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Thursday, 21 February 2002

The SPEAKER (Mr Neil Andrew) took the chair at 9.30 a.m., and read prayers.

IMMIGRATION: ‘CHILDREN OVERBOARD’ AFFAIR

Mr SWAN (Lilley)—Manager of Opposition Business) (9.31 a.m.)—I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Lilley moving forthwith—that this House:

(1) condemns the former Minister for Defence for wilfully and deliberately misleading the Australian people about advice to the Government whether children were thrown overboard from the SIEV4; and

(2) calls on the Prime Minister to immediately advise the House whether the former Defence Minister misled him or whether he too has wilfully and deliberately misled the Australian people about claims children were thrown overboard from the SIEV4.

There is nothing the Howard government will not do to save their—

Mr ABBOTT (Warringah—Leader of the House) (9.31 a.m.)—I move:

That the member be not further heard.

The House divided. [9.36 a.m.]

(The Speaker—Mr Neil Andrew)

Ayes…………. 78
Noes…………. 64
Majority………14

AYES

Abbott, A.J. Andrews, K.J. Johnson, M.A.
Anthony, L.J. Bailey, F.E. Katter, R.C.
Baird, B.G. Baldwin, R.C. Kelly, J.M.
Barresi, P.A. Bartlett, K.J. Ley, S.P.
Billson, B.F. Bishop, B.K. Macfarlane, I.E.
Bishop, J.I. Brough, M.T. Moylan, L.E.
Cadman, A.G. Causley, I.R. Nelson, B.J.
Charles, R.E. Ciobo, S.M. Panopoulos, S.
Cobb, J.K. Costello, P.H. Prosser, G.D.
Downer, A.J.G. Draper, P. Randall, D.J.
Dutton, P.C. Elson, K.S. Schultz, A.
Entsch, W.G. Farmer, P.F. Secker, P.D.
Forrest, J.A. * Galthus, C.A. Smith, A.D.H.
Gambaro, T. Gash, J. Southcott, A.J.
Georgiou, P. Gelligher, L. Thompson, C.P.
Hardgrave, G.D. Hartshuyser, L. Tollner, D.W.
Hawker, D.P.M. Hockey, J.B. Tuckey, C.W.
Hull, K.E. Hunt, G.A. Vale, D.S.

* denotes teller

Jull, D.F. Kelly, D.M.
Keller, D.M. Kemp, D.A.
Lindsay, P.J. May, M.A.
McGauran, P.J. Nairn, G. R.
Neville, P.C. Peiris, A.J.
Pyne, C. Ruddock, P.M.
Scott, B.C. Slipper, P.N.
Somlyay, A.M. Stone, S.N.
Ticehurst, K.V. Truss, W.E.
Vaile, M.A.J. Wakeham, B.H.
Williams, D.R. Worth, P.M.

NOES

Adams, D.G.H. Albanese, A.N.
Andren, P.J. Beazley, K.C.
Bevis, A.R. Brereton, L.J.
Burke, A.E. Byrne, A.M.
Corcoran, A.K. Cox, D.A.
Crosio, R.A. Daniel, M.
Edwards, G.J. Ellis, A.L.
Emerson, C.A. Evans, M.J.
Ferguson, L.D.T. Fergusson, M.J.
Fitzgibbon, J.A. George, J.
Gibbons, S.W. Gillard, J.E.
Grierson, S.J. Griffin, A.P.
Hatton, M.J. Hoare, K.J.
Irwin, J. Jackson, S.M.
Jenkins, H.A. Kerr, D.J.C.
Kemp, D.A. Latham, M.W.
Lawrence, C.M. Livermore, K.F.
Macklin, J.J. Martin, S.P.
McClelland, R.B. McFarlane, J.S.
McLeay, L.B. McMullan, R.F.
Melham, D. Mossfield, F.W.
Murphy, J. P. O’Byrne, M.A.
O’Connor, G.M. O’Connor, B.P.
Plibersek, T. Price, L.R.S.
Quick, H.V. * Ripoll, B.F.
Roxon, N.L. Rudd, K.M.
Sawford, R.W. Sciacca, C.A.
Sercombe, R.C.G. Sidebottom, P.S.
Smith, S.F. Snowdon, W.E.
Swan, W.M. Tanner, L.
Thomas, K.J. Vamvakinos, M.
Wilkie, K. Zahra, C.J.

* denotes teller
Question agreed to.

The SPEAKER—Is the motion seconded?

Mr RUDD (Griffith) (9.44 a.m.)—I second the motion. John Howard is caught hook, line and sinker—Peter Reith, the hook, and Max Moore-Wilton is the sinker.

Mr ABBOTT (Warringah—Leader of the House) (9.45 a.m.)—I move:

That the member be not further heard.

The House divided. [9.46 a.m.]

(The Speaker—Mr Neil Andrew)

Ayes.......... 77
Noes.......... 66
Majority....... 11

AYES
Abbott, A.J. Andrew, K.J. Tuckey, C.W.
Anthony, L.J. Bailey, F.E. Vale, D.S.
Baird, B.G. Baldwin, R.C. Washer, M.J.
Barresi, P.A. Bartlett, K.I. Worth, P.M.
Billson, B.F. Bishop, B.K. Other Ayes.
Bishop, J.I. Brough, M.T. Other Ayes.
Cadam, A.G. Causley, I.R. Other Ayes.
Charles, R.E. Ciobo, S.M. Other Ayes.
Cobb, J.K. Costello, P.H. Other Ayes.
Downer, A.J.G. Draper, P. Other Ayes.
Dutton, P.C. Elson, K.S. Other Ayes.
Entsch, W.G. Farmer, P.F. Other Ayes.
Forrest, J.A. * Gallus, C.A. Other Ayes.
Georgiou, P. Haase, B.W. Other Ayes.
Hardgrave, G.D. Hartsuyker, L. Other Ayes.
Hawker, D.P.M. Hockey, J.B. Other Ayes.
Hull, K.E. Hunt, G.A. Other Ayes.
Johnson, M.A. Jull, D.F. Other Ayes.
Katter, R.C. Kelly, D.M. Other Ayes.
Kelly, J.M. Kemp, D.A. Other Ayes.
Ley, S.P. Lindsay, P.J. Other Ayes.
Macfarlane, I.E. May, M.A. Other Ayes.
Moylan, J. E. Nairn, G. R. Other Ayes.
Nelson, B.J. Neville, P.C. Other Ayes.
Panopoulos, S. Pearce, C.J. Other Ayes.
Prosser, G.D. Pyne, C. Other Ayes.
Randall, D.J. Ruddock, P.M. Other Ayes.
Schultz, A. Scott, B.C. Other Ayes.
Secker, P.D. Slipper, P.N. Other Ayes.
Smith, A.D.H. Somlyay, A.M. Other Ayes.
Southcott, A.J. Stone, S.F. Other Ayes.
Thompson, C.P. Ticehurst, K.V. Other Ayes.

NOES
Adams, D.G.H. Albanese, A.N. Adams, D.G.H.
Andren, P.J. Beazley, K.C. Andren, P.J.
Bevis, A.R. Brereton, L.J. Bevis, A.R.
Burke, A.E. Byrne, A.M. Burke, A.E.
Corcoran, A.K. Cox, D.A. Corcoran, A.K.
Crosio, J.A. Danby, M. * Crosio, J.A.
Edwards, G.J. Ellis, A.L. Edwards, G.J.
Emerson, C.A. Evans, M.J. Emerson, C.A.
Ferguson, L.D.T. Fergusson, M.J. Ferguson, L.D.T.
Fitzgibbon, J.A. George, J. Fitzgibbon, J.A.
Gibbons, S.W. Gillard, J.E. Gibbons, S.W.
Grierson, S.J. Griffin, A.P. Grierson, S.J.
Hall, J.G. Hatton, M.J. Hall, J.G.
Hoare, K.J. Irwin, J. Hoare, K.J.
Jackson, S.M. Jenkins, H.A. Jackson, S.M.
Kerr, D.J.C. King, C.F. Kerr, D.J.C.
Latham, M.W. Lawrence, C.M. Latham, M.W.
Livermore, K.F. Macklin, J.L. Livermore, K.F.
Martin, S.P. McClelland, R.B. Martin, S.P.
McFarlane, J.S. McLeay, L.B. McFarlane, J.S.
McMullan, R.F. Melham, D. McMullan, R.F.
Mossfield, F.W. Murphy, J. P. Mossfield, F.W.
O‘Byrne, M.A. O’Connor, G.M. O‘Byrne, M.A.
O’Connor, B.P. Plibersek, T. O’Connor, B.P.
Price, L.R.S. Quick, H.V. * Price, L.R.S.
Ripoll, B.F. Roxon, N.L. Ripoll, B.F.
Rudd, K.M. Sawford, R.W. Rudd, K.M.
Sciaccia, C.A. Sercombe, R.C.G. Sciaccia, C.A.
Sidebottom, P.S. Smith, S.F. Sidebottom, P.S.
Snowdon, W.E. Swan, W.M. Snowdon, W.E.
Tanner, L. Thomson, K.J. Tanner, L.
Vamvakinou, M. Wilkie, K. Vamvakinou, M.
Windsor, A.H.C. Zahra, C.J. Windsor, A.H.C.

* denotes teller

Question agreed to.

Original question put:

That the motion (Mr Swan’s) be agreed to.

The House divided. [9.50 a.m.]

(The Speaker—Mr Neil Andrew)

Ayes.......... 65
Noes.......... 78
Majority....... 13

AYES
Adams, D.G.H. Albanese, A.N. Adams, D.G.H.
Andren, P.J. Beazley, K.C. Andren, P.J.
Bevis, A.R. Brereton, L.J. Bevis, A.R.
NOES


* denotes teller

Question negatived.

**HUMAN RIGHTS AND EQUAL OPPORTUNITY COMMISSION AMENDMENT BILL 2002**

**First Reading**

Bill presented by Mr Williams, and read a first time.

**Second Reading**

Mr Williams (Tangney—Attorney-General) (10.02 a.m.)—I move:

That this bill be now read a second time.

The Human Rights and Equal Opportunity Commission Amendment Bill 2002 will ensure that the states are bound by the complaints and remedies provisions in the Human Rights and Equal Opportunity Commission Act 1986.

The bill is needed to rectify a drafting oversight that was identified in a Federal Magistrates Service case late last year called Rainsford and State of Victoria [2001] FMCA 115.

The oversight occurred in amendments in the act that commenced on 13 April 2000.

These amendments were made in the Human Rights Legislation Amendment Act (No. 1) 1999—the amendment act.

Prior to the commencement of the amendment act on 13 April 2000, the legislative structure for handling complaints alleging unlawful discrimination was set out in each of the acts dealing with the specific areas of sex, disability and race discrimination—that is, the Racial Discrimination Act...
The complaints and remedies provisions in each of these acts bound the states prior to the commencement of the amendment act.

When the complaint handling structure was moved from the three specific acts into the act, no provision was made to ensure that the act bound the states in relation to complaints and applications to courts. The provisions in each of the antidiscrimination acts continued to apply to the states in the same way as before—but the complaint handling structure did not.

This was an unintended drafting oversight in the amendment act.

The reforms in the bill will make sure that actions for unlawful discrimination under Commonwealth antidiscrimination law can be brought against a state in the same way as before the amendment act. These amendments have retrospective effect from 13 April 2000 so that there is no gap in coverage.

Individuals who believe that they have been discriminated against by a state since that time will be able to pursue a complaint after commencement of the bill—as if the drafting oversight had not occurred.

This will be welcome news to applicants in Commonwealth antidiscrimination cases against states.

Since the amendment act states have acted as if they were bound by Commonwealth antidiscrimination law—as indeed they were intended to be.

The measures in the bill simply reinstate the situation that was believed by all to be the case prior to the Rainsford decision.

Consistent with this government’s commitment to the effective operation of Commonwealth antidiscrimination laws, the government has moved quickly to remedy this unintended drafting oversight.

The bill will have little, if any, financial impact.

I commend the bill to the House and present the explanatory memorandum to the bill.
This bill also amends the Veterans’ Entitlements Act 1986 in relation to the treatment of financial assets which are regarded as unrealisable for the purposes of hardship provisions under the assets test. In hardship cases, such unrealisable assets will also not be regarded as a financial asset when applying deeming provisions under the income test.

This means that in future the actual return on an unrealisable asset will be counted as ordinary income, rather than the deemed rate of return.

The treatment of income streams will be amended to ensure that the conditions applied to income streams under the means test will be clear and unambiguous. These amendments will also correct a number of anomalies and unintended consequences.

Finally, this bill will change the payment of income support instalments, which currently are rounded to the nearest multiple of 10c. In future, instalments of income support will be paid to the nearest cent, bringing Veterans’ Affairs arrangements into line with the calculation of pension instalments paid through the social security system.

This bill demonstrates the government’s ongoing commitment to improving the repatriation system to benefit those in the veteran community who most need our help.

Debate (on motion by Mr Zahra) adjourned.
rata benefit to be paid where the relationship had existed for less than three years.

The Superannuation Act 1976 will also be amended to provide an option for members on retirement to elect for a lower initial rate of pension so that a higher rate of reversionary pension can subsequently be payable to a surviving eligible spouse or eligible child. That act will also be amended to allow for additional superannuation amounts to be paid into the CSS fund on behalf of members in certain circumstances so that members can consolidate their superannuation in the one fund.

The Superannuation Act 1976 and the Superannuation Act 1990 will be amended for a number of other purposes. Currently, there are restrictions on the options available on involuntary retirement under those acts where membership ceases in the circumstances of the sale of an asset or transfer of a function. The bill will remove those restrictions and provide for an additional option to become available where a person ceases membership in those circumstances but is not entitled to involuntary retirement benefits.

The bill also includes amendments to those acts to simplify the rules of the schemes and the administration of those rules. These changes are not intended to disadvantage scheme members and in many cases will be beneficial or will provide more flexibility or more certainty for members.

The bill amends the Parliamentary Contributory Superannuation Act 1948 to clarify a number of provisions, for example, to ensure an orphan’s benefit is payable where the surviving parent is not entitled to a reversionary benefit, and to cease the payment of transfer values to the parliamentary scheme.

It also amends the Administrative Appeals Tribunal Act 1975, the Law Officers Act 1964 and the Workplace Relations Act 1996, which provide, among other things, for the terms and conditions of employment for certain persons. The amendments ensure that the superannuation arrangements for persons who leave the CSS or the PSS to join the Judges’ Pension Scheme under the provisions of those acts will comply with the superannuation guarantee arrangements.

**Financial Impact**

Although the bill includes provisions that provide for new benefit options, there is no financial impact as these benefits are currently being paid under other arrangements, for example, under the act of grace arrangements. I commend the bill to the chamber and present the explanatory memorandum.

Debate (on motion by Mr Zahra) adjourned.

**TAXATION LAWS AMENDMENT BILL (No. 1) 2002**

First Reading

Bill presented by Mr Slipper, and read a first time.

Second Reading

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (10.15 a.m.)—I move:

That this bill be now read a second time.

The plantation forestry industry plays a vital role in the government’s national forest policy. The policy supports the expansion of Australia’s commercial softwood and hardwood plantations to provide an economical, reliable and high quality wood resource for industry. The policy is an important strategy for the ecologically sustainable development of Australian forests.

This bill includes a measure to stimulate investment in plantation forestry managed agreements, by providing an immediate tax deduction for specific prepaid expenditure invested in one of these agreements. It will apply to the component of the investment that relates to seasonally dependent agronomic activities occurring during the establishment period. The prepaid activities will have to be completed within 12 months of the activity commencing and by the end of the following income year. At the same time, managers of these investments will have to include the prepayments in assessable income in the year in which the investors can claim the deductions, rather than when the work is done.

Without this stimulation, there is concern that plantation targets for the sustainable de-
development of Australia’s forests would not be met.

The bill also includes an amendment to the non-commercial losses rules, to remove an unintended limitation on the Commissioner of Taxation’s discretion under the rules. The amendment will allow the commissioner’s discretion to be exercised in all the relevant years where this is consistent with the nature of the business activity, regardless of whether a profit is made or one of the tests has been met on a one-off basis during that time. This has particular relevance for the plantation forestry industry, where normal practices such as thinning may produce a one-off profit or passing of a test.

I commend this bill to the House and I present the explanatory memorandum.

Debate (on motion by Mr Zahra) adjourned.

TARIFF PROPOSALS

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (10.18 a.m.)—I move:

The tariff proposal which I have just tabled contains alterations to the Excise Tariff Act 1921.

Excise Tariff Proposal No. 1 (2002) formally places before parliament proposed changes to the duty provisions for excisable blended petroleum products that will allow the water component of emulsified diesel-water fuel blends produced by manufacturers licensed under the Excise Act 1901 to be free of excise duty.

