them how he really is in favour of foreign ownership, how he really is in favour of Telstra privatisation and how he is really going to become a very model of a modern socialist. The member for Melbourne: the very, very model of a modern socialist. That is what we would like to see because we might actually get some thinking out of the Australian Labor Party.

We welcome back the member for Werriwa. It is good to see him back on the front bench. He is another modern socialist. When he left the backbench of the Labor Party and came down the front he raised the average IQ of both the backbench and the frontbench of the Australian Labor Party. Now he engages in a new experiment: is it possible to be a thinker on the front bench of the Australian Labor Party? We wait with interest.

Immigration: ‘Children Overboard’ Affair

Mr Crean (2.32 p.m.)—My question is to the Prime Minister and refers again to the letter from Ms Halton to Max Moore-Wilton. I refer to another excerpt from that letter in which Ms Halton says:

I had been in the practice throughout this period of immediately passing such information with appropriate attribution to the relevant parties.

Prime Minister, who were the relevant parties to whom Ms Halton refers? Did they include Mr Jordana in your office, whom Ms Halton says on this occasion she had immediately contacted?

Mr Howard—I suggest you ask Senator Faulkner to ask Ms Halton that in the Senate inquiry.

Immigration: Border Protection

Mr Nairn (2.33 p.m.)—My question is addressed to the Minister for Immigration and Multicultural and Indigenous Affairs. Would the minister inform the House what the government is doing to protect Australia’s borders? Is the minister aware of attempts to frustrate government measures to maintain the integrity of our border protection measures?

Mr Ruddock—I thank the honourable member for Eden-Monaro for the question. It is an important question because Australia, as part of its global approach to combating people smuggling, is pursuing an extensive range of strategies. These involve the regional cooperation model with Indonesia to assist in dealing with the flow of potential illegal immigrants through their territory. We also work cooperatively with other countries. We have been able to do that with Cambodia, for instance, within our region and with other source countries, where we have been providing very substantial aid and assistance. This issue will be further addressed by the regional conference to be held in Indonesia later this month, at which the Minister for Foreign Affairs, the Minister for Justice and Customs and I will be present.

Late last year, when the Labor Party elected to become part of the solution and not part of the problem, we were able to pass certain laws which strengthened our territorial integrity. This strategy has been successful in deterring potential illegal migrants from making their way to Australia. At the same time, we have also been able to ensure that people who have endeavoured to reach Australia without authority have been unable to do so. That is through a range of meas-
ures, which include the cooperation we have had from Nauru and Papua New Guinea.

Regrettably, there have been some attempts to frustrate our measures. Yesterday, I informed the House of the attempts to sabotage the vessel which arrived on 7 October last year. That involved a substantial destruction of the wheelhouse, the disabling of its engine and steering, and other matters that have been identified. But this is not the only time when we have seen steps of that sort taken.

On the evening of 8 November the lives of Australian personnel were put at risk when passengers aboard another vessel set fire to their craft. The information was made publicly available in a statement of 9 November and the information included the minute and an accompanying two-page report from the commander of Northern Command, released by the Minister for Defence. It is not inappropriate that I should quote from a document that is already publicly available.

That document identified that the vessel on this occasion was observed dumping fuel and water overboard and that parts of the ship structure had been thrown overboard. The boarding party conducted boarding, which was made difficult by barricades. On boarding, they discovered a fire in the midship’s hold. The boarding party officer attempted to extinguish the fire which had taken hold and a drum exploded and the hold erupted into flames. By this time, most of the passengers were off and in the water and the Wollongong had boats collecting them. Tragically, there were found to be two women deceased from what was believed to be drowning.

The assessment was particularly interesting because what it said was that the passengers were aware of government policy to return unauthorised vessels arriving in the contiguous zone to Indonesia. They had prepared their vessel to obstruct the Royal Australian Navy boarding parties and had set about deliberately destroying their vessel in order to avoid their return to Indonesia. The fire was deliberately lit, and the exploding drum is indicative of an attempt to prevent the boarding party from extinguishing the fire. That this was a deliberate action by the passengers is reinforced by the fact that they all wore life jackets. There have been other incidents where steering has been sabotaged, where water has been found in fuel tanks and where passengers have deliberately frustrated any attempts to allow the vessels to continue if returned.

The violence has not only been confined to boats. On 1 June around 200 people in the Curtin centre in Western Australia set fires in the dining room and in a demountable building, and attacked an officer attempting to video the incident. In November last year at Woomera a series of fires caused damage to the female ablution blocks, recreation and program rooms as well as a kindergarten. On 7 December more fires were lit at Woomera, destroying a laundry and an ablution block. On 19 December further fires were lit at Woomera, and aerosol cans were used as flamethrowers to attack detention officers. Twenty buildings were damaged or destroyed in these incidents, leaving the taxpayer with a substantial bill of about $2 million.

People might think that this is occurring only in Australia, but tragically in the United Kingdom a major detention facility, erected for dealing with either unauthorised arrivals or people whose claims have been exhausted, which was a new facility with a substantial degree of amenity, I believe—I have not seen it myself, but I believe it had a substantial degree of amenity—on the reports that I have seen was deliberately fired. That led to very substantial loss of property—a bill of $A97 million. That incident, which was a very substantial incident in the United Kingdom, also led to staff being injured. It is indicative of the difficulties that you have in dealing with substantial numbers of people who are not prepared to have their claims properly looked at and, in the Australian context, a population where something of the order of 70 per cent have had decisions rejecting a primary application.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.40 p.m.)—My question is again to the Prime Minister and it refers to his earlier answer and to his accountability in this chamber, not Ms Halton’s in the Senate.
The SPEAKER—The Leader of the Opposition will come to his question.

Mr CREAN—I ask the Prime Minister: are you disputing Ms Halton’s advice in writing that she had been in the practice throughout this period of immediately passing such information with appropriate attribution to the relevant parties? If not, Prime Minister, who were the relevant parties to which Ms Halton refers and did they include Mr Jordana in your office, whom Ms Halton says on this occasion she contacted immediately?

Mr HOWARD—I am not offering a comment because I do not know who she is referring to.

Mr McMullan—You’re responsible!

Mr HOWARD—I am suggesting—

Mr HOWARD—that if the Leader of the Opposition or somebody in the Labor Party wants further information regarding Ms Halton’s letter, they are perfectly entitled—

Opposition members interjecting—

The SPEAKER—I call the Prime Minister.

Mr HOWARD—if they want further information about her letter, they are perfectly entitled to direct questions—

Mr McMullan interjecting—

The SPEAKER—I call the Prime Minister.

Mr HOWARD—if they want further information about her letter, they are perfectly entitled to direct questions—

Mr McMullan interjecting—

The SPEAKER—I call the Prime Minister.

Mr HOWARD—I am not suggesting thereby that I am endorsing or disputing, but it is self-evident that if Ms Halton, or indeed anybody else, writes a letter, and unless she has consulted me about the letter before she has written it and has briefed me about what the letter means, I cannot answer questions on a reference to other parties. That is just elementary logic.

Mr Crean—I raise a point of order, Mr Speaker. On the point of relevance, is the Prime Minister saying that he cannot answer for his office? That is what he is saying.

The SPEAKER—The Leader of the Opposition will resume his seat. There is no point of order.

Mr HOWARD—I simply repeat that Ms Halton has written a letter, and if the Leader of the Opposition wants to know to whom she is referring then I would encourage the Leader of the Opposition—

Mr Crean interjecting—

The SPEAKER—The Leader of the Opposition is defying the chair.

Mr HOWARD—to arrange for Senator Faulkner or Senator Cook to ask her that question. So far as Mr Jordana is concerned, I have already indicated to the House, as I did yesterday, that Mr Jordana had a recollection that Ms Halton may have spoken to him about the photo issue. I said that yesterday. The Leader of the Opposition goes ‘Oh!’ as though that is some kind of stunning discovery. I mentioned it yesterday. As to the other references in the letter, of which self-evidently I have no direct knowledge, because they do not relate to my acts or the acts of my staff, you should therefore ask Ms Halton when she is before the Senate committee.

Mr Beazley—I raise a point of order, Mr Speaker. My point of order goes to the question of responsibility for answering questions in this place. The question that has been—

Honourable members interjecting—

The SPEAKER—The member for Brand is directing his point of order to the chair. I will respond when I have heard him.

Mr Beazley—as the standing orders state, questions are to be directed to persons within their area of ministerial responsibility. Ms Halton lies within the Prime Minister’s area of ministerial responsibility for his direct administration. Surely the correct answer of the Prime Minister in this place is that he will make inquiries, if he does not know the answer, and report back here.

The SPEAKER—The member for Brand will resume his seat.

Mr McMullan—I raise a point of order, Mr Speaker, under standing order 142—

The SPEAKER—I am interrupting the member for Fraser only because I need to know whether or not he is raising the same point of order as the member for Brand raised, on which I had not as yet ruled.
Mr McMullan—I am sorry; I will wait for the ruling on that.

The SPEAKER—The member for Brand is aware that the Prime Minister’s obligation is to give an answer that is relevant to the question, and he has done just that.

Mr McMullan—I want to raise a point of order under standing order 142, which reads: Questions may be put to a Minister relating to ... any matter of administration for which the Minister is responsible. If we cannot ask the Prime Minister a question—

The SPEAKER—The member for Fraser will resume his seat.

Mr Leo McLeay interjecting—

The SPEAKER—The member for Watson is warned! There is no effort taken by the chair to in any way frustrate the asking of the question, which is what standing order 142 refers to.

Mr McMullan—with respect, Mr Speaker, that is not all that standing order 142 refers to. I wish to pursue my point of order, Mr Speaker. I was not questioning your ruling on the asking of the question, which is what standing order 142 refers to.

The SPEAKER—The member for Fraser will resume his seat. There is no point of order. There is no way in which the asking of the question was in any way frustrated by the chair.

Immigration: People Smuggling

Mr TOLLNER (2.47 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on the diplomatic efforts Australia is making to combat people smuggling in the region?

Mr DOWNER—First, can I congratulate the member for Solomon for his maiden question and say how delighted we are to have him in the House of Representatives.

Government members—Hear, hear!

Mr DOWNER—It was a close thing, but it was a good outcome. The honourable member shows a great interest in this issue, and I am glad to be able to inform him that the government are working successfully to raise awareness and to increase cooperation throughout the region in combating people smuggling, and we are doing that through a range of strategies. First, over the last few months we have been conducting a very effective public information campaign in Indonesia to counter perceptions that Australia might be a soft target for people smugglers.

This is, in essence, a three-tiered approach. First, we have done a good deal to raise the profile within the Indonesian community through the media, explaining why it is in the best interests of both our countries to develop cooperative efforts to counter people smuggling. Second, we have reached out to the Indonesian communities in the major fishing areas suspected of being used by people smugglers. Australian Embassy officials have made visits and participated in public meetings in order to publicise the tough approach, including potential punishments, towards fishing crews who are found guilty of participating in people smuggling—for example, people who receive money for ferrying people to Australia. Third, we have been disseminating a good deal of information and material amongst the illegal migrant communities in Indonesia, warning them of the dangers and the criminality of the people smuggling trade.

I can report to the House that my department advises me that local communities have responded very positively to the campaign and an increasing number of people are now aware of the risks involved with people smuggling or getting involved with people smugglers in a way that clearly was not the case in the past. I am also pleased with the way the relationship is developing more
broadly in the region on this issue. For example, with Malaysia we have developed good cooperation on people smuggling. There has been good cooperation, in particular, between our police and immigration authorities, and that has contributed to the arrest of some key people involved in people smuggling in Malaysia. I also understand that Malaysia is seeking to review some of its border arrangements, which we have welcomed.

In July last year, Cambodian authorities intercepted 242 illegal migrants heading for Australia, and they have subsequently prosecuted the people smugglers who organised that attempt. So we are very appreciative of the Cambodian government for the measures they have taken. We have been working closely with Thailand as well in tackling its problems as a significant transit and organisational centre for people smugglers. One of the people smugglers involved in the Cambodian operation was, in fact, arrested in Thailand following his deportation from Cambodia.

As I told the House yesterday, we are looking forward next week to the regional conference on people smuggling, so what we are seeing is not just the possibility of achieving reasonable outcomes from that conference but also very good cooperation at the bilateral level. Although, as I said yesterday, you cannot be sure that there will not be further attempts to get to Australia—and there may be—there has been a substantial reduction in the problem in recent months. I do not know about the Labor Party, but I know in the broader community that is very welcome.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.52 p.m.)—My question is to the Prime Minister. Can the Prime Minister confirm the report in today’s Australian Financial Review that the head of the people-smuggling task force, Jane Halton, told both Miles Jordana and the secretary of your department, Mr Max Moore-Wilton, that ‘there were doubts about reports that children were thrown overboard’ and that Mr Jordana had replied that the PM’s office was aware of the doubts? Prime Minister, did Mr Jordana or Mr Max Moore-Wilton discuss this information with either you or any other member of your staff prior to 10 November?

Mr HOWARD—In relation to the last question, I can confirm that neither Moore-Wilton nor a member of my staff discussed the matter with me before 10 November. In relation to the first part of the question, can I confirm the Australian Financial Review report, I would never be so bold as ever to do that, but I can refer the Leader of the Opposition to the letter from Jane Halton which has been released today. I can refer him to the material provided by Jenny Bryant in the Senate estimates yesterday and I can refer him to the reference I made to what Mr Jordana had told me both in the House yesterday and at a news conference today and again, I think, during question time.

Illegal Immigration: Detention

Mr ANTHONY SMITH (Casey) (2.54 p.m.)—My question is to the Minister for Immigration and Multicultural and Indigenous Affairs. Would the minister inform the House of statements of support for adequate border protection and the requirement for mandatory detention for those who seek to come to our country illegally? Where have these statements been made and how do they equate with the government’s position on illegal immigration?

Mr RUDDOCK—I thank the member for Casey for his second question and I welcome the opportunity to draw to the attention of honourable members the support for border protection measures and particularly those that involve mandatory detention of those who arrive without lawful authority, and for good and proper reasons. For instance, in this place we saw this statement: I believe it is crucial that all persons who come to Australia without prior authorisation not be released into the community. Their release would undermine the government’s strategy for determining their refugee status or entry claims.

The statement went on:

The government is determined that a clear signal be sent that migration to Australia may not be achieved by simply arriving in this country and expecting to be allowed into the community.
That remarkable statement was made by former minister Gerry Hand in 1992. It may be surprising to honourable members opposite to know that I supported the statement when it was made and I think it remains appropriate today. I have another statement, but this time it was made in a news conference and, as we have heard some recent comments on this matter, I would like to read it in full for members:

The fact is that we want to send a very clear message to anyone who is intending to come to Australia illegally by boat with no valid claim that the doors are closed.

I suppose he would be accused of demonising. I go on:

Obviously detention is an important part of our response. Detention has been criticised in the past, but I think the value of detention cannot be underestimated.

That statement was made by Nick Bolkus, then minister for immigration, speaking on 30 December 1994 in Adelaide. If we could fast-forward to the year 2002—

Mrs Crosio interjecting—

The SPEAKER—The member for Prospect! I have persistently drawn her attention to her obligations in this House. I will not be drawing her attention to them again.

Mr RUDDOCK—As I said, if we fast-forward to today, we have the Leader of the Opposition saying:

No-one that I have heard has argued for the abolition of mandatory detention.

The member for Lalor has said:

There needs to be some form of mandatory detention. It is essential for identity checking, for security checking and for health checking. That is why we have mandatory detention and it will remain our view that mandatory detention is required for such purposes.

But while the Leader of the Opposition and the member for Lalor are putting these views, we have a number of other views that are being put. I note the member for Watson had this to say:

During the election campaign, Howard spun this on us too quickly. I don’t think we had much choice then. I really don’t have a great deal of criticism of where we went there. But now we’ve had a bit of time to reflect on this, what the government is doing is wrong and we’ve got to educate people to take them along with us on this.

The member for Franklin said:

We got a hiding for the third time in a row. We need to do something different.

The member for Denison, who is a former Minister for Justice—and, I might say, that was when they instituted detention centres—had this to say:

Whether or not there is a majority of the community in support of proposals I put forward, there are millions of Australians who are. Millions of Australians expect their parliamentarians to speak on their behalf to ensure that we have a better way of approaching this issue than having women and children and families behind razor wire in Woomera and with a Pacific solution which has been discredited from the start.

Then we had some further comments:

We got dragged down a very wrong path through a period of almost Australian McCarthyism by a government that is cynically manipulating the Australian community opinion.

I might quote the member for Werriwa on some matters that he has had to say in relation to that.

Mr Griffin interjecting—

The SPEAKER—The member for Bruce!

Mr RUDDOCK—The point I wanted to make—and I will come to this point fairly clearly—is that we now have the Leader of the Opposition and the member for Lalor out there saying, ‘No-one that I have heard has argued for the abolition of mandatory detention.’ We also have the member for Sydney out there saying, ‘The ALP must come out publicly and say that the bipartisanship that occurred before the election was a mistake.’ We certainly was not prepared to argue on any of these issues before the election and it is prepared to have voices all over the place now.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (3.01 p.m.)—My question is to the Prime Minister. Does the Prime Minister recall that on Thursday last week he told the House:
I was not told by my department. I have checked with my staff and they confirmed to me that they were not told by the department that the original information was wrong.

Prime Minister, isn’t it now clear that your statement was simply not true? When will you take responsibility for what goes on in your government?

Mr Howard—I do not accept that the original statement was untrue. The original statement went to the issue of whether the original advice had been contradicted. Nothing that I have said since alters that.

Tourism: Impact of Bushfires

Mr Bartlett (3.02 p.m.)—My question is addressed to the Minister for Small Business and Tourism. Minister, you would be aware of the devastation caused by the Christmas bushfires in several parts of New South Wales. Minister, can you inform the House of the action the government is taking to minimise the ongoing impact on tourism and small business in the Blue Mountains, the Hawkesbury and other badly affected areas?

Mr Hockey—I thank the member for Macquarie for his question. Many people in New South Wales may have been severely affected by the bushfires. Some lost their homes; some lost their businesses. Many people in the affected regions—not just the Blue Mountains and the Hawkesbury, as the member for Macquarie showed me, but also on the South Coast, the Shoalhaven, around Sussex Inlet, and Wollongong—were affected through the loss of power and the loss of water and telephones for an extended period. I think there is general agreement that it was a natural disaster of extraordinary proportions. Coming on top of the events of 11 September and the collapse of Ansett, the bushfires had a major impact on the tourism and small business related entities of the South Coast and the Blue Mountains. In fact, according to See Australia, the domestic tourism authority, of those people who planned to go on a holiday over Christmas, 28 per cent of New South Wales residents had to change their plans in some way due to the bushfires.

The bushfires had a direct impact, but there was no greater impact than the effect on the national and international perceptions of both the Blue Mountains and the South Coast as a result of the fires. Unfortunately, coming out of these events there was a perception that the Three Sisters in the Blue Mountains were completely wiped out by the fires, and nothing could be further from the truth. There was a perception that the pristine beaches of the South Coast were affected by the fires, and nothing could be further from the truth.

However, I am pleased to advise the House that, after consulting extensively with local small businesses and working cooperatively with the member for Macquarie and the member for Gilmore, whose electorate is on the South Coast, the government is making available $1 million to help promote these areas over the next few months and help them rebuild the very important tourism trade that they lost over the Christmas period. This is a cooperative effort. The state government in New South Wales has made resources available. We are working with the local councils. I commend the small business communities in each of the affected areas and I commend the member for Gilmore and the member for Macquarie for their great effort in helping to obtain this package.

Immigration: ‘Children Overboard’ Affair

Mr Crean (3.05 p.m.)—Mr Speaker, my question is to the Prime Minister. I ask him whether he recalls saying yesterday that his senior foreign policy adviser, Miles Jordana, was only aware of ‘unsubstantiated rumours’ casting doubt on the children overboard allegations? Prime Minister, don’t the facts now suggest that Mr Jordana had direct information casting doubt on the allegations from three separate sources: the Office of National Assessments—both oral and written—Ms Jennifer Bryant and Ms Jane Halton, both officers of your department at the time? Prime Minister, don’t the facts now suggest that Mr Jordana had direct information casting doubt on the allegations from three separate sources: the Office of National Assessments—both oral and written—Ms Jennifer Bryant and Ms Jane Halton, both officers of your department at the time? Prime Minister, don’t the facts now suggest that Mr Jordana had direct information casting doubt on the allegations from three separate sources: the Office of National Assessments—both oral and written—Ms Jennifer Bryant and Ms Jane Halton, both officers of your department at the time? Prime Minister, don’t the facts now suggest that Mr Jordana had direct information casting doubt on the allegations from three separate sources: the Office of National Assessments—both oral and written—Ms Jennifer Bryant and Ms Jane Halton, both officers of your department at the time? Prime Minister, don’t the facts now suggest that Mr Jordana had direct information casting doubt on the allegations from three separate sources: the Office of National Assessments—both oral and written—Ms Jennifer Bryant and Ms Jane Halton, both officers of your department at the time? Prime Minister, how can you dismiss these sources as just tearoom gossip? When will you take responsibility for what actually goes on in your government?

Mr Howard—I will check exactly what I said yesterday and I will get it before question time ends. If I have any occasion to qualify the answer I am about to give, I will
do so. I dispute the allegation in the question asked by the Leader of the Opposition that the advice from ONA cast doubt on the original advice.

What the ONA advice dealt with was the information on which the ONA report had been based. Furthermore, in recollection, what I said to the House yesterday was that ‘unsubstantiated rumour’ was the description given by Miles Jordana to what he had been told. That was his description. It is also my recollection that I informed the House yesterday that the unsubstantiated rumour related not to the issue of whether the original allegation of children being thrown overboard was wrong but to whether the photographs were of the 7th or of the 8th. As I indicated earlier today, it is obviously in the interests of the Leader of the Opposition and others to merge in the minds of the public the two issues—that is, whether the children were in fact thrown overboard or whether the photographs related to the 7th—the date on which the children were alleged to have been thrown overboard—or the 8th. They are related but separate issues. In reality, what the Halton letter speaks of and what the unsubstantiated rumour dealt with was the question of the date of the photographs, not the veracity of the original advice.

Unemployment: Level

Mr CADMAN (3.09 a.m.)—My question is addressed to the Minister for Employment Services. Is the minister aware of recent claims made about levels of long-term unemployment in Australia? Are these claims consistent with information regularly updated and released by the Australian Bureau of Statistics? Does the minister have any observations to make about these claims?

Mr CADMAN—Thank you, Mr Speaker. My questions are directed to the Minister for Employment Services. Is the minister aware of recent claims made about levels of long-term unemployment in Australia?

Honourable members interjecting—

The SPEAKER—The member for Mitchell will resume his seat. I warn the Minister for Science and I warn the member for Batman.

Mr CADMAN—Is the minister aware of recent claims made about levels of long-term unemployment in Australia? Are these claims consistent with information regularly updated and released by the Australian Bureau of Statistics? Does the minister have any observations to make about these claims?

Mr BROUGH—I thank the member for Mitchell for his question. Yesterday, ACOSs released a report stating that Australia still has a very serious long-term unemployment problem. Australia does still have a serious long-term unemployment problem but the figures that they have provided saying that there were some 385,000 people on unemployment benefits for more than 12 months do not go to the accuracy of what this government has achieved for those people who were unemployed when we came into government.

In fact, at the height of long-term unemployment, which was July 1993, there were 320,600 people who had been unemployed for more than 12 months. Of course, that was under the previous Labor government. That figure is now some 56 per cent lower under this government and today stands at 140,700. It has fallen by 35 per cent since the introduction of the Job Network. Of course, this is a combination of the good economic policy and economic growth which have been delivered by the Howard government. But we recognise that there is more to be done and, as part of the Australians Working Together package, we will inject another $324 million into labour market programs providing things such as $800 training credits to people completing Work for the Dole programs.

I should inform the House of some of the latest results of the Job Network and the performance over the last seven months, which are very encouraging to Australia’s unemployed. In the seven months to the end of January 2002, almost 6,800 job matching
places went to indigenous job seekers. This
is a 36 per cent increase over the same period
in the last financial year. Forty-five thousand
people commenced Job Search training in
the second half of the year. This is an 11 per
cent increase on last year. Forty-five thousand
people commenced Job Search training in
the second half of the year. This is an 11 per
cent increase on last year. One hundred and
sixty thousand people have commenced in-
tensive assistance since June 2001, with in-
terim outcomes being achieved by 52,900 of
these participants, 30 per cent more than in
the same period last year—a clear indication
that the government’s Job Network is work-
ning for the unemployed of this country.

Being a government of free enterprise, we
have the NEIS system, the New Enterprise
Incentive Scheme, and the commencements
for the long-term unemployed and for in-
digenous people, those that are at risk of the
longest term unemployment, have also been
increasing. The other good news for our un-
employed today is that there were 63,917
new vacancies lodged in January directly by
Job Network members—7,000 more than in
January 2001 and 12,000 more than in Janu-
ary 2000. These are jobs that are available
for all unemployed people to access, wher-
ever they are around Australia. An additional
43,000 new vacancies from the Fairfax
Group newspapers, the government Gazette,
Defence recruitment and other Internet re-
cruitment sites have also been advised on the
AJS.

We are not only delivering better em-
ployment outcomes and getting more people
into work; we are doing it at far lower cost
than the previous government. More em-
ployment outcomes have been achieved. For
example, it is now costing about $6,200 for
each intensive assistance outcome, compared
to $12,000 for the program it replaced. For
Job Search training, it is costing $1,100,
compared to the Labor Party’s $2,500. There
is more to be done. The government remain
committed to the unemployed of this country
and to the business community and, if the
opposition would support the government,
not only in the Job Network but also with our
fair dismissal law bills, we would see further
erosion of long-term unemployment.

Immigration: ‘Children Overboard’
Affair

Mr CREAN (3.15 p.m.)—My question is
to the Prime Minister. Do you recall taking a
question from me yesterday on notice and
agreeing to come back to the House with a
response? Prime Minister, will you now ad-
vice the names of all staff members in the
former Minister for Defence’s offices who
received the 13 photos I referred to yester-
day? Who in other offices received them, and
did they go in particular to a Mr Ross
Hampton?

Mr HOWARD—I understand that that in-
formation has not yet become available.

Mr Crean—Oh?

Mr HOWARD—‘Oh?’ he says.

Mr Crean interjecting—

The SPEAKER—The Prime Minister has
the call.

Mr HOWARD—I intend—
Opposition members interjecting—

Mr HOWARD—having—

Opposition members interjecting—

The SPEAKER—The Prime Minister.

Mr Crean interjecting—

The SPEAKER—The Leader of the Op-
position understands the obligation he has
not to interject. It would not be unrece-
dered to issue a warning. I do not intend to
do that, but I do require him to apologise to
the House for the interjections.

Mr Crean—So in future, Mr Speaker, you are going to require all members to
apologise for interjections?

The SPEAKER—No. I have, as occupier
of the chair, from time to time endeavoured
to allow members not to face expulsion from
the House or a warning by indicating that
they had acted in a way they would not have
acted had they had more time to think about
it. I am simply inviting the Leader of the
Opposition to apologise for his interjections,
and the House will then proceed with its
business. This is not unprecedented, and that
is why I am extending the invitation to him. I
obviously have alternatives that I can exer-
cise but I prefer not to.

Mr Crean—Mr Speaker, I am prepared to
apologise, but can I ask a question? In every
question that I have asked today I have been
interjected on.
The SPEAKER—No, the Leader of the Opposition—

Mr Crean—When have you sought an apology from those opposite?

The SPEAKER—The Leader of the Opposition—

Mr Crean—When have you sought that apology?

The SPEAKER—The Leader of the Opposition will resume his seat! The Leader of the Opposition’s reflection on the chair is quite unacceptable. There has not been an instance in which the Leader of the Opposition has been interrupted, as I am aware, by the Prime Minister, and so I am applying this rule entirely equitably.

Honourable members interjecting—

The SPEAKER—The House will come to order! The Leader of the Opposition has done as I asked.

Mr Swan—Mr Speaker, on a point of order: one of the reasons we are having difficulty at the moment is that the Prime Minister is being disrespectful to this House.

The SPEAKER—The member for Lilley will resume his seat!

Mr Swan—No, this is a serious point—

The SPEAKER—The member for Lilley will resume his seat!

Mr Swan—He is not answering the question—

The SPEAKER—The member for Lilley will resume his seat or I will deal with him! There is no point of order.

Mr Howard—I think I still remember the question. From recollection, you asked me about the question that I put on notice yesterday. I have not as yet been provided with the results of the inquiries that would have been made as a result of that. Can I say, having sort of, as it were, been given some different advice—conflicting advice—from this general area in the last 48 hours, I want to be absolutely certain of the advice I get before I reply to the question. I think you asked me about a Mr Hampton. That constituted a new question. I will obviously seek advice on that, and when I have replies to both the question yesterday and the question you asked me today I will naturally come back to the House.

Mr Albanese interjecting—

The SPEAKER—The member for Grayndler is warned!

Mr Howard—I am not making any commitment to do that today, because I intend to be absolutely certain of the advice I get before I open my mouth on the subject.

Green Corps

Mr Causley (3.20 p.m.)—My question is directed to the Minister for Children and Youth Affairs. Could the minister inform the House of the purpose and outcomes of the Green Corps program? Is the minister aware of any alternative policy on the Green Corps?

Mr Anthony—I would like to thank the member for Page and also congratulate him on his elevation to Deputy Speaker. I know he is a very keen advocate of practical environmental outcomes, and I know this Friday he will be going to Lismore and acknowledging 10 young Australians who are participating in the Green Corps project. Just behind him is the member for Parkes—and a very good maiden speech he made also talking about having sustainable environmental outcomes, and he too will be going this Friday to acknowledge a Green Corps project in his electorate. Two very keen marginal seat campaigners, certainly from this side—

Opposition members interjecting—

Mr Anthony—I am glad to see that there is so much active interest from the opposition, because they certainly have not shown it in the past. Of course, it is a part-
nership that develops between local Landcare groups, whether they be Coastcare or Dunecare. This has been a very successful program; indeed, it was one of the first programs that the Howard government introduced in 1997. Over 7,600 young people have now participated in Green Corps.

There are three key objectives that we want for these young Australians. The first is to give them knowledge and experience of their own local environment. The proof has been in the pudding, because of the sheer popularity of the program. There has been so much demand that it is now outstripping supply. I see the former minister responsible for Green Corps nodding his head. It gives 17- to 20-year-olds an active experience. The second is that they be given quality training, particularly in the area of regeneration techniques and habitat protection. It gives 134 hours of accredited training which participants can use to go on to further environmental courses, and there is a fairly generous allowance of up to $300 per week. But the best outcome is for the environment itself. Since the Green Corps project has been in operation, over 700 projects have delivered, through those participants, the planting of four million trees, the erection of 2,000 kilometres of fencing, over 30,000 hectares of weed removal, the collection of five tonnes of seeds and the construction of over 1,600 kilometres of walking track.

But the member for Page did ask a very clear question: are there any alternative policies to Green Corps? The simple answer is no. While there has been considerable interest on this side of the House, it is unusual that the opposition have been strangely quiet about this program. I have to say that that is always a sure indication that the government is on a winner. Your silence condemns you. Indeed, this century, in this parliament, only two ALP members have mentioned Green Corps—one of them was the former Leader of the Opposition, who claimed it was a form of conscription. I can just imagine the Green Corps members on the Collins class submarines. But this side of the House is fully supportive of Green Corps. That is why we have extended the program to 2005 to give those young Australians that choice.

Immigration: ‘Children Overboard’ Affair

Mr Rudd (3.24 p.m.)—My question is addressed to the Minister for Foreign Affairs. Can the minister confirm that his department was represented on the people smuggling task force in October and November last year? When was either the minister or his office first informed of any doubts as to the government’s claim that children had been thrown overboard?

Mr Downer—I thank the honourable member for his question. My department was indeed a participant on one of the people smuggling task forces. By the way, I congratulate my department on the excellent job they did and on the determination they have shown to ensure that this country can be freed from the problem of people smuggling.

Opposition members—Answer the question.

Mr Downer—As for the answer to the question in relation to the ‘children overboard’ incident, my department had no particular information on that issue at all. The issue is not the responsibility of my department. In relation to advice provided to me on that issue, I have sought still further advice from my department on several occasions this week and they have confirmed to me that they gave me no advice on that matter, which is hardly surprising because it was not an issue for which I had ministerial responsibility.

Mr Rudd—Mr Speaker, I raise a point of order in relation to relevance. The question went to whether the minister received information—

The Speaker—The member for Griffith will resume his seat.

Education: Equality

Mrs Elson (3.26 p.m.)—My question is addressed to the Minister for Education, Science and Training. Would the minister advise the House on what the government is doing to help students from low socioeconomic backgrounds? Is the minister aware of any other policies in this area?

Mr Zahra interjecting—
Dr Nelson—Firstly, I thank the member for Forde for her question and for her longstanding interest in education, particularly for the lower income members of her outer Brisbane metropolitan electorate. The Howard government has made enormous inroads by making a further commitment to lower income Australians and their access to Australian education—higher education, vocational education and training, new apprenticeships and schools. For example, the government runs a higher education equity program, funded at almost $6 million a year. This year it will be making loans available for 30,000 equivalent full-time student units, or 65,000 students by the time you include postgraduate students, to undertake postgraduate education in Australia.

The government has increased by 678 the number of indigenous students in higher education. In fact, in the 10 years from 1992 there has been a 44 per cent increase in the number of indigenous Australians in Australian universities. There are 9,658 more Australians from rural and remote parts of this country now in Australian universities, due in no small way to the efforts of my predecessor, now the Minister for the Environment and Heritage. We also have 8,327 Australians who carry a disability and who are now in Australian universities since the election of the Howard government. This year, as a part of Australia’s commitment to regional Australia, 670 more places in regional universities will be available. That will increase to 1,830 places over the next four years.

If you look at vocational education and training, you will see that there are four times as many indigenous Australians undertaking new apprenticeships now than there were when the government came to office. There are 170,000 Australian students doing vocational education and training at school. We now have 6,000 students in Australian schools who are undertaking part-time new apprenticeships. Further to that, 32 per cent of all of those who are doing new apprenticeships in Australia are people from rural and remote parts of the country.

Arguably one of the greatest commitments that the government has made to lower income Australians in education is in the area of schooling. There is $2.5 billion more, or a 69 per cent increase in funding, now available through this government to Australian schools than when it came to office. The government has increased by 46 per cent the amount of money available to government schools, despite the fact that enrolments have increased barely more than one per cent since the election of the Howard government in 1996. But one of the other key reforms is in giving access to low income families in this country to non-government schools. Fourteen per cent of the families in this country who earn less than $20,800 a year—

Dr Nelson—If you go to the Labor Party web site, there is one policy on it—Knowledge Nation. But visitors to the Labor Party web site are invited to make—

Mr Swan—Mr Speaker, I rise on a point of order. The minister is clearly anticipating a bill listed for today—the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002.

The Speaker—I thank the member for Lilley for alerting me to that fact. I invite the minister to return to the question and to avoid any anticipation.

Dr Nelson—If you go to the Labor Party web site, there is one policy on it—Knowledge Nation. But visitors to the Labor Party web site are invited to make—

Mr Swan—Mr Speaker, I rise on a point of order. The point of order goes to relevance. How is the Labor Party web site possibly relevant to what we are talking about?

Government members interjecting—

The Speaker—The House will come to order! The minister was asked a question about student assistance and low socio-economic groups and about any alternative policies, as I noted it. That is why his answer was entirely in order.

Dr Nelson—As I was saying, visitors to the Labor Party web site are invited to make a submission to the policy review, so I would like to make a submission. What needs to be submitted is that 14 per cent of Australian families who earn less than $20,800 a year have children in Australian schools. One in five of those families sends their children to non-
government schools, and they have available to them $53 a day. I invite the Labor Party to further consider the 21 per cent of families in this country who earn less than $26,000 a year and send their children to schools, and one in five are in non-government schools.

The SPEAKER—The minister will avoid any anticipation of the debate.

Dr NELSON—Of those families, one in five, earning $73 a day, have their children in non-government schools.

The SPEAKER—The minister will resume his seat.

Mr Swan—Mr Speaker, I ask you to enforce your previous ruling on anticipation.

The SPEAKER—The Manager of Opposition Business is aware that I did interrupt the minister lest he was anticipating debate. He has assured me that he is not. I am not familiar with the bill in detail. I have no reason to do other than accept the word of any member at the dispatch box and, for that reason, I had accepted the minister’s assurance that he was not anticipating debate or any of the material contained in the bill.

Dr NELSON—On 26 November last year, the Sydney Morning Herald reported the first visit of the Leader of the Opposition to the western suburbs of Sydney. It mentions Gina and Greg Fletcher from the Bird In Hand Inn. Greg Fletcher, who is a factory worker, said:

... the Labor Party’s pledge to take money away from private schools had not been popular.

Ms Hoare interjecting—

Dr NELSON—He said:

People around here don’t have much money but they save and save so that they can send their—

Ms Hoare interjecting—

The SPEAKER—I warn the member for Charlton! She knows that behaviour is quite unacceptable.

Mr Beazley—Mr Speaker, I rise on a point of order. The point of order regards anticipation of debate. This bill is about grants to schools and this is advocacy of a particular course of action on that bill. If your upholding of your rulings amounts to anything here—

Mr Pyne interjecting—

The SPEAKER—The member for Sturt is warned!

Mr Beazley—there is a ruling here to be upheld.

The SPEAKER—I reassure the member for Brand that it is not my intention to be defied by anyone—government or non-government—in the House. I will check the minister’s answer and the bill and I will come back to the member for Brand. I was acting in what I felt was an entirely impartial and reasonable way. I give the member for Brand that assurance.

Dr NELSON—Greg Fletcher from the Bird In Hand Inn said:

People around here don’t have much money, but they save and save so they can send their kids to a private school and get a good education and then Labor says you shouldn’t try to do this.

Mr Zahra interjecting—

The SPEAKER—The member for McMillan is warned!

Dr NELSON—What Australia needs in relation to the educational aspiration of its children is practical commonsense approaches and policies, not more divisive class war rhetoric.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (3.37 p.m.)—My question is to the Prime Minister, and it follows from an answer to an earlier question. Is it the case that on the evening of 7 November you had discussions with Mr Reith, Mr Scrafton and Mr Jordana and you all split hairs about the difference between throwing children overboard and the date of the photos? Is it not the case that you discussed all of these issues, Prime Minister, which you now seek to deny and refuse to accept responsibility for?

Mr HOWARD—Let me repeat again: I did have a discussion with Mr Reith on that occasion; I did have a discussion with Mr Scrafton. Whether I had a discussion with Mr Jordana on the evening of the 7th, I cannot be certain; it could have been sometime during the day. My recollection is that Mr Jordana was not at the Lodge. The people who were at the Lodge with me were Mr Sinodinos, Mr Nutt, Mr O’Leary, Mr McClintock and Mrs Howard.
Mr Costello—She’d be part of it, I presume!

Mr Howard—Yes! She always gives me very good advice, and I usually take it. It is always wise to listen to the advice that your wife gives you.

From recollection, I spoke to Mr Scrafton entirely about the video. The reason I spoke to Mr Scrafton was that he was on Mr Reith’s staff and he had been asked by Mr Reith to go to Maritime Command in Sydney and have a look at it. I may have spoken to Mr Scrafton a couple of times.

Mr Crean—You did.

Mr Costello—Were you there, too?

Mr Howard—I wondered who that was rattling around in the kitchen—now I know!

I did speak to Mr Reith. I do not think that I spoke to Mr Jordana in the same time frame that I spoke to Reith and Scrafton. I spoke to Reith and Scrafton on the phone. I do not think Jordana was there, but I will make absolutely certain. I try to keep an open house. I really do not want to keep anybody out of this—some of my staff might feel a bit lonely if they do not get named in this little exercise!

We did not split hairs. It remains the case that I was never given any advice by my staff or by the department that the original advice was wrong. It also remains the case that this is an exercise in the monumental incapacity of the Australian Labor Party to face a political reality that the Australian public did not believe them on border protection. The political party that has practised deception on this issue is the Australian Labor Party. During the whole of the campaign—and certainly in the person of the member for Brand—you did not want a cigarette paper between us and you. If this issue was burning up the member for Brand, why didn’t he raise it during the debate? If this issue was burning up the Australian Labor Party, why didn’t they campaign on it? Australian Labor Party wanted to have it both ways.

Ms King interjecting—

The Speaker—the member for Ballarat is warned!

Mr Howard—You wanted, on the one hand, to represent to the Australian people during the campaign that there was no difference between you and us. But if you happened to crawl over the line you then wanted the right to pull apart the policy you had supported for the purposes of the election campaign. We are seeing that again and again. We are seeing the disintegration of Labor’s unity on this issue, as evidence that they were never serious about supporting our policy. They did that for political purposes in the hope that if they won they could then unpick it. They were the people who deceived the Australian public. I have not misled the Australian public on this issue. I have not misled the Australian public. I have not misled the Australian public.

Ms King interjecting—

Mr Howard—You wanted, on the one hand, to represent to the Australian people during the campaign that there was no difference between you and us. But if you happened to crawl over the line you then wanted the right to pull apart the policy you had supported for the purposes of the election campaign. We are seeing that again and again. We are seeing the disintegration of Labor’s unity on this issue, as evidence that they were never serious about supporting our policy. They did that for political purposes in the hope that if they won they could then unpick it. They were the people who deceived the Australian public. I have not misled the Australian public. I have not misled the Australian public.

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

PRIME MINISTER

Censure Motion

Mr Crean (Hotham—Leader of the Opposition) (3.42 p.m.)—by leave—I move:

That this House censure the Prime Minister for:

(1) his, and his Government’s repeated efforts to cover up the facts surrounding its knowledge of information from the Office of National Assessments, personal staff and Departmental advisers regarding the allegations that:

(a) children may not have been thrown overboard from the SIEV 4 as first alleged on 7 October 2001; and

(b) the photographs released by the Minister for Defence may have misrepresented events on the SIEV 4 on 7 and 8 October 2001;

(2) his repeated failure to accept responsibility for his own conduct, and that of his office, his Department and his Government.

Prime Minister, you stood at the beginning of question time and said that you were prepared to stand all day in this parliament and answer questions on your deceit, on your ‘kids overboard’ affair, and yet you have closed question time. You have not answered any of the questions put to you. You have obfuscated, just as you obfuscated at that shambles of a press conference that you called today at 12.30 p.m.,
following a crisis meeting that your government was involved in. You cancelled your party room meeting and we were informed that the doors of your members’ offices in Parliament House were locked. You cancelled your party room meeting today, and you were in crisis all morning over this—and well you should be.

The SPEAKER—I remind the Leader of the Opposition—I deliberately did not interrupt him this time last week—of the obligation that he has, and that everyone has, to address his remarks through the chair.

Mr CREAN—Prime Minister, your press conference today was not only incredible, it was not credible. That is the simple truth that comes out of everything you tried to defend out there in the courtyard today. You expect the Australian public to believe that whilst everyone else in your government knew that ‘kids overboard’ never happened, you did not know.

What we are also finding out is that it is not just the Prime Minister, it is the minister for immigration; it is now the Minister for Foreign Affairs; it was the former Minister for Defence. This is not just one Sergeant Schultz, this is a platoon of them—all of them, ‘I know nothing.’ Here you have, on the other side, evidence coming forward of Halton’s heroes trying to get the advice up the chain and there is a platoon of Schultzes ignoring the advice. How convenient for the Prime Minister; convenient but unbelievable.

His fig leaf now is the tea leaf theory. What he would have us believe today is Jordana, the Prime Minister’s senior foreign affairs adviser, was listening to gossip that happened in a tea room—gossip that we now know the person who headed up the Prime Minister’s task force on people smugglers was shocked by. Doesn’t it ring odd that the person who headed up the Prime Minister’s task force hears of this conversation in the tea room and then proceeds to send a message, using a mobile telephone, to the head of the Prime Minister’s department?

Prime Minister, that is what she said she was doing—leaving a message on his mobile phone. Does Max Moore-Wilton deny that he received that message, Prime Minister? I suppose you will tell us that has to be asked in the Senate too. But, Prime Minister, you are accountable in this chamber and we are asking you, and the Australian public deserves to have the answers. You are required to answer them in here, not hide behind the walls that you have created for yourself but to answer truthfully and honestly. You were the one who said ‘truth is absolute’. You were the one who said it, Prime Minister, and you have debased it. You have debased it to save your hide—to win the election and now to save your hide, in the grubby circumstances in which you were able to scramble back into office.

Not only did Ms Halton contact the head of his department to say she was shocked; she also contacted that same Mr Jordana and said to him—according to her letter—that she was shocked. The Prime Minister’s senior foreign adviser on this issue had been tasked by the Prime Minister specifically to find out if there were any doubts surrounding the story—and that is what the Prime Minister said last Friday. Now he wants to come and construct this defence by the splitting of hairs. ‘I did not ask generally about doubts,’ he said, ‘I asked specifically about a video.’ I ask you, Prime Minister, why ask about a video and not the photos? Why do you say to Mr Jordana, ‘Go and check the facts.’ He then gets the advice from Ms Halton, who is the head of your task force, who has been shocked by that advice. But Mr Jordana does not proceed to tell the Prime Minister! This beggars belief and yet this is what the Prime Minister would have this parliament believe.

The Prime Minister has perpetrated a massive fraud, through his government, on the Australian public. What he has tried to do to protect his hide is to build the firewall of defence around him. Well, that firewall is collapsing in on him. Already the Reith firewall is collapsing in on him. We know that Mr Reith knew. We know that the basis of advice that the Prime Minister said he relied on, from the minister for immigration and the former Minister for Defence, that was based on the ONA report could not have been the case. They did not have it the day they came out with the allegations. Yet the Prime Minister went to the Press Club and
said he had checked with these people, and he had checked the night before, and he still stood by his original advice. This is what the Australian Prime Minister told the nation in the National Press Club. This is a Prime Minister who continued to deceive when his office knew the information was wrong, and this is a Prime Minister who now wants you to believe that all of his office knew the information was wrong but they did not tell him.

Well, Prime Minister, I do not believe you. I do not think the Australian public does. I do not believe you can have a situation in which you go and say to your senior adviser, ‘I have got to front the Press Club tomorrow; I need to have the facts checked on whether there is any doubt about the claims in relation to the “kids overboard” incident. Go away and check. Mr Jordana goes away and checks and gets the advice from Ms Halton, but does not tell the Prime Minister! Again, Prime Minister, I do not believe you, and I do not believe the Australian people will believe you on this.

We are left with essentially three choices: the Prime Minister is lying, the public service is incompetent, or we have a public service that is not incompetent but whose advice is not able to get up to the top. If that is the case, what we have got is a Prime Minister who has installed a public service in this country whose task it is not to offer fearless advice, even when the Prime Minister tells an untruth to the Australian public. They are the three choices that we are faced with. In terms of the Prime Minister’s defence today, he wants us to believe the last. I think the Australian people are probably believing the first by now, because the Prime Minister’s defence is unbelievable. It beggars belief that we have everyone in the Prime Minister’s government knowing that this story is incorrect but they do not tell him. They know that this issue is raging in the electorate.

I notice that the Prime Minister continues to raise this point about how this issue did not continue to run in the campaign. He keeps saying that no-one raised it with him between 10 and 26 October. Prime Minister, didn’t you talk about it on Radio 4BC on 11 October? Didn’t the Deputy Prime Minister talk about it on the same day? Didn’t Peter Reith talk about it on 14 October and again on 19 October? Didn’t the Minister for Immigration and Multicultural and Indigenous Affairs talk about it on Adelaide radio on 16 October, and didn’t the Treasurer talk about it on Adelaide radio on 22 October? These are all the people that you say never talked, Prime Minister. What were they—Marcel Marceaus on these radio programs?

Mr Kelvin Thomson—They had their lips sewn together!

Mr CREAN—Had their lips sewn together, did they, Prime Minister, when they were revealing these allegations? The problem with you, Prime Minister, is that you have had to construct this defence so narrowly around you that you cannot afford to check any fact, because you know as soon you start checking the detail you will be found out, and so you make it up as you go; you make it up as you go and you create the environment in which people around you have to become the bunnies.

We see the Treasurer sitting back there, smirking his way through this. I understand, by the way, that the move is on now for a change of leadership in the Liberal Party—that the numbers are gathering behind the Treasurer. I understand that he has got 25 wets already. I will tell you this, Prime Minister: he needs some more rising damp, because 25 ain’t enough against this Prime Minister. And his campaign manager, the Minister for Small Business and Tourism, the Leader of the LOMs—the group trying to put in Peter Costello as Prime Minister in this country—Joe Hockey, could not even see the HIH collapse coming. And that is why he was dumped, isn’t it, Prime Minister? You dumped him because he did not see that coming—incompetent. So I think you are safe. But the point I am making is that the Treasurer must be hoping we succeed in this regard, because we will have to organise the numbers for him. He is incapable of it. But this is what the Treasurer had to say on 22 October:
Well, the point that was made there was that some of the people had jumped overboard with their children. And forced the Australian Navy to go into the waters to save them. Now what kind of a person does that—

the Treasurer asks rhetorically. What type of a person says that without evidence? That is the question I think he has got to answer. Where was the evidence? And do not tell me that he was just relying on media reports—the ONA defence—because this Treasurer happens to be in the National Security Committee of cabinet. This is a man that would have had access to all of the information, and yet he was out there peddling the lie as well. And this happened in that period where you said nothing happened, Prime Minister—in those so-called 16 days. You had your frontbench all around the country continuing to repeat the lie.

In terms of Mr Jordana there is a very interesting analogy here. Mr Jordana received the advice yet did not tell the Prime Minister. If we are to believe the Prime Minister, he was involved in an act of omission: failing to inform the Prime Minister about what we now all accept he should have informed him about. It is an interesting analogy, because when the travel rorts were wrecking this government some three years ago, the Prime Minister sacked his then Senior Adviser, Chief of Staff Grahame Morris, for failing to pass information on to him. He was sacked because the Prime Minister said he should have passed it on: ‘He didn’t and therefore I’m sacking him.’ Prime Minister, on those same standards you will be sacking Mr Jordana, unless of course Mr Jordana did not commit an act of omission. Did Mr Jordana in fact tell you? Is this the reason you have not moved to apply to Mr Jordana the same principle that saw Mr Morris depart your office? The Australian public are entitled to know, Prime Minister. If you are not prepared to sack him for the act of omission, they are entitled to conclude there was no omission; that he indeed passed this information on to you.

The firewalls that we are expected to believe that this Prime Minister has built around him essentially are these: everyone in his government knew that the ‘kids overboard’ claim was wrong. The Department of Defence, including Admiral Shackleton, said it was wrong. The Prime Minister was on the very vessel, HMAS Adelaide, on 7 November, the day before this Press Club speech where he repeated the untruth. He was on board the vessel HMAS Adelaide. Don’t you think he would have had a conversation with the admiral or the skipper of the vessel? Don’t you think he would have said in passing: ‘I’m here to thank you for the great work you’ve done. But, by the way, it must have been terrible when you were saving those kids who’d been thrown overboard’? Don’t you think that would be the sort of question that would emerge in the running of things? But what the Prime Minister expects you to believe is that he did not even have the conversation. Again, Prime Minister, it defies credibility. It does—it absolutely defies credibility. Why, one could have even thought this came up in the mess room—over tea, Prime Minister, in fact; in a tea-break! You expect us to believe that this issue was never raised. I am sorry, Prime Minister, I do not believe you.

We have this situation: your defence in terms of Peter Reith has fallen in on you, your defence in your office has fallen in on you and now the defence of your department has fallen in on you. So has the defence of the Department of Defence fallen in on you. All these walls crumbling in on you, and you are forced to this ridiculous defence this afternoon in Canberra whereby you said, ‘Even though I went to the Press Club and quoted from the ONA report, which my office knew to be wrong, that wasn’t the reason; I was really confirming what was originally said.’

That is what you said today. Prime Minister, you are effectively saying narrow the issue so that you can separate yourself out. Because you personally did not know or because we cannot prove you did know, you think you are safe. Prime Minister, this is where your problem lies, because it is not you as an individual that is in the dock; it is you as Prime Minister, you in charge of the government of this country—a government which has now proven to have lied. All the evidence points to the fact that your government lied about the ‘kids overboard’.
The SPEAKER—The Leader of the Opposition knows that that is unparliamentary.

Mr CREAN—The Prime Minister knows from the reports—and he is prepared to accept the report, I think—that there was no evidence that the ‘kids overboard’ happened. His was a government that perpetrated that lie throughout the campaign, and he was head of it. He has to take responsibility for it.

The SPEAKER—The Leader of the Opposition knows that the term ‘the government lied’ is not acceptable and that is what I intervened for.

Mr CREAN—Let the Australian people judge, because the facts are there. If a minister goes out and says something happened which a report then finds did not happen, I think that is a lie. It is not just a question in government of having to track these people down and force them to tell the truth: the Prime Minister’s own code of conduct requires that they do so.

The Prime Minister’s own code says that ministers who realise that they have said something to the public which is untrue should correct the record at the earliest opportunity. Where was the Prime Minister insisting on this happening? Where was the thread running through this government, which was supposed to be bound by the code of conduct, whereby when Mr Ruddock, the minister for immigration, found out the truth, he told it to the public? He did not do it. He did not do it at all. He chose to let the demonisation and the untruth run in the campaign. We know Peter Reith, but how can you believe him? He has changed his story five times over in the last five days to try and save the Prime Minister’s hide. We think we know why: that consultancy of his has got to sustain him some time later in his retirement.

This is a government that has shamed the country. This is a government that won a victory through deceit. This is a Prime Minister that has overseen a government that is incompetent or mugged—or he is not telling the truth. Either way, he is a Prime Minister not fit to govern this country. He is a Prime Minister deserving of censure. His government certainly deserves to be censured. The Australian people need to know if this government will not tell the truth on this issue when will it tell the truth in future on any other matter that affects them?

The SPEAKER—Is the motion seconded?

Ms Gillard—I second the motion and reserve my right to speak.

The SPEAKER—Before I call the Prime Minister, can I remind all members, particularly new members, that the status of a warning exists beyond question time and exists through the censure motion and for the rest of the day.

Mr HOWARD (Bennelong—Prime Minister) (4.03 p.m.)—We have just heard a speech on a censure motion which was full of righteous indignation, full of flowery rhetoric, full of extreme statements and full of fundamental errors. I would have thought this were the only issue in town at the moment! I would have thought, with the light burdens of the opposition leadership at the beginning of a three-year term, the Leader of the Opposition might at least have got a few basic facts of his own case right. Before I come to a detailed refutation of the allegations that have been made against me, can I point out to the House an example of the errors of fact contained in the Leader of the Opposition’s case.

He asserted that I had asked Miles Jordana to seek advice which contradicted the original advice that I received. I did no such thing. I invited Miles Jordana to simply bring to my attention all of the material that we had been given regarding the original allegation. The Leader of the Opposition said that I sent Miles Jordana to see Jane Halton and that Jane Halton told him that she was shocked. I did no such thing. That was not the sequence of events at all. He made it up as he went along. He said that the minister for immigration had been told that the original report was wrong. There is no evidence that the minister for immigration was told the original report was wrong. He invited me to accept the Bryant report. The whole basis of this opposition attack is a report that I commissioned. Therein lies the great irony of all of this: he is trying to politically indict me on the basis of a report that I commissioned. If I
was somebody who was engaged in a cover-up would I have commissioned a report after the election? If I was engaged in a cover-up would I have released Jane Halton’s letter?

Let me say again to the Leader of the Opposition: I have absolutely no fears about anything that will come out on this issue. I know in my heart that I have not deceived the Australian people. I know that.

Ms Gillard interjecting—

The SPEAKER—Member for Lalor! The same courtesy that was extended to the Leader of the Opposition will be extended to the Prime Minister.

Mr HOWARD—You will need to get a better rhetorician than the Leader of the Opposition to dent my confidence on that issue. I have been in this place for 27 years and that was a pretty lightweight censure motion. I reckon the member for Brand could have done a much better job. I think the member for Brand would have generated a little bit of feeling and a little bit of passion, and we would have taken a little bit of notice of him. But you were sort of going through the motions. You were in the third row at the union annual meeting, getting up and berating the leader of the other faction.

In the calm that always descends upon this House when there is a censure motion, can we just calmly and quietly go through the facts of what happened. Let’s leave aside exaggeration, let’s leave aside smear and hyperbole, and let’s just go through the facts. The facts are that on 7 October—I had just launched the Liberal Party campaign in the seat of Hughes with the Minister for Veterans’ Affairs, and I had just been to the great Sutherland Shire in Sydney—I took a phone call from the minister for immigration. The minister for immigration gave me a report on the phone about what had happened—about how these people on this vessel had started to sabotage it. They were obviously intent on doing everything possible to stop this vessel being turned back to Indonesia. He said in the course of his advice that children had been thrown overboard. That was based upon a report that he had got from the secretary of his own department, Mr Bill Farmer, who is one of the most respected public servants in this town. He was a member of that task force. That was a piece of advice given in good faith.

What the Leader of the Opposition invites us to accept and what, frankly, members of the press gallery invite us to accept is that when you get that kind of advice you say, ‘No, I don’t believe that; before I say anything, I have got to have a personal interview with the captain of HMAS Adelaide.’ That is in effect what the Leader of the Opposition is saying. The Leader of the Opposition, if he is honest, will admit that when he was a minister in the Keating government he would have made hundreds of decisions based upon the same level of advice that Philip Ruddock got on that Sunday. When you have got advice from a task force of that seniority, any suggestion that you then have to disbelieve that and you then have to go behind it is absolute nonsense.

But of course it did not finish at that. What then happened was that later that day I was sent a report—an options paper. It says, ‘Options for Handling Unauthorised Arrivals: Christmas Island Boat’. This was a report of the task force. This report was cleared by all members of the task force, including, I believe, Air Vice Marshall Titheridge, who was the head of Strategic Command, the Defence representative on the task force. This document said:

This has been met with attempts to disable the vessel, passengers jumping into the sea and passengers throwing their children into the sea.

This document was faxed to me at Kirribilli House on the evening of 7 October. So on 7 October you have the advice to the minister and you have the confirmation in this document. That is the chain of events. I do answer questions, I do make comments, and I am unreserved in the comments that I have made. Then, as I have said and I repeat, the issue for a period of 16 days, as far as I am concerned, is not the subject of questioning and not the subject of comment by me. It may have been the subject of comment by other ministers. The statement I made was quite deliberately misrepresented by the Leader of the Opposition—it is one of about eight or nine examples where he just deliberately misrepresents facts. It is the old tactic:
you fall into the habit of telling lies on something and it rolls naturally from your lips.

Mr Beazley—Would you believe this is the man who changed his story in the past week!

Mr HOWARD—I hear the member for Brand interrupting. He is the man who, with great indignation this morning, went on national television and said, ‘This is a disgraceful government.’ This happens to be the bloke who, in 1996, said that the budget was in surplus when it was in deficit $10½ billion. This is the man who invites us to believe that he is somebody who can lecture the rest of the Australian community on candour and truth in politics.