These changes have previously been gazetted to commence on 25 October 2001, and are now being tabled in the House in accordance with section 160B of the Excise Act 1901.

Around the world, new fuels and technologies are being developed, trialled and commercialised in response to environmental concerns. There is evidence to suggest that one such fuel, a blend of automotive diesel fuel and water, emulsified using a small percentage of proprietary additives, offers a cost-effective way to reduce harmful emissions from heavy-duty engines without expensive modification to vehicles.

Several companies are seeking to promote these technologies in Australia. The difficulty these companies face is that, under existing legislation that took effect in 1994, excise applies to the totality of the blended fuel, including the water component.

The government accepts the arguments put by proponents that the water provides no energy in the emulsified diesel blend and accordingly does not consider this proposal will result in any significant loss of excise revenue.

A summary of the alterations contained in this proposal has been prepared and is being circulated.

I commend the proposal to the House.

Debate (on motion by Mr Zahra) adjourned.

WORKPLACE RELATIONS

AMENDMENT (FAIR DISMISSAL)

BILL 2002

Second Reading

Debate resumed from 20 February, on motion by Mr Abbott:

upon which Mr McClelland moved by way of amendment:

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

whilst not declining to give the Bill a second reading, the House:

(1) confirms that the protection from being unfairly dismissed is a fundamental safety net issue for Australian workers and their families irrespective of the size of the business in which they are employed;

(2) notes that the Australian Labor Party, in Opposition and as a future Government, is committed to working with small business, employees and peak bodies to make unfair dismissal laws more effective by addressing procedural complexities and costs; and

(3) condemns the government for:

(a) promoting socially divisive policies for its political purposes;
(b) using the issue of unfair dismissal to deflect criticism of the fact that its taxation policies have tied up small business in
an unprecedented level of complexity and red tape;

(c) proposing legislation that would actually expose small business to other areas of more complex and costly litigation;

(d) undermining the security that unfair dismissal laws have given Australian workers and their families;

(e) failing to assist small business to develop effective human resource strategies in terms of the selection, ongoing training, supervision and management of employees;

(f) failing to heed calls from the small business community for a more constructive approach to the issue of unfair dismissal that is likely to result in uniform national standards underpinned by the concept of a “fair go all round”.

Mr HARTSUYKER (Cowper) (10.22 a.m.)—I came to this House as a representative of my electorate, but I also came as a representative of small business. I must say that Labor’s unfair dismissal laws discriminate against small business very greatly, destroy business confidence and reduce employment opportunities for countless young Australians. People who work in small business work very hard indeed. I have many hardworking small business people in my electorate; not only the proprietors of small business but also the employees of small business. Many small businesses run as a team. They run as a very close-knit unit. The unfair dismissal laws that were introduced by the Labor Party severely discriminate against the ability of many small businesses to take that plunge and employ extra workers.

The Workplace Relations Act 1996 attempted to redress this ridiculous situation, but Labor blocked a number of vital elements of the original bill. The Workplace Relations Amendment (Fair Dismissal) Bill 2002 addresses some of those concerns. The new bill will prevent new small business employees, other than apprentices and trainees, applying under the Workplace Relations Act for a remedy in respect of unfair dismissal. It will also require the Australian Industrial Relations Commission to dismiss unfair dismissal applications that are made against small businesses. I think part of the fallacy of the unfair dismissal laws is based on the belief that a small business operator has somehow an incentive to want to get rid of his staff on an unfair basis. As someone who has been involved in small business for many years and as someone who liaises very closely with the small business sector, I can tell you that in any enterprise their greatest resource is their people. If they are unfairly dismissing people they are reducing their skills base, they are diminishing their expertise, they are destroying their product knowledge and they are getting rid of their customer relations staff. For people involved in small business their greatest resource is their employees. In a practical sense and in an economic sense there seems no logical reason for a small business to act improperly and unfairly dismiss staff.

There are countless examples of employees who have conducted activities such as theft and who have benefited from Labor’s legislation at the expense of decent Australians who cannot get work. An important point to make is that if more small businesses had the confidence to go out there and employ more staff there would be more employment opportunities for our young people, there would be more employment opportunities for our older Australians and there would be less welfare dependency. It is a very important issue. We have heard the figure of $50,000 quoted, and I will quote it again: there is the potential to create another 50,000 jobs by virtue of the improvements in this bill in the area of unfair dismissal. Countless business owners tell me that, if it were not for the unfair dismissal provisions, they would put on staff. It is a story I hear again and again. We as a government are committed to getting the settings right for small business.

Large businesses have very extensive human resource departments. They are better able to handle the issues of the unfair dismissal laws. But it is the small business owners that suffer greatly: the bakery owner, the garage owner—the people who are working 12 hours and 15 hours a day and who do not want to be faced with the prospect of an unfair dismissal hearing. These laws certainly are a major detriment to them in their hiring decisions. I hear this from the
bakeries, from the service station, down at the joinery and at the cafe. In fact, a Morgan and Banks survey says that businesses are 16.4 per cent less likely to hire because of unfair dismissal legislation, and a Yellow Pages survey in 1997 said that 33 per cent of firms would be more likely to recruit if they were exempt from the unfair dismissal laws. As I said, another 50,000 jobs could be created if it were not for the unfair dismissal laws: one in 20 businesses would be likely to hire an extra employee, creating another 50,000 jobs.

It was a coalition promise to reform this unfair dismissal legislation. The unfair dismissal legislation is an issue I am very passionate about. I am also very passionate about creating jobs in my electorate and in the nation generally. We in the National Party are very focused on regional Australia and we are very focused on all small business. Regional Australia have a far greater dependency on small business. We do not have the great number of large employers out there to provide employment opportunities, so a large proportion of our labour force is employed in small business. That is why this unfair dismissal legislation is so important to regional Australia and so important to those smaller centres and towns where virtually every business is a small business. Those businesses are not, in many cases, well trained in human relations, they are not well trained in the documentation that goes with it. They see unfair dismissal legislation as being a major impediment to hiring new staff. The thing about a job is that it empowers individuals, it creates self-esteem, it lifts the whole community. That is very important in our smaller communities. Some of those smaller communities are doing it very tough. Providing one extra job in one in 20 small businesses would be a great boon to those small communities, raising the self-esteem of the individual and raising the self-esteem of those communities. It would be a win-win situation, reducing welfare dependency by allowing government funds to be channelled elsewhere merely because we would be taking away the disincentive of small businesses to hire more staff.

Our good friends the Labor Party: the axis of obstruction! That is the term used by my colleague the member for Dawson—and it is a very appropriate one. I do not think the Labor Party can see the business reality of the burden that the unfair dismissal laws place on our small business community. It is a terrible situation when the potential for employment creation is reduced merely by the fact that we have not got laws that are more conducive to the hiring of staff. We have got laws that actually benefit those who tend to act improperly rather than laws that benefit the countless many good Australians, hard-working Australians, who are keen to do the right thing, who are keen to get a job, who are keen to be productive.

I have to say again that small business is a team effort. Many of the small businesses I know are like families. The proprietor and their staff work hand in hand to produce the goods and services for that community, to produce the wealth of that community. They would employ more workers if it were not for these draconian unfair dismissals provisions. These amendments to the Workplace Relations Act are going to address that. I commend to this House the principle of creating more employment, not putting barriers to the creation of employment.

Mr PRICE (Chifley) (10.30 a.m.)—I am pleased to have an opportunity to speak in this debate on the Workplace Relations Amendment (Fair Dismissal) Bill 2002. I would like to congratulate the honourable member for Cowper. Our candidate for Cowper, Jenny Bonfield, although she was unsuccessful in this attempt, has a small business background. I would suggest to the honourable member for Cowper that while I commend him for being passionate about job creation—I, too, am very passionate about job creation—he should also be passionate about the truth, and the truth is that there has been absolutely no study undertaken that would verify a connection between unfair dismissals and job creation. It is not I saying this; in fact, it is the full bench of the Federal Court that has said this—an august body like that.

In this House it would be nice if we could agree about things, and I think everyone in
this House agrees about the necessity for job creation. But it should not be underpinned by an untruth or by a statement which has never been validated—50,000 jobs is just hollow rhetoric. I wonder whether the minister’s own department has drawn this to his attention. Perhaps the minister at the table would be able to advise us: what is the basis for this claim, which has been so fallaciously repeated year after year by this government?

I do not know of a member in this House, and particularly on this side, that does not take an interest in small business and does not have a range of people from small business that discuss the challenges that confront small business. There is no doubt that in terms of business undertakings small business is the front line. It is also the area where most jobs are generated. It is not big business—big businesses are forever outsourcing and downsizing. If the share market goes down then a managing director or chief executive officer will get up and make a statement saying that they are now going to shed more jobs, and we all know that that is the instant way in which to boost the share price of a large company.

On the Labor side, we would make a few claims. We were actually the first government to ever have a minister for small business. We did recognise the importance of this sector. I am very pleased as a member of parliament to have had a long-term relationship with Rob Bastian, who was the chief executive of COSBOA, one of a number of small business peak organisations. It is also very true that small business is so diverse in its undertakings and operations. It is very hard to bring down policies that will suit all small business.

In my experience, the one thing that drove small business nuts was the introduction of the GST. It was never going to be a problem for the larger enterprises or for the medium enterprises because they had the computer capacity and the personnel such that they could readily encompass the huge changes that GST meant for the operation of business undertakings. It was small businesses that really bore the brunt of that particular reform. Many of them had to spend up to $20,000 getting computers, getting training and getting geared up to respond. The introduction of the GST has been the biggest negative in recent times, rather than unfair dismissals. I can tell you of a number of small businesses in my electorate that with the introduction of the GST were making marginal profits and they decided to close shop. It was all too hard for them. With that went quite a number of jobs. I do not think Chifley was exceptional in that regard.

On the Labor side, we are always concerned about protecting workers’ rights. We are very concerned about people who are or would be unfairly dismissed. I think it is fair to say that there is a lot of mythology that has grown up about unfair dismissals. On the one hand, we can give you case after case about people being unfairly dismissed but on the other side you can also have the situation where there has been a horrific unfair dismissals case. I have about 7,000 small businesses in my electorate and I do not think there has been a great many situations of unfair dismissal. But that does not mean that there is not a bit of folklore in my small business community about unfair dismissals.

To me, the nub of the problem has been that an employee has been dismissed—we can think of a number of circumstances—when clearly that dismissal was justified. In the past, small business people have been confronted with a business decision. They have been advised that, yes, they will win the case, but in winning the case they will have to spend several thousand dollars, so they make a business decision: a settlement will solve the problem. That is what they do. By avoiding the prosecution of an otherwise successful case, they save themselves several thousand dollars. What has always dogged unfair dismissals has been the issue of cases that lack merit. I know that a change has been proposed. But I need again to put on the public record that a raft of unscrupulous solicitors in my state are free to advertise, saying, ‘Irrespective of the circumstances of your dismissal, contact us and we will get you a settlement.’ That does nothing for those who have been improperly and most unfairly dismissed—I have no truck with those cases—but I have to say that that is the mythology that has grown up.
There have been huge changes in the workplace. Many part-time and casual jobs and the new phenomenon of labour hire firms have been created and have completely changed employment patterns. Those changes in the workplace underpin the comments of the full bench, which suggested that the mythology of the creation of 50,000 jobs is just that.

I certainly want small business to have a fair go. I make no apology that we on the Labor side think that since the coalition government came to power many things have been taken from dedicated workforces. I often am amused by government members who say that they are a team and that teams are the most precious commodity in any organisation. I agree with that, but increasingly workers’ employment rights are being taken away, uncertainty about maintaining a job has been heightened and remuneration is on a downward slide.

When we were in government, we spent much time trying to narrow the divide between managements and workforces and getting them to cooperate and see the common goal, but that has changed. I do not know how you can give 110 per cent to your employer if you are worried about someone alongside you earning more than you when you are doing the same work, or whether you will have a job at the end of the week, month or year. To be committed, you need some security. We have been championing, to absolutely no avail, the concept that all workers should have their entitlements preserved should a firm go under. It seems logical that that should be the case, but we cannot get this government to move.

Several case studies have been mentioned, but I want to raise one about Sarah—that is not her real name—who is a 15-year-old minor employed by one of the fast food chains. Minors employed by that fast food chain were asked to work long hours, late into the night. Sarah was scheduled to finish at midnight, but she was told that the shift had been extended by a further two hours. Minors were prohibited from ringing their parents to notify them of that change and ensure their safety when going home. I have written to the chief executive about this, and I am pleased with part of the response. Because those people are minors, they have no rights and no protection, yet the government say, ‘We have to unleash small business and totally remove workers’ rights.’ The Minister for Trade mutters under his breath. It is an utter disgrace for a 15-year-old girl to be told to work beyond midnight—until 2.30 a.m—and not be allowed to ring her parents. It is also reprehensible that because she is a minor she has no legal rights. We have a long way to go to redress the balance in favour of some workers vis-a-vis business people. Please be assured of my concern for the small business sector. I certainly hope that the 7,000 small businesses in the electorate of Chifley will continue to hire people and create jobs.

Mr Lindsay (Herbert) (10.43 a.m.)—

All of us in this place have about 7,000 small businesses in our electorates—there seems to be a similar number across the country—and Townsville and Thuringowa in my electorate are no exception. We have some very good performing small businesses and some poorly performing small businesses, but at the end of the day they all have to employ people to operate. Small businesses tend to work very hard and they are very focused on making a dollar at the end of the day.

The Workplace Relations Amendment (Fair Dismissal) Bill 2002 has, in various forms, been presented in this place on a number of occasions and it has not been successful. But the government is determined to pursue the successful passage of this legislation because of the benefits that we see for the small business sector and Australia. There are arguments on the upside and the downside but, at the end of the day, the upside far outweighs the downside that might be articulated. I note that the opposition are articulating what they perceive as the downside, but I am puzzled, because their argument tends to be mutually exclusive. On the one hand they say that this legislation is unfair because it leaves employees without any protection and, on the other, they argue that it will impose additional costs on small business because there is legal redress of employees through common law. You cannot have it both ways; you cannot say that it
leaves employees without protection and then say that small business will have problems with the protection process. That puzzles me.

I also do not understand why the Australian Labor Party opposes something which is plain, downright commonsense. I know it to be that because I ran a small business for 25 years. Before my time in the federal parliament, I variously employed small numbers and large numbers, numbers not covered by the current legislation and numbers covered by the current legislation. I know—as every other small business manager knows—that when you are going to employ a person you are mindful of the consequences of taking on an additional person. The other thing that you are extraordinarily mindful of when you are running a small business is that, if you have got good employees, you do not dismiss them; you keep them. Your employees are your best asset. Above all else, having a good employee is the thing that gives most benefit to your business. An employee who is a good employee and who works well has no fear that they might be unfairly dismissed—no fear.

I concede that there will always be sharks in the community—there always are—but they are just in an extraordinary minority. Most small businesses are family-oriented businesses. They run their business in such a way that their employees are part of the family, effectively, and no-one wants to face the very difficult situation of having to dismiss an employee—you avoid it wherever you can. I do not see that what the Australian Labor Party is trying to argue holds up in practice—it just does not. From my experience it certainly does not hold up.

The member for Chifley made a point earlier about a minor who had some difficulty with an employer. What he has failed to point out to the House and to recognise—and I do not think he did it wilfully—is that minors are generally apprentices or trainees, who are specifically excluded from this legislation. That is a sensible part of the proposals that the government is putting forward.

Why is there this strident opposition to what seems, on the face of it, to be very sensible legislation? I can only assume that it is the stranglehold that the unions seem to have on the Australian Labor Party. Why the opposition does not think about the country or making it easier for our unemployed to get jobs I do not know. I am very disappointed to see that the Australian Labor Party would prefer to be beholden to the unions rather than to do what is good and right for the country.

This bill is about little people. It is about small businesses that just want to be getting in there, doing their thing, making their dollar and not having to have a human resources section—businesses that can confidently focus on making sure that they survive and, more than that, do well. We have to be very supportive of the small business community in the country and we have got to let them have their run because, at the end of the day, commonsense says that you will not unfairly dismiss a person who is working very well for you. Big business is okay, of course, and that is why there is a limit on the number of employees covered in this particular legislation.

I know of a case where a dismissal claim was raised which put the small business out of business—in fact, it was the Townsville Tile Centre. You know what it was about? An employee was stealing from the company—they stole something in the order of $100,000. The manager of the company—for pretty obvious reasons—decided to dismiss the employee. Well, there was the greatest court case you ever did see and there was a settlement, but it broke the business. That cannot be allowed to happen.