The reality of this whole issue is that we won the last election on a combination of issues. The issue of asylum seekers was an important issue. One of the things that I find very interesting is the way in which the Labor explanation of the political course of the election campaign changes according to the circumstances. The original version was that when the campaign started we were much further in front of Labor than was the case on 10 November and that, if Labor had not narrowed the gap between us and them on the policy of asylum seekers, we would have beaten you by a much bigger margin. That was the Beazley excuse immediately after the election. That is passing strange in the light of what the Leader of the Opposition is now saying, because if the children influenced the outcome, how is it that they were able to close the gap between the commencement of the election campaign and the outcome on 10 November? I thought you were arguing that the reason you lost the election was because of the ‘children overboard’ issue, but that happens to neatly conflict, or absolutely conflict, with the argument, ‘No, that didn’t really happen; what really happened was that the coalition started off a country mile in front, and because we heroically represented to the Australian people that there was no difference between our policy and theirs on asylum seekers, the gap narrowed and we kept the defeat within manageable proportions.’

Those two arguments simply do not stack up together. You cannot have it both ways. You cannot say you lost because of the children issue and then in the next breath say that because you minimised asylum seekers as an issue during the campaign you avoided a far greater defeat. Those two arguments are politically incompatible. I do not think even Graham Richardson could reconcile the two of those. The truth of the matter is that people did vote in part on the asylum seeker policy, and they voted against you because they did not believe you. They voted because they thought you were weak on border protection. They voted against the Labor Party on asylum seekers because they did not really trust the Labor Party, if it won the election, to maintain the secure protection of Australia’s borders. They have had plenty of proof since the election to demonstrate the veracity of that conclusion.

I believe that the asylum seeker issue was a major issue during the campaign, but people voted overwhelmingly to support our policy, not because of the allegations in relation to children. If that issue had not arisen, I do not believe that the outcome of the election would have been any different at all. Every day you get up here and scream, ‘We was robbed! This is outrageous!’ you just demonstrate to the Australian people that you have a monumental incapacity to accept reality. There are occasions when you fight an election campaign and you lose it. For your own political future you ought to have the guts to face your own inadequacies instead of trying to spread the blame onto other people. There is never a valid reason in public policy why the Labor Party ever loses an election! Paul Keating would have us believe that in 1996 he lost the election because the Super League appeal decision was brought down by the full Federal Court eight or nine days from the election, and that blotted out all the media coverage of his scintillating recovery in New South Wales and Queensland. He said, ‘I lost all those seats in New South Wales and Queensland because of this decision.’ His scintillating recovery was stopped dead in its tracks! And now we have this pathetic excuse.
Mr Crean—When are you going to answer the question?

The SPEAKER—The Leader of the Opposition!

Mr HOWARD—At no stage was I told by my department or was I told by any member of my staff or was I told by any minister or was I told by any official in any other department that the original advice tendered was wrong. I had no grounds to believe it was. I made proper inquiry of Mr Reith. Whenever something that was relevant to it, such as the video, ought to have been made public, I did make it public. Let me repeat, the Leader of the Opposition can ask me question after question. He talks about closing down question time. He spent a couple of minutes ranting on about how I closed down question time. After your performance today, I think I will sit next week! For a bloke who has got the whole gallery behind him—he has got the bit between his teeth, he has got my report, he gets all the correspondence I get on the subject, sometimes in advance, he even gets floppy disks out of the defence department and they will not even give me a copy—he has got all of that and he still cannot get a decent censure motion together. This is a fraudulent censure motion. He has not been able to demonstrate in any area where what I have said is wrong. It remains the case I did not mislead the Australian people. At all times I have been candid, open and frank with the Australian people. This is a monumental exercise in political sour grapes. You do not have the guts to cop the fact that the Australian people had no confidence in you on 10 November and, in a total disconnect from reality, you are desperately trying to blame everybody but yourselves for your political ineptitude.

Ms GILLARD—Here we are, we have got the response across the table: ‘We didn’t need to. It was irrelevant.’ Earlier in the day, apparently, they had nothing substantive to discuss—nothing substantive to discuss on education, nothing substantive to discuss on health, nothing substantive to discuss even on the very pressing issue of border protection. There was nothing substantive for the Liberal Party to discuss. Or is it more likely that the Prime Minister was bunkered down, doors locked, desperately trying to cobble together a story before his press conference—or even that he did not want some inconvenient questioning from the backbench? I think the explanation lies more in those two reasons than that the government did not have anything to discuss. If you are that bereft of a third-term agenda, then ‘kids overboard’ is not the only problem you are going to have.

The Prime Minister here today and at other times during the past few days has said that this is about the Labor Party losing the last election. Nothing could be further from the truth. This is a debate fundamentally about the future, because it goes to the question of credibility. Day after day over the next three years the Prime Minister and ministers are going to walk out and say
things to the media and those things are going to be reported to the Australian people. They are going to assert facts. We all know politicians go out and do a bit of political spin, but I think the Australian public are pretty good at sifting that out. Ministers and the Prime Minister over the next three years will go out and will say things are facts. What this debate is about is that when they make any assertion over the next three years on any issue—whether it be asylum seekers, whether it be education, whether it be health, whether it be jobs or whether it be the performance of the economy—whenever they make a factual assertion, the warning bell is going to go off: ‘This probably isn’t true.’ The first response of the Australian public now when they hear a so-called fact from the Howard government will be: ‘This probably isn’t true.’ This is an issue about the future, it is an issue about credibility. It is not an issue about the last election.

Can I just say one thing about the last election campaign: it is a bit too cute by half for the Prime Minister to come in here and say, ‘Why didn’t the Labor Party press me harder on the question of asylum seekers and the kids overboard claims during the election campaign?’ That is because we did not have the one piece of information he either had or ought to have had. We actually thought that the man was telling the truth. Made a bit of an error; won’t make that error again! We actually thought the man was telling the truth. The obligation was on the Prime Minister, Minister Ruddock and other relevant ministers to make sure that the truth was out there during the election campaign and that is not an onus that they can shift.

I want to talk to you now about what brought us to this point. Over the last few days, the Leader of the Opposition has been saying that this is a government that has, ‘Lied, spied and denied.’ But I think there is another thing that this government has done and that is, it has schemed. I now want to go to the ugly nature of the scheme that this government has rolled out. I want to put on the record the background strategy that led the Howard government into this current mess and which led it to lie to the Australian people and then have its legitimacy undermined in the eyes of the Australian people. That goes back to well before the election campaign.

Those of us who were in this House in the last parliamentary term well remember the steady acceleration over time of the number of dorothy dixers that the Minister for Immigration and Multicultural and Indigenous Affairs took on the question of asylum seekers. Various members here will remember the increasingly shrill tone that was being used as those questions were answered. Last week, the Minister for Immigration and Multicultural and Indigenous Affairs spent some time trying to explain to us how you premeditated something that does not happen. Let me now explain how the government premeditated something that did.

There is an extraordinary comment from the Prime Minister on 28 August 2001 on A Current Affair where he said:

... every situation has stories of hunger strikes, every situation has the threat of people doing self damage and jumping overboard and even suggestions of throwing children overboard.

That was on 28 August. He made those comments about the Tampa issue. There was never any suggestion during the Tampa issue that asylum seekers were throwing children overboard, so what made that come to the Prime Minister’s mind? It is not an ordinary thing to envisage. It is not the sort of thing that people wander around every day saying. I think we know now. We have actually found the smoking gun that indicates that well before SIEV4 set sail, this government was out there looking for a situation where it could be alleged, whether or not it was true, that asylum seekers threw their children overboard.

However, the premeditation actually goes further than that. The Bryant report makes it clear that the children overboard lie started because of the special reporting arrangements made by the government outside the normal defence chain of command. If the normal chain of command structure had been followed, you would have had check and check and check and check as the information went up the line. But no, the Howard government did not want the normal chain of command reporting structure. They knew
that that was not going to be quick enough for something as electorally red hot as an asylum seeker issue so they put in a special reporting arrangement that Air Vice Marshal Titheridge, who is not in the chain of command, would pass information on directly to Minister Reith. Air Vice Marshal Titheridge was installed to make sure that they got the information quickly. Let us remember that the Bryant report concludes that Air Vice Marshal Titheridge was the one who said to Jane Halton—and I will come back to her—that children were thrown overboard. She walks into the interdepartmental committee and says that children were thrown overboard, Bill Farmer picks up the phone to the minister, rings it through and the minister goes out and does a press conference. That is what happened.

Air Vice Marshal Titheridge and the special reporting chain were central to this lie getting started. Why is that important? It is important because today, and on other occasions, the Prime Minister has said, ‘There’s me, there’s Minister Ruddock and there’s everybody else on 7, 8 and 9 October all wandering around in complete good faith saying this that and the other thing that we had been told.’ My point is this: if you are going to take political responsibility, then you have got to take political responsibility for setting up a reporting structure that feeds you dud advice. If you actually set up a reporting structure designed to move quickly, outside the chain of command, and it feeds you up a lie, who is responsible for the lie? The government would have you believe that the poor old individuals in the reporting structure are responsible. I say no; those who are responsible are the people who set up that reporting structure, and that is the Howard government.

This is a government that continues to be in denial. We have heard everybody blamed for this problem, except the people who should be responsible. We have had the spectacle of Defence being blamed even though they were the heroes in this circumstance. We have had the spectacle of Reith being thrown overboard for a period, but now he seems to have clambered back on through a quick bit of repositioning. They are very agile, those consultants, very agile indeed.

You have got to admire the way they stick together in a crisis. There is Jane Halton, the new golden girl, Public Service Medal around her neck, secretary of a department in rapid time—where is she today? She is overboard, fed to Senate estimates to see if that is going to keep them amused for a while. That is what the Prime Minister did today. Jane Halton? Too bad; off to Senate estimates. If he can pin it on her, Public Service Medal or not, then he will. That is what is happening with this government. There is no loyalty and you always get cracks in a crisis, don’t you?

The last time I spoke on this matter I alluded to the Watergate scandal. I have checked the Watergate files again. I think that there was probably a time when Richard Nixon was wandering around seeking to pin the blame on Howard Hunt, G Gordon Liddy, John Mitchell, John Dean or any of the other people who ended up in jail about the Watergate scandal. But what we know is that, even though he was chucking people overboard in a different context, it did not save him. The behaviour up until this point has been eerily reminiscent.

I know that when the Minister for Immigration and Multicultural and Indigenous Affairs gets up to answer this he will make a series of claims about the behaviour of asylum seekers. He will try to convince you that asylum seekers have done all sorts of things wrong—yes, they are all bad. That is what he will seek to claim. The issue here is not one’s view of asylum seekers, and I am sure the minister has some factual information about asylum seekers as well as the rhetoric and the spin. I am sure he has some factual information about asylum seekers that he will actually use today. But we are not asking the minister to get up here and say that all asylum seekers are angels. What we are asking him to do is to consistently get out and tell the truth about them. That ought not to be so hard. He did not do it for all of October and here we are four months later. It is about time that each and every statement made about asylum seekers was 100 per cent grounded in truth. If that means that he needs
to do his media a little bit more slowly, so be it.

Let me say in terms of the Prime Minister’s defence—not that there was much of one today; not that there has been much of one at any other time—there was a meeting on 7 October and it created a written minute that was faxed through to the Lodge and the written minute had in it that children were thrown overboard, so he is entitled to rely on that written minute for all time in all circumstances no matter how many other people around him know that the written minute is no longer the truth. I am a bit concerned about this written minute. It is interesting because the Department of Defence report, the Powell report, actually says about the meeting of this IDC late on the afternoon of 7 October:

Group Captain Walker reports to IDC that he had no documentary evidence to indicate that any children had been thrown from SIEV4. There is then some discussion as to who originally stated that children had been thrown overboard at the morning IDC meeting. Farmer claimed it was Group Captain Walker; Group Captain Walker claimed it was Ms Halton; Ms Halton made no comment.

If you went to a meeting where everybody is going: ‘Who has got the evidence that this happened? Actually who came up with the claim? You did. No, you did. No, I think she did,’ would you actually produce a minute saying that children were definitely thrown overboard? There is a little bit of a question mark in my mind about how that minute came into existence. Even if that is the minute that arose from the meeting and people there passed it and it went to the Prime Minister that evening, just because something is in writing does not make it true. Just because something is in writing does not mean you are entitled to wander round with it in your back pocket for the rest of the election campaign and say—

**Mr Ruddock**—It does not make it untrue.

**The SPEAKER**—Order, Minister!

**Mr McMullan**—But it was. Of course it was.

**The SPEAKER**—I remind the member for Fraser of his status.

**Ms GILLARD**—It does not mean you are entitled to wander round with it for the election campaign and close your eyes and stop your ears to all other potential sources of advice. Once they got that minute in writing they thought, ‘You beauty, we can do anything now because we can always produce this later.’

Let me say where we are at in this scandal at the moment. We have seen a lot of things happen over the past week and a half, but I think this is where we have got to: there were no children thrown overboard; but the truth was thrown overboard and credibility has been thrown overboard and, if we get to a stage where we can, crystal clear, prove that you knew and continued to make the claims, then morality has been thrown overboard as well. That is where this is going to end up.

**Mr RUDDOCK** (Berowra—Minister for Immigration and Multicultural and Indigenous Affairs and Minister for Reconciliation) (4.33 p.m.)—Mr Speaker, thank you very much for the opportunity to respond to this censure motion. You know your opponents have lost the plot and lost the argument when they start to use vivid imagination in terms of putting their case. The member for Lalor has very clearly overstated the opposition’s case and makes it quite apparent that this is being pursued for political objectives, not for the purposes of trying to establish where the truth may lie or otherwise. The member for Lalor would have you believe that the government, and the Prime Minister in particular, dreamt up some months ago that we needed to have a circumstance where people threw their children into the sea and that we conspired with the Navy—

*Dr Emerson interjecting*

**The SPEAKER**—The member for Rankin will extend the same courtesy to the minister that I expected him to extend to the member for Lalor.

**Mr RUDDOCK**—The argument cannot be sustained unless you are alleging that there was a conspiracy of all those involved to get that information to me. We have a clear path outlined in all of the reports before us that demonstrates beyond doubt how I came to say on 7 October what I had to say.
The fact is that I was provided with information from the highest levels of the Defence Force and the bureaucracy in Australia in relation to that matter. The information was factual—

Mr Latham—No wonder you are choking!

Mr RUDDOCK—You cannot pick the difference between a sneeze and something else. In relation to this particular issue, the fact is that that information was never retracted by the Defence Force and there was no information conveyed to me at any time during the campaign from official sources that what I had said on that day was wrong.

The first occasion on which I was aware that there may have been a view that this was untrue came from reports from Christmas Island, reports that were hearsay but which were broadcast and which prompted further questions to be asked. When the questions were asked of Reith in relation to photographs—that was because the captain of the Adelaide had said there were photographs and people started asking questions about them—he ultimately responded to those questions. The fact is that, when we have dealt with information in this area, the information has been put in good faith and to the Australian community on the basis that that information was accurate. I regret very much that information I received might prove to be inaccurate. I would not want that circumstance to arise—I make that very clear.

Quite frankly, if I were in the business of trying to demonise people, as has been suggested—and this is part of the campaign that has been waged against me over a period of time, and I am prepared to sit with that because I know the way in which people operate in the political system and outside it—the fact is that there was more than sufficient information in terms of what was happening to be able to put to the Australian people a very genuine concern about the duress under which our forces were being put and our policy was being put. I did not have to make something up or be a party to making something up to put before the Australian people matters of very considerable concern.

Others have now reported this information. It was being largely forgotten until I mentioned it in the parliament last week, but the information was clearly there. People were destroying the upper deck fittings. There was a child being dressed in a life jacket, where a parent was preparing to throw that child overboard. These are not statements of exaggeration; these are the clear statements in the signal—the written signal—from the Adelaide:

Child and father returned to wheelhouse. Boarding Party Officer advised child and father under observation...

This is not criticism of our defence forces. There has never been criticism of our defence forces in relation to this matter. I recognise the extraordinarily difficult circumstances in which they are dealing, and the fact is they have not been trained to do this sort of activity. They are trained for a lot of other very difficult activities but they have not been trained for this. You might as well say the same about Customs as well. These are not issues that people expect to go out and deal with every day, where people are jumping over the side of a vessel—which clearly happened—where people threaten to commit suicide and throw their children overboard unless they are taken to Australia.

All of this is clearly documented in the report by Major General Powell. It is set there under a chronology, which describes in each case the actual event. Of course, the credibility of what we were putting can be seen when you look at the totality of the reports and then you look at what was said in the statement by Brigadier Silverstone.

Mr Latham—But you were wrong.

The SPEAKER—Member for Werriwa!

Mr Latham—What you said was not true.

The SPEAKER—The member for Werriwa will exercise a little common courtesy or excuse himself from the House. The minister has the call.

Mr RUDDOCK—I received information which I have conveyed accurately at all times. That is the issue. If you look at the statement by Brigadier Silverstone, he says
that he had a clear and well-documented phone call with the CO of the Adelaide:

... and determines that the vessel has disabled steering, is dead in the water, is seven to eight nautical miles south of the contiguous zone, that the unauthorised non-citizens threatened mass exodus, men in the water, child thrown over the side.

If you go through the information, you see where you had two officers with different recollections of a particular conversation. Now, that was not being tested at the time. The officer who had a recollection of being told a child was thrown over the side passed that information on, and that was the information that was put to the secretary of my department in the task force. That was the information that was conveyed to me. I would have been, I think, accused of being quite irresponsible if it had been given to me immediately before I was holding a press conference and I had withheld it from the press. I think most responsible journalists recognise that.

Why are we dealing with this issue in this way? I think it is very clear that we are dealing with it in this way—where it is an issue of detail in relation to what happened rather than the substantive issue in relation to border protection and the duress under which we were being placed—because the opposition believe that they ought to have won the election, even though they had not done the policy work in relation to it, even though they had substantial disagreements amongst their own membership, which they were not prepared to deal with up-front, even though in many cases people were sitting—they would say—on their conscience, because they believed it was absolutely necessary in order to win an election. I am not allowed to use words like this, but if people want to use words like ‘lie’ in relation to what has happened here, the real lie is in relation to why these issues were not debated during an election campaign.

The fact is the Labor Party are using this issue to divert attention from their own crumbling border protection policy. We said during the election campaign that Labor would run away from their commitment to border protection if they won government.

We had enough signals that that was likely to happen at that time and yet we were told over and over again that that was not going to happen. They denied it, but we are now seeing the truth of their policy backdown in terms of mandatory detention, as they argue about whether or not you are still detaining people if you have let them free. You have got the winding back of border protection legislation that they talked about. You have got them backing down from the removal of people who come into our excised territories to external situations for processing—Nauru and Manus. They say they would wind that back now if they were to come into office.

What we have now is a Labor Party that is clearly running an argument which I think is damaging very considerably our national interest. We have reached a point where we have seen, for more than three months, no unauthorised border arrivals in Australia.

Mrs Irwin—There has been a monsoon!

Mr Ruddock—We have people out there saying it is only because of the weather. I have been through the figures in relation to the three months for the same period in the two previous years. The fact is that on one occasion we had more than 2,200 people arrive in that time and on the second occasion we had 1,300 people arrive in that time, and now we have had only boats that have arrived and been turned around in that time. That has been a very substantial change in the situation. When you are dealing with these issues, where quite clearly you have smugglers who are involved in a business where they are promoting their capacity to be able to deliver people to Australia without authority, when you are undermining the totality of the policy regime to deal with that—and all of these measures are part of that regime—you are building up expectations in the minds of people who might use smugglers that Australia is open for business again. Quite frankly, I think this debate is very much against the national interest of Australia.

An opposition member—Rubbish.

Mr Ruddock—Somebody says, ‘Rubbish.’ The fact is we are dealing with people who insidiously exploit people. I am not de-
monising those who are seeking to come to Australia without authority; they are putting themselves in the hands of people smugglers to come here without authority.

Mr Rudd interjecting—

The SPEAKER—The member for Griffith!

Mr RUDDOCK—Very often they are using all of the money that they have. They are exposing their families to voyages which nobody ought to reasonably undertake; people have lost their lives—350 people, tragically, off Indonesia. We ought to be doing everything we can to bring that insidious trade to an end, and yet we are having this dishonest campaign to try to undermine the credibility of the government, through the Prime Minister and me in particular, by suggesting that we cannot be believed. That is what this is all about.

Well, let me make it very clear: I do not go out to deceive people. I do not go out to lie. If I had deceived, I would have come into the House and corrected it. If I have made mistakes, I will own up to them. I am not in the business of dissembling in relation to these matters. Quite frankly, it is not in my interests to do that. The fact is that the first time I knew that anybody was bringing these matters seriously into question was when the reports were tabled in this House. That is the first time I knew. You might ask what I did in relation to these matters. I can tell you: when the issues were raised in early November, from Christmas Island, I went back to check on these very issues with the same senior officials who advised me on the matter, the secretary of my department—

Mr Rudd interjecting—

Mr RUDDOCK—Yes, because I wanted to be absolutely certain that my recollection was right. He confirmed that—and you would know him to be an honourable man.

Mr Rudd—And Bill never told you—

The SPEAKER—The member for Griffith is a persistent interjector.

Mr RUDDOCK—Let me make it clear: I do not know what Bill is going to say elsewhere. But I know what he has told me, and the fact is that neither he nor my department, as I have been advised, was given any advice to the contrary on these matters. The only time in which people were aware that there may have been some questioning of it was when it came into the public arena. We did not want that out there. You might think that it was to our political advantage. I tell you there was no way you would be sitting in a campaign room thinking that to have all these doubts being thrown around about these things in the last two days of the campaign was going to work to your advantage.

Dr Emerson interjecting—

The SPEAKER—The member for Rankin will deal with very happily if he persists.

Mr RUDDOCK—I do not know on what basis you would think that was to our advantage, because it opened up all of the sorts of issues that you have tried to open up here. The fact is this issue is being pushed by you and your colleagues for one reason and one reason alone: you had no policy before the last election. You were not prepared to tell the Australian people where you stood on these issues. If it was a matter of telling the Australian people the truth, you would have done it in a policy—but you had no policy. I do not think you have any entitlement to speak out on these issues from some high and mighty honourable position as if you are the only people who are prepared to deal in truth. The fact of the matter is you did not during the election campaign, and you have absolutely no credibility now. (Time expired)

Mr SWAN (Lilley) (4.48 p.m.)—What we find in this censure motion today is the culmination of the unravelling of the great cover-up that has been perpetrated by the Howard government over this issue. It is clear that John Howard and his cabinet believe it is acceptable to say and do anything to save their political skins. They believe it is all right to twist and distort the proper functions of the military and the Public Service to their political ends. Recently we had a very good insight into the psychology of the Prime Minister. The Prime Minister was visiting Java, and there he was stroking the foot of the Buddha like Homer Simpson would stroke a can of Duff. There he was stroking the foot of the Buddha, saying, ‘Two more
terms, two more terms.’ That is all that counted in this whole exercise for the Howard government—two more terms—with the Prime Minister seeking on the one hand to reinforce his credentials against the Labor Party and on the other hand to reinforce himself against the challenge that is coming from Treasurer Costello.

We have this cover-up because this was a government that was in terminal political decline. Suddenly they found a strategy and by foul means they put it in place with lies and distortion and misuse of Public Service resources. To cover that up for the election, they went to extraordinary lengths. They went to extraordinary lengths to get two more terms. What do we know today? The cover-up has unravelled last night and today. It unravelled last night in the Senate estimates hearings, because all of last week, through the reports that were published, we had the Prime Minister saying, ‘Everything that I’ve done is above board. Nobody can trace these things to me.’ But what do we find in the Senate estimates last night with the evidence from ONA? They can trace these things directly back to the Prime Minister’s staff so the first part of the defence completely collapses.

What do we get in the House today? What we get in question time is the tabling of the letter from Jane Halton. You have to know something about Jane Halton: she is a Public Service medallist recognised in the recent Australia Day awards for outstanding service to the Howard government—specifically to the Prime Minister—someone who was given the highest praise by this Prime Minister in this House last week. But what you have in the Halton letter is a complete repudiation of the Prime Minister. And the way he stood in this House today and held Ms Halton out to dry is an indication of how much this letter from her indicates that the cover-up has been on and she has sprung him. I quote from her letter tabled today:

My memory is that I received a phone call at about 7.30—

on 7 October which—

conveyed to—

‘me’ a belief in some circles that the allegations—

were not what they were purported to be. But here is the key paragraph; this is the one that strips John Howard’s defence bare and proves the government has systematically misled the Australian people in an attempt to get two more terms. This is what Ms Halton says:

I was extremely shocked to hear this (having always understood that the photos did show the 7 October incident) and immediately contacted Mr Jordan of the Prime Minister’s Office. I had been in the practise through out this period of immediately passing such information, with appropriate attribution, to the relevant parties.

That is what Ms Halton, the senior official in charge of this whole strategy throughout the whole of the Howard government, said. She is from the Prime Minister’s own department and was recognised on Australia Day for outstanding service to the Howard government. Today, the Prime Minister threw her overboard when she told the truth. It has not been just the asylum seekers who have been victims here; it has been independent public servants as well because there is no proper procedure in the Westminster system that these people would not distort.

Why is the letter from Ms Halton important? It is very important because in the House today the Prime Minister told us who was at the meeting at the Lodge when they were there cooking up the story to tell at the Press Club the next day. Who was there? Mrs Howard was there. Who else was there? Mr Sinodinos, Mr Nutt and Mr McClintock were there. We also know that Mr Scrafton had been on the phone and we know that Mr Reith had been on the phone. And if we rewind back to 10 October, we all know that Mr Reith knew and we all know that Mr Scrafton knew. So this campaign team, probably the most successful campaign team in modern Australian political history, is sitting around discussing the Prime Minister’s cover-up for the Press Club the next day, and how he will get through this issue.

They were all having a discussion but nobody mentioned the war. Nobody mentioned the boats, nobody mentioned the fact that the children were not thrown overboard. They
did not have a discussion about this contentious issue. It just happened to be the issue that catapulted the Prime Minister’s approval rating into the 60s. It just happened to be the issue that gave the government the political momentum it needed, but nobody talked about it. No-one thought that anyone would really ask anything about it. We also know that Ms Halton, according to her letter, may well have communicated with some of these people. I will quote again from her letter:

I had been in the practise throughout this period of immediately passing such information, with appropriate attribution, to the relevant parties. Mr Jordana’s response was to the effect that yes, there was already speculation to this effect in the press, they were on to it and they were talking to Mr Reith’s office. Consistent with my practise of keeping you informed, I also believe that I rang you to pass this on but that from memory we did not speak and I left a voice mail message (I cannot be categorical on this last point).

I do not know how the Howard government works. I have had some experience of previous governments but I would be very surprised if a very senior level bureaucrat in the Prime Minister’s department was not talking to the Prime Minister’s principal private secretary. I would be very surprised about that. So all this is blown away. From last night in Senate estimates, in the House today and in Ms Halton’s letter we now know that they are going to dump another public servant, because they have told the truth and exposed the cover-up. That is the problem with this government. Why? Because they had to go out and systematically demonise asylum seekers. They did not take any action on border security until the 214th boat. People had been coming into the country by fair means and foul for quite a long time but, suddenly, when they were desperately behind in the polls what did they decide to do? They boarded the *Tampa*, they brought a bill into this House that they knew no-one with a conscience could ever vote for, and they gave us 35 minutes notice. We voted it down because it legalised murder and they walked out and said, ‘Oh, look at those terrible people; they don’t believe in border security,’ We paid a very high price for standing up for our principles. But you went and deliberately demonised those people as a tactic for the Prime Minister to win two more terms. That is all it was about—two more terms. From the time we voted down that border protection bill, you inserted the wedge. And who was the team that developed the wedge? All the people who were at the Lodge on the night of 7 November.

*Mr Downer interjecting—*

**Mr SWAN**—Are you saying that I am saying there has been a conspiracy? The answer is yes. There is no doubt about it. What we have here is an episode of Nixonian standards—there is no doubt about that: say anything and do anything to get ahead. But it is not only that, let us go to the way in which the Navy has been politicised. Because the Navy blew the whistle as well. It is not just Ms Halton and it is not just the ONA; it is also the Navy. A statement was issued on 8 November, I think, by Admiral David Shackleton. He declared that ‘it did not appear that children were thrown into the sea’. How much clearer could he have been?

Now we have the Prime Minister and all the other ministers walking into the House, including the Minister for Foreign Affairs—after an admiral in the Navy said on 8 November, two days before the election, that it was clear that people were not thrown into the sea—saying that they did not know anything about this until after the election. Are they all deaf? The point is that, to get through the election, they had to put in place a cover-up strategy. That is why the sorts of reports tabled in this House last week read as they do. The use of the word ‘unclear’ occurs on many occasions in the report to the Department of the Prime Minister and Cabinet. We all know where that comes from: *Yes, Minister*—Sir Humphrey and the rest. ‘Unclear’ is a euphemism for ‘in fact, it happened’. This was supposed to be an independent report when in fact it was prepared by a junior officer working for the people who put the conspiracy in place in the first instance.

The most damning report is, of course, the one from Defence. Going to the most damning comment in that report, it occurred in November when Reith was sitting there with someone from Defence and they said to him,
'Minister, the video doesn’t show people being thrown overboard'—

An honourable member interjecting—

Mr SWAN—October 31st. What does former Minister Reith say?

Honourable members interjecting—

Mr SWAN—What does he say, Alex? He said, ‘We’d better not see the video.’ So you expect us to come in here and accept your bona fides that you are telling the truth. Everyone in your show—everyone at the political level, in the political office and in the ministerial office, senior public servants and the Liberal Party campaign team—all knew people who had heard that this was untrue but nobody ever spoke about it. I think that says a hell of a lot about how desperate you have become for two more terms.

Opposition members—Two more terms?

Mr SWAN—Yes, that is right—two more terms. That is what the Prime Minister said. There he was, stroking the Buddha’s foot—two more terms. If Peter puts his foot out, he might stroke that too.

Mr Martin Ferguson—Alex will be there.

Mr SWAN—Alex will be there. Do you want to put your foot out—two more terms?

Honourable members interjecting—

The SPEAKER—The member for Lilley has the call. I have resisted interrupting him.

Mr SWAN—The point of all of this analysis of the cover-up and its expose says something fundamental about this government. It goes basically to the arrogance of power, which is in fact the title of a recent book about the Nixon era—The arrogance of power. Say anything and do anything. The fact is that this government will always put its own interest before the national interest. Because it has given the community such a belting in health, education and living standards over the last six years, it had to devise an elaborate strategy, an elaborate smoke-screen, to cover these things up. The one thing that this government is a world champion at, apart from telling lies, is giving battlers a belting.

The SPEAKER—Member for Lilley, I have allowed that once. That is not tolerated, and he knows it.

Mr SWAN—The fact is that you were losing substantially on domestic issues, which is why, on every possible occasion you could, you had to get the issue back on to asylum seekers. That is why you released the video in the last week of the campaign. You wanted it released because you did not want people’s attention focused on health, education and living standards. You were so desperate with that that you deliberately planted a story on the front page of the Courier-Mail on the Tuesday or Wednesday before the election, saying that intelligence evidence showed that there were terrorists on the boats. On the same day that that appeared on the front page of the Courier-Mail, you released the video. You were delighted that there was debate about the video, because it locked Labor out from putting forward its positive agenda in the last three days of the campaign. It was a deliberate strategy.

That is what they were talking about at the Lodge on 7 November. They were talking about how they would block Labor out of the campaign in the last three days of the election campaign. Seeing as the asylum seeker issue had worked so well for them for the previous 20-odd days during the campaign, they thought they would try it again, and it worked. But, from our point of view, this is not about sour grapes—you won. But what you cannot be allowed to get away with is the serial mistruths, the cover-ups, which have basically degraded politics in this country. What you have been doing and what you will continue to do is to put the national interest behind your own self-interest—the common good behind your own good. The disturbing thing about that is that we can see this happening in so many other areas of policy at the moment.

Prior to the election, you denied that there was a debt trap in the family payments system. You said nobody would be really affected; there would be a $1,000 waiver and the problem would be solved. During the campaign you misused the Public Service: you suppressed 200,000 letters that were going to go to people with an average debt of
$800 a family. You suppressed those letters and they were not sent until January or February this year—another example of the cover-up, another example of the big lie, another example of the misuse of the Public Service. That is what is disturbing about this, because anything goes, anything will do—that is the problem. That is why your demonisation of boat people was central to your strategy to win the election and central to your misuse and abuse of all of the systems of government in this country.

You threw the truth overboard. What we want to prove out of this debate is that you do not have to throw the truth overboard to defend your country; you do not have to throw the truth overboard to stand up for your country. You can have a border security policy, such as we had, with a coastguard, airport protection and all the rest of it, and still maintain your integrity. You do not have to do that at all, because you knew that you were going down the gurgler and the only way to do it was through a massive cover-up.

(Time expired)

Mr DOWNER (Mayo—Minister for Foreign Affairs) (5.03 p.m.)—I think anyone who heard the last speech would know that this whole issue—

Mr Leo McLeay interjecting—

The SPEAKER—The member for Watson is on very thin ice, as he would be aware from an earlier warning.

Mr DOWNER—is about sour grapes over losing the 2001 election. If anyone had doubts about that, those doubts would be swept aside because the member for Lilley spent the best part of his 15 minutes not forensically examining this issue, as one would have expected, but winding through a peroration of rhetoric about the last election campaign. If this is a debate about the last election campaign—as the member for Lilley, the Leader of the Opposition and the member for Lalor have suggested—that is the proof, if ever proof were needed, that this whole debate is about sour grapes.

Labor has form. First of all, the smears and allegations that are made without evidence are, if I may say so, more of a reflection on the Labor Party and a few of their fellow travellers than it is on the government itself. I think the public are smart enough to understand that. I think the public are smart enough to understand that you are trying to judge us by your own standards—the standards of the member for Lilley, who is the classic sort of smear campaign politician. This whole exercise is nothing more than smear and innuendo.

Let us face it, as I said, the Labor Party have form. I can remember back to many elections, long before I was a member of parliament. Labor won some but lost most. When the Labor Party lose federal elections there is always an excuse—the Liberals have always cheated. For the whole of the 1950s it was Sir Robert Menzies and his disgraceful ‘reds under the beds’ communist referendum campaign and, ‘Gosh, Labor would have won if only it had not been for that.’ And when the Fraser government came to power in 1975, the constitutional dispute was resolved by a vote of the Australian people, but the Labor Party never let it die that they had been robbed. We had throughout the life of the Fraser government—I remember it only too well—‘We was robbed. It’s not fair. Labor should be in power.’ Now we have the most recent era of Liberal government, and we have it all over again. From the member for Brand, as he now is, to the current Leader of the Opposition and to other speakers, it is all, ‘If things had been different, we would have won. We should have won. Labor’s better and Labor ought to win.’

Some people talk about the arrogance of power; I talk about the arrogance of the Labor Party. The Labor Party believes—and has always believed, at least for 60 or 70 years—that it is the natural party of government in this country, but it is wrong. For two-thirds of the last hundred years, you people have sat over there where you belong, in opposition. Yet whenever the Labor Party loses, there is always a peroration, ‘It wasn’t fair; the Liberals cheated’—all this sort of thing. The fact is that you lost the election because you were no good. You had no policies. The Labor Party had no policies which inspired or convinced the Australian public, and you all said so after the election.
Opposition members interjecting—

Mr DOWNER—You laugh now, but the member for Werriwa sat on the back bench because he was dissatisfied with the policy process of the then opposition. Now he mocks the notion that they lost because they were hopeless. They were hopeless—that is why they lost. It is the old story which we have seen for 70 or so years: whenever the Liberals win, you hear from Labor the cry of a child who has a toy taken away, ‘It’s not fair.’

What happened in this particular case is perfectly obvious, and it is there in the report for all to read. The SIEV4 vessel arrived, financed by people paying people smugglers. It was a people smuggling operation. It was a criminal act to try to circumvent our immigration laws. When these people came across an Australian naval vessel, they endeavoured to put the Australian Defence Force personnel under pressure to ensure that they could stay in Australia. The Minister for Immigration and Multicultural and Indigenous Affairs has been through some of the details about that. They endeavoured to sabotage their boat, tearing bits off the boat and threatening people. People did jump into the sea. There was a general state of confusion. It was a difficult situation for the crew of HMAS Adelaide. In the end, the boat sank. After the engine and the mechanics of the boat had been sabotaged, the boat sank—with children on board. The fact is that children ended up in the sea, whichever way you look at it, as a result of what can be little more than a disgraceful performance by people who tried to put the Australian Defence Force, and ultimately the Australian government, under pressure. There is no argument about any of that; that is all in the report.

As time went on, as the government has made perfectly clear, eventually there were questions about whether children had been thrown into the sea. The Prime Minister commissioned reports, and the reports have been produced. The government has provided the information. On every sitting day that this parliament has sat, questions have been answered over and over again about this issue, but no evidence has been produced that the government lied, that the Prime Minister or ministers lied. No evidence has been produced to suggest that. The fact is that no evidence has been produced because it cannot be produced because ministers and the Prime Minister did not lie. That is why you cannot produce the evidence. You can produce the smear, you can produce the innuendo, you can accuse people of lying; but, when you accuse somebody of lying, unless you can prove it you are lying yourself. You have not produced the evidence. The government has been very transparent on this issue, and sour grapes over losing the latest federal election, by the way, will not help you win the next one. Of course, you will all be sitting there this time next year, and you will all be there this time the year after, and then the year after that you will have a chance of winning another election. Unless you come up with—

Mr Latham—Because we’re smarty-pants.

Mr DOWNER—You were very smart last time and the time before and the time before that, so no doubt you will be very smart next time as well. We will see—who knows what the situation will be when the next election comes. If you lose the next election, I would bet London to a brick that you will claim that you were cheated and that it was all terribly unfair, because you have done that with all the others.

The fact is that the government have been tough on people smuggling, and we make no apology for that. We have been extremely tough on people smuggling. We have been tougher than other governments, and we make no apology for that. Some governments have been weaker than our government, some governments have been very supportive of what we have done and some governments would not like to go down this path. Organisations like UNHCR do not support mandatory detention for illegal migrants, as is well known, but the Labor Party, by the way, introduced the system of mandatory detention back in 1992. I think. But the fact is that we have been tough on this issue. During the election campaign, the Labor Party said there was no difference between the government’s position and the La-
bor Party’s position on two issues: the issue of the war against terrorism—

Mr Latham—That’s not right.

Mr DOWNER—Yes, it is. You have changed your mind now, have you? On the war against terrorism there was no difference, and on the issue of asylum seekers the then Leader of the Opposition made it clear over and over again that in the end there was no real difference. Admittedly, to be fair to him, he changed his position about four times in two weeks but, in the end, once the shadow cabinet had settled on a position—and I would love to see the minutes of the shadow cabinet meetings, by the way—the opposition’s basic line was that there was no difference between them and the government on those issues. ‘So when you go to the polls,’ the opposition said to the public, ‘forget those issues. Forget being tough on border control. We are, as well—we promise that we are—and if Labor are elected we will maintain the government’s policy on border control.’ If you want the big lie of the 2001 election, that is it.

Privately the Labor Party were going around saying to people, ‘Just wait till after the election and we can change our position. This issue is too hot for us at the moment; we’d better not say anything now.’ After the election—even though Labor lost it—we saw exactly what happened: people speaking out, denouncing the former Leader of the Opposition and his policy, denouncing the shadow cabinet’s policy. Now we have almost as many positions in the Labor Party on this issue as there are members of the parliamentary Labor Party. Fair enough, but I make the point that the evidence is overwhelming that the great lie of the 2001 election campaign was the Labor Party pretending that they supported the government’s policy on border protection when, within months of that election, they changed the policy.

You say you have changed it; you have changed it. You have changed the policy, and you have watered it down and now you have a different policy. All of the people here in the Labor Party, who were elected by the way, said one thing in the campaign literature they put out—remember the campaign literature you put out during the election campaign? I am sure we could collect it all and we could remind you of it. Are you implementing the policy you promised to implement in that campaign literature? No, you are not. You have changed your policy. That is the great lie of the election campaign. In the meantime, the Labor Party is depending on a few—to be gracious to them—beat-up stories from a few journalists to try to make a case against the government’s election victory. On the front page of the Daily Telegraph a week or so ago, there was a story about how the Australian government was supposed to be using the Defence Signals Directorate and intelligence agencies to spy on Australians to help itself get re-elected. The Labor Party asked several questions about that last Wednesday. The Leader of the Opposition was at the members’ entrance to the House of Representatives spruiking on about how it is an absolute outrage that the Australian government had used intelligence agencies to spy on Australians for political purposes.

The member for Griffith wrote that Australians had trusted the government never to deploy their military intelligence assets against ordinary citizens, and then they did it. But in that particular case, we got them. What we said was, ‘We will give the Leader of the Opposition a private briefing and he can find out exactly what went on.’ You cannot expect us, and nor should we—

Mr Rudd interjecting—

The SPEAKER—The member for Griffith!

Mr DOWNER—to go out there and talk about our intelligence services—

Mr Rudd interjecting—

The SPEAKER—The member for Griffith has defied the Chair, and I warn him. Who does he think he is?

Mr DOWNER—He is a member of the party that included his great hero Gareth Evans, who used F111s to spy on Australians. Remember? Yes, the streaker’s defence: ‘It seemed, Your Worship, like a good idea at the time.’ Gareth Evans, the member for Griffith’s great hero, even re-enacted the flight on a VIP plane. Don’t get confused—
that wasn’t the time he was drinking champagne with Ali Alitas over the Timor Sea. It was the time he was re-enacting the spying on Tasmanians back in the 1980s. That is who the member for Griffith thinks he is—Gareth Evans. But more about him another time. We will save up the story about him. The fact is once the opposition were briefed, which was on Thursday morning, we never had another question from them on that issue. We never had another question—I wonder why? Because the fact is the whole thing was a gigantic furphy. The whole thing was just a gigantic beat-up.

Some of these guys, to be fair to them, wouldn’t have a clue. Some do know. I will tell you who knows; the Leader of the Opposition knows and Senator Faulkner knows that that allegation made against the government was completely untrue. The Australian ran a story about how Peter Reith had not spoken to John Howard—they still defend that. How can that be true? How can anyone believe that through the election campaign John Howard and Peter Reith never spoke to each other? It is just absurd. Of course they spoke to each other. The Australian runs a great big story, and the Labor Party is on the airways as soon as the sun rises over the eastern horizon saying, ‘Isn’t this atrocious and shocking?’ The story is shot down, we hear no more about it, and ‘Oh well, we’ll move on to something else.’ I will give you one thing; the Labor Party and a few of their fellow travellers in the press gallery hate the Prime Minister, and they hate the fact that he has won an election three times. You hate the fact that you lost, and I know that we will never hear the end of how you were robbed. We will never hear the end of it. But the fact is, you lost. (Time expired)
Before I invite members to resume their seats, could I use that debate to illustrate a point—that is, the frequent use of the term ‘you’, which is of course unparliamentary but of which all speakers in the last debate were guilty. I would invite members to refer to page 478 of *House of Representatives Practice*. There is an obligation not to address people in the second person. If any people are wondering why the occupier of the chair interrupts them when they are doing that, clearly the task of parliamentarians is to persuade the chair rather than berate someone who may not hold the same opinion as they hold. So I am inviting people to address their remarks through the chair, as required by the standing orders. I chose not to interrupt during that last debate for obvious reasons. I and other occupiers of the chair may find it necessary to interrupt more frequently in future if the standing orders are not adhered to.

**QUESTIONS TO THE SPEAKER**

**Photographers in Chamber**

Mr **MURPHY** (5.33 p.m.)—Mr Speaker, shortly before the conclusion of the last parliament a member from the opposition asked you about the presence of photographers from the media in the chamber outside question time. You indicated that you were going to take it on board. I read a report in the media recently which suggested that photographers from the media would be able to come into the chamber outside question time to take photos of members who did not have the call at the time the photographs were being taken. Is that correct? Have you relaxed your position in relation to photographers from the media being able to take photos of members who are not speaking at the time that the photos are taken?

**The SPEAKER**—I thank the member for Lowe. As the member for Lowe would be aware, the rules regarding photography were relaxed when Speaker Halverson was in the chair to allow those with permits to take photographs in the gallery to take a photograph of a member who did not have the call. There were some concerns late in the last parliament about the way the gallery was in fact using those photographs for derisive purposes and so I tightened the rules.

I was approached by members of the opposition, members of the government and members of the press gallery about this particular matter. The fact that on Tuesday, the ceremonial day—the gallery quite obviously and for good reason wanted an opportunity to photograph people other than those with the call meant that the rules needed to be relaxed. Following advice from government members and opposition members I indicated to the gallery that I was prepared to go back to the original arrangement but the gallery needed to understand that if in fact that arrangement was not adhered to—if photographs were used for derisive purposes—we would instantly return to a more rigid regime, which would be precisely the same as the Senate chamber regime and that return to the rigid regime would be entirely because the gallery had sought it by not abiding by the undertaking we had.

**Frequent Flyer Points**

Mr **PRICE** (5.36 p.m.)—Mr Speaker, you might be aware that some parliamentarians from Western Australia have utilised their charter allowance such that they were provided with frequent flyer points which allowed them to avail themselves of free char-
The SPEAKER—I have noted the member for Chifley’s question. I will get back to him with an answer. For reasons he will understand, I do not want to speculate on the answer.

PAPERS

Mr ABBOTT (Warringah—Leader of the House) (5.37 p.m.)—Papers are tabled as listed in the schedule circulated to honourable members. Details of the papers will be recorded in the Votes and Proceedings and I move:

That the House take note of the following papers:


Debate (on motion by Ms Macklin) adjourned.

MATTERS OF PUBLIC IMPORTANCE

Howard Government: Border Security

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

The persistent failure of the Government to be honest with the Australian people in relation to border security and other matters.

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

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

Mr ABBOTT (Warringah—Leader of the House) (5.38 p.m.)—I move:

That the business of the day be called on.

Question agreed to.

MAIN COMMITTEE

Christmas 2001 Bushfires

Reference

Mr LLOYD (Robertson) (5.38 p.m.)—by leave—I move:

That so much of the standing orders be suspended as would prevent the Chief Government Whip moving a motion to refer the Christmas 2001 bushfires motion to the Main Committee for further debate.

Question agreed to.

Mr LLOYD (Robertson) (5.38 p.m.)—by leave—I move:

That the order of the day for the resumption of debate on the Christmas 2001 bushfires motion be referred to the Main Committee for further debate.

Question agreed to.

BILLS REFERRED TO MAIN COMMITTEE

Mr LLOYD (Robertson) (5.40 p.m.)—by leave—I move:

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

Commonwealth Inscribed Stock Amendment Bill 2002

Radiocommunications (Transmitter Licence Tax) Amendment Bill 2002

Question agreed to.

MAIN COMMITTEE

Governor-General’s Speech

Reference

Mr LLOYD (Robertson) (5.40 p.m.)—by leave—I move:

That the following order of the day be referred to the Main Committee for debate:

Address in Reply to the Governor-General’s speech: Resumption of debate.

Question agreed to.

MAIN COMMITTEE

The SPEAKER—I advise the House that the Deputy Speaker has fixed Wednesday, 20 February 2002, at 9.40 a.m., as the time for the next meeting of the Main Committee, unless an alternative day or hour is fixed.

SPEAKER’S PANEL

The SPEAKER—Pursuant to standing order 18, I lay on the table my warrant
nominating the honourable members for Wannon, Deakin, Petrie, Herbert, Maranoa, Lyons, Greenway, Chifley, Swan and Isaacs to be members of the Speaker’s Panel to assist the chair when requested to do so by the Speaker or the Deputy Speaker.

CRIMINAL CODE AMENDMENT (ANTI-HOAX AND OTHER MEASURES) BILL 2002

Second Reading

Debate resumed from 13 February, on motion by Mr Williams:

That this bill be now read a second time.

Mr MELHAM (Banks) (5.41 p.m.)—The opposition supports the Criminal Code Amendment (Anti-hoax and Other Measures) Bill 2002, which is in line with the commitments made by the Labor Party in the lead-up to last year’s election. At that time, Labor welcomed the coalition government’s announcement that it would support new laws to increase penalties for those people who prey on insecurity by sending hoax material through the post or by other means. We know the problem of hoax material has been a very real concern for the community since the September 11 attacks, given the capacity for these threats to cripple essential communications services. We saw the reality of those hoax threats as recently as last week, when the postal workers here in Parliament House dealt with white powder detected in mail sent to members of parliament. I take the opportunity to congratulate those workers on their diligence and their rapid response to the threat. In my own electorate, I have seen the havoc caused by hoax threats to local businesses. The Attorney-General said in his second reading speech that more than 1,000 anthrax hoaxes have been investigated in Australia since last September. According to a news report in the Herald Sun on 10 February, however, the police have not revealed the number of hoaxes who have been caught.

This bill proposes to amend the Criminal Code Act 1995 by adding new offences relating to the sending of dangerous, threatening or hoax material through the post or similar services. The new offences would replace the existing outdated postal offences in sections 85S, 85X and 85Y of the Crimes Act 1914. This bill targets the use of ‘postal or similar services’ to harass, threaten or menace people. The amendments would ensure that federal offences cover the use of all postal and other like services and not just Australia Post, which is the case at present. Services that would be covered by the proposed amendment include commercial courier and parcel and packet carrying services. The amendments would also increase the penalties for the offences to reflect the potential harm that can be caused by the sending of threatening, dangerous or hoax material. The penalties in the bill are maximum penalties and would be reserved for the most severe cases.

The existing sections that the government proposes to repeal relate to the improper use of postal services to menace or harass a person or in a way that is offensive—maximum penalty one year, section 85S; causing dangerous things to be carried by post—penalties range from 10 years to two years depending on the offence, section 85X; and hoax explosives—maximum penalty five years imprisonment, section 85Y. The proposed replacement or modified offences fall into two distinct categories. The first category covers amendments that operate retrospectively and commence on 16 October 2001, the date on which the Prime Minister signalled his intention to introduce such new laws. While the government states in the explanatory memorandum to the bill that it ‘does not lightly pursue retrospective legislation’, it goes on to justify its proposed retrospectivity on the grounds that the Prime Minister’s announcement received immediate, widespread publicity.

One of the criticisms that can be directed at retrospective criminal legislation is that people will be unaware that their conduct may be an offence. It can be said that the rule of law is undermined when citizens are unable to make choices and conduct their lives in reliance on the law as it stands at any particular point. However, in this case, the government asserts that the Prime Minister’s announcement was in clear terms and received immediate, widespread media coverage.

Further, the government asserts in the ex-
planatory memorandum that there are no circumstances in which the perpetration of a hoax that a dangerous thing has been sent out could be considered a legitimate activity in which a person was entitled to engage pending these amendments. As such, the government says the amendments do not retrospectively abrogate a legitimate right or entitlement and do not contravene fundamental principles of fairness or due process. In these circumstances, Labor is prepared to support the retrospective application of this provision.

The retrospective provision will be a new offence of ‘Hoaxes—explosives and dangerous substances’. A person will be guilty of that offence if they satisfy two elements. The first element is causing an article to be carried by a postal or similar service. The second element is the intention of inducing a false belief that (1) an article consists of, encloses or contains an explosive or a dangerous or harmful substance or thing; or (2) an explosive, or a dangerous or harmful substance or thing has been or will be left in any place. The penalty for this offence would be imprisonment for 10 years.

The second category of proposed amendments are those commencing on royal assent. These are: using a postal or similar service to make a threat to kill or to cause serious harm—there is a maximum penalty of 10 years if the threat is to kill, and seven years for a threat to cause serious harm; using a postal or similar service to menace, harass or cause offence—the maximum penalty is imprisonment for two years; causing a dangerous article to be carried by a postal or similar service where there is a danger of death or serious harm, with recklessness to that danger on the part of the person who causes the article to be carried by a postal or similar service—the maximum penalty is 10 years imprisonment; causing an explosive or dangerous or harmful substance to be carried by post—the maximum penalty is imprisonment for 10 years.

While this bill is in line with Labor’s commitment to fighting terrorism, it is only one piece in a bigger jigsaw of legislation that the government proposes to introduce this session. Labor will be keeping a very close eye on those new laws. Labor are committed to dealing with terrorism because we believe it is important to protect the safety of the Australian community and to allow us to play an informed role in the international effort against terrorism. We are committed to responding to the threat of terrorism because we want to protect the very systems and institutions that set us apart from terrorists.

I am talking about the reason for the war on terrorism in the first place: the protection of the rights and privileges that we enjoy in a functioning democracy. It is about protecting such principles as the rule of law, freedom of speech and the right of free movement. I am concerned that the freedoms we cherish could be threatened by this government’s package of antiterrorism laws—the biggest raft of security legislation since World War II. Indeed, the Office of Parliamentary Counsel told the Senate additional estimates hearings only last night that it is very busy writing new antiterrorism bills.

An example of the threat to our freedoms is the proposed Criminal Code Amendment (Espionage and Related Offences) Bill 2001. Under the government’s proposals, public servants and journalists face the threat of being labelled as spies, prosecuted and put in jail—ironically, by a government that itself has shown a tendency towards the spying game. Like this antihoax bill, the proposed espionage law is part of the government’s antiterrorist package. But there is a real danger that it will fail to strike the necessary balance between fighting terrorism and protecting our society’s freedoms. Public servants and journalists should not be treated as spies. A free press, an independent public service and protections for whistleblowers are important safeguards against heavy-handed abuse of power by governments.

Labor will be careful to ensure that the espionage legislation does not have the consequence—intended or otherwise—of increasing penalties for whistleblowers who communicate information that does not prejudice national security. Parliament ought to be smart enough to write laws that differentiate between spies who are acting against the national interest and our national security on
the one hand, and whistleblowers on the other whose very actions may well be in the national interest. Public servants can well act out of concern for the interests of the Australian public when they provide information on government wrongdoing or rorting. And of course those who have received that information, whether they be members of parliament, journalists or others, can also act in the public’s interest by exposing it.

Labor is about balancing security and freedoms. It is about protecting the very freedoms that terrorism seeks to take away from us, while at the same time making sure that the systems are in place to tackle terrorism head on. It is a tough balancing act, but it is a necessary balancing act. Labor will not be writing the government a blank cheque on antiterrorism law. It will work with the government to tackle terrorism, but the government must proceed with caution. It must work with Labor to ensure that we protect the freedoms that are the very signposts of democracy. A classic example of that is the way in which the government, the opposition, the Democrats and the Independents in the other place handled the Intelligence Services Bill when it was introduced shortly before the last election. That bill was sent off to a committee; a public inquiry was held; a unanimous report was presented to this place and substantial amendments were made to the initial proposed act of parliament. We ended up with a piece of legislation that got the balance right. Ironically, it was pre-September 11, and it is a piece of legislation that, in the light of September 11, allows our particular intelligence agencies enough room to continue to combat and pursue the war on terrorism. That is a classic example of where both sides of the House and the minor parties were allowed to properly scrutinise legislation and we ended up with a better result.

The Labor Party will work with the government to tackle terrorism, but I repeat that the government must proceed with caution. At the start of this session, the Prime Minister said that Australia should design its own institutions and not rely solely on the experiences of other countries, and so it is with our antiterrorism efforts in Australia. The approaches of the United States and the United Kingdom have been determined by their very different experiences of terrorism. We should not simply adopt their models. Instead, I again urge the government to work with Labor to come up with solutions suitable for Australia and this bill before the House deserves cross-party support. It is appropriate that this bill receives the support of both sides of the House and the other parties in the other place because, in this instance, the government is acting within the appropriate parameters; the offences are appropriate offences and where there has been a gap, that gap has been filled. The penalties are maximum penalties and, in terms of the people who infringe the proposed sections, the courts are left with the discretion to apply the appropriate penalties. In this instance, the Labor Party is quite prepared to support the government holus-bolus in relation to the bill. I commend the bill to the House.

Mr LINDSAY (Herbert) (5.57 p.m.)—I thank the member for Banks for his support for the Criminal Code Amendment (Anti-hoax and Other Measures) Bill 2002, but before making my observations I would like to correct some inaccuracies that the member for Banks has put on the parliamentary record in relation to the espionage bill to which he referred. The government’s bill was introduced into this place in the last parliament, before September 11, so to refer to it as part of the antiterrorism package is inappropriate and wrong. Secondly, in referring to this bill as in some way working against government whistleblowers—and we have seen that claim made over and over again in the media—the media and the member for Banks should understand that this bill is nothing more than a rewrite in modern language of legislation that exists now. The hysteria that I have read in the media about the implications of this bill is just totally and absolutely unwarranted because, as I have said, the provisions in this bill are virtually the same as the existing law.
The Criminal Code Amendment (Anti-hoax and Other Measures) Bill 2002 can rightly be referred to as the government taking tough action on what we all believe to be reprehensible behaviour. It is part of a government philosophy to be a leader in our community, to go the hard yards and to take the tough decisions. We have been able to do that in the last two terms and we will continue to operate as a government in that way. We will continue to show leadership in the community, be it in respect of the current problems with border protection, with industrial relations, with health or with social security, where we have certainly made some very difficult and tough decisions but decisions which were in the interests of Australia.

The hoaxes that occur consume an enormous amount of resources when the community has to respond to them. They are very costly to the community, both to the government and to the private sector in the economy. When you see commercial activities perhaps losing a day because there has been some hoax, it makes it very difficult for those commercial operations. Those things can prejudice business; they can prejudice jobs. It is something that the government feels should be treated very seriously indeed.

Unfortunately, the hoaxes are still continuing. I am advised that since there was a foreshadowing of this legislation there have been upwards of perhaps 2,000 incidents occurring. We do not hear a lot about them these days—perhaps that is a good thing—but they are there. I issue a warning to anyone who might be considering making some sort of hoax plan that this legislation is retrospective to 16 October.

I was surprised that the member for Banks began to argue in relation to retrospectivity that people may be unaware that they are committing an offence. Ultimately he went on to agree with the government that the legislation should contain a retrospective element, but I found myself thinking how could a person be unaware they were committing an offence if they got involved in the hoax process. I do not think you could find a person in Australia who could logically argue that that would be the case.

The member for Banks has clearly articulated, as has the Attorney-General in his second reading speech, the changes that are proposed, so I am not going to go back over that. I think the changes are very clear, although I did raise with the Attorney-General’s office today what the definition of a ‘courier or like service’ might be. I suggested that we ought to have a look at whether, for example, a taxi service would be included as a courier service. I argued that it is quite normal for people to consign packages and the like via taxi for delivery and perhaps it would be reasonable that that kind of service would be caught in the definition of the bill.

As the world changes we have all got to be on guard. We have to face the new threats and the new challenges that keep coming at us. I think I can confidently say that the government is up to the challenge. Last year we saw—and the hoax threat that I am going to refer to now is not covered, as I understand it, by this particular bill—the hoax threats over the headache tablets. The enormous cost to the businesses concerned and to the community generally was just unacceptable. It is these sorts of things that we have got to be looking out for. There have to be tougher penalties because these are serious matters. This particular bill does provide for tougher penalties, and I am very pleased to see that. I thank the Attorney-General for bringing this bill before the parliament and I thank the opposition for its strong support for the government’s position.