I have talked to the Townsville Chamber of Commerce. I said, ‘What is your advice to me? What are your members saying?’ The Townsville Chamber of Commerce is a very vibrant organisation. It is very switched on and very much in tune with small business in the Townsville community. It represents the community very well. Its president, Peter Duffy—who incidentally is a lawyer—said to me in no uncertain terms, ‘Pete, you’ve got to understand: businesses are not inclined to employ extra staff because of the prospect of an unfair dismissal claim.’ Well, there you are. A respected community leader in my community confirms what the government
has been saying. He confirms that the current position of the law militates against the employment of additional people. Why should we stand for that? Why can we not recognise, as legislators, that we need to change the legislation? And of course the bill before the House this morning is the way to do it.

I ask the Australian Labor Party, in the spirit of the words and the philosophy that they espoused after the last election, to reconsider their position. I ask them for the sake of people wanting jobs and I ask them for the sake of Australia. I certainly strongly support this bill. I have on previous occasions supported the bill and I hope that, in this instance, we will be able to get the bill through the parliament for the benefit of those seeking a job.

Mr PRICE (Chifley) (10.54 a.m.)—Mr Deputy Speaker, I wish to make a personal explanation.

The DEPUTY SPEAKER (Mr Jenkins)—Does the member claim to have been misrepresented?

Mr PRICE—I do.

The DEPUTY SPEAKER—Please proceed.

Mr PRICE—I do not believe that it was intentional, but I would like to clear up the case I referred to where the honourable member for Herbert felt that that individual may have been a trainee or an apprentice. I would like to make it clear that, in the response I have from the chief executive officer and from the individual herself, that was not the case. She was merely a student at one of the local high schools.

Mr FITZGIBBON (Hunter) (10.55 a.m.)—I intend for my contribution to the debate on the Workplace Relations Amendment (Fair Dismissal) Bill 2002 to be brief for a number of reasons, but probably most importantly because I think it is the third time I have spoken to this bill or its earlier manifestations in this House. It is fair to say that nothing has changed in the Australian economy or in our socioenvironment since the first time it was introduced. This is, of course, the government playing wedge politics at its best once again, trying to divert attention away from some very important issues that exist within our society at the moment by bringing in again what they now call the ‘fair’ dismissal bill. It is a diversion and it should be seen as just that.

Rarely in debates in this place have I heard so much ridiculous rhetoric as I have heard on this occasion and on the previous occasions when this bill or the earlier bills were debated. For example, I heard the member for Cowper railing against Labor’s unfair dismissal laws. What Labor unfair dismissal laws? The laws that the government attempts to amend on this occasion are its own laws. They are its own dismissal laws as enshrined in the Workplace Relations Act.

I remind the House that we had an unfair dismissals regime between 1993 and 1996 which I agree did not have the balance right but in 1996, as part of the Workplace Relations Act, those laws were amended and a number of significant changes were made. There were increased application fees, greater penalties for frivolous and vexatious claims and a reversal in the onus of proof, which was a significant change in that legislation. That was a package of unfair dismissal laws which John Howard, the Prime Minister, described at the time as ‘a fair go all round’. But now the government seeks to amend its own laws and to reap further advantage from what is a general view in the small business community that the balance still is not right.

I am always happy to acknowledge that that view exists in the small business community. That is why the shadow Attorney-General has been busy of late trying to deal with some of those issues and perceptions. Labor has indicated, as I indicated before the election, that to the extent to which there exists procedural problems in the system, we are happy to deal with those. We are happy to take a bipartisan approach to those issues, but the government is not happy with that position. The government of course wants to push the envelope a little bit further by reintroducing this proposal to totally exempt small business employees from any protection.

I am of the view that, once society comes to a view as to what constitutes a fair or an
unfair dismissal, those principles should be applied to all in our society. They should not be applied simply to those who have 20 workmates, but not to those who might only have 18 workmates. What sort of public policy is that to suggest that there should be one rule for certain people in our society and another rule for others? They are the sorts of misguided principles that we should be railing against in this place. We should be ensuring equity in society, not drawing more arbitrary lines and forcing people into unfair situations like that.

I, like most people in this place, have heard all the horror stories. We have all got our own examples of small business people in our community who are on the wrong end of an unfair dismissals claim. We have all heard about them; we have all seen them. As the shadow minister for small business in the last parliament, I heard about too many of them. But the concern that exists within the small business sector is, largely, one of perception, a perception that has grown out of a couple of things. Firstly, some of the horror stories they heard were as a consequence of the legislation that existed between 1993 and 1996. But, probably more importantly, there was a perception that grew out of former Minister Reith’s constant message to the small business community that if only the Labor Party would support the government’s unfair dismissals legislation the world would be their oyster—all would be well. It would be a panacea for all their ills.

That is a ridiculous message to be sending to the small business community. No wonder they are concerned about unfair dismissals. Most of them have not experienced it; some of them have heard a horror story arising out of another small business; but most of them think the unfair dismissals laws are a problem because Peter Reith kept telling them that was the case. Of course, that was his intention: to cause such concern in the small business sector about an issue that is really only a fifth order issue that he would have an opportunity to drive the wedge in. That is what it was all about: tell them that there is a problem, get them believing it and then blame the Labor Party for it. It is not a bad political tactic, but not what I would describe as good public policy or a responsible way to be conducting yourself in this place.

There are a few certain facts we do know. The majority of small business employees in this country work under state awards. So on that basis, even if this bill were given effect, it would make no difference for the majority of small business employers or employees. It would be much better for the government to approach the state governments to see whether we could get some uniformity into our unfair dismissals laws and to put up model legislation to guide them to ensure the balance is right under all of those state awards rather than tinkering around the edges with this proposed piece of legislation which the government now knows has no prospect of passing the Senate. It has tried at least twice before and the Democrats have made it very clear that their position on this issue has not changed. As I said earlier, the Labor Party’s position in terms of applying justice to one part of society and not the other has not changed either. So what is the point of introducing this legislation? There is only one point to it: wedge politics again at its best.

So day in day out we come to question time and we get a dorothy dixer about the unions and unfair dismissals and how much stronger employment growth could be in the small business sector if only the Labor Party would pass the government’s unfair dismissals bill. What rubbish! I recall in the previous parliament then Minister Reith claiming 50,000 jobs would be created if only the Labor Party would pass the government’s unfair dismissals bill. What rubbish! I recall in the previous parliament then Minister Reith claiming 50,000 jobs would be created if only the Labor Party would pass the unfair dismissals law. There was never any evidence to demonstrate any factual basis for that claim. I think it was a claim that came from Robert Bastian, formerly the CEO of COSBOA. There was nothing to back that claim whatsoever. I see now that the government is claiming that it would be 53,000 jobs, so the story is getting better and better.

If the government is serious about helping small business it should turn its attention back to the GST. I am the first to concede that the GST falls unevenly across small firms. For some small firms it has been merely a blip—to use a famous phrase once used by former minister Kelly. But for other
small businesses it has been a significant challenge and continues to be a significant challenge. For some it will become an even greater challenge as the tax office now moves from an approach of assistance to small business to an approach of enforcing compliance. We saw in the press this week that the commissioner is now talking about hefty fines for those who are struggling to meet their GST commitments. There are still some opportunities to assist those small firms struggling with the GST, but it seems the government has forgotten the issue now and has decided that those who are not coping well will just continue to be victims of a very unfair tax regime which has been placed upon them. We never hear the government talking about important issues in small business. The important issues in small business are access to finance, both debt and equity finance, and small business education, but you never hear the government talking about that. All we hear is the rhetoric ad nauseam about the unfair dismissals regime.

Mr WAKELIN (Grey) (11.07 a.m.)—The Workplace Relations Amendment (Fair Dismissal) Bill 2002 is, as has been described by previous speakers, a genuine attempt by the government to address some anomalies which exist in the current system. It is worth noting that, prior to 24 March 1994, there were no Commonwealth unfair dismissal laws except for those operating in the public sector. When the act was introduced, it was based on the International Labour Organisation’s convention No. 158, on the termination of employment. So up until 1994, these restrictions did not exist. When the act was introduced, it was based on the International Labour Organisation convention—that is, the external affairs power, which in itself is contentious and controversial in this place.

In 1996, in the legislated ‘fair go all round’ requirement to address employer concerns about the onus of proof in unfair dismissal proceedings, there was a narrowing of the scope for unfair dismissal jurisdiction, confining the federal law primarily to workers employed under federal award by incorporated employers, and to persons employed by the Commonwealth or in a territory. It placed reduced reliance on the external affairs power, which I, for one, welcomed very much. We are quite capable in this country of running our own affairs. It also limited the scope and the incentive to threaten, begin or continue unmeritorious actions. That is the brief history of unfair—or fair—dismissal legislation in this place.
We come to this place with different backgrounds, different experiences. Some come based on a more socialised view of the world; some come—perhaps we could say—more based on a private enterprise or individual view of the world. They are both legitimate claims in a democracy and I think we have all been well reminded of that in the first speeches by some of the new members, which I must say I have enjoyed very much. I happen to be an individual and I stand on this side of the House because I am one who believes in maximum freedom, private enterprise and, wherever it is possible, independence.

Much of this debate is based in our culture, based in the history of the union movement and traditional adversarial politics. I was, I suppose, encouraged by some of the speeches I heard today from the Labor Party, in that I think many of them are acknowledging, more than I have heard in the past, the importance of small business to our economy. In the broader international setting—considering of course that the legislation initially was based on the external affairs power—it is worth remembering that the virtual total collapse throughout the world of the great socialist experiment, the great communist experiment, has no doubt brought a greater awareness of the value of our democracy, of our private enterprise and of the importance of the rights of individuals.

The basic fact is always there—an employee will always need an employer, and vice versa. We need the creativity of enterprise. We need the discipline of the employer and the employee. In social policy, we know—more than we have ever known in the past, or certainly in the last generation—that welfare is not the answer. Dependency is not the answer; a job is the best answer. The member for Hunter talked about wedge politics. He talked about the GST. He said that it was politically driven. He said that the Senate would not pass it. These are not reasons; they are discussion points; they are debating points; they are points of politics, but they are not reason in themselves to prevent this legislation.

The basis of this legislation is the importance of the private enterprise economy to our country. Whether it is 50,000 jobs or 20,000 jobs—I do not care if it is only one job—jobs are the most important escape route for the unemployed. If we in this place cannot allow the small employer some exemption in this way, then why do we stand here and say we support enterprise and support small business? Why do we stand here and say it?

I come back to this principle of the culture and of the different experiences that we all bring to this place. My experience is based on small business and on, essentially, investing money in—plating a wheat crop, with all the risks that are entailed in that, and then reaping that wheat crop and at the end of the day hoping that there may be a surplus which is equivalent to my wages. To make the point: in some years I might be at least a total annual wage behind—that is, I might be $50,000 behind, hypothetically. In other years I might be $50,000 in front. But for somebody who is earning a weekly or a fortnightly wage, it is probably almost incomprehensible that you can organise your affairs like this and that you may need to live without income for up to two years, and sometimes three years. They would say to me, ‘You are mad to be in it.’ The reality is, unless I am in it, unless thousands of other people are in it, unless hundreds of thousands of other people are prepared to risk their effort, there are no jobs—there is no employment.

That is why I want to stress this morning that we need to try to respect the basis of the enterprise, the basis of the creativity, the basis of the importance of independence and note the negativity of dependency and the fact that the Labor Party can hide behind the traditional union movement and convince many Australians that the boss is the enemy. I have said already that many on the other side have endeavoured to talk about the importance of small business. That is why I do not see why the Labor Party in the Senate should not pass this legislation. There is absolutely no reason why it should not be passed.

I will touch briefly on the protection offered by the union movement. I have worked
for many bosses over the years, particularly in my younger working life. If a boss was unreasonable or I did not like the job, I very quickly looked for another job. It was as simple as that. The answer is always: ‘Well, of course, not everybody is as able as you are to do it.’ That is absolute rubbish. Almost invariably I have always started at the bottom, on the shop floor, and when I left that job almost without exception I was able to find another job. Since this government has been in office—and, I would say, since the previous government has been in office—that has been the experience of not everybody but many in my electorate. The point I am making is that you can pass as much legislation in this place as you like but, at the end of the day, it is the individual that is making the decision of whether or not they want to work for that boss, and I am sure every individual is always on the lookout to improve themselves. So why do we get in their way and encourage them to think that they are going to be better off while this legislation is in place?

I want to conclude by coming back to social policy and the things that we seem to spend a lot of time talking about in this place and in this country—and this is from generation to generation, not just from parliament to parliament. I simply repeat that the whole Western world is challenging the idea of welfare—that is, the notion of passive welfare—and we know, as many of us have always known, that welfare is not the answer. Many of us have known that dependency is not the answer, and more and more people are starting to realise—as many have always known—that a job is the best answer.

Mr HATTON (Blaxland) (11.18 a.m.)—The Workplace Relations Amendment (Fair Dismissal) Bill 2002, which we are dealing with today, shares a great deal in common with a series of other bills that have been introduced into this House going back to 1994, when the first unlawful dismissal bills were passed by the Keating government. In government Labor made a number of modifications to those bills to make them more workable and to take the strain off small business, particularly very small businesses. As with any good and normal legislative process, once a bill is in operation and in practice, as problems arise and they are brought to the attention of the minister and the government, legislative change is undertaken to modify those things which are seen in practice to not be as workable as people thought in the first instance.

In fact, the whole history of the parliament dealing with any issue whatsoever virtually follows that model. Given whatever is first proposed, you do not end up with that over time, because conditions change. You also do not end up with that without modification over time, because of the nature of the pressures brought to bear within the economic system and employment area. When there is evidence that is strong and compelling and when the government is presented with that evidence, it is argued out over a period of time and you get change, and that change leads to a different situation both for employees and employers.

Not only have a series of changes been made to the relevant bills within the Keating government period; since 1996 a series of attempts have been made by the government to bring in their own unfair dismissal laws, basically to turn the previous situation on its head. Most of those have been knocked back by the Senate, but there have still been significant changes made under the aegis of a number of bills—changes to elements of dealing with this area have been accepted—and we are dealing with a landscape very different from what was there in 1994.

But one of the problems in dealing with this debate is the fact that most of the arguments have not moved on much from 1994. Most of the arguments within the business community have not changed much—people have stuck to fairly rigid positions—and certainly within the government very little has changed. With the former minister—the former member for Flinders, Mr Reith—and the current minister the line is still the same: the greatest thing that could be done for small business and the greatest thing that could be done for job generation in the community in relation to small business is to bring in the government’s laws. Just last week an argument was put in regard to this bill and we note, and I have noted this in a
previous speech, that the bill’s wording has been changed from ‘unfair’ to ‘fair’ dismissals. The only couple of fair dismissals that I could think of that would be relevant at the moment would be the dismissal of the Governor-General and the Prime Minister. We should still be dealing with the notion that it is a question of whether a dismissal is unfair or unconscionable—and a newspeak change to just the wording and expecting that to help the bill get through does not assist anyone, either those in small business or employees.

The core of the problem with the government’s approach is that it has been political. It is political in this bill, because they do not expect it to get through. They have had that past experience with the attitude taken by not only our party but also the Democrats and the Greens in the Senate. And they do not expect to get this bill through either. They hope that they will end up having a double-dissolution trigger and that they can wave that around. They can have it in this regard.

The approach we have taken has been informed over the years by the reaction of people within the business community and the small business community, and of employees. We do not think that you can change one category of employees, those employed by small businesses. And the change in this bill is, instead of looking at businesses employing fewer than 15—which was in the prior government bills put forward—to up that to businesses with fewer than 20 employees. That is the only fundamental change between this and prior proposals. What we are dealing with here are only those employees affected by federal awards. Given that everybody in Victoria is on a federal award, they make up more than half the bulk of about 7½ thousand claims in the past year. So I want to concentrate on a couple of these areas.

We think it is extremely important that low paid employees in particular—and that is the tendency of people in the small business area—not only the people employed but their families who are dependent upon the person receiving the pay for that employment are dealt with fairly and equitably, and dealt with in the same manner as every other employee in Australia. Secondly, we do not agree with the government’s assertion that, if you pass this bill, you end up with 50,000 or 53,000 new jobs. We have a fairly strong position with regard to that, because when these matters were dealt with by the full Federal Court, it came to exactly the same kind of determination. The government had previously attempted to put this kind of case—it has had a series of assertions, both in opposition and in government—where it has argued that you can wave a magic wand in this area and, whoops, employers will think that they will not have any problems anymore because, if they put an employee on, they can give him the flick. As quick as a wink, that person is out the door and they will shovel someone else in for a short period of time.