Mr GEORGIOU (Kooyong) (6.03 p.m.)—The horrendous attacks of September 11 demonstrated the vulnerability of all societies to terrorist action and, understandably, increased concern and anxiety about a variety of forms of terrorist attack, including chemical and biological attacks. Hoaxes have never been matters of little consequence but, in the post September 11 environment in which we live, they exploit the fear created by terrorist actions and they generate further social fear and disorientation. These are the very effects which terrorists strive to achieve. It is important that governments make it crystal clear that hoaxes are significant antisocial acts that can
destabilise democratic societies and that they need to be deplored, deterred and subjected to the imposition of strong negative sanctions.

The Criminal Code Amendment (Anti-hoax and Other Measures) Bill 2002 seeks to increase the effectiveness of sanctions against those who perpetuate fear in this manner. Currently, hoax crimes perpetrated through Australia Post are capable of being prosecuted. This is not the case where the hoax involves commercial postal and courier services. This bill sets out a new definition of postal and similar services which overcomes this deficiency in the existing law. Hoaxes and other offences contained in the bill will now apply to other similar services such as couriers, parcel handlers and commercial postage services.

The bill updates provisions of the Crimes Act, replacing them with a number of new offences under the Criminal Code. These offences include: provisions covering hoax explosives and dangerous substances; the use of a postal service or the like to make a threat to kill or seriously harm another person; and the use of a postal or like service to menace, harass or cause offence. Under the bill, persons will be criminally liable if they cause an article to be carried by a postal or similar service with the intent of inducing a false belief or fear that the article consists of, encloses or contains, an explosive or dangerous chemical or harmful substance or thing. The existing provisions of the Crimes Act set out a maximum penalty of five years in prison for sending a hoax via Australia Post. The bill proposes that those who send hoaxes via commercial courier or postal service will also be criminally liable. The penalties will be increased and the maximum term of imprisonment is doubled from five to 10 years. I do take on board the comments by the member for Banks about the fact that the upper sentences are a matter for discretion by particular courts.

During October there was a series of false alarms where Australians received packages containing white powder. The powder was initially supposed by many of the recipients to be anthrax. Following events in the United States, many Australians felt concerned about their own security and that of the nation. There was widespread discussion in the media about the threat of extremist groups using chemical and biological substances to visit terror upon the community. In the midst of this debate, there were genuine anthrax incidents in the United States. During the week of 15 October, anthrax hoaxes disrupted all major Australian cities. Media reports suggest that emergencies were declared at two consulates, a newspaper office, the Australian Taxation Office, an airport and a university. The office of Melbourne’s Herald Sun and Weekly Times received three envelopes containing white powder, as a result of which nine staff and the eight police who went to their aid were forced to wait for test results confirming that the substance was harmless. In Townsville, several staff of a state development office were tested for anthrax and provided with trauma counselling after a suspicious envelope was detected. In the suburbs of the major metropolitan cities, police investigated numerous suspicious packages sent to residential addresses.

The fearful reaction of the community reflects the serious consequences of these hoaxes. Police reports brought to attention by the Attorney-General suggest that more than 2,000 Australians mistakenly believed they had been posted anthrax and raised false alarms. In addition, there were an estimated 1,000 serious hoax offences. On 16 October, the Prime Minister responded by announcing that, if re-elected, the government would enact a new law increasing the penalties for sending hoaxes through the mail. This proposed hoax offence would be deemed to come into effect on 16 October 2001, thus operating retrospectively.

The government, the member for Banks and I are, I think, cautious about retrospective legislation—and quite rightly so. The bill, however, must be seen in the light of the circumstances. The Prime Minister was very clear that, if re-elected, the government would ensure that the legislation would be effective from 16 October 2001. The shadow Attorney-General, Robert McClelland, on behalf of the ALP, backed this position, issuing a media release welcoming the Prime Minister’s announcement and declaring that,
if elected, a Labor government would also introduce anti-hoax legislation. I believe that the measure was widely publicised and I do not believe there would be any doubt that the penalty would apply regardless of the election result. My view is, I think, vindicated by the support of the opposition.

As the explanatory memorandum correctly states:

... in this case there were exceptional circumstances justifying retrospectivity. During October 2001, hoaxes were causing significant concern and disruption. It was necessary to ensure that such conduct was adequately deterred in the period before the resumption of Parliament.

The government and the opposition see increased penalties as an important deterrent measure, and these penalties more accurately reflect the seriousness of sending hoax material through the mail. They are proportionate to the level of disruption and the level of fear that such conduct generates.

The other new provisions contained in the legislation are also important. Last year, Senator Brown, Senator Stott Despoja and the member for Brand—then Leader of the Opposition—received explosive devices and bullets through the mail. The office of the Minister for Immigration and Multicultural and Indigenous Affairs received a package containing an undisclosed chemical, as a result of which one of the minister’s staff received chemical burns to her hands. The additional measures contained in the bill relate to situations such as these.

In broad terms, three crimes will replace the existing provisions of the Crimes Act, imposing increased penalties to more accurately reflect the seriousness of the offences. The offences include ‘using a postal or similar service to menace, harass or cause offence’, ‘using a postal or similar service to make a threat’ and ‘causing a dangerous thing to be carried by a postal or similar service’.

Under the Crimes Act, offences of these kinds relate exclusively to Australia Post. The new provisions are broader in scope and include the use of commercial couriers and postal services. The offence of ‘using a postal or similar service to menace, harass or cause offence’ applies an objective test of what a reasonable person would regard as being harassing, menacing or offensive. It will now carry a maximum penalty of two years imprisonment. Threats to kill and threats to cause serious harm are covered by the new provision of ‘using a postal or similar service to make a threat’. These offences will carry a maximum penalty of 10 and five years respectively. The new offences will now embrace those who send threats using commercial courier and postal services. In addition, the new provision provides for greater penalties to reflect the seriousness of the conduct involved.

The offence entitled ‘causing a dangerous article to be carried by a postal or similar service’ restricts the sending of dangerous goods through a postal or like service. It will be an offence punishable by a maximum of 10 years imprisonment to cause a dangerous article to be carried by a postal or similar service in a manner which creates a risk of death or serious harm. The way in which the offence is drafted recognises that postal or courier services may carry explosives and other dangerous articles, but only where they are packaged and handled in such a way that they do not present any risk of harm. Notwithstanding this, it is important that Australia Post’s special situation be recognised. The bill registers that Australia Post does not have the capacity to carry explosives and other proscribed dangerous substances, irrespective of how they are packaged, and prohibits the sending of such articles through Australia Post.

The Australian people are entitled to go about their lives without being disrupted by hoaxes that cause fear and disorientation. This is even more the case in the middle of the war against terrorism. The Criminal Code Amendment (Anti-hoax and Other Measures) Bill 2002 strengthens and broadens existing anti-hoax and like legislation. It is an appropriate and necessary response to the times in which we live. I welcome the support of the opposition and I commend the bill to the House.
ment (Anti-hoax and Other Measures) Bill 2002, I would like to thank those members who contributed to the debate—the members for Banks, Herbert and Kooyong—and I particularly thank the opposition for their unqualified support for the bill. The members for Banks and Kooyong both mentioned retrospectivity. I welcome the support for that. There are exceptional circumstances in this particular case and it is a rare circumstance where it is appropriate that criminal offence legislation operate with retrospective effect, but the announcement by the Prime Minister on 16 October that the proposed legislation would operate from 2 p.m. on that day was well publicised at the time.

The member for Banks indicated that Labor would keep a close eye on the rest of the antiterrorism package. His concern is that Labor wants to ensure that the rule of law and civil liberties are preserved. I assure the member for Banks that the government is very anxious to do exactly the same. The rights of individuals and their freedom to go about their business in the way they wish have to be balanced against the security of the rest of the community. It is a difficult issue, but the government believes that the package that it will bring forward in the near future will strike that balance. We need appropriate safeguards, and there will be safeguards provided in a variety of forms throughout the package.

The member for Banks mentioned the espionage bill that was introduced into the parliament just prior to the proroguing of parliament and the calling of the general election last year. There has been a massive amount of misinformation circulating about this. The media seem to have adopted it as an issue of their own and with very few exceptions have not properly read the proposed legislation and have not properly understood what is being effected. As for the two components of the bill which would amend the Crimes Act, the first part would amend the offence of, and the penalties for, espionage. The second part would seek to translate from the Crimes Act certain provisions relating to official secrets into modern language and into the Criminal Code. As the member for Herbert pointed out, there is no intention on the part of the government to seek to curb whistleblowers or to attack freedom of speech in that legislation. The government are currently reviewing the bill, and we expect to be able to introduce it in the near future.

The member for Kooyong mentioned what he referred to as ‘a hoax’. I think he was referring to what were basically criminal offences relating to the poisoning of headache tablets, Panadol, and attempts to engage in extortion of the manufacturers. He was quite correct in saying that the antihoax bill we are currently debating has nothing to do with that situation. As the member for Kooyong indicated, following the events of 11 September 2001 police have received reports of over 3,000 incidents involving suspicious packages. Of those over 1,000 involved anthrax hoaxes. The remainder, as the member for Kooyong reported, were reactions by cautious and concerned people to the well-publicised threat of anthrax that was particularly affecting the United States. So we had a thousand hoaxes and we had over 2,000 false alarms. These incidents had a significant effect. They affected offices, mail centres, restaurants and stores around the country, and they caused emergency services to be diverted from real emergencies to deal with what turned out to be hoaxes or false alarms generated by the fear in the community.

Just last week members of this House, including the Prime Minister and me, were the targets of hoax letters containing white powder. The offences in this bill impose tough new penalties on those who exploit community fears by sending apparently hazardous material. The bill fulfils the government’s commitment to ensuring that Australia’s postal and courier services are not used for malicious or destructive ends. I thank the opposition for their support of the bill. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Third Reading

Mr WILLIAMS (Tangney—Attorney-General) (6.20 p.m.)—by leave—I move:

That this bill be now read a third time.
I thank the member for Jagajaga for granting leave.

Question agreed to.

Bill read a third time.

STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) AMENDMENT BILL 2002

Second Reading

Debate resumed from 14 February, on motion by Dr Nelson:

That this bill be now read a second time.

Ms MACKLIN (Jagajaga) (6.21 p.m.)—I just want to be clear from the outset in this debate on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002 that Labor do support additional financial assistance to genuine newly commencing schools faced with the normal set-up costs that are consistent with good planning. We have in fact long acknowledged the importance of assisting new schools with the costs they incur in their establishment years. These costs include those associated with managing class sizes and student-teacher ratios as the schools build up their student populations in a planned way; another example may be the purchase of teaching and library materials.

Let us be clear why this piece of legislation is required. It is needed because the government has been unable to estimate the demand for establishment grants. Consequently, the establishment grants funding has run out. The government’s solution has been to introduce, through this legislation, an open-ended funding stream that relies on minimum accountability measures to genuine newly commencing schools faced with the normal set-up costs that are consistent with good planning. We have in fact long acknowledged the importance of assisting new schools with the costs they incur in their establishment years. These costs include those associated with managing class sizes and student-teacher ratios as the schools build up their student populations in a planned way; another example may be the purchase of teaching and library materials.

This legislation will need to be amended to bring discipline, accountability, transparency and equity into the funding model, and we will be moving amendments in the Senate to meet these ends. The minister issued a press release last week claiming that Labor does not support poor non-government schools. I have to say that nothing could be further from the truth. The government’s system provides for a flat per capita grant and pays no regard to whether a school is rich or poor, the fees charged or the capacity of parents to pay. What Labor wants to see is support going to schools on the basis of need—poorer schools getting more than richer schools. For example, Labor’s amendments will make sure that the needy Lutheran schools mentioned in the minister’s release get establishment funding. In fact, our amendments are aimed at making sure that establishment grants go to needy schools like the Pacific Lutheran College in Caloundra and the Vineyard Lutheran School in Clare.

The establishment grants scheme set out in the bill we are debating commits public funds to fee charging schools, without any regard to the resources those schools have at their disposal to spend on their students or to the entry fees they may be able to charge. Moreover, the scheme commits public recurrent funding to schools with no safeguards to prevent schools with the capacity to substitute these public funds for their private recurrent funding. This is bad policy because, instead of allocating government support on the basis of need, this scheme provides opportunities for new schools to receive government funding, even if no real need exists. Unfortunately, the minister believes that schools like these Lutheran schools should receive the same level of per capita establishment funding as some ‘rolled gold’ schools which, despite being new, are already rich in resources.

As I said, the reason this bill has come into existence in the first place is the fact that the grants are paid automatically to schools, with no requirement for them to apply to the Commonwealth to demonstrate their eligibility. This is the reason the government has been forced to come back to the parliament—to fix this budget blow-out. The blow-out was caused by the fact that grants are paid automatically with no checking on whether they really are new schools, the purpose for which the establishment grant will be used or the need for the funds.

The funds appropriated for this program in the forward estimates for 2001-04 quickly
ran out. Funding grew by 330 per cent in 2001 and by 260 per cent in 2002. This increase was largely attributable to atypically large enrolments at three new non-government schools in 2001. A Senate enquiry last year revealed that some of the schools that played a key role in causing the increase in the cost of the establishment grants program were not entitled to be paid those grants. For example, the Australian Islamic College at Kewdale in Perth was registered in 2000 with 837 students. It appears that this school, while legitimately registered, is in fact one of a number of campuses of an existing school, making it ineligible under the department’s own guidelines for an establishment grant.

The Christian College Institute for Secondary Education at Highton in Victoria is a second example. The school applied in 1999 to receive funding in 2000. It opened with 338 students. Another school with a similar name, Christian College Highton, which shares the same registered place of business, ‘lost’ 295 secondary students at the same time. The two schools share a common place of business, the lists of directors are almost identical and they share a common company secretary and auditor. Similarly, the Christian College Institute for Secondary Education is registered to provide VET in schools programs and its registered address is at its associate school, Christian College Highton.

The guidelines for the establishment grant program prohibit grants being made available to new campuses of existing schools. The fact that this school was registered separately again provided the trigger for the Commonwealth’s provision of funds. However, it appears in this case that even the most rudimentary of checks were ignored. At the very least, a prima facie case exists that these grants breach the department’s own guidelines. And what does the government want to do to fix the problem? We would have expected that the government would have been using this bill to insert mechanisms into the scheme to make sure that only truly new schools are getting the funding. That would appear sensible. We did think that Dr Nelson, the new Minister for Education, Science and Training, might have come up with a few new ideas about how to start reforming the administration of the scheme. But, unfortunately, the government’s only response to the budget blow-out is just to increase the size of the bucket.

In the absence of any real suggestions for improving the scheme from the new minister, and in the light of these flaws in the establishment grants program, I want to set out tonight the amendments that Labor will move in the Senate to improve the scheme. The amendments will clarify the purpose of establishment grants and link conditions for funding to meeting this purpose. Secondly, we will seek to improve the accountability and transparency provisions of the bill, including an application process to replace the automatic conferral of grants following state or territory registration, and a definition of Commonwealth eligibility criteria for new schools. Thirdly, we will seek to establish a sliding scale of per capita grants for new schools with an SES score exceeding 100. Fourthly, we will seek to make schools that derive income from student fees in excess of per capita average government school recurrent grants ineligible for establishment grant funding. And, finally, we will seek to insert a legislative requirement for a review of the establishment grants program to report to the parliament within 12 months.

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

Ms MACKLIN—I have just outlined the nature of the amendments which the opposition intend to move in the Senate when the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002 goes there. We take seriously the responsibility of governments towards the needs of schools and young people. There is no doubt that these amendments would improve the administration of the scheme. The concerns that I have outlined are addressed by these amendments. Neither the current legislation nor the associated administrative guidelines are clear enough about the purpose of establishment grants. It is another example of the sloppiness of the current scheme. It leaves open which schools would be eligible for funding as ‘newly commencing schools’ and is unclear about how the additional funds
should be spent. The minister is at the table, so I am pleased to be able to say this to him directly. I was intrigued by the minister’s claim in his press release that:

The school has been forced to cancel planned excursions—

since the scheme had run out of money. As I understand it, funding excursions is not the purpose or proper use of an establishment grant. If it is not clear to the minister what the purposes of an establishment grant are then clearly we need to clarify this in the legislation.

We also need to have tighter administration to avoid anomalies, including allowing schools to spend their grant funds on things such as—as has been reported—advertising and other marketing strategies. Establishment grants are supposed to be an adjunct to per capita recurrent grants; they should not be available for capital purposes. The capital grants program is set up for that purpose.

It would be good practice for the purpose of establishment grants for eligible schools to be made explicit in the legislation. As far as we are concerned, this would help to reduce the potential misuse of funds. Being clear about the purpose would help to preserve the integrity of the grants and ensure that the funds are provided to meet the legitimate planning needs of new schools. Explicit accountability provisions linked to purpose would also enable the government to assess the effectiveness of the program.

A flat per capita grant is also not consistent with the principle of need. It suggests a voucher mentality. I must say, it is disappointing that we have not had in this new bill from our new minister recognition of the need to address these principles. We certainly do not want to see the principles that were started by the previous minister continued, as they seem to be in this bill.

The minister has called on the Labor Party to support poor non-government schools. With that in mind, I certainly look forward to the minister’s support and the government’s support for the amendments that would see additional support going to poorer non-government schools and less to the better off schools. In the Senate, as I said, we will move an amendment that will provide differential establishment grants linked to a school’s SES score. I must say, I do not want this to be read as support by Labor for the SES funding scheme but, rather, within the confines of the current system, we are proposing to link establishment grants to the same index that determines the level of per capita grants. This would provide at least a degree of internal consistency and would go some way—not, in our view, all of the way—to meeting equity objectives. It should also be possible to implement this amendment without increasing the total budget for the program.

The establishment grant scheme sits within an overall scheme for funding of non-government schools, which the opposition intend to review as part of our overall policy review. We also propose to limit establishment grants to schools whose fee income does not exceed resource standards in public schools. Most new schools only have access to fees and other private income that are well below the average cost of running a primary or secondary school in the public sector. But some—just a small number—can charge fees well above this average cost. Schools whose students can afford fees at or above the costs of operating a public school receive per capita grants from both the Commonwealth and the state or territory government, which would take their total resources to well above standards in public schools.

The Commonwealth’s own measure—called the average government school recurrent cost—is currently set at around $6,500 for primary schools and $8,500 for secondary schools, on an accrual accounting basis, or at around $5,600 for primary schools and $7,400 for secondary schools, if cash accounting data is used. When Commonwealth and state grants are added to this, it would mean that schools are operating at total resources that are at least 30 per cent above government school standards.

We all know that a number of schools have fees that are more than twice the average cost of educating a student in a government school. A school with fee levels exceeding $14,000 per year—the level charged by schools like Scots College, King’s
School, Cranbrook and Sydney Grammar—would be operating above 200 per cent of average government school recurrent cost. It is clearly inappropriate for the Commonwealth to increase the financial advantages of new schools charging substantial fees by almost doubling their recurrent grant for their first year of operation.

On our side of the House, we recognise that a focus on fees alone does not take into account other forms of income from private sources such as investments, trusts, other charges and fundraising activities. Not including all those sources could lead to some anomalies, but at this stage we are prepared to restrict our amendments to fees. This matter could be considered as part of the review of the operation of the scheme that we are proposing take place after 12 months of operation.

The amendments that Labor will move in the Senate will improve the operation of the establishment grant scheme. They will introduce much needed accountability requirements to the program and also inject some provisions to make sure that grants are made according to need, which means that poorer private schools will get higher establishment grants. We also intend to move an amendment in the Senate to require a review of the establishment grants program to report to the parliament within 12 months.

The reason we have this bill before the parliament is the huge cost blow-out of the scheme. The Senate inquiry conducted into the earlier version of this bill uncovered a number of examples of schools getting these grants when they were not in fact 'new'. What we all want to know is that funding is going where it is most needed. That certainly will not be the case if the legislation goes ahead as it is currently written. The proposed amendments that we have put forward would improve the operation of the scheme, and I certainly look forward to the government’s support.

Mr PEARCE (Aston) (8.08 p.m.)—The Howard government’s commitment to providing choice to parents in their children’s education was one of the reasons why they were re-elected on 10 November. The coalition understand and support choice and diversity in education through funding for both the government and the non-government sectors. We also believe that it is fair that governments help parents educate their children, whether in the public or private system. This is in contrast to the opposition, who, taking direction from the Australian Education Union, seem committed to discriminating against the families of the 1 million Australian students who attend non-government schools.

There are many families in my electorate of Aston who support the government’s principle of providing educational choice to parents and who choose to send their children to non-government schools which they believe best meet their children’s needs and reflect their own beliefs. In my electorate I have two non-government schools. They are the Knox School and the Waverley Christian College, both of which provide quality co-educational primary and secondary education. In addition to these schools, many children in Aston attend non-government schools in neighbouring electorates. I believe that parents in Aston, like parents all over Australia, should be supported and encouraged by the government for investing in their children’s education.

The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002 amends the State Grants (Primary and Secondary Education Assistance) Act 2000 by altering the mechanism for establishment grant funding for new non-government schools. It provides for a per capita entitlement payable to all eligible schools as a standing appropriation for the 2001-04 funding period, rather than through a fixed special appropriation. Establishment grants are to be available at a rate of $500 per full-time equivalent student in the first year of the school’s operation and $250 per full-time equivalent student in the second year of operation. These grants are intended to assist new non-government schools with costs incurred in their formative years. The bill sets out the method of calculating a school’s entitlement to establishment assistance. It also enables amounts paid to a school under the current arrangements to be deducted from their entitlement calculated under the new
arrangements, with a provision that schools that have already been paid grants will not receive less than they have already been paid.

One of the most interesting things about this amendment bill is the supposed opposition to it from Labor. It is very interesting to see the opposition to it, given that the opposition of the day passed unamended the original act, which introduced the establishment grants. This is a very important point: the opposition passed unamended the act which originally established these establishment grants.

We hear a lot about whether or not schools need these grants, and there has been a lot of debate about two schools in particular. Listening to the member for Jagajaga just now, we heard all this rhetoric about whether or not schools that really need the funding will receive the funding. It is interesting to note that, when it comes to establishing whether or not a school is a new school, it is actually operated by the state registration system. It is operated by the state. So, if the member for Jagajaga has a problem, she should go and see some of her mates in the state governments and deal with them. It is the state registration authority that deems whether or not a school is a new school.

This bill will provide an estimated $6.9 million in increased funding over the 2001-04 period. Fifty-eight schools are eligible to receive establishment grants for 2001. Of these 58 schools, 49 schools have been paid only around 50 per cent of their entitlement, and nine schools have been paid only around 25 per cent of their entitlement. When you talk about the different decisions that the government makes, you have to talk about their implications and ramifications. Around 4,900 students attend those 58 schools, with the majority—in fact, over 60 per cent—of these schools serving lower socioeconomic status communities.

We also heard from the member for Jagajaga that Labor plan on moving some amendments in the Senate, but of course this will all be part of ‘the overall policy review’ of the opposition. It was very confusing in the general election, wasn’t it? What exactly was the opposition’s policy in regard to education? In point of fact, I was confused, I think the people of my electorate were confused, I think the people of Australia were confused and certainly the people of the electorate of the former opposition spokesperson on education were confused about what the opposition’s commitment was. Those people sent a very clear message to the opposition.

The coalition is committed to providing greater choice for parents in their children’s education. The coalition has delivered improved resourcing for all schools, government and non-government, with school funding having increased in every budget of the Howard government, and in every grant to every state and territory every year since 1996. In fact, this year the federal government will provide some $5.9 billion for Australian schools. But to ensure that we as a nation get the maximum return from our investment in education, this government has introduced a range of practical initiatives, including literacy and numeracy benchmarks. The government has invested in reforms to our senior secondary school curriculum to ensure that those students who do not undertake further study have the relevant skills to make a constructive and meaningful contribution in their community.

We are talking about funding for non-government schools, but if we look at the total picture, Commonwealth funding for government schools is at its highest level ever. Federal funding for government schools is some 43 per cent higher than it was in 1996 and has risen more rapidly than state funding in recent years. While funding has increased by over 40 per cent, the number of students in government schools has risen by just over one per cent. Despite the recent strong growth in GDP under this coalition government, the proportion of GDP being invested in direct Commonwealth school funding is higher than it was under Labor. A total of 2.2 million students attend government schools, which represents around 69 per cent of total enrolments and they receive 78 per cent of all government funding for schools. Over 60 per cent of all school funding from the Commonwealth budget goes to government schools, includ-
When it comes to education, the facts speak for themselves. By 2004, government secondary schools will receive an estimated $8,172 per student each year in Commonwealth funding, compared to $5,721 per student for the neediest non-government schools, and $1,120 per student at those schools serving the wealthiest communities. In total, government schools in Australia receive around $14.3 billion each year in government funding for their 2.2 million students. In comparison, non-government schools in Australia receive around $4.1 billion each year in government funding for their 1 million students. This means that 69 per cent of all students enrolled at government schools will receive 78 per cent of all government funding. The remaining 31 per cent of all students, those being at non-government schools, receive 22 per cent of all government funding.

Historically, most public funding for government schools is provided by the states and territories and most public funding for non-government schools by the Commonwealth. However, state and territory governments receive two forms of funding from the Commonwealth. Firstly, they receive direct grants, which must be spent on the costs of running, building and equipping schools. But, importantly, they receive GST revenue—a growing revenue base which states and territories can choose to invest in education, as well as other areas such as health and law and order. This revenue stream is expected to grow from over $24 billion in 2000-01 to over $30 billion in 2003-04. That is a 27½ per cent increase. Despite this GST revenue windfall to the states, state and territory funding for schools in the last year only rose by three per cent, which was well below Commonwealth funding, which has increased by an average of over five per cent each year since 1996 when the Howard coalition government came to power.

We hear opposition about funding and supporting non-government schools. It was, in fact, the Whitlam government which, in 1973, introduced a system for funding non-government schools. This system survived with few modifications until this government came into office in 1996. This was despite the fact that it failed to take account of the financial situation of the parents who were sending their children to these non-government schools. The Howard government established a review of non-government school funding in 1997, conducted by the Department of Education, Training and Youth Affairs with the assistance of Professor Stephen Farish of the University of Melbourne. The review panel recommended that funding for non-government schools should be based on the financial situation of the parents and not on the financial situation of the school. It is a very important distinction—the financial situation of the parents and not of the school. This assumption that is made by the opposition that all non-government schools are wealthy and all non-government schools have all the money they need is absolutely wrong. Schools are nothing without the students and families who support them.

Following this review of Labor’s Education Resources Index, the coalition introduced a fairer and more transparent system for funding non-government schools. The new socioeconomic status funding system is based on the ability of the school community and the parents of the children at the school to support their school and allows school communities to invest in developing their schools without the threat of losing government funding. The methodology for this process involves the linking of students’ addresses with ABS data to determine the school’s score and subsequent ranking. This system is not only fairer but also more transparent and simpler. Under the new arrangements, around 80 per cent of available Commonwealth funding goes to needy schools, serving low income communities, including many new Christian and Aboriginal community schools, which charge very low fees. So whilst we hear these examples from the opposition about all these so-called wealthy category 1 schools, this amendment here in this House is about supporting many new Christian and Aboriginal community schools which charge very low fees.
Over the next four years the coalition government is committed to increasing funding for government schools by a further $1.8 billion, bringing funding for the 2001-04 period to over $9 billion. Over the next four years the coalition government will increase funding for non-government schools and support choice of school for parents at all income levels. The coalition government will support choice of school for parents at all income levels. All schools will receive the funding to which they are entitled, recognising that parents who choose schools in the non-government sector are in fact saving taxpayers some $2.4 billion a year. Why would the opposition not want to save the taxpayers of Australia money? Parents that choose to send their children to non-government schools save the taxpayers of this country, and they free up resources for public education. This is a point that often is forgotten by the opposition. The coalition government will continue to support the SES funding arrangements, recognising that they are the fairest funding system yet put in place for non-government schools. It will encourage investment in education. The coalition will maintain the funding maintenance guarantee for schools that would otherwise lose funds under the SES arrangements in the 2005-08 funding period.

The government’s commitment to increase school funding and support choice for parents in their children’s education is only part of our third-term education agenda. We are committed to maintaining our focus on literacy and numeracy standards for all Australian children; providing enterprise and career education in our schools; addressing the growing problem of drug use by young people in our schools; supporting young people to make the transition into post school life; investing more in our most important educational resource, our teachers; and ensuring all children have access to world-class curriculum material through the development of online curriculum resources.

Twice this government has sought to pass amendments which help and support children, amendments which essentially simply maintain the integrity and the spirit of the original legislation. Twice the politically motivated opposition have sought to obstruct a solution. The opposition passed the original legislation acknowledging the important role of non-government schools. But with an election in their sights they chose to raise the spectre of class warfare and attack, simply for political gain, the parents who choose to send their children to non-government schools. If this amendment is not passed, the funding shortfall will continue for new non-government schools. The ongoing effect of this on the students at these schools will be significant. I commend this bill to the House.

Mr SNOWDON (Lingiari) (8.25 p.m.)—Thank you, Mr Deputy Speaker Causley. Could I, as this is the first opportunity I have had to speak during this new parliament, congratulate you on your lofty elevation, comrade! I am pleased to be able to contribute to the second reading debate on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002. It is not my intention to canvass all of the ground that has been canvassed already by previous speakers, particularly in relation to outlining the nature of the bill. But what I do want to do is for a moment concentrate on the amendments which Labor will be moving in the Senate, amendments which will (1) clarify the purpose of establishment grants and link conditions for funding to meet this purpose; (2) improve the accountability and transparency provisions of the bill, including (a) an application process to replace the automatic conferral of grants following state or territory registration—the member for Aston might want to listen to what I have to say because I will shortly be commenting on what he had to say—and (b) a definition of Commonwealth eligibility criteria for new schools; (3) establish a sliding scale of per capita grants for new schools with an SES score exceeding 100; (4) make schools that derive income from student fees in excess of per capita average government school current costs ineligible for establishment grants funding; and (5) insert a legislative requirement for review of the establishment grants program for report to the parliament in 12 months.

It is our very firm view that, whilst we support establishment grants for non-
government schools, we believe that these funds should be allocated on the basis of need. I wrote down a couple of the things that the member for Aston had to say. He said that the government supports choice of school for parents of all income levels, he talked about numeracy and literacy standards and he said we should understand there are many schools that are underprivileged. I do not know whether the member for Aston knows much about the Northern Territory, and I am sure he knows little about the seat of Lingiari. But for the edification of the member for Aston, I say to him, as I say to the Minister for Education, Science and Training, that in my electorate I have got the most disadvantaged population of any electorate in Australia when it comes to educational outcomes. I will not support propositions in this parliament or elsewhere which give significant amounts of money to the richer schools in Australia when the poorest schools in Australia are suffering.

The member for Aston mentioned a number of non-government schools in his electorate. There are a couple of schools in my electorate I would like to mention. St Philips College in Alice Springs is one. I point out to the honourable member for Aston that I send two of my children to that school, a Uniting Church school. I have two children in a government school. I am a member of the Australian Education Union. I am a former teacher—and proud of it. My partner is a teacher. I have been closely involved in education for most of my working life. I have to say that the debate which has gone on over the last 12 months about education, in particular the category 1 school funding issue, has made me quite cranky, and not because the Labor Party does not support choice but because of the way the funding is being deliberately skewed towards the richest schools in Australia. I encourage the minister and the member for Aston to visit St Philip’s College in Alice Springs if they get the opportunity. There are a number of other schools, including a number of Catholic schools, in the electorate—very good schools, in my view. Our Lady of Sacred Heart in Alice Springs is a good school. Living Waters, a Lutheran school in Alice Springs, is a very good school. These schools attract a lot of support within the community. There is a Steiner school in Alice Springs, which is increasing its size and hoping to grow even further.

I want to point to a school and then I want to come back to some issues to do with funding. The school I want to point to is Nyangatjatjara College—which I am not sure the minister has been briefed on yet—which exists on a number of campuses but as a school for Anangu indigenous people, Pitjantjatjara people primarily, in Central Australia. It is based at Uluru, with campuses at Yulara, Docker River and Imanpa. This is a very important initiative and I want to commend those people behind this initiative because it has actually provided educational opportunities for people who had none.

That is the point I want to make to the member for Aston. I noted your comments but frankly I have to say to you that I am not very tolerant of the richest schools in Australia when I look at the people in my electorate, because I know how badly off they are. I commend to the member and also to the shadow minister a report which was completed last year by the Commonwealth Grants Commission. I am not sure if the minister has seen this document. I recommend he read it. It is a report which was commissioned by the government and its purpose was to have an inquiry into the distribution of funding for programs providing services to Aboriginal and Torres Strait Islander people. It is a very important report.

One example of some of the data that I want to give you which is in this document relates to educational attainment levels and retention rates. The retention rate across Australia for non-indigenous students is 72.7 per cent, according to this. This was in 1999. The retention rate for indigenous students in the Northern Territory is 11.4 per cent.

That raises several questions. There have been debates in this chamber about the aspirations of people who live in the western suburbs of Sydney and how they want their children to have professional careers and go to university. The aspirations of the people in my electorate are far simpler. What they want is access to an education; access to a school. It is important, I think, and a salutary lesson for all of us that while we are contem-
plating the big issues of the day we should understand the difference between people who live in metropolitan areas such as Sydney and Melbourne and people who live in the remote communities in my electorate. We should understand that divergence between those two communities in terms of access to services and access to educational opportunities is increasing. The ability of these people who live in these remote communities to actively participate on an equal footing with all other Australians is being diminished day by day, hour by hour.

I note the minister made a number of statements this afternoon during question time. I understand the need for the minister to try and score political points, particularly during question time. But I do not think it really does him any service to, as he did during question time, promote the idea that there has been some increase and improvement in educational attainment for indigenous students across Australia. There has been, I will grant him that. But it masks the reality of the deprivation that is suffered by many indigenous Australians, particularly in my electorate. These figures—like the increase in the number of indigenous students at university by 44 per cent—

Dr Nelson—In 10 years.

Mr SNOWDON—In 10 years. The interesting data in this document talks about the nature of the courses that these students are undertaking. I think that is something that the minister needs to refer to.

But the important point from my perspective is that here we have a situation where we are debating in this chamber a bill for establishment grants to non-government schools. As I say, we support the provision of these establishment grants. But, simple as I might be, I think we should be making available all grants on the basis of need. And the greatest need is in the government sector in Northern Australia. This is by simple dint of the fact that 88 per cent of indigenous students in remote areas in the Northern Territory go to government schools. A smaller proportion go to St Philip's with a boarding house in Alice Springs, St John's College in Darwin, Kormilda College and Yirara College in Alice Springs. And they all provide a good education, let me be very clear about that. But the bottom line is that the bulk of the indigenous population go to government schools.

I used a figure here in a debate during the last parliament for the cohort of people between the age of about 13 and 18. There must be, in my view—I do not have the exact data and I apologise for that—between 3,000 and 4,000 young people who have no access to high school. I ask the minister if he can get his staff to get him a copy of this document if he has not already got one.

Dr Nelson—I have read it, mate.

Mr SNOWDON—I am pleased he has read it, because I am about to remind him of what it says. I am going to the introductory chapter, page xxi. It refers to the summation of the education chapter. It says:

Although there is evidence that outcomes are improving, the limited available data confirm that Indigenous students continue to experience widespread disadvantage and have achievements that are below those of non-Indigenous students. I hope that is now obvious to everyone. It continues:

Educational disadvantage is greatest in the more remote regions.

I will skip a paragraph, not for any particular reason other than dint of time. The important area that I want to come to is this:

While Commonwealth funding to address Indigenous disadvantage has increased since the mid 1990s, it remains small in relation to overall spending on education and the continuing level of disadvantage.

Then it goes on:

Commonwealth general recurrent funding for government schools reflects primary and secondary student numbers but does not allow for differential costs of service delivery. Commonwealth funding for Indigenous-specific programs is allocated on the basis of student numbers, but Indigenous-specific funding is not targeted to regions on the basis of relative need. It is not clear that the allocation of Indigenous-specific funds between the government and non-government sectors is consistent with need.

That latter point is arguable, but the bottom line is that this is a statement about education across the board—both the public and private sectors. What it is saying to us is that the funding made available by the govern-
ment is not allocated on the basis of need, firstly; and, secondly, it is not allocated on the basis of the differential costs involved in the provision of services to remote communities. I say to the minister: I am happy to assist you in every possible way to improve educational outcomes for indigenous students and non-indigenous students in my electorate and across Australia. But I will not stop harping on this point: I have had a fundamental objective since I have been in this parliament—I said it when I was first elected in 1987—to provide better opportunities and better outcomes for those who are most disadvantaged in the community. In this instance the most disadvantaged in the community are indigenous Territorians, particularly now those in the seat of Lingiari.

This document provides a very good basis for us to have a reasoned debate about the provision of services to remote Australia. I go back to the point I made earlier: we do support these establishment grants, but they should be based on need. I say to the member for Aston and to others who might want to contribute to this debate: people like me, who have a very strong view about needs based funding, will not tolerate the view which had previously been put by the government that somehow or other we should be able to provide tens of millions of dollars for category 1 schools, as was proposed in the last parliament, at the expense, effectively, of the most disadvantaged in our community. It is not an opportunity which we should contemplate.

The Nyangjatjara school is in an indigenous community in a remote area of Australia where there is a great deal of unmet demand for educational services. The then CLP government—my colleague used to work for that crew of misfits—failed to provide adequate public education for people in the Northern Territory, particularly in these remote communities. We have to ensure that they get those opportunities. I am pleased that Clare Martin has been elected as Chief Minister for the Northern Territory. I am pleased that she has chosen to act straightforward on the report which, to give credit to them, the previous government commissioned through Bob Collins. The new Northern Territory government has chosen to act upon the Learning Lessons report, because the previous government did little to enact the recommendations of that report, and I am pleased that it is doing so. I hope that the minister, who I know was in Darwin recently, will develop a partnership and a relationship with the new Northern Territory government which can ensure that we get the effective educational outcomes that we need in the seat of Lingiari and in the Northern Territory, but which we also need for the future of Australia. I again say to people who believe that the world ends at the outskirts of Sydney: it does not—or at the outskirts of Melbourne, in the case of the member for Aston. The fact of the matter is that there are people who live in regional or remote Australia who are extremely disadvantaged when it comes to access to educational services. In my view that is where the debate ought to be—providing for those people who are without.

Mr CAMERON THOMPSON (Blair) (8.41 p.m.)—It is a pleasure to speak on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002, although, like most members on this side of the House, I would rather that the provisions, proposals and, particularly, the funding that it contains had been passed some time ago. These proposals have been put forward before, but, unfortunately, members opposite stopped it proceeding. What has been the outcome of that? By stopping the provisions of this bill as it was presented in the past, they took away funding for many small independent schools and newly established independent schools, many of which have very great need.

The member for Lingiari spoke about need. I would like to refer particularly to the Faith Lutheran College in my area, which, on the socioeconomic scale, has as great a need as it gets, apart from Yirana College in Alice Springs. It is a very needy school, yet that school has been penalised by the ALP to the tune of $29,500 for 2001 and $24,000 for 2002. Members might say, ‘That doesn’t sound like a lot of money.’ It would not, if all you discuss is large private schools that have existed for many years. These are newly es-
established, struggling schools, and particularly, for example, the Faith Lutheran College, which is located at Plainland near Laidley in my electorate, which is serving a community of really battling farmers. They are battling in that area; it is very difficult. The idea that a school like that can do without $53,500 in funding is ridiculous. It has cost them a staff member. It has cost them many of the advantages that they saw naturally accrue to them when they picked that location.

It is a very good location for a school, because most people in that area do aspire to choice in education. They aspire to having a way of life that they are in control of. They do not necessarily want to go with the state system, although I have got to say that, in that area, the state school system is very good—very high standards apply there and the teachers do a very good job. But there are many people—particularly seeing that in that area there is a large population of people who are Lutherans and Baptists—who regard religious instruction as something they want to see carried on in their school rooms. So, the fact that we now have available to these people the only independent school between the West Moreton Anglican College in the western part of Ipswich and Toowoomba, which is quite a stretch of countryside, is a very good thing for them. They regard that as a very good thing, so the school is getting support. It is getting support everywhere except from the Australian Labor Party.

The Australian Labor Party, because they have failed to support the provisions of this bill in the past and because they have failed to give it the recognition that it deserves have been penalising students in a school that, frankly, is struggling. The school has made it to 130 students—and all credit to it. There is recognition for this school coming forward in that it has received money from the block grants authority, the joint state-Commonwealth authority that gives block grants to schools in Queensland, which has recognised that school and has provided an allocation of money already. It gave, I think, $1.1 million to stage 2 of the Faith Lutheran College and they are going to provide $160,000 to stage 3—another four class-rooms—which will be built this year. That $160,000 will go a long way towards the total cost of $360,000 for the project.

Why is it that members opposite want to penalise these schools? They are penalising these schools out of the mindless attitude that somehow they are going to stamp out people’s desire for choice. They have this idea that, if they stamp on it hard enough, people will choose not to go to independent schools. We know that is not the case. The trend to independent schools is out there and it is real. Never mind about the area of the member for Lingiari; aspirational voters all over Australia want to have control of their children’s education. Sure, many of them do choose the state system, and they do that for many good reasons, but others do not agree, and it is wrong for members opposite to continue to try and stamp on their aspirations in the way that they do.

I was listening to the views of the former Leader of the Opposition when he was speaking in the address-in-reply to the Governor-General’s speech the other day. He was talking about how he was robbed, how tough it was and how a series of what he thought were unfair circumstances resulted in the great victory he was planning being suddenly taken from his grasp. He made a series of statements about what a wonderful world it would have been if the Labor Party had been returned to office in the election. He said that the first things he was going to do were to apologise to indigenous people and protect workers entitlements, but high on the list was how he was going to introduce a bill to remove the money from the category 1 schools and distribute it among the needy primary schools and secondary schools in the public system of this nation.

What about the money that he and the Australian Labor Party had been continually denying to a whole group of students—I think there are 4,900 students copping it in the eye from them? Why are their needs put below this grandstanding—this largesse—from the ‘largesse’ member for Brand? Why should that be? They were the ones denying them this money. Why couldn’t he put that somewhere in his list of things that he aspired to do? The fact is that the Labor Party
are not interested in those aspirational voters. What they are interested in is a very keenly focused attempt at provoking jealousy—provoking a desire among people to have something that other people have and to be jealous about it and to want to do anything to achieve that aim: getting back and promoting revenge. I do not think that that is a way of life or an attitude that Australians endorse, and I think the result of the recent election bears me out.

I was interested in what the member for Lingiari had to say because, as he said, I did live for some time in the Northern Territory and I still miss the Territory—it is a very nice place. One of things I was very proud to be involved with was a review of Aboriginal education conducted by the former Minister for Education in the Northern Territory, Tom Harris. The report which the member opposite referred to is a very fine report—this is the one that the Northern Territory government is now planning to act on—but I have got to say that the majority of material that it proposed had been proposed before and had been put forward by that CLP minister, Tom Harris, and by others much earlier. In fact, it goes right back to Matsuri Shimpo, who visited the Northern Territory way back in the seventies and suggested many of these same things.

One of the things that members have to realise is the difficult environment that applies in the Northern Territory. I appreciate the member’s continuing efforts to promote greater resources to these schools in his electorate—that is something that is worthy and that we all do on behalf of our electorates—but there are issues such as the question of attendance. It becomes very difficult if large numbers of children in a community just refuse to attend school. We have a certain way of looking at it in most of Australia whereby the community tends to support attendance at school and it is something that happens. But it is very difficult in remote communities, where many people do not have an experience of the kinds of job opportunities arising from education or understand the meaning of education and the opportunities that are opened up if you engage in it. It is very hard to convey that in a community that is as remote as Imanpa, for example. It is very difficult to get that across the people. Many young people, faced with the choice of attending school or not attending school, in many places, unfortunately, choose not to attend school. It is great if you allocate more and more resources, but if there is no-one there attending to take up those resources then we are not proceeding. This is a basic problem, because legislating by governments and injecting money by governments will not make those children attend. How you make them attend is the core of a problem that these reports have occasionally touched on. That kind of core issue must come across and I hope that the member for Lingiari and the Northern Territory government will pay a lot of attention to that issue.

I will leave that issue there, but suffice it to say that a range of other issues apply. In my case and in the case of the Faith Lutheran College at Plainland, I hope that members opposite will endorse the bill because, if it proceeds, it will provide the funding that is urgently needed in my school. It is urgently needed by 4,900 students and it is a shame and an absolute atrocity that members opposite have delayed the bill this long. I commend the bill to them and urge them to take action.

Mr MOSSFIELD (Greenway) (8.53 p.m.)—As this is the first opportunity for me to do so, I would like to congratulate you, Mr Deputy Speaker Causley, the Speaker and the Second Deputy Speaker on your election to the high positions that you hold.

The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002 will amend the previous legislation to increase funding available for establishment assistance for new non-government schools for the years 2001-04. Establishment grants have been paid to new non-government schools since 1970. They were originally paid on application to new schools that could demonstrate that they were required to operate at uneconomical levels as they built up their student populations.

The Bills Digest advises that the provisions of this bill were first introduced through the Innovation and Education Leg-
islation Amendment Bill 2001. Establishment assistance for new non-government schools was introduced under section 5.75 of the current act. The purpose of this assistance is to assist new non-government schools with the cost incurred in their formative years and to enable them to be competitive with existing schools. This assistance will help non-government schools with recurrent costs of school education so that they can offer education programs in line with the high priorities set by the government and expected by the community.

The guidelines set out by the Commonwealth state that the assistance under this legislation can be used for teaching and ancillary staff, professional development for teachers, curriculum development, and maintenance and general operational provisions. Some reservations have been expressed by educators that it is possible to use the grants for advertising, which I believe would be contrary to the spirit of the legislation. Whether the grant is used directly for advertising or whether it simply frees up other money to be used for advertising, that all amounts to the same thing.

Other concerns are that in some cases, schools applying for establishment grants may simply be extending existing schools. The grants are made automatically under this legislation to eligible schools with no requirement for schools to actually apply for the grants. The funds appropriated for this program in the forward estimates for 2001-04 were hopelessly inadequate—hence the need for this bill. Funding blew out by 330 per cent in 2001, and by 260 per cent in 2002. There were, admittedly, atypically large enrolments at three non-government schools in 2001 which saw the average enrolment numbers rise and thus placed pressure on the budget through this program. However, it must be noted that two of these new schools were actually new campuses of existing schools and the other merely involved the changing of ownership of a third school. All three should not have received grants for establishing new schools, but the grants were paid automatically anyway due to the lack of proper checks and balances on the allocation of money under this program.

Nevertheless, the principles contained in this legislation are very welcome, particularly in the region I represent of Western Sydney with its massive population explosion and the urgent need for more and more education facilities for both private and state schools.

The guidelines applied under this legislation state that grants are available for all newly commenced non-government schools that are approved for Commonwealth general recurrent grants except for schools that are formed as a result of an amalgamation or a separation from an existing school. The grants are also available to those newly commenced non-systemic schools that applied for Commonwealth general recurrent funding after 1999. The grants are paid automatically at a rate of $500 per full-time equivalent student for the first year and $250 per full-time equivalent student for the second year of operation of the school. This bill does not alter that rate. I understand that these rates are at the discretion of the minister. That being the case, the rates should be indexed to take into account the GST-induced price increases.

The Bills Digest advises that as at 6 July 2001, $749,200, or around 50 per cent of the establishment total for 2001 entitlement, had been paid to 49 schools, 33 of which were non-systemic schools that commenced in the 1999-2000 program year and 16 are new systemic and non-systemic schools approved for general recurrent grants in 2001. This bill and previous bills do not increase the rate per student to the schools, but simply the overall allocation of funds from $4.726 million to $14.26 million over the funding period of 2001-04—an increase of just over $9.5 million. This was the estimate in the original bill introduced towards the end of the last parliament. On reintroducing the bill into this parliament, the new minister revised the estimate to only $11.9 million over the next three years rather than the $14.2 million his predecessor had worked on.

What neither of them really know is the actual figure. The bill allows for—as I have already indicated—$500 per full-time equivalent student in the first year and $250 for the second year. It does not set a limit on the number of students enrolled in new
schools. If there were an explosion of enrolments then this government would be facing an invoice from the private sector that it would not be able to jump over. The government estimates there will be 37 new non-government schools in each of the four years to 2004. The figures for 1999 and 2000 were both higher than 37 so it remains to be seen how accurate that figure is as a projection for the next few years. Remember, Mr Deputy Speaker Jenkins, more schools will mean more money and the estimate of $11.9 million will be pretty meaningless and the budget bottom line may well blow out.

It is interesting that the government is so conscious of the budget bottom line when its own economic credentials have put into place several pieces of legislation with the potential to blow out costs in a completely uncontrollable manner—such as the health insurance rebate and this piece of legislation. It seems that if the money goes into the pockets of private businessmen then it is okay to have an open-ended spending commitment by the government. It is only when the money is spent in providing public services that there are strict limitations on the budget bottom line. Nevertheless, money to new schools is welcome. What is needed though are some controls, better accountability and more transparency.

I have said the principle of providing start-up grants to non-government schools is welcome in my electorate of Greenway where there is significant residential expansion and both the private and state education systems are battling to keep up with the demands imposed by such population growth. In Greenway there are three Christian schools—one at Riverstone, one at Blacktown and one at Toongabbie, as well as 15 Catholic schools, the largest number of Catholic schools in any Western Sydney electorate, with the exception of Parramatta which also has 15 Catholic schools.

I have to say that I am in regular contact with all of those schools, attending speech nights and prize presentation nights. I certainly have to congratulate all of those schools on the excellent role that they are performing for the students in Western Sydney that attend those schools. As I have said, there is a tremendous expansion in population already and this means the people running the schools will have to expand them quite considerably into the future. The diocese of Parramatta have projected that over the next few years to the year 2009 there will be eight new schools commencing in the area that they control—from 2004 to 2009—with a total enrolment of over 6,000 students. In my own electorate of Greenway, there will be one new primary school estimated to open in 2004 and two high schools, one opening in 2008 and the other in 2006. The primary school will be at Stanhope Gardens on Old Windsor Road. The high schools will be at Rouse Hill on the Windsor Road and Stanhope Gardens on Old Windsor Road. So I can see the need for this kind of legislation. The Labor Party is fully supporting the legislation, and certainly it is very welcome in the area that I represent.

However I would also urge the government to ensure that payments under this legislation are made promptly. I know there is concern in the non-government school sector that there is a substantial timelag between the date on which salary increases commence and the date Commonwealth supplementation relating to increases is made. For example, supplementation paid in 2000 is based on an increase Australia-wide in average government school recurrent costs—the AGSRC formula—for the financial year ending 30 June 18 months earlier. This timelag in Commonwealth supplementation has a non-recoupable impact on each year from 2000-04 and the impact is compounded. This means that the AGSRC increases have to be met each year by the sector before the money is actually received. The compounding effect of this is considerable over a four-year funding period. The Catholic Education Office for the Parramatta diocese has estimated—and I hope the minister will take some note of these particular figures—that in addition to meeting its expected annual share of increased costs, including those items where there is no assistance from the state or Commonwealth, the Parramatta diocese has to pay out an extra $22.27 million over the years 2000-04 to meet the Commonwealth’s share during the supplementation timelag.
Labor has foreshadowed a number of amendments to this legislation that we will be moving in the Senate which will clarify the purpose of the establishment grants and link conditions for funding to meet this purpose. We want to improve accountability and transparency and make sure the grants are used for genuine establishment purposes. We want to establish a sliding scale of per capita grants for new schools with SES scores over 100 in order to target the grants at the most needy schools.

Finally, we want to ensure that there are enough checks and balances on new schools getting establishment grants but not leaving the government with an open-ended, blank cheque that will blow the budget. This bill is an admission that the government underestimated the economic impact to the budget of its new school policy. Labor wants to restore some fiscal responsibility in this portfolio area while still providing an environment where new schools can be built and more choice can be offered to the Australian public.

Ms JULIE BISHOP (Curtin) (9.06 p.m.)—This is very much a case of deja vu all over again—as they say in the classics. The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002, which is before the House, is the third bill of its kind in just eight months. The first was the Innovation and Education Legislation Amendment Bill 2001, an omnibus bill dealing not only with the adjustment of schools funding but also with the post-graduate education loan scheme and the implementation of aspects of the federal government’s innovation and science policy. Despite its clear passage through the House, the bill was dismembered in the Senate and the required amendments to school funding were not passed.

In August 2001, the measures in question were reintroduced as the States Grants (Primary and Secondary Education Assistance) Amendment Bill (No. 2) 2001. That bill failed to pass through the Senate in the final sitting week of the 39th Parliament. Such legislative sabotage might be expected were the bill a matter of great controversy, of conflicted principles. But this bill, like its predecessors, intends only to appropriate the necessary funds to meet the requirements of legislation passed without amendment by the opposition two years ago. That original legislation introduced both the establishment grants system for new schools and the socio-economic status funding system.

Since the passage of that act, it has become apparent that there is a shortfall in funding for meeting applications for establishment grants from eligible schools. The member for Greenway tried to make something of this but the fact is that the source of this shortfall can be traced to the necessity of using the 1999 new schools student enrolment statistics for the original appropriation estimates. With average enrolments at new schools more than doubling between 1999 and 2000, and with a number of the schools established in that year having relatively large enrolments, a revised estimate puts the required appropriation at $11.9 million for 2001 to 2004, rather than the original estimate of just under $5 million. The government in late 2000 recognised the anomaly and it was acted upon by the government in June 2001. Yet the actions of the opposition in opposing what is simply an amendment to legislation that it supported, an amendment that does not in any way change the policy inherent in that original legislation, have delayed its resolution for almost two years.

This is not an abstract exercise. The concrete result of the opposition’s approach has been the deprivation of funding to schools across Australia. Of the 58 schools eligible for the establishment grants in question, 49 have received just 50 per cent of the funding to which they were entitled. Nine have received only 25 per cent of their appropriate funding. I did not hear the opposition spokeswoman explain to the House why it was that her predecessor, who has since been ejected from this House by his own electors in Dobell, was so willing to compromise the educational future of 4,900 students, just to make a cynical political point. That is 4,900 students, from schools including Lutheran, Baptist, Assembly of God, Montessori, Anglican, Steiner, Islamic, Aboriginal and special schools. It includes students attending schools like Nyikina Mangala Community
School in my friend the member for Kalgoorlie’s electorate, a school serving one of the most disadvantaged and isolated communities in Australia.

I ask the opposition: was it worth it? Isn’t the Australian Education Union already joined at the hip with the ALP? Was it really necessary to deny over $1.5 million in schools grants just to send out another press release? You would forgive speakers on this side of the House if they became a little anxious or emotional during this debate, for they are concerned about the plight of schools in their electorates. Having spoken in support of both previous bills, I am truly mystified as to the objective of the opposition in this matter.

Two schools in my electorate, Sowilo Community High School in Wembley and Bold Park Community School, have been denied funding to which they are otherwise entitled, simply because of the failings of the opposition in the Senate. Sowilo is still waiting on $6,500 from 2001, while Bold Park is waiting for almost $8,000 from 2001 and 2002. Must the students at these schools pay for the inconsistencies of the ALP? I genuinely hope not. I hope that the opposition recognises the cynicism of its actions last year and passes this bill, in line with its prior support for the States Grants (Primary and Secondary Education Assistance) Act of 2000. This new parliament affords them the opportunity to resolve quietly this matter, to allow for the amounts already advanced to schools for 2001 and 2002 to be deducted from entitlements calculated as a result of this amending legislation, with the proviso that no school receive less than has already been paid.

I noted that my friend and colleague the new Minister for Education, Science and Training was in the House earlier and I take this opportunity to congratulate him on attaining his well-deserved cabinet position. He has already demonstrated his capacity and his energy for this portfolio, coupled with the necessary intellectual rigour. I wish him well in this portfolio. He has certainly got off to a great start. The new bill that he has introduced also sets the appropriation for the establishment grants as a standing rather than a special appropriation and specifies per capita rates for those grants. This is appropriate, given the secure planning basis that it provides to administrators and parents.

The arguments advanced by the opposition as cover for its cynicism have already been countered at length by the government. The issue of the $30 million in capital works demanded as a quid pro quo has not stood up to the simple fact that the government provided an extra $238 million in funding for state schools in the 2001 budget. The question marks on the legitimacy of certain new school applications have been dealt with in detail and the obvious point has been made that the determination of new school status resides with state registration authorities—bodies that I would have thought the opposition would agree are best placed to make those determinations.

As I noted in the House last year during debate on the second legislative attempt to fix this problem, socialist ideology has grossly distorted the debate on schools funding. It has killed the bipartisanship that recognised the respective roles of the Commonwealth and the states in primary and secondary education. Decades ago, the Commonwealth stepped in to ensure that taxpaying parents who, for religious or other reasons, did not see a cent of their taxes go towards their children’s education were not barred from government assistance.

For three decades the respective roles of the Commonwealth and the states in school funding, with the Commonwealth having principal responsibility for the non-government sector and the states having principal responsibility for the government sector, have been settled. But this Labor Party, now in its third term of opposition, has thrown back into public debate a matter thought settled in the 1960s. The good news is that the attempt to utilise the politics of envy to undermine Commonwealth support to non-government schools has been an abject failure. I have already noted the fate of Mr Lee. I should also note the increased majority achieved by the then minister for education, now the minister for the environment. Members might note that, prior to the 2001 federal election, we were given numer-
ous puff pieces in the media about an independent challenge to the minister in his seat of Goldstein based on these very issues concerning schools funding. I am sure that more words were gushed in praising that challenge than votes were actually cast in support of it. In fact, the vote achieved by that much-hyped candidate matches almost exactly the collapse in the Labor vote in Goldstein—telling!

It hardly needs to be said but it seems I must reiterate, for the benefit of members opposite, that both private and public education have places in Australia today, that there are public schools that cater to students from all socioeconomic backgrounds and that there are private schools that cater to students from all socioeconomic backgrounds. By virtue of history, the Commonwealth and the states have assumed different responsibilities for each sector. We need to cut through the ideology, cut through the prejudice, cut through the self-interest and recognise the reality of how state government and non-government schools are funded in this country. I commend this bill to the House.

Mrs IRWIN (Fowler) (9.16 p.m.)—The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002 has had more comebacks than Tony Lockett. It was debated in the last parliament, and it will keep bouncing back until this government realises that you cannot treat education funding like a political football. The 2001 bill failed to get through the parliament because it went over the sideline. After handing out $800 million to non-government schools in the original bill, the 2001 amendment would have allocated a further $10 million in establishment grants, with no additional funding to public schools.

Labor sought to get some balance in funding by seeking $30 million extra for capital works in public schools. But the government could not care less about public schools, so we went into the last election campaign with some non-government schools writing to parents giving just one side of the story. Now here we are in a new parliament and this issue of school funding is still with us. It is an issue which divides the community as much as it divides this parliament. On the government side there is concern for parents’ choice of school; on the Labor side there is concern for equality of educational opportunity for all children.