The Federal Court argued quite strongly and comprehensively that there was no evidence whatsoever presented to it that there would be this job creation effect. I quote from their judgment of 16 November 2001:

It seems unfortunate that nobody has investigated whether there is any relationship between unfair dismissal legislation and employment growth. There has been much assertion on this topic during recent years, but apparently no effort to ascertain the factual situation.

The government has been in office since March of 1996; has it ever undertaken any analysis of this at all? The answer is no. But it did have an expert in this area front up to the court in dealing with Hamzy v. Tricon International Restaurants, trading as KFC. That expert was Professor Mark Wooden. He put his argument that there was an employment effect and that that employment effect was significant in relation to casual employment and, therefore, for part-time and full-time employment. This is what the full Federal Court said in rejecting his argument:

Professor Wooden did not offer any empirical evidence to support his view. He was unable to do so. In cross-examination Professor Wooden said “there certainly hasn’t been any direct research on the effects of introducing unfair dismissal laws”.

What has the government been about? Given that this has been a talisman and given that, through the series of bills it has put forward, it has been like lightning crackling in the atmosphere, where is the hard evidence?
full court, quite rightly—and even Professor Wooden, the government’s witness—indicated that there is no empirical evidence at all. It is all absolute mere assertion, with no fundamental basis to it at all. I am sure everyone would like to know exactly what the situation is because it is the government’s core case. I quote from page 10 of the background paper from the Parliamentary Library:

Professor Wooden also conceded that growth in employment in Australia in the 1990s had been at its strongest when federal unfair dismissal laws had been at their most protective.

Now isn’t that a strange thing—’at their most protective’ and the employment growth had been strongest. It goes on:

He also agreed that the ‘driving force behind employment is clearly the state of the economy’ and not the existence or non-existence of unfair dismissal laws.

We could say, as Bill Clinton did when he said to George Bush in 1992, ‘It’s the economy, stupid.’ It is not the social relations and it is not the working relations; it is the fundamental health of the economy that determines whether or not people get jobs. That is as simple and fundamental an idea that even the current minister for employment, and the prior one, should have been able to grasp. Even the Treasurer at times gives some indication that he has some notion of that fact.

So Labor have put a series of amendments through our shadow minister. We argue that you need to have a sensible and balanced approach to this, that individual workers should not be put into a separate category of their own and that the core problems that small business has, which have been addressed over time, need to be addressed by having a system that is simpler, clearer and more workable. We have tried to work at that in the past. If there are procedural difficulties, as I know there still are, we need to have a better model to deal with those issues. You cannot just roll into the place and, on the basis of mere assertion, run the lightning through the joint and then expect that people will just cop it.

Mr HUNT (Flinders) (11.29 a.m.)—I rise to speak on the Workplace Relations Amendment (Fair Dismissal) Bill 2002. The essence of this bill revolves around two words: job creation. The reason that this bill exists is to help promote job creation in the small business sector within Australia. What occurs in that sector at present is that there is a disincentive to employment. Although the member for Blaxland rightly points out that there was jobs growth in this sector throughout the 1990s, he fails to recognise the key notion of correlation. Was the job growth all that it could have been or was it less than it could have been? That is the key point. It is about job creation in my electorate of Flinders in the state of Victoria and in Australia more generally.

Let me start by making what I think is an important distinction. On the one hand, honourable members on the government side of the House are pursuing an approach which they believe will encourage employment.

Mr Vaile—It will.

Mr HUNT—Absolutely. On the other hand, honourable members of the opposition are viewing it from the perspective of workers’ rights and the belief that this is some sort of derogation of workers’ rights, but it is a false dichotomy. It is false because what is being proposed is neither a threat to workers nor a threat to basic rights. The single most important thing that we can do for workers or would-be workers is to provide employment, and not just to provide employment but to provide a system which encourages the best employees, which rewards them and which does not protect those who would exploit or abuse the system.

I wish to deal with this bill in three stages: firstly, what is proposed; secondly, why it is necessary; and, thirdly, how it will operate. The essence of what is proposed is that the Workplace Relations Amendment (Fair Dismissal) Bill 2002 seeks to amend the Workplace Relations Act of 1996 so as to exempt small business from unfair dismissal claims.

The bill essentially does two things: first, it will prevent new small business employees, and I emphasise ‘new’, other than apprentices and trainees—this is a very important distinction—from applying under the Workplace Relations Act of 1996 so as to exempt small business from unfair dismissal claims.

The bill essentially does two things: first, it will prevent new small business employees, and I emphasise ‘new’, other than apprentices and trainees—this is a very important distinction—from applying under the Workplace Relations Act for a remedy in respect of unfair dismissal. In essence, it ex-
empts them from the capacity to claim unfair dismissal. What it does not do is exempt them from unlawful dismissal provisions. That is a critical element. The second thing the bill does is require the Australian Industrial Relations Commission to dismiss unfair dismissal applications that are made against small businesses. The definition of a small business is a business which employs fewer than 20 employees, including the employee in question.

This is the fourth time since 1996 that a bill seeking this essential end has been introduced by the government and the reason is that the problem which was present in 1996 is with us to this day. That essential problem comes down to the question of whether or not those who seek to employ, who seek to generate employment, are inhibited in their work from so doing.

This leads to the second part of my address, and that is the question: why is the bill necessary? During his presentation, the member for Melbourne raised the notion of the role of the contract of employment in Australian history. He said that there had been a century-long battle between employees and employers. I would dispute that, with the greatest respect to the honourable member. A century ago, that essential paradigm of conflict was correct. There was an important role which the union movement played in helping to bring forth greater fairness and bargaining power between the two parties.

A number of things have transpired since then. First and foremost, the core basic protections are in place, both in law and in culture. Secondly, to now maintain what is essentially a discourse of power, to set it up between labour and capital, is to adopt an old paradigm, which is destructive in the workplace and destructive in the social dialogue. Let me illustrate that with a personal example. In 1985-86, I worked as a summer employee and was a member of the Storemen and Packers Union—and I was happy to have been a member—at Consolidated Holdings' liquor warehouse in Huntingdale.

An interesting thing occurred during that time. All employees who were employed on a casual basis were picked up by the shop steward who said, 'Look, we don't want you working too hard and we don't want you working too fast, for a couple of reasons. One is that you run a risk of personal injury'—and it was said with a certain implication attached—'and, secondly, you also run a risk of making the other employees look bad.' There was a culture afoot, which I experienced myself, which militated against active work within the workplace environment.

There are twin threats to the effective operation of the economy. One is an excessive power to an old style of unionism—and I respect the history of the unions within Australia—but this is an example of the way in which it can be used destructively. The second key threat to small business employment—because, as I note, the member for Greenway said in his speech that the presence of unionised labour within small business has been significantly diminished, and that is true—is the threat of litigation for unfair dismissal. We find that there is a disjunction between what was intended or proposed and what has become the reality. There was a high motive in the proposition behind the original unfair dismissal laws—and I respect that—to provide protection against arbitrary dismissal, but the reality is that it has become a weapon to be used against any form of dismissal. There is no such thing now as legitimate dismissal; every dismissal comes with the implication that you may be threatened.

Two core impacts have occurred. Firstly, employers are afraid to dismiss. They are afraid to dismiss because of the cost of litigation, because of the embarrassment of litigation and because, in a frequent practice within the advisory bodies, those law firms, lawyers and barristers that advise employers say, 'Just settle. We think you have the case, we think you're likely to win; but the cost of defending the case simply means that it is not worth pursuing.' So there is a reluctance to dismiss employees, despite having genuine grounds, and that has a destructive impact within the firm; it strikes away at the heart of it.

Secondly—and perhaps even more so—employers are afraid to employ. The previous speaker, the member for Blaxland, asked...
where the evidence was that employers are afraid to employ. There is a multitude of evidence. In 1996 a Morgan and Banks survey indicated that 16½ per cent of businesses with fewer than 30 employees had been adversely affected in their intentions to hire people by the federal unfair dismissal laws. In 1997 a survey by Recruitment Solutions indicated that almost nine per cent of businesses had employed fewer permanent staff as a direct consequence of fear of the application of unfair dismissal laws. Then the New South Wales State Chamber of Commerce in 1997 conducted a survey which showed that 56 per cent of businesses—an extraordinary figure—said that the prospect of unfair dismissal claims had discouraged them from recruiting additional staff to their businesses. That is a consistent pattern of clear evidence.

This then leads to the third part of my question—that is, how does the law operate? How does it lead to a fairer outcome and increased employment? Firstly, it exempts all small businesses with under 20 people from the Workplace Relations Act. It does so with two important caveats: it excludes apprentices and it excludes trainees, so they have a guaranteed period of service. Secondly, it commences from the date of approval of this legislation. That means that it applies to new employees only, so there is an existing protection for all those currently employed—a protection which we believe is unnecessary but which in any event remains the case. Thirdly, whilst the unfair dismissal provisions would no longer apply, all employees remain subject to unlawful dismissal laws, which means that they cannot be dismissed on grounds of prejudice alone.

The final question, then, is: what is the rationale? Why is it that small businesses do not employ? Firstly, they are afraid of litigation; secondly, they usually have no dedicated, specialist human resource staff; thirdly, the management of employee relations is usually handled by the owner; fourthly, small businesses often have to engage external representation, which is an additional cost to the business, if they are going to comply with what are excessive regulations in an ordinary human environment; and, fifthly, there is a strong precedent for exempting firms under a certain size. That precedent begins in New South Wales with the Employment Protection Act 1982, which has an exclusion for employers with fewer than 15 employees. The Affirmative Action (Equal Employment Opportunity for Women) Act 1986, introduced by the Hawke government, excludes firms with fewer than 100 employees. So there are very clear precedents. The same occurs overseas in Austria, Germany, in the Republic of South Korea and in Italy, where all firms with under 60 employees are excluded. I put clearly to the House that I support the provisions within this bill for the reasons outlined. As I said when I began, it is simply about job creation.

Mr GAVAN O’CONNOR (Corio) (11.41 a.m.)—That was a very eloquent contribution from the new member for Flinders, who spoke about new paradigms in industrial relations in this country. We certainly know about those: we know about the balaclavas and the dogs that were set upon workers by your predecessor. From the contribution that you have made today to the debate on the Workplace Relations Amendment (Fair Dismissal) Bill 2002, I imagine that you would support the new paradigms that were introduced by your discredited predecessor, who shortly will be dragged before the Senate to explain his deceit, deception and manipulation in other matters as well.

It has taken only two weeks of parliamentary sittings for the political legitimacy of the Howard government’s third term to evaporate. As each day of the new parliamentary sitting passes, the Prime Minister’s political credibility has been undermined by new revelations about the manipulation and deceit of the government over the ‘children overboard’ scandal. So it is really instructive to reflect on the order of priorities of this government as it puts into effect its new legislative program. It is not surprising that we find that, with the Workplace Relations Amendment (Fair Dismissal) Bill 2002, this government has once again resorted to manipulation and deceit in order to advance its political agenda.
I have listened with considerable interest to members on both sides of this House, as the merits and the detail of this bill have been debated. What is worrying is the extraordinary exercise in self-delusion that is emanating from government members as they seek to justify this grubby attempt by the Minister for Employment and Workplace Relations to run this awful piece of legislation up the flagpole. The central issue in this debate is not the issue of ‘fair dismissal’ as the government has titled this bill; it is the rights of individual workers employed by small businesses, workers who will have those rights to remedy stripped away in cases where their employment has been terminated in harsh, unjust or unreasonable circumstances. I would imagine that every member in this chamber has had parents come into their office with their young adult who has received a raw deal from an unscrupulous employer. We must be honest about that. But we also have to be honest on the other side: I think we have all had the experience of talking to an employer, a small business person, who has been the victim of an unscrupulous employee. Sadly, these cases are the reality of Australian workplace relations today.

However, in dealing with this issue of the relationship between employee and employer we must, in a legislative sense, achieve the best balance we can in the interests of both parties in the workplace. We must ensure that any radical changes affecting the rights and responsibilities in that relationship are based on fact and sound argument and do not merely reflect the very worst prejudices of an arrogant government.

The Howard government’s central justification for preventing small business employees, other than apprentices and trainees, from applying under the Workplace Relations Act for a remedy in respect of harsh, unjust and unreasonable termination of employment is that the removal of this protection will create 53,000 jobs. The great party that portrays itself to the Australian electorate as the defender of individual rights in this community is prepared to strip away the rights of some employees for what they see is a job creation potential of 53,000 jobs. This is a spurious justification from a government that bungled the introduction of the GST and saddled small business with start-up and compliance costs which have throttled their capacity to create additional jobs.

Mr Slipper interjecting—

Mr GAVAN O’CONNOR—The parliamentary secretary asks if I hate the creation of jobs. The economic fact is that your GST cost small business billions to gear up for its introduction and every year it costs hundreds of millions for those small business people to comply with the administrative and compliance mess that you created. So when government members beat their breasts and feign their concern for the welfare of small business proprietors, they do so in the knowledge that Costello’s GST curse is still burdening those small businesses. The nightmare continues down on the main streets of the towns and cities across Australia.

A far more effective way of stimulating small business employment would be for you to go and unravel your own mess and reduce the burden of compliance that you now put on small business. Small business people burn the weekend oil, away from their families and their recreational pursuits, to comply with Costello’s GST curse. While they do that, the smirking, arrogant Treasurer responsible for their nightmare is swanning around on the golf course or sunning himself down by the coast. It is an extraordinary situation. The fundamental problem and impediment to employment growth for many small businesses is the lack of work and the huge cost of GST compliance.

In my electorate of Corio we have an industrialised work force, but the backbone of that local economy and the generator of many jobs is the small business sector. These are people who have come up the ranks, many of them through that industrialised work force, and have branched out on their own to create their own small businesses. These people went into small business not expecting a curse upon their business—a GST compliance and administrative nightmare from a government that deceived them about the burden that they would bear. They went into their businesses in the hope of
earning a decent living for themselves and to do the right thing by the people that they employ. Many of them got their first start in an industrialised work force where they worked with significant protections on their employment.

If the government argues that small business is burdened—and that seems to be the central argument here—then it ought to address the procedural complexities of the act as it stands at the moment. Since this act was introduced there have been substantial amendments; it has not stayed static. These amendments ensure that the balance has been maintained and costs to small business have been reduced. In the life of the last parliament the government won some concessions from the Democrats that enabled them to make some amendments to this piece of legislation. So they cannot come into the House and say that they have a set of arrangements that have not been amended either to reflect the concerns of small business or to reduce costs and procedural complexities.

You cannot use that argument to strip away the very basic rights of people in the workplace to a fair go; that is fundamental to Australian industrial relations. The cornerstone of legislation since Federation has been that all working people be given a fair go in the workplace and that employers have legitimate remedies in the legal system against those employees who seek to abuse their businesses. Those remedies are there; those protections for employers are there. When you set up a small business today, you are cognisant of those responsibilities.

We all know what this piece of legislation is about. We know the manner in which the government is going to pursue its industrial workplace reform agenda in this House and in the community—it will be manipulative; it will be divisive. Those are the cornerstones of how the Howard government acts not only on industrial relations but on a whole range of issues for which it is now paying the price for that manipulation and deceit.

Mr BAIRD (Cook) (11.52 a.m.)—It is interesting that the member for Corio now leaves the chamber. How unfortunate it is that, having talked about a fair go, he is not interested in a fair go for small business in this country. He has, as per normal for the Labor Party, an antiquated view on life. I have an electorate which has many small businesses. While there were some issues with compliance costs related to the GST, there is no doubt that the changes made by the government and the fact that small businesses are now used to working with the GST—they have developed their own computer programs, such as MYOB, which enable them to better manage their own businesses—assist them in the whole process. So I think the views of the member for Corio on that aspect are a little dated.

One could ask: did the member for Corio make some interesting points? On the surface, he talked about a fair go for employees and said, ‘We don’t want to see them unfairly treated.’ The reality is that this legislation will be of great assistance to small businesses in this country. The government know that the Labor Party have their marching orders from Sussex Street, and it is this area of industrial relations which is the defining area of the essential difference between our parties. They say that they are about a fair go, they say that they are about equity, but in fact it is the reverse, because they are putting shackles on small businesses around the country. The member for Corio said he has many instances of parents bringing their son or daughter to him with examples of their being unfairly treated by a small business owner. I certainly have not had that experience in my time as a member of parliament. Rather, I have many examples of the reverse: small businesses who find themselves with employees who are simply manipulating the process when the employers believe that they have terminated their employment for very valid reasons. The ability of small businesses to employ people and, if the employees are seen to be unsatisfactory, terminate their services is taken away by the Sussex Street Mafia. They say: ‘This is not on. We won’t allow it’. The result very clearly is that small businesses are very reluctant to take on young people and give them jobs, so the opportunities there are taken away. This supposed great egalitarianism of the Labor Party cannot be seen in a whole number of areas, especially when we look at the no ticket, no start issue.
My own grandfather came to this country from out of the Gorbals in Scotland, where he was a welder on the Clyde putting together ships. He came here to make a new era for himself. When he went to work for a company in Botany he was black-banned, because he refused to join the union. That was a long time ago, but that tradition, those instincts, are still there. The Labor Party claim they are democratic, but their very instincts, their very being, are about looking after their mates in the unions and looking after their jobs in parliament. The succession program begins with the union, then the union members come into the parliament to implement the Labor Party and trade union agenda. As long as they do that they are assured of a place here. We can see this with three members: the member for Throsby, the member for Batman and the member for Hotham. They were all once head of the ACTU. They have come in here without the flexibility to look at the impediments to small business in this country.