One thing should be clear in this debate: not all schools are equal. No-one on this side of the House would suggest that all schools should be the same, but what we demand is that schools funding should be based on the needs of each school, to ensure equality of opportunity for all schoolchildren. This bill does not promise any improvement in school education in Australia. There is no stated outcome for what this bill is to achieve. In fact, all it does is try to make up for an underestimate of the cost of establishment grants in the original bill. It simply throws more money at the non-government schools sector while giving nothing to the 70 per cent of schools in the public sector.

This government clearly believes that public schools are the responsibility of state and territory governments. During last year’s election campaign, we saw the Prime Minister asked about his education policy in the leaders debate. We all remember the leaders debate and the worm that was going across the screen. The Prime Minister’s answer was that he introduced a GST, to which there was the response: ‘That’s not a policy; that’s a tax!’ Here is a government that wants to wash its hands of responsibility for public education. Here is a government that uses education policy to drive a wedge between parents and to create a huge gap between our best and worst schools.

The argument given by government members is that funding for non-government schools is about providing choice, as if parents could freely choose between a range of schools. This has never been the case, and it should be obvious that it never will be the case. Choice in public education is restricted by where you live, and no-one can deny that there are great differences between the facilities offered across the states. Choice in non-government schools is limited by the fees set by schools, and it is worth noting that, in spite of the generous hand-outs to some very wealthy private schools in the original bill, they still hit parents with fee increases.
While many of the schools that will benefit from this bill cater to low-income families, there is no distinction. All schools—we have to remember this—are eligible for the funding and, as it happens, the guidelines are so loose that schools setting up a satellite campus were eligible for funding. Even an established school which had changed ownership was eligible. No wonder there has been a blow-out in funding allocated in the original bill! And, instead of restricting establishment funding to schools with low socioeconomic status scores, the funding is even available to those schools with the highest SES scores.

I do not question the need for establishment grants for many of the new schools. In the Fowler electorate, which I am proud to represent, and in surrounding areas we have seen a number of new schools established to cater to specific religious groups. Southwestern Sydney is the fastest growing area in Australia. Several new Christian and Moslem schools have opened in the area in recent years. Schools such as the Sule College, a Moslem school in Prestons, William Carey Christian School at Prestons and, this year, a new Moslem school that is attached to the Pakistani mosque in Green Valley. These schools face added expenses in their early years that established schools do not face. But the open-ended funding arrangement has left the cupboard bare. Their cupboard is bare. With no control over what defines a new school and what expenditure is eligible, the system of establishment grants is open to abuse. The result is the funding blow-out that this bill sets out to address. So it comes back to what the government’s motive is. What is the government’s motive in having an uncapped program? This is where there is a difference between the government and the opposition. For the government, education policy is about meeting the needs of parents. For the Labor opposition, it is about meeting the needs of students. It is as simple as that. The government talks about choice and the sacrifice that parents make in sending their children to non-government schools. It therefore provides funding to all schools, like a kind of parent subsidy. It tries to get political mileage out of that.

At this stage, I want to raise a personal matter in this debate. In the last parliament, during education debates and at other times, government members have made comments concerning my son’s education. Until now I have not raised this matter publicly, although I have always been open in answers to questions raised about my son’s schooling. As Blake has now completed year 12 as a boarder at the King’s School, I feel I can now make some comment on that. I expect most members would appreciate why it would not have been appropriate to comment while he was still at the King’s School. Let me say that our choice of school for Blake was made for the reason that, with my absence for 20 or so weeks a year for parliamentary sittings and my husband’s work pattern, our then 15-year-old son would have been left alone until 10 p.m. for three or four nights per week. So my husband, Geoff, and I took the hard decision—and it was a very hard decision to make—to take our son out of a public high school and seek a boarding school place for him.

Anyone who has been through that same process will appreciate that there are not many options. Public boarding schools are effectively restricted to students from isolated areas—as they should be. So a private boarding school was the only option for my husband, for Blake and for me. The King’s School was selected as we saw that it would provide the most suitable environment for our son. Even on a parliamentarian’s salary, boarding school fees leave a big hole in your bank balance. But, as with most parents, it is a choice and a sacrifice made freely and willingly. As the Hansard records of the parliament show, I have consistently opposed increased funding for wealthy schools, including the King’s School, and I have been an outspoken supporter of public education. I add that our daughter attended our local public high school, went to the University of Western Sydney and now teaches at a disadvantaged public school in my electorate.

Getting back to the bill, the difference between the government and opposition on this issue is that the government seeks to compensate parents while Labor seeks to provide equal opportunity for all students.
Education is for students, not for their parents. Governments have a responsibility to provide the highest possible standard of education for all our children—not just minimum standards; the highest possible standard. When governments put political motives ahead of good management, this is the type of legislation that we get. One thing this government knows is that, when it comes to getting re-elected, parents vote but schoolchildren do not. As we saw in question time this afternoon, the minister wants to put the case of low income families struggling to put their children through non-government schools. The minister wants this debate to be about those one in five low income families. But he does not want to talk about the much higher proportion of high income families who send their children to non-government schools.

The minister spoke of families on less than $26,000 a year. That is a very interesting figure, because, as I told the House a few minutes ago, my son went as a boarder to the King’s School. So I can tell the House what the fees are for one year at King’s School.

How much does it cost? It costs $26,000 for one year at King’s. This really gets to the heart of this debate. The establishment grants that this bill allocates are not directed to poor non-government schools; they go to all new schools and to some that are not really new. If the minister is so concerned for low income families struggling to send their children to non-government schools, he should direct funding away from wealthy schools like the King’s School. He should apply tighter guidelines so that establishment grants can be used only for essential items, and he would not allow double-dipping and other rorts to occur. But that would upset some voters, and the minister definitely would not want to do that. This minister would rather squander our children’s futures, the futures of Australian children, for the short-term political gain of this heartless government.

Mrs Irwin—I know very well.

Mr BARTLETT—If you know them well, you certainly did not indicate that in the last 10 minutes—her willingness to totally ignore those basic constitutional and legislative arrangements of school funding in order to score a few cheap political points and, in the process, to do what the teachers unions and the Labor Party have been doing for the last two years—that is, driving a wedge, creating division, between our public and private school systems, which are both doing an excellent job for our children.

The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002 attempts to bring in amendments to introduce establishment grants that were passed by parliament as part of the States Grants Act 2000. That legislation, you will recall, was aimed at bringing in a much more transparent, a much more objective and a much fairer system of funding for non-government schools. It replaced the outdated and the obviously inadequate ERI system and based funding on a much more transparent SES indicator—an indicator of the ability of parents to fund the education of their children.

In spite of what those opposite have been trying to say, this amendment simply gives effect to existing policy. It is policy that has been agreed on to provide for those establishment grants to help new schools in their first couple of years, to help with those extra costs that come about when you are setting up a school—costs of curriculum development, securing and training staff, setting policies and procedures in place et cetera. These establishment grants were already accepted as part of that legislation. However, it is true that for some reasons some amendments are needed to this legislation.

Firstly, this legislation attempts to codify the amount of those establishment grants. Instead of having them vague and uncertain, it puts down an amount—that is, for the first year $500 per student and for the second year of a new school $250 per student. If you look back over the early years of the eighties, on a per capita basis this is actually no more than was paid then to new schools. This is consistent with accepted levels and consistent with current administrative arrange-
ments. As I said before, it does not change policy already passed by parliament and it does not introduce any new criteria for the provision of these establishment grants.

The second effect of this amendment is to make the establishment grants a standing appropriation—that is, not a special ad hoc appropriation. The benefit of that is that it provides some certainty, some guarantee, of the availability of funding to meet the government’s commitments to establishment grants for new schools.

The third effect of this legislation is to make up that funding shortfall that has been referred to earlier by a couple of speakers. The reason for that shortfall—a shortfall of some $6.9 million—as you would be aware, is that the initial estimates were based on 1990 school enrolment figures that estimated 40 new schools with an average of 42 students per school. A year later, when those figures were reviewed, we found that there were 37 new schools but with a higher enrolment of some 92 students per school. Therefore, without this amendment those new schools that qualified under existing criteria for establishment grants would in fact not receive all the money due to them. Of the 58 new schools this year, 49 received only 50 per cent and nine schools received only 25 per cent of the funding that should have been allocated to them.

I must add that one school at Wentworth Falls—a new small school in my electorate—a Steiner school, is owed $2,250 from last year and $1,625 this year because of this funding shortfall. If the Labor Party refuses to pass this amendment to allow us to adequately fund what is a previously agreed funding arrangement for establishment grants, small new schools, such as the Steiner school at Wentworth Falls, will suffer because of Labor’s obstruction of what is a fair and transparent measure.

It is worth mentioning that 60 per cent of new non-government schools are serving the lower socioeconomic communities right across the range—indepen dent Christian schools, Catholic systemic schools, Aboriginal schools, Steiner schools, Lutheran schools, Anglican schools et cetera. Sixty per cent are serving the lower socioeconomic groups, some in very disadvantaged communities and some in indigenous communities. The failure of the Labor Party to pass this legislation will continue to penalise these schools. This legislation is consistent with the States Grants (Primary and Secondary Education Assistance) Bill 2000. It is fair, it is transparent and it is needed by these new schools. This amendment should be passed without further delay.

I must admit that I tried to work out why it would be that Labor have refused to pass this legislation, notwithstanding the rhetoric that we have already heard from the other side. One possible explanation is that it is opposition for opposition’s sake—they just do not want to make it easy to get logical, sensible and rational legislation through this chamber. Certainly they have had a track record of opposition for opposition’s sake. The second possibility is some sort of acquiescence to pressure from the Australian Education Union, which of course is opposed to the establishment of new non-government schools.

Certainly the Labor Party, under political pressure from the public and from the non-government school sector, did ultimately support the states grants bill, but now they are obviously not wanting to upset the teachers union. They again want a foot in both camps—two bob each way—to walk both sides of the street; wanting to look as though they are supporting non-government schools but not wanting in the process to upset the teachers unions and the Teachers Federation. Certainly the Labor Party needs to come good on their commitment and to support this legislation.

It is worth reminding listeners and those opposite of the government’s commitment to fairness in education funding for both public and non-government schools. This government supports choice in schooling. It supports the right of parents to choose the education of their children and supports our responsibility to assist them in that choice by funding it in a fair and transparent way. It is worth noting that, under the new SES model, children in the neediest non-government schools are funded at 70 per cent of the
AGSRC, the average government school recurrent cost. For the less needy, wealthier schools, that funding level reduces to only 14 per cent. It is also worth noting that many of these schools are serving families with low incomes in low income areas. Twenty per cent of students attending non-government schools come from families with an income of less than $25,000 a year. If you listen to the rhetoric of the opposition, you get the impression that they are all wealthy families sending their children to wealthy non-government schools. This is not true. The fact is that many families make great sacrifices, for whatever reason, to send their children to non-government schools, and the government is committed to supporting that choice.

The second thing that needs to be said is that the coalition government’s commitment to helping parents, to helping fund non-government schools, is not at the expense of public schools. In fact, for each student in a non-government school, the state education authorities are actually saving money. They save around $2,200 per student per year. Without that assistance, the state governments’ education funding would have to be spread much more thinly, and the sufferers in that would be the students.

I also want to remind people of the coalition government’s record on funding public schools. As well as supporting non-government schools, this government over the past six years has delivered record funding to public schools. This year public schools will receive $669 million more in direct federal funding than they did under Labor in its last year—that is an increase of 43 per cent. Public schools are receiving 43 per cent more in direct federal funding this year than they did in Labor’s last year, and this government’s commitment is to continue with that increased funding. Over the next three years, $9 billion will be spent on public schools, and there will be a further increase of 21 per cent in direct government funding for public schools.

The last point I would like to make is this: the state governments have not kept up with the Commonwealth’s increase in funding for public schools. Those opposite, if they are frank enough, and the teachers unions, if they are honest with themselves, will admit that public education at state schools is the prime responsibility of state governments. This government has assisted state governments greatly with direct funding. It has also assisted them greatly with increased general revenue grants in previous years and increased revenues through GST this year. The state governments have not kept up. As I said, over the past six years direct federal funding for public schools has increased by 43 per cent. Over that time, the New South Wales government has increased its funding for New South Wales public schools by less than half of that. It is the New South Wales government that is letting down public schools in New South Wales.

This amendment bill to provide establishment grants for new non-government schools is fair. It is consistent with existing policy. It is not at the expense of public schools, and it is the right thing to do to give these struggling new schools a chance. I urge the Labor Party to forget the pressure being put on them by the teachers unions, to forget their rhetoric and to support this sensible, rational, fair and equitable legislation.

Ms HALL (Shortland) (9.41 p.m.)—The diatribe that we have just heard from the member for Macquarie certainly does nothing to advance the debate on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002. As always, when sensible amendments are put forward—like the amendments to this bill that we on this side of the House will put forward—the government opposes them. It slips back into its usual form of blaming the AEU and accusing us of opposition’s sake, rather than actually looking at the content of the amendments that we will move. The opposition support establishment grant schemes; to say otherwise is really distorting the facts. The government does not support fairness, the government does not support accountability, and that is what we on this side of the House are arguing for with our amendments.

The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002 amends the States Grants (Primary and Sec-
ondary Education Assistance) Bill 2000.

‘Why?’ you might ask. Because it does not work. It amends the act to provide eligible non-government schools with a per capita entitlement through a standing appropriation for 2001-04, rather than through a fixed legislated special appropriation. It is designed to assist non-government schools with costs incurred during the establishment period. It seeks to give to a new school $500 per capita in the first year of the school’s operation and $250 in the second year. The per capita amounts are flat rates and they are not subject to indexation.

Establishment grants have been paid to schools since 1970, but originally they were based on an application. When an application was submitted, it showed that the schools needed the grants to operate, that they were currently operating at an uneconomic level and that they needed the grants to build their student numbers and to improve the operation of the school. There was a needs base towards these grants being given. The current legislation makes this money available to all newly commencing non-government schools that are approved for Commonwealth general recurrent grants, with the exception of new schools formed as a result of amalgamation or separation—but they are a little bit loose with that too, I might add, and I will show that a little bit later.

Grants can be made retrospectively. We all know what retrospective legislation is like—and retrospective approval for newly commencing non-systemic schools that applied for general recurrent funding after 11 May 1999 and were approved to take effect from 1999-2000. Grants are paid automatically to eligible schools, with no requirement to apply for the grants. To me, this does not seem fair. To me, this does not demonstrate an open, transparent process.

Grants are paid to schools without their being required to prove that they need it—no accountability, no openness and, please tell me, where is the fairness?

I accept that there is a need to assist private schools, be it through an establishment grant or ongoing financial support. It is a community expectation. A number of people send their children to private schools but, as I have already said, the process must be open and there must be accountability. Grant applications assure this. The shadow minister for education gave examples of two new schools with new campuses that are near the campuses of existing schools. They are eligible for establishment grants. To me, this does not seem fair. To me, this does not demonstrate proper accountability. To me, this does not demonstrate an open, transparent process.

There is one existing school that has changed ownership and it is eligible for an establishment grant. Once again, where is the fairness? Where is the accountability? There is a much greater accountability for public schools and Catholic schools. The Catholic schools have a high level of accountability within their system. Within the public school system, accountability is at an extremely high level. There is a lengthy paper trail, and you have to dot every ‘i’ and cross every ‘t’.

Within my electorate, I was involved in the establishment of the new Lake Munmorah High School. At the time, I was a state member. I know the level of accountability that was required—the number of
submissions and the hoops that we had to jump through—to get approval for that school to be funded. It receives federal funding. The majority of the funds that went towards building that school were provided by the Commonwealth. But the level of accountability—the number of applications, the number of submissions, the number of studies that had to be completed before there was any money put aside or given for the building and the establishment of that school—was enormous. On the other hand, what we have here is $500 per student for the first year and $250 for the second year—hardly a comparison, I would argue.

Public schools’ needs are not being met at the moment. It is really important to remember that 70 per cent of students in Australia attend public schools. That percentage is much greater in my electorate. There is not one school within the Shortland electorate that will benefit from this legislation—not one school. Yet these schools, which only 30 per cent of students attend, are being advantaged and the students who are attending the public schools—that is, 70 per cent plus—are being disadvantaged. That hardly seems to be a fair situation. This government promotes public schools constantly and this leads to an increase in demand. The government undermines the public system and it should not do that because there are a number of parents and teachers that are dedicated to that system who do not have the choice of sending their children to a private school. Choice is about real choice. It is not about saying, ‘I would like to send my child to a private school; I would like to send my child to a public school.’ Some parents are not in a position to choose to send their child to a private school. I repeat that for the members on the other side because I do not think they understand. Not all families can send their children to private schools. They do not have the same level of choice.

This really demonstrates the government’s lack of understanding of the problems facing families in Australia. It was the Minister for Education, Science and Training who in question time today talked about people saving and saving to send children to private schools. I have news for the minister: no matter how much some families save, no matter how much they scrim, they will never have the choice of sending their child to a private school. They have difficulty paying the doctor’s bills. They have difficulty paying for their food. This is a government that is divisive. This is a government that lacks understanding. This is a government that does not understand that education is about creating opportunity for all children. We on the opposition side recognise this, and the amendments that we have before the House today recognise this. Our amendments allow for establishment grants for private schools, but they do it in a fair, transparent way. The point of our amendments is to ensure accountability and to make sure that in Australia we have the best school system and that all children have the opportunity to attend and get a quality education.

Mr RANDALL (Canning) (9.53 p.m.)—I am very pleased to be able to speak this evening on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002. I am pleased to do so, because I am very keen to see support for the provision in the bill which gives financial support to establishment grants. What we are really talking about here is $750 over two years for new non-government schools. We are talking about the opportunity for newly established non-government schools to be assisted in their formative years so that they may compete with other schools in their area. Mr Deputy Speaker Causley, you may ask: why do you want to help them compete? One of the things about a new school in an area is that it needs to attract pupils. It may have a very small pupil base and, if it wants to grow and get some of those economies of scale that come with a larger pupil intake, it needs to attract students and provide them with some of the start-up measures that they find difficult to provide in their early days.

In the electorate of Canning there is not a school that comes under this provision that is waiting for funds through this establishment grant process. But when I was the member for Swan, I was involved in the initial stages of the Australian Islamic College, when the Islamic College bought what was previously
the Kewdale High School so that the Australian Islamic College could be established there. I will return to that in a moment, because it is quite relevant to this debate.

The tragedy of this debate is that it is a debate based on ideology; the ideology of the other side of this House in having some sort of snout on non-government schools and private education compared to public education. I come to this debate reasonably well credentialled, because I was a teacher in the state school system, my wife is currently a teacher in the state school system and I was educated in the state school system. So I greatly support this system. But there comes a time when there is a need for other schools to be given an opportunity to be established in certain areas.

I largely want to deal with Western Australia this evening, because it is my home state. I want to put on the record the names of the schools that are waiting for the funding that this bill will provide. The member for Curtin mentioned Nyikina Mangala Community School via Derby, an Aboriginal school that is looking for these funds. Other schools that are waiting for this funding are: Phoenix West Secondary Vocational School in Geraldton; Casa Mia Montessori Community School in Bassendean; Sowilo Community High School in Wembley; Woodthorpe Drive Secondary School in Willetton; a Brethren School; Silver Tree Steiner School in Parkerville; Goldfields Baptist College in Kalgoorlie; Blue Gum Montessori School in Bibra Lake; Murdoch College in Murdoch, which is non-denominational; and, as already mentioned, Bold Park Primary School.

The current situation of the Australian Islamic College in Kewdale does not make for a happy story. This is a school which borrowed $6½ million to buy the Kewdale High School site, because Kewdale was a school which was seen by the state government as being surplus to their needs. The sale proceeds of this school were used to form the Belmont High School Campus, which is an amalgamation of Belmont High School and the former Kewdale High School. Here is a group of people who decided that, for the education of their children, they would risk borrowing $6½ million and in doing so they have put themselves in a position where they need support. Support does come from the establishment grants which, per capita, provide $750 over two years. But they have only got half this money so far; the money has not been delivered because of the hold-up of this legislation.

The question might be asked: why isn’t there enough money in the kitty? We have already heard the reason—that is, the growth in private education in this country. It is unbelievable that we are having this ideological argument again. Those on the other side of the House do not seem to like choice. Taxpayers who choose a school other than a state government primary school or high school—or whatever sort of school—do so knowing the consequences, and that choice often requires some sort of hardship. I hear those on the other side say, ‘No matter how much they scrimp and save, they’ll never be able to send their children either to these alternative schools or to private non-government schools.’ I know of families in my electorate who work hard and take loans on their houses to capitalise on their mortgages et cetera so as to be able to send their children to a non-government school of their choice. Again, we on this side of the House do not have a problem with freedom of choice, yet for some reason those on the other side are locked into this state government school mentality.

The people of Australia are voting with their feet. They are voting with their feet because they are, in their droves, choosing for many reasons to send their children to non-government schools. These are the people we call the aspirational voters. One of the reasons is the fact that they may well get a value based system of education and this system of education is something they find very dear to their hearts and would like to see their children involved in.

We are going through the argument that these schools have not passed a credibility test but, as was pointed out earlier this evening, these tests are done by state government agencies. Let me remind the House that every government in Australia at a state level is now a Labor government. So, if Labor governments are the ones that are qualifying
these schools for establishment grants—the brothers in arms of the other side—why isn’t federal Labor talking to its state colleagues and saying ‘You are the ones who have determined these people are eligible for these grants. How about looking after them?’

I have got to say that I will be mailing the people and the schools in my electorate who are going to be interested in this. Even though—as I have told you—there is not a school in Canning currently in the situation where it needs an establishment grant, there will be in the future. There may be children who go outside of this area. For example, I know that many of the children that go to the Australian Islamic College come from within Canning. They bus them in there on a daily basis. They are going to want to know why they are not getting the same sort of opportunity—the Labor Party is stopping them by amendments in the Senate and the butchering of this legislation in the Senate—to have their children and themselves make this sort of choice.

I just want go back to the Australian Islamic College because one of the criteria that people have criticised this application for, as has been mentioned by the previous speaker, is that they did not appear to be a genuine school for establishment. There was some conjecture about their qualifications in terms of being another campus. It was a state government high school. They bought it and they set up a completely separate administration. The school applied for Commonwealth funding as a new school. Because the department was aware of the school’s close association with the existing Islamic schools it therefore considered a number of factors before approving the school’s proposals.

These included whether the school was able to establish that the state registration authority considered it to be a new school. It did that. It had to establish that it had different clientele and a different catchment area. It also had to establish that it had a different owner and an approved authority. It had to establish that it had separate administration, bank accounts and staffing. The department reviewed the information provided by the school, and the advice to the Western Australian minister for education was that it considered that the Australian Islamic College was in fact a new school in accordance with the definitions contained in the act. It had legally separate corporate bodies and a structure separate from any existing or former school. It had a separate incorporated body and separate management and financial structures. The Education Department of Western Australian advised that the school underwent the prior planning process as a new school and the Western Australian minister was satisfied that it had met the criteria for approval to start up as a new school.

As a result of the blocking of this legislation, currently this school, which has also had to borrow another $1 million to keep going in the interim, is suffering a shortfall of close to $400,000. That is not a small amount of money to have to borrow in the current climate, even though this government has brought down interest rates by a huge margin. It is a lot of money to have sitting out there. The people in these schools all around Australia—I am particularly speaking on behalf of the Australian Islamic College in Western Australia—are missing out. It is unfair. Get the ideology out of this argument. Do the right thing by people who wish to choose to be involved in non-government education and get the bolshie politics out of it. I support the bill.

Ms GEORGE (Throsby) (10.04 p.m.)—I am pleased to have the opportunity to speak in support of Labor’s position on this very important bill. The member for Jagajaga outlined in some detail the amendments that we will be pursuing in the Senate. I think it is important to start off by reiterating the position that we have put: we do not oppose establishment grants per se.

But I think that we need to see the proposal for an increase of some $6.9 million for this program in the context of an ever-increasing and larger share of Commonwealth funds that is flowing to the private school system. The program of establishment grants available to new private schools as an automatic right provides further financial encouragement for the establishment of new schools beyond the considerable support already emanating from the Commonwealth under the current funding regime.
We have heard a lot about the choice argument but let me say that it goes beyond the matter of choice to a very deliberate policy designed to encourage new private schools and to actively promote the shift of enrolments from the public to the private sector. When one talks about choice I think we ought to recognise the choice that parents of 70 per cent of school students make, and that is to send their children to the public school system. It is that system that is faring poorly under the Commonwealth’s current deliberate policies of redirecting funds away from public education to prop up the private system.

The general policy direction by this government regarding private school funding has represented an attempted shift in the paradigm in community thinking. It ignores completely the original justification for Commonwealth financial support for schools in the non-government schools sector, and that was historically the application of the concept of a community standard: the idea that all children, whatever the school they attended, had a right to access to schooling that meets an acceptable, defined and agreed minimum standard. That view, historically and today, has widespread support.

However, this government’s new SES funding system is underpinned by a completely different set of assumptions about private schools and their students. Rather than seeing the Commonwealth provide an effective safety net against poor standards and low educational quality to protect students, the current policy has as its rationale the view that all students, wherever they go to school, deserve a significant level of Commonwealth funding support. There has been a lot of criticism of this new system, particularly because it provides significant extra funds to resource rich private schools—the level 1 schools—that previously were funded at modest levels on the basis that their incomes and assets enabled them to provide high quality education without the need for substantial assistance from the Commonwealth. It is in line with this philosophy and these new funding directions that the debate about the establishment grants occurs.

Labor does not oppose establishment grants per se. The concept of these grants is not new. New non-government schools have received assistance since the 1970s, with Labor’s support. The grants were originally paid on application to new schools that could demonstrate that they were required to operate at uneconomic levels as they built up their student populations. However, as the debate on this bill has clearly indicated, the concern that we have is that grants are paid automatically, with no requirement for schools to apply, and it appears from the Senate committee inquiry that there have indeed been major problems in regard to eligibility, accountability and reporting requirements. It therefore should come as no surprise to us that the funds appropriated in the forward estimates were inadequate. Currently, provided that the new private schools are approved for registration at state or territory level and they have commenced operating, they are automatically eligible for establishment grants. There are no further requirements. Furthermore, there are no explicit or special accountability or reporting requirements attached to these grants. The funds do not have to be accounted for separately. Thus the specific purpose of the program is unclear, and schools are free to spend the money on anything on which they might legitimately spend any recurrent funds made available to them by government.

Now this government is in trouble and it has come back here to seek extra funding for this program. It is clear that the funds appropriated last year are woefully insufficient to meet the demand. ‘New’ private schools—as I will go on to point out, a number of them are not new—have suddenly mushroomed in number but in size. The average size of the so-called ‘new’ private schools, which has been steady at 42 students over recent years, shot up overnight, in 2000, to 92 students. The extra funds that are sought, we are told, reflect an apparently unexpected blow-out in the average enrolment of new schools. But since the introduction of this new form of assistance, it has become evident that the department’s administrative procedures are inadequate in that they have allowed some schools that are not genuinely newly established to receive this form of funding. A
number of examples have already been alluded to.

A school in Charters Towers closed briefly then reopened with a new governing board, but essentially the same students and teachers. A school in Geelong was described by the relevant state registration authority as essentially a new senior campus of another school, with all year 10 to 12 enrolments transferred from the existing campus to the new campus only metres away, and a governing council almost identical to that of the existing school. In Perth a new secondary campus of a large multicampus school had all existing secondary enrolments transferred from other campuses to the new campus, with the same CEO and governing structure as the other campuses.

In the case of these three examples, which in my view clearly are outside the guidelines of this program, it was their unusually large enrolments for new schools that attracted people’s attention. As I have said, the average size for new schools prior to 2000 was 42 students, and this figure had remained relatively stable since the abolition by the current government of the New Schools policy in 1996. But the enrolment in these three allegedly new schools ranged from 200 to over 800, overnight bringing the average size for new schools to 92, or well over double the previous figure. The department did not investigate these schools in order to ascertain whether they were genuinely ‘new’. The only criterion employed by the department federally to identify a ‘new’ school was and continues to be only its state or territory registration. Any non-government school newly registered is automatically eligible for this financial assistance. There is, moreover, no application process, and thus no onus is placed on a school to prove that it is actually ‘new’ and, therefore, eligible for a grant. The three cases cited should have made the schools ineligible under the guidelines, but establishment grants were automatically paid.

Labor does not believe that this approach can continue. Taxpayer funds should be provided in a manner which is transparent and accountable. We believe that the bill does not satisfy this very important test. The bill provides for an uncapped stream of taxpayer funds without the need for a direct application, nor any mechanisms to ensure that funds go only to genuinely new schools and that they are accountable for the use of funds for genuine establishment purposes. Labor’s proposed amendments, in our view, will tighten the administration of the program so that double dipping and the misuse of taxpayers’ funds does not occur. We are attempting also in the suggested amendments to reintroduce the notion of funding on the basis of need by the proposal to exclude high fee schools from the program and by introducing a sliding scale of per capita grants for new schools with an SES score exceeding 100.

In Labor’s view, the amendments should be supported by the government, for the proposals that we are putting are underpinned by the principles of accountability, transparency and equity. It is on that basis that we urge the government to give our amendments serious consideration and accept that they are put forward in good faith on the basis that we believe that we are all collectively accountable for the use of taxpayer funds, that we do not support an uncapped, open-ended system, but a system that attempts to provide public funding on the basis of need in a manner that is fair, that is transparent and for which the new schools should be properly accountable.