One of the things that would assist in creating new jobs in the country, that would help small businesses expand, would be to give employers the certainty of being able to simply say, ‘I’m sorry. It has not worked out,’ if they employ someone and it does not work out. That person can then move on. Often it is not only better for the small business but also better for the employee. Instead of being caught up in a situation of writing and passing letters and getting evidence as time goes by, it really is better to make a clean break. If you get together a group of small businesses and talk to them—as I have done in my electorate; and I have been to four such small business groups in different parts of the country—the No. 1 issue on the agenda is unfair dismissal, time and time again. This opposition, who often claim that they are interested in small business, have no interest at all. In fact, the former Leader of the Opposition said, ‘We never pretended to be a small business party.’ That is true. They show no real understanding of small business, because they have no real understanding of the impediments to small business or the problems they face.

The 1997 Yellow Pages Small Business Index survey and a 1998 New South Wales Chamber of Commerce survey show the unfair dismissal laws are a major deterrent to hiring new staff. Are the Labor Party interested in helping young people find jobs or not? The unfair dismissal laws are the key criterion, because they are a significant deterrent. Anybody in small business will tell you they are a significant deterrent. Surveys indicate that they are. In terms of anecdotal evidence, the people who come through one’s electorate office doors indicate the problems that occur. The stories one hears are absolutely outrageous. Employees are caught doing something totally wrong or they are totally incompetent, and yet they are brought through the whole legal process, with all the legal costs involved, necessitating the employer taking time away from their normal business operation. This is not the type of thing that we should see in the year 2002 in Australia. The Labor Party restrictions which applied when my grandfather arrived in this country in 1911 and went to work in that plant in Botany apply today.

Look at the restrictions that the Labor Party have on their own structure—the 60-40 rule which applies to preselections, selection of delegates to attend conferences et cetera. The Labor Party dominate. They dominate their members in this place. If you spoke to the new members you would find out that almost universally they have a trade union background—jobs for the boys. They get their marching orders from Sussex Street. The ACTU call the shots. And they talk about being the new Labor and understanding social democracy et cetera! They are no different from old Labor. The trade unions totally run the situation.

What does this bill provide for? It will exempt small businesses from unfair dismissal claims. It will prevent new small business employees, except apprentices and trainees, from applying for remedy for unfair dismissal and require the Australian Industrial Relations Commission to dismiss unfair dismissal applications made against small businesses and reject such claims without holding a hearing. A small business is defined as one employing fewer than 20 employees.
It is not as if we are including all corporations. This surely is fair—if you ask the question of what is fair to employers who are often struggling in terms of just getting their business established. They may have upturns or downturns, but just in terms of the challenges that face normal small businessmen—looking at the impediments, the regulatory hurdles and so on—this surely must rank as No. 1 at this point in time.

This is a defining piece of legislation. We have had this bill before the House a number of times. It is entitled ‘fair dismissal’ and that is what it is meant to be about. It provides the appropriate safeguards. It excludes those employees in major corporations. If you are serious about getting small business away and running and removing the impediments, this bill should be passed.

It is important that we see this bill go through and that it is not obstructed by the Senate. It is mentioned almost weekly by small businesspeople with whom I come in contact in my electorate and right across Sydney. It is about time the opposition came to grips with the reality of modern life. Do not steep yourselves in workplace practices of the last century; rather, become a contemporary party and join the government in passing what I believe is a very fair piece of legislation.

Ms HOARE (Charlton) (12.02 p.m.)—I am always interested to hear government members denigrating the trade union backgrounds of people on this side of the House. The member for Cook has just reiterated the line that we hear so often from the minister for workplace relations. One thing that the minister and government members seem to forget when doing that is that we are very proud of our trade union backgrounds. They are trying to make us ashamed of them; we are proud of them. Those people who have been paid advocates and have spent their former careers representing and providing a voice for workers and fighting for wage rises have now taken that extra step by making a commitment to the wider public and those people who are less able to provide a voice for themselves. We in the Labor Party come to this place to provide that voice for those people.

‘Fair dismissal’—I am quite amused by the title of this legislation. It is the third time it has been introduced. It is the first time it has been called ‘fair dismissal’. Previously, it has been called ‘unfair dismissal’, which is really what it is all about. It is about workers needing a right to redress when they have been unfairly dismissed, whether or not they work for a small business or whether they work for a large business. The title amuses me nearly as much as the title of legislation we debated in 1999—the ‘more jobs, better pay’ bill. This fair dismissal bill has the same ring about it and the same amusement value as that piece of legislation had then. The minister and government members talk about further reform in the workplace. They say, ‘We need more reform in the workplace.’ I think we have to ask: how much reform do you really need; how much reform do you really want? These questions absolutely need to be asked.

The facts are that Australia has the second largest casualised work force in the OECD countries, behind Spain. Australian employees are already working the longest hours of all employees in OECD countries. I had a private member’s motion debated in the last parliament in relation to that issue. The long hours that Australian employees are working include a staggering amount of unpaid overtime, which effectively sees free profits for those companies which exploit their workers in that particular way.

As I said, this is the third time the government has tried to pass legislation which clearly discriminates against employees who happen to work for a small business. We must make no mistake about what this means: if there are two employees, one working for a business which has less than 20 employees and one working for a large business that may employ thousands of people—or even employ 21 people—those workers will have different access to redress if they are unfairly dismissed. Two workers doing the same job with different employers, one employing 20 people and the other employing 21 people or thousands of people,
will not have the same rights and conditions. They should have.

This is where the legislation is clearly discriminatory. That is the main reason behind Labor’s opposition to it. We cannot have a situation where two workers doing the same job are working under different conditions. It harks back to the ‘more jobs, better pay’ bill, which advocated individual contracts. We opposed that legislation. You cannot have two workers doing the same job working under different conditions for different wages—or, in the case of this legislation, with different ways of redress if they have been unfairly dismissed. There was a report by Adele Horin in the Sydney Morning Herald of 16 February this year about this particular piece of legislation. She said:

The Federal Government wants to make it easier for small business to sack employees unfairly. It has introduced a bill—that is, this one—to exempt firms with fewer than 20 employees from unfair dismissal laws. It claims the change could create 50,000 new jobs.

I am quoting Adele Horin about ‘children overboard’ can’t be believed on this either. Workers’ rights are being tossed to the sharks. The Federal Court, in a recent test case, scrutinised the ‘50,000 new jobs’ claim and was scathing about the lack of evidence to support it.

She went on to talk about casualisation of the work force.

Let us move away from the cloud of deceit which continually surrounds this government and look at some of the facts and figures that have been provided by the Australian Bureau of Statistics in relation to unfair dismissals and the people whom these laws will affect—if they make it through the Senate. In 1999, 3.12 million Australians—that is, nearly half the private sector workforce—worked in 951,000 small businesses; that is, businesses with fewer than 20 employees. Of those, 1.7 million were men and 1.4 million were women; and 2.16 million or 37 per cent of the private sector workforce were employed by small businesses as wage or salary earners. Small business employees earned on average 12 per cent less than other employees. Those are Australian Bureau of Statistics figures. Fewer than 0.3 per cent of small businesses experience federal unfair dismissal claims annually, and on average over 90 per cent of the 2,800 small business unfair dismissal claims lodged each year in the Australian Industrial Relations Commission are settled by agreement or do not proceed. A unanimous full bench of the Federal Court has ruled:

In the absence of any evidence about the matter, it seems to us the suggestion of a relationship between unfair dismissal laws and employment inhibition is unproven.

In the last comprehensive federal government survey, which I think was conducted in the minister’s seat of Warringah and the Treasurer’s electorate of Higgins, only 0.9 per cent of small businesses gave unfair dismissal laws as a reason for not hiring staff. I spoke about the cloud of deceit which continually surrounds this government and I wanted to put on the table the facts and figures relating to unfair dismissal laws.

I suggest that if the government is real about helping small business, it should take up Labor’s election promise to release it of the burden of GST red tape. I will not go further into that; the member for Corio more than eloquently expressed our view on the burden of GST red tape on small businesses in our electorates. In relation to unfair dismissals, why doesn’t the government look at maybe capping the appeal process for big businesses that can afford to go through those processes? There are currently over 200 miners who have had their unfair dismissal claims upheld by the AIRC and who, three years later, are still out of work. Why is that? It is because the mining bosses are spending millions of dollars appealing the decision. Why doesn’t this government step in and say to the bosses, ‘Enough is enough; these workers have been found to have been unfairly dismissed by you, and you must now reinstate them’? That is what the government should be doing.

We will not support this so-called further workplace reform. If this government wants to drive the union wedge and end up going to a double dissolution and an election on this issue, we will take it on. We will remind vot-
ers that the greatest divide between the conservatives and Labor always has been and always will be in industrial relations. At the next election, we will remind the workers of this country of the legacy of this government. We will remind them of how the Prime Minister's brother Stan was bailed out while thousands of workers lost millions of dollars of entitlements. We will remind them of the rottweilers, alsatians and mace sprays which have been used against Australian workers. We will remind them about the elderly Australians who have been given kerosene baths in nursing homes. We will remind them of the 'never, ever' GST.

Only Labor stands for decency and fairness. There have been hundreds more offences against decency and fairness, including the sale of Telstra; Medicare; Bronwyn Bishop; Peter Reith; Michael Wooldridge; GST on books, electricity, water, funerals, tampons, nursing home beds; the downgrading of the ABC; ministers being sacked, and those who should have been; bank closures; BHP individual contracts; and million-dollar directors' fees. We will continue to oppose this legislation and we will call for it to be opposed in the Senate as well.

Mrs Hull (Riverina) (12.13 p.m.)—I rise to speak on the Workplace Relations Amendment (Fair Dismissal) Bill 2002 and again to put forth my views in respect of either unfair dismissals or fair dismissals—whichever way we look at it. When we considered the previous unfair dismissals bill, I spoke on this problem, and in doing so I recorded that in 1999 a majority report of a Senate committee recommended that the bill be passed without amendment. But despite that, Labor and the Democrats still claim that there is no evidence linking the impact of unfair dismissal laws and the hiring intentions of small business employers. I still consider that there is the perception out in the small business world that unfair dismissals greatly impact on small business. We all know that perception is reality, particularly in this political world.

This bill does not propose to allow small business to discriminate against people, and it does not allow small business to sack people illegally—for example, due to age, religion or sexual preference. This bill would exempt small business from unfair dismissal laws—not from unlawful dismissal laws. It applies to workers of the future—not existing workers.

As a small businessperson, I am the first person to recognise that there are more issues confronting small business than just unfair dismissal laws. The ACCI survey indicates that for small business—those businesses with 20 employees or less—the No. 1 issue was business taxes and government charges. The member for Hunter raised these issues this morning in his address. Other issues were insufficient demand, wage costs, non-wage labour costs and current levels of debt. I admit there are enormous problems confronting small businesses. There are things that we are trying to do to address those areas. In answer to the member for Hunter's queries on what the government is doing about these issues, there are areas in which the government needs to work. However, haven't small businesses got enough to deal with without this unfair legislation? They have got enough to worry about with business taxes and government charges, insufficient demand, wage costs, non-wage labour costs and current levels of debt. They should not have to worry about these unfair dismissal laws, whether or not they are successful in their small business and are looking to reduce their own work hours and put somebody on or, if their business drops off, they need to lay staff off in order to salvage their business.

An article in the Financial Review of Thursday, 14 February 2002—Valentine's Day; no love from the Labor Party for small business though, unfortunately—states:

... ACTU also released a survey of a hundred small businesses in Mr Abbott's Sydney electorate of Warringah which found that no business nominated unfair dismissal laws as a reason for not hiring new staff.
If I were a small business subject to a survey from the ACTU asking me whether or not unfair dismissal was a problem in my business, I would immediately say, ‘Not for me. No, no problems. In my business unfair dismissal doesn’t even enter my thoughts,’ because I would not want to create a problem. Saying ‘yes’ would be just creating a problem, so I am not surprised that that survey did not pick up that there were great problems associated with unfair dismissal laws in small business.

I can categorically state right here and now that, every time I go to the counter at my electorate office or pick up the phone and it is a small businessperson, it is usually about unfair dismissal and their concerns and woes in relation to it. Yesterday I had leave from the House to go home and attend a very dear friend’s funeral. I rushed into my electorate office to pick up some material and there was a person standing at the counter who demanded to see me. I rushed to the counter, indicating that I was in a great hurry, but he was in such a disturbed and distressed condition because of his experience with unfair dismissal that I stayed there with him. It was an appalling situation that he found himself in and he was unable to retrieve his business because of the way in which he had been treated by an employee.

That is not to say that every employee is going to look at doing the wrong thing by their employer but, at the same time, every employer is not about doing the wrong thing by their employee. It cuts both ways. We have this old saying: ‘Who’s looking after the children?’ I ask, ‘Who’s looking after the employer?’ That is why I speak on this bill on behalf of those people in the small business sector who are working day and night, are average, everyday John Citizens who are trying to do the right thing within their business, trying to maintain business standards and principles and trying to absorb a whole host of issues associated with getting people through their doors and offering a service.

As I mentioned in this House before, the customer is expecting more and more from the small business operator every single day. The small business operator opens his or her door and is now subject to unrealistic expectations from the consumer. In doing so, they have got enough to deal with without having some unscrupulous employee who would take time out to ensure that they make as much trouble as they can, if they believe they have not been dealt with appropriately. This is about perception: what one believes is the right way in which one should be dealt with by an employer. Sometimes we do have employees with unreal expectations of an employer. The attitude is: ‘I am earning your money, I am making you this money, so I am entitled to have something back for it.’ Yes, they are, because that is why you have wage arbitration and enterprise and workplace agreements. But when it becomes unrealistic, when people are assuming that the employer has no rights—and all we ever see from that side of the House—

Ms Burke interjecting—

The DEPUTY SPEAKER (Mr Mossfield)—Order!

Mrs HULL—I am really quite used to the member for Chisholm’s interjections, because we have had exchanges across the chamber on this bill before. The employer has absolutely no rights in the face of the opposition and the minor parties in the Senate not coming on board to assist us in removing some of these problems.

I believe that there is a genuine interest in trying to resolve this issue in the Senate by some on the opposition side simply because they recognise how hard it is out there. They recognise that there are many good people out there and, as the member for Hunter said in the last parliament, most employers do exactly the right thing by their employees. Most of them have a great working relationship with their employees. However, at times, employers face the position where they are unable to get across their message as to how their business is being impacted upon. Some employees do act unscrupulously towards employers. Why do employers not have rights? Because the Labor Party refuses them rights because they will not pass this bill in the Senate. I call on the Labor Party to move forward in the Senate, take small business forward and recognise—as this government has recognised—that there are more issues surrounding small business
than unfair dismissal, but it is an issue that needs to be resolved. It is an issue which cannot be discussed openly and publicly because it appears that it has some sort of stigma attached to it. Employers cannot discuss it openly because of the attitude of the Labor Party. I call on you to pass this bill through the Senate.

Ms BURKE (Chisholm) (12.23 p.m.)—The Workplace Relations Amendment (Fair Dismissal) Bill 2002 can be summed up in three simple words: harsh, unjust and unreasonable. Regardless of what the member for Riverina says, the current legislation puts the onus of proof on the employees to demonstrate that they were the ones who were unfairly dismissed. The rights in this legislation currently sit with the employer and those on the other side of the House who want to walk in here and waffle off pure and utter rhetoric should actually know what in the hell they are talking about, because none of them have so far in this debate.

The intention of this bill—the Workplace Relations Amendment (Fair Dismissal) Bill 2002—as stated in the explanatory memorandum is to:

... prevent small business employees (other than apprentices and trainees) from applying under the WR Act for a remedy in respect of harsh, unjust or unreasonable termination of employment ...

We have heard people saying this will not preclude people from going for unfair dismissal. How ridiculous is that? It precludes them in respect of ‘harsh, unjust or unreasonable termination’.

This bill is designed to remove many employees from the unfair dismissal provisions of the Workplace Relations Act. Indeed, 3.12 million Australians, of whom 42 per cent happen to be women, will be removed from the act because that is how many people currently work within small business. Behind all the government’s rhetoric, the bill before the House seeks to make it possible for workers to be sacked unfairly—sacked in a harsh, unjust or unreasonable manner. Even the name of this bill, in a Nineteen eighty-four-esque manner, gives an indication of its intent. The Workplace Relations Amendment (Fair Dismissal) Bill 2002 is surely a parody. As in Nineteen eighty-four, where the Ministry of Truth was dedicated to the dissemination of untruths, this bill in stark contrast to its title is about allowing people to be sacked in an unfair manner.

The government has attempted, and will undoubtedly continue to attempt, to portray the opposition’s genuine concerns regarding this bill as anti business. This is not the case. Labor is committed to working with employers to make the operations of unfair dismissal laws less procedurally complex and less costly. Let’s face it: it is costly for the employee who takes a case as well. The government has attempted, and will undoubtedly continue to attempt, to use this proposal as a political issue rather than attempt to provide a fair framework for employee-employer relationships.

Labor is not anti small business. Indeed, in the last election it was only the ALP that put forward genuine policy reform which would have been of any benefit to small business. The ALP’s policy of simplifying the GST, which was warmly welcomed by the entire small business community, would have seen businesses prosper and active employment grow more than any other action proposed by this government then or now. In addition to this, Labor is interested in putting into place circumstances where employers and employees can work cooperatively while maintaining appropriate protections, and a protection against harsh, unjust or unreasonable termination of employment is just that—an appropriate protection.

There are a number of conceptual problems with this bill. Probably the most glaring unfair component of the thinking behind this bill is that somehow Australians should be treated differently for no other reason than the size of their employer. This is just ridiculous. For employees to have a reduced level of protection from harsh, unjust or unreasonable dismissal simply because they work for someone who has fewer than 20 employees is not just unfair but, as I say, nonsensical.

The government, and particularly the Minister for Employment and Workplace Relations, have asserted that through the removal of unfair dismissal provisions employment in Australia would increase. In-
Indeed, the minister has come up with this lovely figure of 53,000 additional jobs which would be created. He has added CPI to the previous minister's addition of 50,000. In this House, I believe that we are genuinely interested in finding ways of increasing employment. I believe both sides wish to see that, but I just cannot see the logic behind the proposition that making it possible to sack people unfairly will somehow increase employment growth. It might create employment turnover, but it is certainly not going to create more jobs.

In this matter we do not just have to rely on what we say on this side of the House or what came out in the last Senate inquiry; we only have to turn to the Federal Court decision of 16 November 2001. The minister's own expert evidence provider, Professor Wooden, was unable to provide evidence that the removal of unfair dismissal provisions would increase employment. The case was particularly concerned with the application of unfair dismissal provisions to casual employees. However, the judgment makes a number of interesting assessments of the evidence presented in the case and a number of conclusions that are relevant to the concept behind the provisions in this bill. I would like to quote at length from the judgment:

Professor Wooden's attention was drawn to the ABS figures on employment growth. It was pointed out to him that, in the period of approximately three years, from March 1994 to December 1996, during which the most comprehensive unfair dismissal protections of the 1993 Act were in place, employment growth was stronger than in the following three years, during which less comprehensive protection applied. Employment growth under the 1993 Act was also stronger than in the three years immediately before the commencement of the Act, when there was no comprehensive unfair dismissal protection.

Professor Wooden agreed 'the peak in increased employment happens to coincide with the most protective provisions, from the employees' point of view'. He also agreed that the pattern in relation to permanent employment was similar. It was suggested this 'rather demonstrates that the existence or non-existence of unlawful dismissal legislation has got very little to do with the growth of employment and that it is dictated by economic factors'. Professor Wooden agreed 'the driving force behind employment is clearly the state of the economy' and mentioned the recovery from recession after 1993.

But the conclusion from the judgment is possibly the most interesting portion of the document:

Whether the possibility of encountering an unlawful dismissal claim makes any practical difference to employers' decisions about expanding their labour force is entirely a matter of speculation. We cannot exclude such a possibility; but, likewise, there is no basis for us to conclude that unfair dismissal laws make any difference to employers' decisions about recruiting labour.

There it is—the court decision in black and white. The government is using as justification for this legislation an assertion that it will create a mythical 53,000 jobs and, based upon evidence including evidence from the minister's expert witness, the Federal Court found that there is no basis to conclude that unfair dismissal laws make any difference whatsoever to employers' decisions about recruiting labour.

This bill is just a red herring to get away from the real concerns of small business, particularly issues of the GST. In the last comprehensive federal government survey only 0.9 per cent of small businesses gave unfair dismissal laws as a reason for not hiring staff. Figures from the Australian Bureau of Statistics show that less than 0.3 per cent of small businesses actually experience federal unfair dismissal claims annually. That is a complete and utter furphy.

As an industrial relations practitioner who has actually experienced both sides of the fence as an employer advocate and a trade unionist, I come to this debate with a level of understanding. Those opposite would have you believe that everybody on this side defends to the death every unfair dismissal. That is true if the unfair dismissal were unjust, harsh or unreasonable. Many of us have had to advise members, 'You have done the wrong thing and you will have to cop it. You are actually going to have to walk.' That is a fairly onerous thing to have to do. On the last celebrated case I appeared on, a woman was sacked because she refused to go on a date with her boss—after being with a company for five years as an exemplary employee. I
was prepared to fight to the death for that woman to get her job back. In the end she did not get her job back; she got a payout. The boys ganged up and she never got her job back. In cases of fraudulent activities that I have also had to deal with, if somebody has been found with their hand in the till, you stand there and say, ‘You have done the wrong thing and you have to go.’

I have also had to sack people. It is a very unpleasant experience fronting up to someone and saying, ‘We are terribly sorry but you have been dismissed.’ I have not heard anybody on the other side—even though they keep ranting and raving about their small business experience—talk about how they have gone to somebody and said, ‘I am terribly sorry but you have done the wrong thing not only by your employer but also by your immediate co-workers. You are going to have to take dismissal.’ I have defended the actions of the employers I have represented in commissions in keeping that person sacked. It is all about balance; it is about reasonableness; it is about what is fair and what is reasonable; it is about employers and employees working together in a reasonable manner.

This is an ideologically driven bill with no basis and no substance. It is just covering up this government’s bereft third-term agenda. We need help for small business in areas of tax reform, GST relief and support particularly for venture-raising capital. That is what small businesses in my electorate are calling for—not for unreasonable, unfair dismissal laws.

Ms PLIBERSEK (Sydney) (12.34 p.m.)—The member for Burke has pointed out a very important point. She said the Workplace Relations Amendment (Fair Dismissal) Bill 2002 proposes to allow the sacking of employees in businesses that have fewer than 20 employees whether or not that sacking is harsh, unjust or unreasonable. What we are arguing about today is giving businesses with a small number of employees the right to sack people in circumstances that are harsh, unjust or unreasonable. It seems to me that that is not a debate we should be having. In any circumstance where an employee is sacked in conditions that are harsh, unjust or unreasonable this parliament should be defending the right of that worker to employment. In fact, Labor believes that all workers are entitled to those basic rights regardless of the size of the enterprise they work for.

We do not accept the simplistic argument that this legislation will lead to an increase in jobs, and I will explain later why there is serious doubt over the question whether this will increase employment at all. We certainly believe the difference between an organisation with 19 employees and an organisation with 21 employees is not so great that one business should be able to sack workers at will and the other should go through proper processes. When the government talk about job creation I would have to think that there would be a lot of businesses with 19 employees who would be thinking, ‘We had better not take on that last employee. Everything changes if this legislation gets through.’

Businesses deserve to have as little red tape as possible. In the term of the last parliament my living standards and economic policy task force spoke to many small businesses around the country about their problems. In all those consultations unfair dismissal was not the issue they were talking about. The issue they were talking about most commonly was the burden of GST compliance and the burden of compliance with the government’s disastrous business activity statement, which Labor pursued the government on and which we made them change and simplify.

I would just like to start briefly with some of the studies that have been done on the employment effect of unfair dismissal legislation. I think it worth starting, firstly, with figures collected by the Australian Bureau of Statistics. We have not heard a lot from the government about where they pick their figures from—I think they pick their figures from—I think they pick them from thin air. The Minister for Employment and Workplace Relations was in here the other day basically making up figures as he went along. But the ABS has done some research about this over the years. In the period between 1995 and September 1996 it was ap-
parent that about 600,000 job seekers found at least one job between May 1995 and September 1996, while of these about 200,000 found two or more jobs during that period, a period when unemployment fell from an annual average 10.9 per cent to 7.5 per cent.

Examining the number of jobs obtained by job seekers reveals that some 799,600 jobs were entered into in this period. So in the period immediately after the enactment of the Brereton unfair dismissal provisions, there was no shortage of job creation. Those figures come from the Australian Bureau of Statistics. Let us look at another set of ABS figures, from 1998—the Small Business in Australia 1997 publication from the ABS. It talks about employment across all business sectors growing markedly during the period following the Keating government’s unfair dismissal laws. That is another convenient piece of information that the government had ignored.

There is another piece of information that applies particularly to the employment of young people. We have further ABS statistics showing that, of people who had not worked at all between May 1995 and September 1997, only 9.4 per cent were young people aged 15 to 19—a lower proportion than any other age group. However, young job seekers, as of May 1995, were underrepresented in the shorter and minimal work experience cohorts, showing that the problem is not in fact young people getting jobs; the problem is young people keeping jobs. This unfair dismissal legislation actually militates against those young people keeping jobs, because we know that some employers sack young people as soon as they are entitled to a higher wage according to their award. So this legislation in fact undermines the purpose of the legislation that the government have set out.

The clear indication from the ABS statistics is that small businesses have not found it difficult to produce jobs. That is not the problem. It is also, in all the figures, very difficult to isolate the effects of the unfair dismissal laws from the other factors, such as improvements in the economy and increasing consumer confidence. But certainly there is no evidence to say that it is unfair dismissal laws so far that have prevented job growth.

If we have a look also at the National Institute of Labour Studies report produced for the Department of Employment, Education, Training and Youth Affairs in May 1997, we see that there was also strong job creation and aggregate job growth in small business, notwithstanding the unfair dismissal regulations that applied at that time. However, in this National Institute of Labour Studies report, there were some small businesses that mentioned unfair dismissal. The problem is that the survey was of all businesses, not of businesses that will be affected by this legislation. The inconvenient point that the government keeps leaving out is that the businesses that will be affected are businesses that are covered by a federal award and businesses that are incorporated businesses, not the 3.1 million small businesses that they keep talking about as existing in this country. It is a very small percentage of those small businesses. I think the last, most recent figures I heard for that number of small businesses was 175,000. I will have to check the record on that.

The National Institute of Labour Studies report also found that the size of the firm was not statistically significant in whether they were naming unfair dismissal legislation as a cause of concern. Firms that have 100 employees or 1,000 employees might still be concerned about how difficult it is to sack people. So the government thinks it is so important to reduce red tape and make it easier to sack people, yet it is only important for those businesses that have 19 employees. It is not important for businesses with 21 employees or 2,100 employees or 21,000 employees. They can deal with all the red tape the government can throw at them.

I think it is fair to say that this legislation then is not about job growth, because we know that, on the evidence, unfair dismissal legislation has not been a barrier to job growth in small business, and it is not about red tape for small businesses, because we know that the government is quite happy to throw at small businesses as much GST compliance red tape as it can and as much business activity statement red tape as it can.
Incidentally, this government has refused to support Labor’s proposal to calculate the GST liability of small businesses as a ratio of their turnover. This is a proposal that has vast support among small business, that we took to the last election and that we will introduce as a private member’s bill. Let us see the government support that. Let us see the government support a ratio calculation of GST liability for small businesses and really cut red tape, and not focus on the 0.3 per cent of businesses that have a federal unfair dismissal case each year. Let us deal with the 100 per cent of small businesses that are dealing with GST compliance problems.

It is interesting to talk about whether businesses are naming this as a problem or not. The member for Riverina mentioned—I am surprised that she mentioned this, to be honest; it really does prove our case—the ACTU survey of 100 small businesses in Mr Abbott’s Sydney electorate of Warringah, which found that none of them, not a single one, nominated unfair dismissal as a cause for concern, or rather as a reason for not hiring new staff. The minister has very conveniently ignored that one. Very interestingly, 52 per cent of those businesses nominated the GST as the government policy causing them most concern. We do not see anything from the government on simplifying the GST.

The member for Rankin used to come in here with the stack of legislation that it took to govern the GST. I think he stopped doing it because he was advised by his doctor that he was going to slip a disc if he kept carrying the legislation in. But you will remember, Mr Deputy Speaker, that there were two high piles of documents about the GST legislation. There must have been almost two metres worth of legislation on the GST, if you stacked it up, yet we have the government unwilling to take up Labor’s proposal of the ratio and instead focusing on this side issue, this red herring. This is a stunt to try and convince small business that this government is listening to their concerns, yet we know that their real concerns—the concerns about GST compliance—are not being listened to.

I come to the final studies that I want to talk about as to whether this proposed legislation is in fact going to have any effect at all on small businesses employing new staff. It is wise to have a look at some of the surveys that the government love to use when they are talking about small business concerns. The Telstra Yellow Pages Small Business Index survey of August 1998 has a section called ‘Barriers to Taking on New Employees’. The first barrier is ‘Lack of work’, the second one is ‘Cost of employing’ and then there are ‘Employment conditions’, ‘Superannuation’, ‘Finding skilled staff’, ‘Profitability’, ‘Workcare costs’, ‘Lack of cash flow’, ‘Lack of confidence’, ‘Red tape/regulations’ and ‘Economic climate’. Nowhere does it say unfair dismissal. By a stretch of the imagination, you could say that ‘Red tape/regulations’ might include some people who think that unfair dismissal is a problem, but only four per cent of workplaces name that as their concern.

Looking at a second table in the Telstra Yellow Pages Small Business Index survey, again we see that the biggest single response was that taxation was the issue for government to address. In contrast, only six per cent of businesses in the August 1998 survey thought unfair dismissal laws was the most important issue for government. That is after the government has been out there waging a constant campaign to try to get small business to believe that their biggest problem is unfair dismissal. The government has been out there campaigning on it, and yet we have only six per cent of businesses concerned. The biggest single response was that taxation was the issue for government to address, and we have no support from the government to simplify the GST, as Labor has suggested through the ratio method. We have no support for that sort of simplification; we have support only for this red herring.

The University of Newcastle’s Employment Studies Centre conducted a survey of 300 businesses on the New South Wales Mid-North Coast, and 7.1 per cent viewed unfair dismissal laws as preventing jobs growth. Six per cent declared that changing unfair dismissal laws would make things a little easier for them, yet you have an enormous number of people who are saying that improved technology would be more signifi-
You have 20 per cent of the people saying that improved technology is the bigger issue. You have no government support for those sorts of changes.

So there is very little evidence from all of the surveys that I have discussed with you, Mr Deputy Speaker Adams, and the previous Deputy Speaker to suggest that the operation of unfair dismissal laws has unduly hindered employment creation and small business efficiency. In fact, it is worth saying that the full court of the Federal Court of Australia, in the Hamzy v. Tricon International Restaurants case, said on 15 November:

It seems unfortunate that nobody has investigated whether there is any relationship between unfair dismissal legislation and employment growth. There has been much assertion on this topic during recent years, but apparently no effort to ascertain the factual situation.

Instead, we have the minister, whose own electorate tells him that unfair dismissal is not the primary reason for not hiring new staff, coming in here and making assertions based on figures plucked out of the air by COSBOA. We have, however, a lot of evidence of what happens to vulnerable workers when they do not have protection. In fact, even the legislation that exists has let slip through the net any number of cases where vulnerable workers have not been protected. I want to let you know, Mr Deputy Speaker, about some of those workers. There is Jody, who has been working as a child-care worker for nearly two years. She asked for a day off to go to court to get an intervention order against her former boyfriend. Not long after that she was given the sack, and the reason she was told was that the employer was worried that the ex-boyfriend might turn up and hurt the kids. There are any number of examples that show that this legislation will not protect the most vulnerable and will not lead to increased jobs growth.

Mr ANDREN (Calare) (12.50 p.m.)—On a number of occasions over the past six years I have supported government amendments to the Workplace Relations Act 1996 that exclude small businesses, then defined as employing fewer than 15 people, from the federal unfair dismissal laws. Today I would like to take a brief opportunity to speak on this issue again. My fierce opposition to any attempt to eliminate or downgrade or de-value the role of the Australian Industrial Relations Commission and my belief that the Employment Advocate is more like an employer’s advocate are well documented. I want to see fair legislation in the workplace, and that in this case applies to the balance between the rights of employees and the rights of small employers. My support for the previous amendments to unfair dismissal laws has always been based on how these laws are perceived and take effect within my electorate at what I consider the coalface of small business and employment. I find there is a considerable distance between the ideological debate on this issue and what is most influential when it comes to the actual creation of jobs in small business, the small business owner’s perception of the cost and risk involved in taking on an employee.