Mrs DE-ANNE KELLY (Dawson) (10.15 p.m.)—I rise to speak on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2002. We seem to be making a habit of this: this bill has come before the House just so many times. In fact, I believe I have spoken on this on two previous occasions. It has been voted down, of course, on two previous occasions by the Labor Party and the Democrats in the Senate. Let us hope that the third time proves to be lucky.

I could not help but listen to the member for Throsby—I know she is a new member in the House and I am very reluctant, therefore, to criticise her address in any way, but it is the old class wars of the 1950s and 1960s. Good grief, we are in a new century. ‘Rich, private schools’! Let us have a look at
the list of these ‘rich, private schools’. In fact, let us just talk about the ones in Dawson—I would love to find one; I wish my electorate was doing that well. There is St Joseph’s, situated in a very low income area with a wonderful, dedicated staff; St Patrick’s; St Anne’s; St John’s at Walkerston, educating children of mill workers; and Burdekin Catholic High School—again, the parents of many of the young people that go there struggle and save to send their children there.

We are hearing from those opposite the old, hackneyed class war arguments. The reality is that in my electorate most of the private schools—in fact, 99 per cent of them—cater to struggling communities and parents that work damn hard to save their money. I am tired of the people on that side of the House putting them down, sneering, trying to do us over here because we want to give an opportunity for parents to have a choice in this country. Yes, government schools need to be funded—of course they do. In the last government we increased the funding to government schools by 42.7 per cent—far better than the states that, miserebly, cut their funding. The Beattie government cut out the secondary schools renewal program to every country school in Queensland—and many of them in my electorate. So much for the states! But we increased the funding by 42.7 per cent.

The other thing we did was to provide an opportunity for communities that struggled to have a choice. I do not think that is so bad; nor, oddly enough, do the parents. We have had new schools set up in Dawson—Whitsunday Community School and a variety of others—all of which are starting afresh. They are only small schools, but they are doing very well. Fortunately, none of my schools are caught up in this latest class war. If the new minister is trying to do to ensure that parents and children have choice in education. But, there are, I am ashamed to say—and should the opposition—58 new schools caught up in, again, this old, hackneyed class war of the 1950s. As I have said, these are not wealthy schools—not by any manner of means. In fact, I notice there is an indigenous school listed in those that the minister has put forward.

What is the Labor Party offering? I read the speeches in the House from successive members opposite when they refused to address the issue in the last parliament. They waffled on about all that was on the Labor Party’s web site—Knowledge Nation, which I must say so much caught the imagination of the Australian people during the election that I cannot remember a single person in my electorate mentioning it.

Mr Hardgrave—Noodle nation!

Mrs DE-ANNE KELLY—The Treasurer did refer to it as ‘noodle nation’. The former member for Dobell, the opposition spokesman on education, sought to coerce the then minister, Dr Kemp, by insisting that the Commonwealth provide the public school system with an additional $30 million before the Labor Party would support the bill. Having failed to convince anybody of Knowledge Nation, they resorted to blatant coercion—almost blackmail. Fortunately, the minister did not fall for it. Crude blackmail was not what parents and children in Australia deserved, and I am pleased that the minister did not bow to this pressure. The reality is that this is important. Many children go to fine government schools in my electorate that do an excellent job. Others choose to send their children to a range of very sound non-government schools. Australia is changing. Parents really want to be able to shop around, and children deserve to have the education that suits their needs, whether that is in one of our very good government schools or in one of our very good non-government schools.

I really want to talk about the Labor Party, because I am so disappointed. We hear about them turning over a new leaf. The new leaf has withered on the vine as far as I can see—I have not seen any turning over of a new leaf. We are fighting the same old battles we fought in the last parliament. The reality is that that got nowhere with those on the other side.

In the last election I was concerned that parents understood the arguments that were being put up. The Australian Education Un-
ion and the Queensland Teachers Union bombarded my electorate with all of their false propaganda about ‘rich, private schools’—all of this. The trouble is that most of the parents and children in my electorate—of course, they are in comparatively small communities—knew that the ‘rich, private school’ down the road was struggling just as much as the government school, so that wore pretty thin. Anyway, I thought I must get the truth out. People must understand exactly what the figures are. So I letterboxed everybody in the whole of the Pioneer Valley, west of my electorate—hundreds, thousands of letterboxes—and invited people along to an information evening.

Mr Quick—Tens of thousands.

Mrs DE-ANNE KELLY—No, there are not that many people there, actually. As I said, they are small, relatively disadvantaged communities. They are not as wealthy as yours, good sir. Anyway, we sent out thousands and thousands of invitations and I went on the night to explain the situation to all these worried parents. The QTU and the Australian Education Union have the ears of those on the opposite side and they had really stirred people up. Do you know how many people came to that education evening and how many people were worried about what the Labor Party and the QTU were saying? Three. They came along because they were curious to see if I was going to get mobbed. They were relieved that I wasn’t mobbed. In fact, most of their kids went to private or non-government schools and we all had a cup of tea and a bit of a chat, I gave them some information and that was the end of that.

The scare campaign and the stupid old class wars of the 1950s had no effect in my electorate because people live in smaller communities where they understand. They know that the family next door that sends their kids to a religious school for their own personal reasons battles just as much as they do. I want to read out what Glen Milne wrote on Monday because it puts into perspective what the Labor Party is about. He was talking about the ALP’s review of its election performance. As you would be aware, Neville Wran and Bob Hawke are touring the country seeking grassroots opinion on the ALP’s performance in the last federal election. Somebody leaked the minutes to Mr Milne. He said:

Those minutes paint the ALP as a decrepit organisation, populated by self-servers and careerists who are more interested in their own preferment than serving the community or offering a decent policy alternative ...

Mr Hardgrave—What a good secretary!

Mrs DE-ANNE KELLY—Yes, they were very diligent in their note taking. I must say that they do not seem to have suffered because of their education—and nor should they. Everybody in Australia deserves a quality education—especially them. I will continue with a comment from one of those who gave a submission to Mr Wran:

There was a shift in demographics, people living in new residential areas with an average mortgage of $300,000 care only about interest rates and services—people remember Labor’s 17 per cent interest rates. Compare 6 per cent and 17 per cent interest rates and that is why aspirational voter deserted us.

I couldn’t have put it better myself. The reality is that people aspire to new jobs, new opportunities and a future for themselves and their children. Whether their child goes to a government school or a non-government school, they want a quality education. They do not want old class wars or the battles of the 1950s and 1960s that were fought and decided long ago. They want a future. They want to work together.

I am really disappointed that the Labor Party, and particularly a new member such as the member for Throsby, who I understood was very much a thinking member, would simply take on board the arguments of the Australian Education Union. We need to move forward for every child in Australia regardless of where their parents may choose to send them. Every child has the right to a quality education and the best opportunity that we can offer them. As I said, it really does not matter whether they are attending a government school, and there are many fine government schools. But if only the states would play their part in respect of the excellent and, in many cases, struggling non-government schools. To those at St Joseph’s,
St Patrick’s, St Anne’s and the Carlisle Christian College and all those other 58 schools that are being denied funding because of the indifference and backward thinking views of those in the opposition, I trust that thoughtful members of the opposition will see that we have a duty to carry the young people of Australia forward, to offer every child in Australia a quality education regardless of their parents’ background, regardless of their circumstances or where they live.

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! Given that it is close to 10.30 p.m., it would seem appropriate to propose the question:

That the House do now adjourn.

Franklin Electorate: Insurance Premiums

Mr QUICK (Franklin) (10.28 p.m.)—Before I start, may I add my congratulations on the fact that you are continuing in the excellent role of Speaker. I wish you well in the 40th Parliament.

The SPEAKER—I thank the member for Franklin.

Mr QUICK—Like most Australians, I rely upon insurance companies to insure my house, its contents and my car. Living in a particular suburb in any Australian capital city should not see you discriminated against by the insurance companies, but I am afraid that that is so. It was great when your insurance company was locally based in your capital city and if there were difficulties you could actually speak to someone over the phone or, better still, talk to them at the front counter to resolve any matter that was concerning you. That is not so these days. Local corporate responsibility has vanished to the corporate boardrooms in Sydney and Melbourne and the horrible 13 numbers—press one, two, three etcetera for various options—and the ordinary punter is fobbed off feeling totally disenfranchised.

The cry in many parts of my electorate that ‘banks suck’ has now been joined by the chorus of ‘insurance companies suck’. Suburb discrimination is now so widespread that the opportunities for young people to place their feet on the ladder of home ownership in low socioeconomic areas are greatly lessened. For a young couple to save for years with their bank to accumulate a required deposit, to save additional sufficient funds to pay the necessary legal fees and stamp duties and then to find a house for sale that they can afford, one would assume that they would then be so happy. This young couple unfortunately found their dream home worth $65,000—would you believe?—in a suburb whose postcode has a flag attached to it. This flag tells the mortgage insurers that they must inform the bank that the couple must be told that in this suburb the deposit is double—not 10 per cent, but 20 per cent.

If this couple had travelled several kilometres up the highway and sought to purchase a house for $120,000 in a suburb there, there would be no such discriminatory flag. The only discrimination would be that the couple would find themselves buried up to their necks in debt. It is about time mortgage insurers, or reinsurers, were brought to task on this issue. Surely the most important criteria for a home loan are: capacity to pay, savings record and the standard 10 per cent deposit.

On another matter, I am extremely concerned that community groups are facing extinction because of the huge increases in public liability insurance premiums. This is not a problem unique to Tasmania—as honourable members around the chamber would realise—it is a national problem for which a national solution must be found. It is not, as this government would have us believe, an issue to be sorted out by the states. There are moves by New South Wales and Victoria—and Tasmania, I believe, is contemplating options as well—but there is no offer of assistance from the federal government to address this real problem.

Community groups in the Franklin electorate are reaching policy renewal dates and have no capacity to pay the increased premiums. What will happen to the disabled people, mostly women, who are provided with recreation options by the Eastern Shore Association in my electorate, that will have to cease operations because it cannot afford the increase in premiums? Will its clients be
confined to their residences, their wheelchairs or their beds, and be denied interaction with other people? Who will take up the functions of groups such as these without the protection of public liability insurance? Our communities will suffer and those who can least afford to lose community services will suffer the most.

Today in the Hobart Mercury it was reported that the Dover Seafest—in that wonderful little town about as far south in Tasmania as you can get—has been scuttled by the high cost of public liability insurance premiums. A nine-year history of community celebration is to be no more, and it is the local people who are the losers in all this. How many more community groups and celebrations in my electorate and around the country will fall foul of the massive increases in public liability insurance premiums?

There is an urgent need to hold a summit of all states and territories, led by the federal government, to come up with a common solution to this pressing problem. As I said earlier, it is a national problem for which a national solution must be found. In the meantime, I do believe the cry in my electorate: 'Insurance companies suck.'

Bombing of Darwin: 60th Anniversary

Mr TOLLNER (Solomon) (10.32 p.m.)—It was very welcoming to hear the Prime Minister commence proceedings today by recalling the tragic event 60 years ago when Japanese bombers and fighter aircraft almost destroyed the town of Darwin. It was doubly significant because his predecessor, wartime Prime Minister Curtin, fearing national alarm, deliberately understated the terrible death toll and damage done to Darwin that day. In fact, a few days after the devastating attack, which left some 243 dead and 300 wounded, Curtin told the nation that there had been just 35 injuries from the raid. The names and numbers of those killed were so effectively suppressed that some interstate families had to wait 30 years before they were informed that their loved ones had been killed in the bombing rather than in invented accidents as they had first been told. It is said that the first casualty of war is the truth, and there can be few better examples of that assertion than the events in Darwin of 19 February 1942 and the Curtin government’s response to the catastrophe. Tonight I would like to place on the record just some of the names of those who were there on that fateful day and who are still there today or whose descendants continue to live and work in the city.

Les Penhall was a post office worker then, but fortunately he was not in the post office when it was destroyed and his fellow workers, including several young girls, were killed by a direct hit. He still lives in rural Darwin in retirement. Friends and wharfies, John Ah Mat and John Cubillo, were down at the Fort Hill jetty when one of the first bombs struck, killing Cubillo. His wife and nine children had been evacuated just days before and they experienced the terror of the subsequent bombing in Katherine.

Eddie Quong, then 17, and his family left Darwin just a few days prior to the raid, but the family was one of the first to return to the devastated city, still under martial law in November 1945. The Quong Bakery’s establishment allowed for the mobilisation of troops who, until then, had been supplying the military town with bread. Eddie is a patriarch who lives to this day with his extensive family in Darwin.

I do not have the time to mention every family whose history goes back to the war years and those whom I omit have my sincere apology. But some of the best known family names in Darwin today: Ah Mat, Cubillo, Liveris, Litchfield, Perron, Paspalis and Paspaley, Chan, Bonson, Chin, Fong, Lim, Lew Fatt, Allwright, Drysdale, Haritos, Tambling and Dondas are some of those whose lives were irrecoverably changed on that fateful day 60 years ago. Their descendants continue to enrich the public, sporting and commercial life of the city more than half a century later.

When the bombs rained down upon Darwin the town ceased to be a mere staging post for allied ships and troops travelling to the war in the north—it was a battleground. War had come to Australia. All Australia, as the Prime Minister said today, felt vulnerable. But no Australians felt more vulnerable than those who called Darwin home. It is
appropriate we pay tribute to them along with the hundreds of Australian and allied soldiers and the civilians who were killed or wounded.

Sydney Electorate: Ballast Point

Ms PLIBERSEK (Sydney) (10.36 p.m.)—I am absolutely thrilled to come into the House today and report that the land at Ballast Point in my electorate, which has been the subject of so much controversy over so many years, will be returned to the people of New South Wales as a harbourside park. Even before my election in 1998 I was the aware of the importance of the old Caltex site at Ballast Point and what it could mean to both residents of Sydney and visitors to Sydney.

We have a beautiful large piece of green on the headland and it is across the harbour from Balls Head, which was returned to the people of New South Wales in 1926 by then Premier Jack Lang. These two green headlands will form a gateway to the western part of the harbour. They will go some of the way to realising Neilsen’s vision of a green band right around Sydney Harbour.

Ballast Point has been used by Caltex for over 80 years, and a small part of the site will continue to be used as a maritime refuelling depot. I think it is an excellent touch, ensuring that Sydney remains a working harbour. Of course, the work of the Ballast Point Committee over the last 11 years has been the backbone of this campaign to protect this special piece of land. Without the work of dedicated individuals such as Roger Parkes, Fergus Fricke and June Lunsman, this piece of ground might have been developed many years ago. Of course, many, many people who cannot be named tonight have all been involved in this campaign to preserve Ballast Point and I am sure that they will be celebrating as I speak.

You could have knocked me down with a feather today when I heard from the New South Wales government that they would be purchasing the whole of this site. I found out today that they were going to acquire the site completely and I believe that this exceeds all of the expectations of the Ballast Point Committee. We have been engaged in long conversations, over many years, about whether we could come to an arrangement with Leichhardt Council or with a developer, whereby a small piece of the land would be developed and the rest of the site would be preserved. But this total purchase of the land exceeded everyone’s expectations, I believe. It says a lot for the tenacity of the local state member, Sandra Nori, that she has persisted in convincing her state colleagues and the notoriously frugal New South Wales Treasurer to part with what I suspect will be quite a large sum of money.

As I said, I am thrilled to be able to tell the House tonight about this terrific victory. But in one respect I am also disappointed. I thought that Ballast Point would be an excellent opportunity for the federal, state and local spheres to work together. We have a piece of land here that has national significance and I have contacted the federal environment minister, the Prime Minister, and the federal tourism minister on many occasions. Most recently, I wrote to the federal environment minister on 15 January this year, again asking whether I could come to him and describe to him this piece of land and show him pictures of how beautiful, important and significant it is. I must say that I am very disappointed that the federal government have consistently ignored their responsibility when it comes to this piece of land.

Mr Kelvin Thomson—What was his reply?

Ms PLIBERSEK—It is interesting that the honourable member should ask about the minister’s reply. I have received no reply. I do not take that personally. I have had questions on the Notice Paper for months and even years at a time that have never received a response from government ministers. But it is an affront to me that the people of Birchgrove and Balmain, the area around Ballast Point—those people whom I am representing when I ask to see the minister—are being ignored. It is their requests that are being ignored. All I can say is that it is a month after I last wrote to the minister for the environment and I have had no response. But it does not matter, because Bob Carr’s government has stepped in where John Howard’s government has failed, and I look for-
ward to spreading my picnic blanket under
those fig trees one day very soon.

Redcliffe RSL: Bushfire Appeal
Back on Track Program

Ms GAMBARO (Petrie) (10.41 p.m.)—I
would like to pay tribute tonight to the Red-
ciffe RSL for their wonderful gala concert in
aid of the Red Cross bushfire appeal. On the
night they were able to raise $8,000. It was a
hugely entertaining night and it was the
brainchild of the RSL manager, John Elliott.
I want to pay tribute to John because he has
come back from a very long illness to as-
sume the management of the club and he is
to be praised for the wonderful effort. On the
night—I have never had such an entertaining
night—we had wonderful entertainers such
as Greg Doonan, John McSweeney, Lucky
Grills, Joey Fermano, Don Whitaker, Peter
James, and John Hughes and his trio, and we
also had Christine Thomson. It was hosted
by Johnny Veen and it was probably one of
the most exciting concerts that has come to
Redcliffe.

The people there were genuine in opening
up their hearts and their wallets and provid-
ing many, many donations and also many
raffle prizes. It was a very heartfelt evening
and I have to pay tribute to the president,
Barry Bolton, who gave a very emotional
address to the people who were gathered
there and also the Narangba fire squadron
and rural fire brigade. Michael Ashthorpe
spoke about his crew’s adventures. I think
the whole room was moved by his account of
the fires and how houses that were next to
raging fires were not affected and houses that
were seven or eight houses away from the
main fire were affected, and it was just
strange. He told this incredible story about a
poor lady who came back, and he spoke
about his work at Sussex Inlet. He gave a
detailed description of the ordeal. It was in-
credible, he said, the way the fire destroyed
one home and left surrounding homes un-
touched. According to Michael, one lady
managed to laugh at the situation when she
saw her wheelie bin half burnt. ‘Well at least
it won’t have to be emptied,” she said. So,
amongst all of this absolute devastation,
Australian humour is still there and gets us
through.

I want to thank all of the people of Red-
ciffe for opening up their hearts. I want to
say what an enjoyable evening it was. I want
to thank the RSL. Also, I want to pay tribute
to John Howard for signing a bottle of wine
for the night, which was auctioned off and
was very well received. The person who
bought that was Des Webb of the Redcliffe
Leagues, and I want to thank him for his
support.

While I am on my feet, I also want to pay
tribute to the Redcliffe police and the Inter-
national Speedway, who have come together
to combat local youth crime. The Back on
Track program is the brainchild of Detective
Sergeant Bruce Graydon of the Redcliffe
Juvenile Aid Bureau and John Kelly from the
Brisbane International Speedway. The pro-
gram is designed for youths 16 or older who
have an interest or hobby. Many youths who
commit crime do not have an interest. What
this allows the youths to do is to race a car in
a speedway for one night. They will enjoy
that experience and it will stop them from
going up and down Anzac Avenue.

We have had a terrible problem in the
Redcliffe CBD, and the police have been
very supportive of this very program. It will
also provide training to youth, the youth be-
ing supervised through the race night by a
police officer or staff member. The Back on
Track program also targets youth who are
very vulnerable, those who have had a past
history of crime—drugs or other unlaw-
ful activity. I also want to congratulate the Red-
ciffe Chamber of Commerce. They have
welcomed and encouraged the program. I
pay tribute to the Redcliffe police and also
the Brisbane International Speedway, and I
hope that this will alleviate much of the ter-
rible problems—I will not say hooning
problems—that we have experienced on the
Redcliffe peninsula, particularly with young
people. I hope that they will enjoy being able
to get out there on the speedway and do what
they like doing most.

Environment: Patchwork Program

Mr KELVIN THOMSON (Wills) (10.45
p.m.)—I will take this opportunity, Mr
Speaker, to congratulate you on your re-
election to the high office of Speaker. I hope
you are able to relax and enjoy yourself
during the life of this parliament. I encourage you to do that, and I say to you that things are never as bad as they look.

The SPEAKER—I thank the member for Wills. I will work on it.

Mr KELVIN THOMSON—On the Friday before last, I had the pleasure of visiting Tasmania. I spoke to a number of people down there to get some briefings on environmental issues—the environment minister, David Llewellyn; HydroTasmania and Forestry Tasmania—and I enjoyed it so much that I will be back there next week talking to the Wilderness Society and a range of Tasmanian conservation groups. I am sure they will have exactly the same message to give me on forestry issues as the people I was speaking with last week.

The group that I spoke with and that I want to bring to the attention of the House was the Tasmanian Council of State School Parents and Friends Associations. The reason I do this is that they had established with Natural Heritage Trust funding a program called Patchwork—‘Adopt a Patch: Building Community Partnerships in Local Bushland’.

This project has been running for several years. However, they sought renewed, continued funding but that was rejected in September last year by then environment minister, Senator Robert Hill. So, as a result, we face the prospect that this particular project will disappear.

This program has enjoyed strong community support. A Natural Heritage Trust evaluation of the project in 2000 was very positive, deeming the project well planned with appropriate management systems. An independent evaluation found participants had increased understanding skills and on-ground experience in sustainable native vegetation management and rehabilitation. I put it to the House that this is a model of good management practice, supporting over 6,000 participants in practical bushland management in their local communities. Some 20 sites are being managed for threatened species—and one of the parents, Jenny, said to me that the patch of bushland which they had adopted included the swift parrot, which is a threatened species. They have developed some 62 management plans as a result of this project, with 10 new sites and with 20 of the existing sites to be increased by 50 per cent. I point out to the House that there are no other bushcare projects involving the education community. Senator Hill launched a national schools action plan which states:

This Government accepts its share of the responsibility for encouraging environmental education in Australian society and offers this action plan as an effective way forward. What we have been developing is a package of measures that complement our initiatives in policy and legislation in particular the Natural Heritage Trust ...

If you withdraw funding from the Adopt a Patch program, that is completely inconsistent with those sorts of objectives. So we have a program which involves many schools in Tasmania—some 62—and as a result we are getting less vandalism due to community involvement and a growth in school pride. Two of the schools have won national awards due to their Adopt a Patch work.

There is a relatively small sum of money involved, and I ask that the minister for environment reconsider the decision made by his predecessor not to spend any further money on this project. I point out that I am told it was rated seventh out of 95 projects by the Tasmanian State Assessment Panel. I ask the minister: how many projects from Tasmania were funded? Were any projects ranked lower than seventh by the assessment panel funded? Has all the money from this particular program been allocated? Unfortunately, we are increasingly discovering that there are a number of environmental programs for which money has been allocated but not spent by this government. I finally ask: why did the government not think this project value for money when it involved primary school students from no fewer than 62 schools, when it attracted involvement by the Tasmanian education department and Greening Australia (Tasmania), and when two of the schools which participated had won national awards as a result of their Adopt a Patch work?

Queensland: Subcontractors Legislation

Mr SCHULTZ (Hume) (10.50 p.m.)—I rise tonight to speak of the urgent need for subcontractors (security of payment) legisla-
Legislation to this effect was passed by the New South Wales state government in 1999, and I understand it has brought about a more secure financial environment for subcontractors in my state. In the south-east area of Queensland and the north-east area of New South Wales, developers, contractors and subcontractors operate on both sides of the border, particularly in the Gold Coast and Tweed Valley areas. One major Queensland building contractor who operates in both these areas is Covecorp Constructions Pty Ltd.

Tonight I wish to table documents which outline the circumstances surrounding a dispute between Covecorp Constructions and a subcontractor, Lynn Civil Pty Ltd, over civil works undertaken for the development of the Great Western Shopping Centre at Keperra in Queensland. A review of these documents clearly indicates that the current situation favours principal contractors because they usually have the financial resources to prolong disputes to a point where the subcontractor has to surrender his claim. It also exposes the vulnerability of subcontractors when a developer of a project and the principal contractor are involved in a protracted dispute.

The documents also raise a serious question about the solvency of Covecorp Constructions. This is the only deduction I can arrive at after reviewing the methods they have used to avoid payment of their legal debt to Lynn Civil over the past 15 months. I call on the relevant Queensland state government authority and the Building Services Authority Queensland to verify that the company is solvent and is in a position to meet its debts as they fall due. I also call on the Queensland Minister for Public Works and Housing and the Building Services Authority Queensland to advise on the legal requirements for principal contractors to achieve level 1 certification for building sites before allowing subcontractors to commence work on that site.

The result of Covecorp Constructions’ delay in meeting their legal obligations to settle their debt to Lynn Civil is that it has caused considerable stress to this small company and has placed them on the verge of bankruptcy. It has led to a serious medical condition for the principal of the company. If Lynn Civil are forced into bankruptcy, 28 employees will be out of work. This would be a sad reflection on the building industry in Queensland. I therefore call on Covecorp Constructions to honour their legal obligation to pay Lynn Civil for the work they completed in accordance with their contract. Mr Speaker, I seek leave to table the documents.

Leave granted.

Defence: Army Reserve

Mr MURPHY (Lowe) (10.53 p.m.)—I rise tonight to bring to the attention of the House a letter I recently received from the Homebush-Strathfield Sub-branch of the Returned Services League of Australia, concerning the fatal treatment of an Australian Army Reserve soldier while on military duty at Holsworthy Barracks, Liverpool Military Area, late last year. I have spoken with the honorary secretary of the sub-branch, Mr Michael Smith, who has asked me to take up this matter with the minister and to also raise it in federal parliament, and that is what I am doing tonight. I am so concerned with the allegations, I have also placed question No. 51 on the first Notice Paper of this parliament. For the benefit of the House, I would like to read Mr Smith’s letter to me:

Dear Mr Murphy,

At our monthly meeting held Sunday 9 December 2001 it was brought to the attention of the members that:

during a recent training exercise at the Holsworthy Barracks, Liverpool Military Area, a Reserve soldier suffered a heart attack. We were informed that he was taken to the Field Hospital located within the barracks. He was however refused treatment due to the fact that he was a Reserve soldier and should have been taken to the nearest civilian medical facility (Liverpool Hospital). As a result of this ‘confusion over responsibility’ the soldier died.

This treatment of Reserve soldiers seems to be in line with current attitudes within Defence. On previous occasions this Sub-Branch has highlighted problems with medical treatment for Reserve soldiers to our State headquarters to pass onto The Defence Department. A number of real life instances were also given as evidence to con-
We feel that the medical treatment meted out to Reserve soldiers is at best 'shabby' and 'Penny pinching'. Reservists give up their time and energy to support this nation in both peace and in war. It would seem that in peace, government is not overly interested in their health and well being.

We, the members of the Homebush-Strathfield Sub-Branch ask that you make representations on our behalf to the Minister of Defence and ask:

Why was a Reserve soldier refused emergency treatment at Holsworthy Barracks when on duty (ie: training)?

Why are Reservists turned away from Defence medical facilities when injured on duty or undergoing training and referred to the nearest civilian medical facility?

On previous occasion we have been assured that this is not the case, however time and time again members of the Reserve are complaining of this treatment. If the government is serious about recruiting and retention for the reserve forces then surely they should provide adequate medical support to those serving members.

We look forward to your reply regards this matter.

Yours sincerely
Michael Smith
Hon Secretary

The issues raised by the Homebush-Strathfield RSL Sub-Branch in its letter to me are very serious issues. They are so serious that the sub-branch has asked me to take this up with the minister and to speak about it in federal parliament. I call upon the Minister for Defence to look into this matter with the utmost urgency, because the issues raised, as I have said, are extremely serious. By way of conclusion, and if it would assist the minister and the House, I seek leave to table a copy of the letter from the Homebush-Strathfield RSL Sub-branch.

Leave granted.
Question agreed to.

House adjourned at 10.59 p.m.

NOTICES

The following notices were given:

Mr Abbott to present a bill for an act to amend the Workplace Relations Act 1996, and for related purposes.

Mr Abbott to present a bill for an act to amend the Workplace Relations Act 1996 in relation to secret ballots for protected action, and for related purposes.

Mr Abbott to present a bill for an act to amend the Workplace Relations Act 1996, and for related purposes.

Mr Abbott to present a bill for an act to amend the Workplace Relations Act 1996 and the Workplace Relations Regulations 1996, and for related purposes.

Mr Hockey to present a bill for an act to amend the Trade Practices Act 1974, and for related purposes.

Mr Tuckey to present a bill for an act relating to the application of the Criminal Code to certain offences, and for related purposes.

Dr Nelson to present a bill for an act to amend the Higher Education Funding Act 1998 and the Australian Research Council Act 2001, and for other purposes.

Ms Worth to present a bill for an act to amend the Therapeutic Goods Act 1989, and for related purposes.

Mr Ian Macfarlane to present a bill for an act to amend the Space Activities Act 1998, and for related purposes.

Mr Ian Macfarlane to present a bill for an act to validate the Proclamation fixing 1 January 2002 as the commencement date of the Coal Industry Repeal Act 2001, and for related purposes.

Mr Price to move:

That this House:

(1) notes the untimely death of 10-year-old Sam Boulding, an asthmatic whose family home telephone was out of order;
(2) expresses its sympathy to Sam's family;
(3) notes that the ACA survey found 40% of people were dissatisfied at the service provided by Telstra;
(4) notes the continuing contracting out of services by Telstra;
(5) notes that the current Communications Service Guarantee fails to take into account apparent persistent faults; and
(6) calls upon Telstra to deliver a timely service to all customers in metropolitan and rural and regional areas.

Mr Kerr to move:
That this House calls on the Government to establish a formal and public review of the effectiveness and equity of the 30 per cent tax rebate for private health insurance schemes.