The Workplace Relations Amendment (Fair Dismissal) Bill 2002 before the House today extends the definition of a small business to those that employ no more than 20 employees, including regular casual employees, and empowers the AIRC to reject applications from employees of so-defined small businesses, without holding a hearing. The 20 employees brings this provision closer to the ADS definition of what constitutes a small business. I had no problem supporting the exemption of businesses employing no more than 15 workers from the unfair dismissal provisions and, with the extension of this limit, I see no overwhelming reason to change my stance. Then, as now, I am convinced that, for small business owners in my electorate, unfair dismissal legislation is a disincentive to the creation of employment opportunities. Taxation is the main bugbear, especially GST compliance. But the fear of unfair dismissal proceedings is right up there. Along with workers compensation premiums, unfair dismissal laws remain a major worry for small businesses in my electorate. In a rural or regional community employers generally, but especially those with a small work force, rely on mutual loyalty to get the job done. It is no good for the individual employee, the employer or the rest of the staff to have a sour relationship.
Small business margins are tight and they need a workplace where the employee and employer are part of a team. They cannot bear the expense of protracted unfair dismissal cases. In such a small business—and those that I have had constant contact with—with 15 or 20 employees there is eyeball to eyeball contact between the small business owner and his or her staff. That is not the case at an ADI defence factory in Lithgow or at Email Ltd now Electrolux in Orange, where you have a very large work force that is most often isolated from day-to-day contact with their bosses. The sorts of productivity gains that are expected by many of the bigger operations force regular trimming of numbers, where staff are regarded as units of cost rather than as real employees and real people. I have real concerns about this attitude of the new economy particularly to the role of the employee in this equation. I certainly have a deep determination to protect the rights of those employees to collectively bargain and to not be forced into a situation where they are the weak party in any sort of negotiation. I am aware that to be officially employed these days requires but one hour of work per week. I am aware of all of that and I have argued that quite strongly. But I have based my assessment here on the feedback I have received from small businesses and other constituents in my electorate over my last two terms as the representative for Calare.

I will maintain my support for this legislation as it applies to small business until I am convinced it is having a serious impact on the rights of employees, as opposed to the rights of small business to offer jobs in good faith. I am satisfied that small business employees remain adequately protected, regardless of this bill, under unlawful dismissal laws that prevent termination for reasons such as sexual preference, age, union membership or family responsibilities. I am aware of the protection for those on traineeships and so on. It may be argued that, with the measures in place from the Workplace Relations Amendment (Termination of Employment) Act 2001 to streamline the AIRC processes, potential for unmeritorious action to be successful has been reduced. But it remains that a matter must still be heard by the commission in order for it to be dismissed, preserving the disruptive potential of unmeritorious applications and attracting additional costs to the business owner.

I could question the possibility that we are enshrining in legislation the denial of an individual’s rights. That has weighed on my mind in considering this. But I have considered it, I hope, by coming straight down the middle and looking at it objectively—looking at it in the light of day rather than in the various lights that may be shone on it by the business community extremes on the one hand and the union extremes on the other. I have tried to bring an objective assessment to this, as I hope I have done to everything I have tried to do in my time as member for Calare. I could question the denial of individuals’ rights, but which individual are we really talking about in my electorate? The employee, by denying their access to unfair dismissal, or the employer, by their exposure to unfair litigation, the fear of unfair litigation or, indeed, the fear of litigation that would obviate them putting on extra staff. I can think of one particular case of a clothing store owner who had not taken a holiday in six years because he and his wife ran the business. They did not want to risk putting on that extra staff because of their perception, rightly or wrongly, about the potential costs of unfair dismissal litigation. Given all the extra costs that are now impacting on small business through insurance and the cost of compliance with the GST, I believe that is a very valid concern.

Issues like this are where this House consistently runs into difficulty—the left-right nexus that bogs down meaningful debate. The argument on this present bill has again followed these well-worn paths. Much has been made of the various statistics touted as evidence of the real impact of the proposed legislation in the creation or cutting of jobs. What is most obvious amongst the conjecture is that there is still a singular lack of an official estimate of the number of workers likely to be affected by this bill. This contributes most to the aspersions that are cast from one side to the other in a debate that is no closer to casting any light on the actual situation in small businesses around this
country. We have heard of Rob Bastion’s guesstimate of 50,000 jobs, which has become government folklore. I can only react to gut feeling. I do not do surveys; I cannot afford them. I just do gut feelings, and that has worked pretty well to date. My gut feeling is that small businesses with fewer than 20 employees can well do without the threat of unfair dismissal proceedings. My scepticism with regard to how employment is measured—that a person need work only one hour a week to be statistically considered employed is hardly an accurate measure of economic health. That is well documented on the public record.

So, figures or not, I stand by my initial assertion that the small business owners’ perception of the unfair dismissal laws will be a deciding factor in decisions to employ or not to employ. On that basis I will maintain the stance that I have taken to the electorate on two occasions now and support this legislation; again, on the proviso that the moment I see any feedback that it is causing undue hardship and concern, I will certainly take the move of opposing any subsequent legislation.

Mr WINDSOR (New England) (1.00 p.m.)—I will be supporting the Workplace Relations Amendment (Fair Dismissal) Bill 2002 and follow some of the arguments of the previous speaker, the member for Calare. In terms of the process that has evolved in this place, one of the comments he made was in relation to the dogma-driven division that occurs here, particularly in relation to industrial relations. It seems to me, particularly from a regional perspective, that we have a fairly odd set of circumstances where both sides of the parliament are essentially in agreement in relation to the economic framework under which the nation operates, but we still have this great division in terms of the politics of the place concerning the industrial relations framework.

I have been involved in a number of small businesses over the years—a farming business, an earthmoving business and those sorts of things—and I am interested to note the number of people in this place who are making decisions in relation to the future of small business people, and the number of those people who have actually been in any form of business at all. Until you have actually been there and experienced some of the concerns, the toing-and-froing, the risk-taking et cetera, that small businessmen have to encompass in their daily lives, I do not think you fully appreciate the fears that are out there.

There are a number of numbers being bandied around about how many jobs will be created through this legislation if it is, in fact, passed; how many unfair dismissal claims there have been— is it going up; is it going down—in the last six years. Those sorts of numbers are handy to have, I guess, in terms of people’s arguments. But there is no doubt—and the member for Calare touched on this as well—that there is a fear within the small business community that, in conjunction with the litigation-led society we have tended to drift into of recent years, it is unfair or could be unfair to some small businessmen if this sort of legislation does not get through the parliament.

Along with many other members in this place, I have encountered some abuses of the process, in my view—using unfair dismissal claims to really jeopardise some small businesses. I cannot say it has been a lot. But having had interaction with the people that really do experience these concerns at that particular time in their business, the cost to their business and the pressure that applies to their business, given all the other pressures that are involved, I believe it is something that this parliament should look at seriously.

A little bit of history in relation to my involvement as a member of the New South Wales parliament concerning this particular area: in the 1991 parliament, when John Fahey, the former finance minister in this place, was the industrial relations minister in that place, mine was the deciding vote that allowed the New South Wales industrial relations legislation to proceed through that parliament. I am not unhappy, in the 10 years that have gone, with supporting that particular legislation. I was also very supportive of the current Premier, Bob Carr, in his attempt to come to grips with workers compensation arrangements in that state.
I note that he not only suffered the wrath of the union movement at that time but also the wrath of the Liberal Party and the National Party in terms of trying to grab hold of the workers compensation issue and actually do something about it. There is no doubt that unfair dismissal claims are part of a portfolio of problems, in my view, that small business has. I am fully aware that workers compensation has a state based legislative framework, but it does have an impact, and I was pleased to support the Labor Premier in New South Wales trying to come to grips with that. I believe the current minister, Della Bosca, is also trying to do some more in relation to that particular area.

I was also involved with the Pioneer Concrete subcontracting issue in the New South Wales parliament. As an Independent back in the 1991 to 1995 period I was able to broker a solution to that problem. I have not seen the particular individual here yet but Senator Steve Hutchins was the chief of the Transport Workers Union at that time. Steve and I were involved in trying to broker a solution with the then minister for industrial relations and now opposition leader in New South Wales, Kerry Chikarovski. I was also involved, through the committee processes, in coming to grips with the security of payment issue to subcontractors, where there have been some enormous inequities perpetrated by large companies on smaller subcontractors over the years. There is progress being made in relation to that particular issue.

Many people have said that there are other issues that the government should be involved in in relation to small business. I will not get into the argument as to where unfair dismissal falls in the gamut of concerns, except to say that it is one of the concerns that small business people do have. But there are many others, and I agree with the opposition when they say that there are other impediments, particularly to country business. It reflects a little bit on the framework of the government’s policy and that of the Labor Party prior to this government coming to power, and on the patchy benefits that competition policy and some aspects of economic rationalism have had for country businesses. I would like to list a few of those in the brief time that is left to me.

In a sense, the message coming from the policy framework that is emanating from this place is to get big and not to get small. I think that is damaging, because the very essence of country communities is and always will be based on the growth and prosperity of small business and the relationship that they can establish between their workers, their families, their schools et cetera. But the message that is emanating from this place started with the Keating government and has been carried on by the Howard government, and it is a very subtle message of: if you are not big, if you cannot generate these cost efficiencies, you are not part of the equation. One of the reasons I have come into this place is to try to talk some sense into the people who believe that the most effective way to exist is to move to a feedlot on the coast. I do not agree with that at all.

Insurance is a cost to small business that I know the Minister for Small Business and Tourism, Mr Hockey, is currently looking at. I am also aware that some powers that be in this place are tending to water down the approach that Minister Hockey may have had. I support him in his attempts to show some leadership in coming to grips with this issue. I had a phone call this morning: the Tamworth clarinet choir has had to stop a performance at Bingarrra, which is nearly a couple of hundred kilometres away, because of the costs of insurance. The last time I saw people going berserk with clarinets is in my deep dark memories. They are the sorts of things that are happening in country areas that need to be addressed. There does need to be some leadership shown at a federal level in relation to those problems. I encourage Minister Hockey to move on and keep going with that issue because the general public, the small business community and many others are behind him.

The fuel issue is a classic case where small businesses in country areas in particular are suffering. I was a supporter of the need for some form of consumption tax throughout the mid-1980s when I was involved with some of the farm organisations. One of the real difficulties that the govern-
ment has caused small business in particular is the fact that fuel taxation is based on something between a 50 and a 60 per cent GST, not a 10 per cent GST. That has implications for all business, particularly for small businesses because they do not have the economies of scale of some of the bigger businesses, but particularly for regional businesses, which are not the beneficiaries of any discounting by the fuel companies. I urge the minister in the chair and the government to look very closely at that issue. If they are really concerned about small business and the competitive aspects of this nation relating to other nations, why are we charging 60 per cent GST on fuel? We have 48c a litre being charged at the moment. We raise $12.5 billion that way and then we have many members in this parliament come in and say, ‘We are very concerned about the future of small business.’ If we are concerned about the future of small business we should be doing something about that burden of fuel taxation that we are placing on those very businesses.

Workers’ entitlements arrangements also come into the gambit of workers’ rights and the capacity of workers to have their entitlements looked after. I support the general thrust of legislation to encompass workers’ entitlements. We have just been through an incident at the Hillgrove mine in my electorate where an overseas company looked as though it was going to remove itself from its obligations. I thank the minister in the chair because I think he was involved in some way in helping to bring that company round to make sure the entitlements of those workers were given out. I understand there is a scheme of outworkers’ entitlements, but I think it is something that needs to be tidied up. Like the unfair dismissal laws, there is a fear in the bosses and the people who own the companies and, equally, there is a fear in people who are working for, particularly, the overseas companies, that their entitlements are not guaranteed. Companies and business people have to recognise that it is the workers’ money they are dealing with, not their money. I would support initiatives to make sure that is structured in this particular parliament.

I would like to mention a number of other issues, briefly. Regarding the Telstra issue, if we are serious about coming to grips with competitive business, particularly in regional areas, there has to be more done in relation to the equity of telecommunications and country communities. The very framework I spoke about earlier has a classic involvement with Telstra. There is no way that a fully privatised Telstra is going to look after the smaller communities. The very principles that a fully commercial operation would have prevent this—and I do not think the government can bind a commercial company to anything that is going to be structurally certain for future years. I encourage the government to look seriously at that particular issue.

In conclusion, I support the legislation. It is overdue and many small businesses will be pleased to see it go through the Senate.

Mr ABBOTT (Warringah—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (1.13 p.m.)—Firstly, I thank all members who have contributed to this debate. I would particularly like to thank members opposite and elsewhere believe that they are a protection for workers—is that many small businesses are frightened of putting on new staff,
and that is a real problem in our economy and a real problem for our society.

I do not wish to go on at great length; I will just select from some of the correspondence which has come to me. In one case, a small Melbourne engineering company had to terminate two casual employees and one permanent employee because of a significant downturn in business arising from a three-month strike in Korea. The applicant for unfair dismissal requested a settlement of $5,500. The solicitor’s advice was that to defend the claim it would cost up to $15,000. So the business handed over the $5,500 because that was the least expensive option.

Another example that came onto my desk was of a very long-established leather goods business, employing up to 10 people, that got into difficulties a couple of years ago. The employer believed that if he was able to downsize by one employee he would have been able to survive. Unfortunately, his lawyers told him that it would cost him $20,000 to do so, given that he would have to pay off this employee under the way the unfair dismissal laws operate. Instead, this particular businessperson decided to close down the business.

Another example is that of a small motor industry company in New South Wales which faced an unfair dismissal claim from a former employee dismissed for poor work performance, despite repeated warnings and repeated training. The company eventually agreed to settle the matter in order to avoid further legal costs—and that cost $9,000. That is the basic problem. The problem is not just the 3,000 or so small business unfair dismissal claims that come to the Australian Industrial Relations Commission but also the hundreds of thousands of small businesses that now understand that, if they want to let someone go, it is going to cost them tens of thousands of dollars. As the government has pointed out again and again, if just one in 20 of the small businesses of this country took on one extra person it would produce a 50,000-plus increase in jobs.

The government has tried consistently over the last six years to try to improve the unfair dismissal regime. In 1996, the Workplace Relations Act was changed to institute the principle of a fair go all round. Late last year, just before the election, we were able to get the Senate to agree to further changes. Now all new employees, unless otherwise stipulated, have a standard three-month probationary period, during which the operation of the unfair dismissal laws will not apply. In addition, thanks to the changes late last year, there is the possibility of fines on ambulance chasing lawyers, and people who bring bodgie applications are potentially liable to costs orders. The government believes that it is important to go further. We think that the nature of small business means that small businesses should be entirely exempted from the operation of these laws.

I note that members opposite have repeatedly stated that there is no real concern about the unfair dismissal laws. I would simply cite an Australian Business Ltd survey released late last year which showed that 57 per cent of businesses believe that, as they stand, the unfair dismissal laws are an important issue. I certainly think that unfair dismissal laws remain an important issue out there in the community and they need to be tackled by this parliament. Of course there are other issues of concern to small business—I accept that—but this is one issue that we can address and fix comparatively simply. That is why we should fix it. We should not allow the fact that some things cannot be fixed, stop us from fixing the things that we can fix—and fixing them quickly.

I would like to thank the member for Barton, the shadow minister for workplace relations, who made what I think was quite a constructive speech. I particularly noted his gracious references to me—and I thank him for those. I also noted his implied praise of the late, great BA Santamaria, who I continue to believe was one of the greatest Australians of all time. Let me reciprocate: I think the member for Barton is a thoroughly honourable and decent man, but I think in some ways he is a good lawyer with a bad brief on this case. The basic point that the member for Barton made, which was repeated often by members opposite, was that if this bill is passed some workers might be exposed to harsh treatment. I certainly accept that, if small business is entirely exempted
from the operation of the unfair dismissal laws, every so often something might happen that strikes reasonable people as being pretty tough.

But we can focus on a handful of hard cases or we can focus on the tens of thousands of new jobs which we reasonably think can be created if we pass this bill. We can focus on a handful of bad employers or we can focus on the tens of thousands of good employers who are currently intimidated out of employing people by their perceptions of the existing unfair dismissal regime. I think members opposite should consider this fundamental question: what is better for former employees? Is it better to give them access to unfair dismissal laws which might result in $3,000 or $4,000 in their pockets but no job, or is it better to give them access to an economy which is much better at creating jobs and makes it much easier for them to find jobs?

I should point out that, if this bill passes, the employees of small business will still have access to remedies for unlawful dismissal and any remedies they might have under common law. I am all in favour of protecting workers’ rights, but you do not protect workers’ rights by wrapping them up in cottonwool. Fundamentally, this government has confidence and faith in the decency of Australian managers and the commonsense of Australian workers. That is why we believe that workers and managers will get along pretty well, even if the unfair dismissal laws are taken off the back of small business.

I accept that members opposite will not support this particular bill. I do note from press reports that the opposition is considering some changes to the unfair dismissal laws. I note from the Financial Review of Wednesday—that is, yesterday:

Labor is still planning to move amendments to the Government’s unfair dismissal bill dealing with the current procedural requirements on employers and also the cost of defending dismissal claims.

The Opposition is also considering whether to move amendments that would restrict employees’ access to monetary compensation in dismissal cases ...
Thursday, 21 February 2002

Representatives

Hull, K.E.                Hunt, G.A.
Johnson, M.A.             Jull, D.F.
Kelly, D.M.               Kelly, J.M.
Kemp, D.A.                Ley, S.P.
Lindsay, P.J.             Macfarlane, I.E.
May, M.A.                 McArthur, S. *
McGauran, P.J.            Moylan, J, E.
Nairn, G. R.              Nelson, B.J.
Neville, P.C.             Panopoulos, S.
Pearce, C.J.              Prosser, G.D.
Pyne, C.                  Randall, D.J.
Ruddock, P.M.             Schultz, A.
Scott, B.C.               Seeker, P.D.
Slipper, P.N.             Smith, A.D.H.
Somlyay, A.M.             Southcott, A.J.
Stone, S.N.               Thompson, C.P.
Ticehurst, K.V.           Toller, D.W.
Truss, W.E.               Tuckey, C.W.
Vaile, M.A.J.             Vale, D.S.
Wakelin, B.H.             Washer, M.J.
Williams, D.R.            Windsor, A.H.C.
Worth, P.M.               * denotes teller

Noes.............. 63

Majority......... 18

Ayes.............. 81

The DEPUTY SPEAKER (Hon. D.G.H. Adams)—Order! The question is that the bill be read a second time. Is a division required? Ring the bells for one minute.

A division having been called and the bells being rung—

Mrs Crosio—Mr Deputy Speaker, with due respect, a number of members have left the House. I believe there should be a full division.

The DEPUTY SPEAKER—Order! The bells will ring for one minute.

Question put:

That this bill be now read a second time.

The House divided. [1.41 p.m.]

(The Deputy Speaker—Hon. D.G.H. Adams)

Ayes

Abbott, A.J.            Anderson, J.D.
Andren, P.J.            Andrews, K.J.
Anthony, L.J.           Bailey, F.E.
Baird, B.G.             Baldwin, R.C.
Barresi, P.A.           Bartlett, K.J.
Billson, B.F.           Bishop, B.K.
Bishop, J.I.            Brough, M.T.
Cadman, A.G.            Cameron, R.A.
Causley, I.R.           Charles, R.E.
Ciobo, S.M.             Cobb, J.K.
Costello, P.H.          Downer, A.J.G.
Draper, P.              Dutton, P.C.
Elson, K.S.             Ensch, W.G.
Farmer, P.F.            Forrest, J.A. *
Gallus, C.A.            Gambardo, T.
Gash, J.                Georgiou, P.
Haase, B.W.             Hardgrave, G.D.
Hartsuyker, L.          Hawker, D.P.M.
Hockey, J.B.            Hull, K.E.
Hunt, G.A.              Johnson, M.A.
Jull, D.F.              Katter, R.C.
Kelly, D.M.             Kelly, J.M.
Kemp, D.A.              Ley, S.P.
Lindsay, P.J.           Macfarlane, I.E.
May, M.A.               MacArthur, S.
McGauran, P.J.          Moylan, J. E.
Nairn, G. R.            Nelson, B.J.

Noes

Beazley, K.C.           Driscol, R.F.
Brereton, L.J.          Drumm, A.M.
Byrne, A.M.             Edwards, A.J.
Cox, D.A.               Edwards, P.
Danby, M. *             Ellis, A.L.
Evans, M.J.             Ferguson, M.J.
George, J.              Gillard, J.E.
Griffin, A.P.           Hall, K.L.
Hatton, M.J.            Irwin, J.
Jenkins, H.A.           King, C.F.
Lawrence, C.M.          Macklin, J.L.
McClendon, R.B.         McLean, L.B.
Melham, D.              Murphy, J. P.
O’Connor, G.M.          Pibersek, T.
Quick, H.V. *           Roxon, N.L.
Sawford, R.W.           Sercombe, R.C.G.
Smith, S.F.             Swan, W.M.
Thomson, K.J.           Wilkie, K.

* denotes teller
Mr ABBOTT (Warringah—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (1.50 p.m.)—by leave—I move:
That this bill be now read a third time.

Question agreed to.

Bill read a third time.

AUSTRALIAN CITIZENSHIP LEGISLATION AMENDMENT BILL 2002

Second Reading

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

That this bill be now read a second time.

Mr LAURIE FERGUSON (Reid) (1.51 p.m.)—The Australian Citizenship Legislation Amendment Bill 2002 proposes a number of significant enhancements to the Australian citizenship system. The most crucial element of the bill is the repeal of section 17 of the Australian Citizenship Act. This means that, in future, adult Australian citizens will not lose their Australian citizenship if they take action to acquire the citizenship of another country. The bill also extends from 18 to 25 years the age limit for a person born overseas to an Australian citizen to register as an Australian citizen by descent. It provides for eligible children under 16 to be given a citizenship certificate in their own name, and strengthens the existing integrity provisions, allowing for the deferral, rejection or revocation of an application for Australian citizenship. As the shadow minister with responsibility for citizenship matters, I indicate that the opposition will be supporting passage of the legislation without amendment.

The bill before the House is significant in several respects. Citizenship policy has important symbolic and practical consequences for Australia, and not just for those Australians who were born overseas. We have reason to be proud of the fact that we are a diverse, tolerant and multicultural society. The rights and obligations attached to citizenship are an important element of the common bond that unites all Australians, regardless of their place of birth, ethnic background, education, ancestry or life experience. Our citizenship system embraces the notion that all Australian citizens have full and equal mem-
bership of our society. That is in sharp contrast to many nations around the world.

It is not always understood that the legal basis of Australian citizenship has existed for only 53 years. It is in fact an enduring legacy of the postwar reconstruction agenda of the Chifley Labor government of 1945 to 1949 which also included the beginning of our postwar immigration program. Prior to Australia Day 1949, people born in Australia and naturalised migrants were, in fact, British subjects—they were not Australian citizens. The Nationality and Citizenship Act 1948—now known as the Australian Citizenship Act 1948—for the first time provided for eligible residents to become Australian citizens in three broad circumstances: by birth, by grant or by descent. The latest available data shows that some 3.75 million Australians who were born overseas have satisfied the basic two-year residential requirement for citizenship. Of those 3.75 million, some 2.8 million—or 75 per cent—have actually acquired Australian citizenship. Official data reveals considerable variation in the rate of citizenship for different birthplace groups. The highest rates of citizenship—greater than 95 per cent of those people eligible—occurs among people born in Laos, Lebanon, Greece, Hungary and Latvia. The lowest rates for taking up Australian citizenship are for those born in Japan, New Zealand, Malaysia and the United States of America.

The Australian Citizenship Council, chaired by Sir Ninian Stephen, exists to give advice to the government of the day regarding citizenship matters. This bill responds to a number of the 64 recommendations that the council made in its landmark December 1999 report Australian citizenship for a new century. As I said in my opening comments, the most significant aspect of the bill is undoubtedly the proposed repeal of section 17 of the Citizenship Act. That section states:

(1) A person, being an Australian citizen who has attained the age of 18 years, who does any act or thing—

(a) the sole or dominant purpose of which; and—

and that is important: it has to actually be a very deliberate act designed to do this—

(b) the effect of which;

is to acquire the nationality or citizenship of a foreign country, shall, upon that acquisition cease to be an Australian citizen.

(2) Subsection (1) does not apply in relation to an act of marriage.

In other words, if you acquire another citizenship through marriage, you do not lose your Australian citizenship automatically.

Section 17 mainly impacts on Australians who go overseas for work or studies and find that they need to acquire citizenship of their new country of residence to secure appropriate employment or obtain other benefits. In this world the reality is that increasing numbers of Australians are overseas, employed by companies in other nations and subject to the laws of those countries. They find themselves discriminated against in some cases because they are not citizens of those countries and they find themselves discriminated against in corporations they work for when they are not citizens of those countries that own the companies. Approximately 700 Australians a year lose their Australian citizenship because of this provision. I have to stress that there are probably many others who are unknown to Australian authorities who should, under the technical wording of this act, lose citizenship but they do not come to the attention of Australia. The only people who lose their citizenship are those the Australian authorities become aware of. Typical of the way the world is moving, we have agreements with 27 foreign countries that will report to each other when citizens of those countries take up the other citizenship. All of those, whilst legally on the books, are ignored, because that is typical of the way the world is going: dual citizenship is the reality internationally.

The need to repeal section 17 has been the subject of protracted debate over several decades. The Joint Parliamentary Committee on Foreign Affairs and Defence considered the matter in a major inquiry that reported in 1976. That inquiry recommended no change be made to the existing rules. Typical of the attitude at that time was the committee’s conclusion that every person should have one nationality only. That was the view of the foreign affairs committee of this parliament in 1976. Essentially it said, ‘You are an
Australian—end of story; you take out only one citizenship.' The matter was next considered in the September 1994 report of the Joint Standing Committee on Migration, entitled Australians all—enhancing Australian citizenship. I served as a member of that committee, and I must confess that I was actually persuaded during the course of the inquiry. Coming from a position of initial opposition, I was persuaded by the mounting international trend towards dual citizenship and the reality that many Australians are adversely affected by the current law. That inquiry, convened by Senator Bolkus, included future and past immigration ministers Holding and Rudduck. Typical of the way the attitude had changed in Australia, on page 206 of that 1994 report, the committee’s conclusion was:

Tolerance of diversity is a cornerstone of multicultural Australian society. The ultimate expression of such tolerance would be the recognition that while Australian citizens owe their primary allegiance to Australia, they can also show a commitment to their country of origin or the country of which they are resident.

So we see that, between 1976 and 1994, there was a fundamental rethinking. In 1976, 18 years earlier, the attitude was Australian citizenship—end of story; no other alternatives. By 1994, the parliamentary committee unanimously—all parties; all members—concluded that the law should be changed. Unfortunately, that recommendation could not be proceeded with in the pre-election environment that applied in 1995. The then Labor government decided to defer the matter of a proposed major review of the Citizenship Act.

The debate recommenced with the major 1999 report of the Australian Citizenship Council, which I referred to earlier. The Citizenship Council noted that nearly three-quarters of all the submissions that it received in that inquiry raised this very issue of section 17. These submissions included one from a Nobel prize winner and a former Australian of the Year living overseas. Many submissions covered the circumstances of Australians who were working overseas and whose prospects would have been severely prejudiced if they had not acquired citizenship of their country of residence. These people argued that their action in doing so had in no way diminished their commitment to Australia.

The SPEAKER—Order! It being 2 p.m., the debate is interrupted in accordance with standing order 101A. The debate may be resumed at a later hour and the honourable member for Reid will have leave to continue speaking when the debate is resumed.

QUESTIONS WITHOUT NOTICE

Mr CREAN (2.00 p.m.)—My question is directed to the Prime Minister. Has the Prime Minister seen the evidence of Air Marshal Houston, witnessed by Brigadier Bornholt, from Senate estimates last night, that he informed former Minister for Defence, Peter Reith, on 7 November 2001 that there were no women or children from the SIEV4 in the water on 7 October? Prime Minister, did you not ask Mr Reith on the night of 7 November whether he had any advice to contradict the veracity of the original claims? Are you, Prime Minister, alleging that Mr Reith told you he had not received any advice, orally or in writing, that in any way contradicted—I repeat, in any way contradicted—the original advice that children were thrown overboard from SIEV4 on 7 October?

Mr HOWARD—I confirm to the House what I have previously said about my discussions with Mr Reith. I specifically add that he did not convey to me in our discussion the discussion he had with Air Marshal Houston. But as the Leader of the Opposition has raised the evidence that was given before the Senate estimates last night, can I quote some other evidence. This comes from the senior military adviser to the government, the Chief of the Defence Force. This is what Admiral Barrie had to say. Bear in mind Admiral Barrie is the senior military adviser to the government. He ranks in precedence over everybody else. It is very, very interesting evidence.

Mr Bevis interjecting—

The SPEAKER—The member for Brisbane apparently believes he has a licence to interrupt the Leader of the Opposition.
Mr Crean—Mr Speaker, on a point of relevance: the question was about advice from Reith; not Barrie—Reith.

The SPEAKER—The Leader of the Opposition will resume his seat. The Prime Minister is entirely in order.

Mr HOWARD—I go on. This is what Admiral Barrie had to say, and it bears very directly on discussions with and advice he gave to the former defence minister, Mr Reith. This is what Admiral Barrie had to say:

But I have to say, in all, that I was never persuaded myself that there was compelling evidence that the initial report of the commanding officer was wrong.

This is Admiral Barrie speaking last night, not speaking six weeks ago. ‘I was never persuaded that the initial report was wrong.’

He went on:

It was my view that the photographs were simply part of evidentiary material. The really important aspects of this are witness statements and perceptions. And that initial report, so far as I was concerned, ought to stand.

Significantly, he then goes on to say:

And I never sought to recant that advice that I originally gave to the minister.

In other words, last night the most senior military adviser to the government said that he never sought to recant the original advice that he gave. Last night, they thought they had an Exocet from the air marshal. I think you have had a decent torpedo from the admiral. This was going to be the big one. The big one is that the senior military adviser to the government is saying, as recently as last night, that he never sought to recant the advice that he gave to the minister. I think that speaks volumes for the nonsense, the sheer political motivation, of this attack that has been launched by the opposition over the last couple of weeks. You have the senior military adviser to the government saying that. Admiral Barrie also said:

And it is my view that the commanding officer’s initial report—

which was reported to me on the Sunday—and the subsequent events while I was CDF ought to stand.

Just remember that the original advice on which my statements were based, the statements made by the minister for immigration and the statements made by the then Minister for Defence were on the reports that emanated on the Sunday, and yet Admiral Barrie is saying that he still thinks they ought to stand. That absolutely closes the circle. This attack by the opposition has been completely blown away by the press release that has been given by the admiral last night.

Rural and Regional Australia: Sustainable Regions Program

Mr JOHN COBB (2.06 p.m.)—My question without notice is addressed to the Deputy Prime Minister and the Minister for Transport and Regional Services. Would the minister inform the House—

Mr Crean interjecting—

The SPEAKER—The Leader of the Opposition knows that is intolerable. The member for Parkes has the call. Better standards are expected of the House. The member for Parkes will commence his question again.

Mr JOHN COBB—Would the minister inform the House of developments under the Sustainable Regions program? What benefits are flowing from this and other regional programs? Is the Deputy Prime Minister aware of any alternatives?

Mr ANDERSON—I thank the honourable member for Parkes for his question. He has been very active for many years in pursuing good economic and social outcomes for people in rural and regional areas. I think all members of the House would acknowledge that strong economic growth has benefited Australians, broadly speaking, to a very great degree in recent years, but some of the changes that we are seeing in the economy have left some regions and the people who live in them facing particular circumstances of difficulty as they adjust. The government have been very keen to do what we can to ensure that all Australians, including those who live in some of the ‘flatter’ areas in terms of economic performance, benefit from the very strong outlook of the economy.

To that end, the flagship of our regional programs, the $100 million Sustainable Regions program, has seen us announce eight
prototype regions. They have been very warmly welcomed in the regions where we have set them up. Seven of them now have their committees announced and up and running. It is interesting that the Queensland government have been claiming this program and the funds in it as one of their own. They can see the value of it, unlike their federal counterparts, who said during the election campaign that they would scrap it should they win.

I dare say the relevant Labor member for the north-west and west coast of Tasmania would have noted that, in relation to the Sustainable Regions program just set up in his area, the Cradle Coast Authority Board will form the nucleus of the north-west and west coast Sustainable Regions Advisory Committee. It has been very widely welcomed there. I note that the Advocate, his local press, said:

The federal government has done the right thing in using the Cradle Coast Authority to manage the excellent contribution of $12 million in regional funding. It is a credit to the federal government—

I hope that will be echoed by the local member—

that it has recognised this area’s regional approach to development.

The editorial goes on to say:

If ever an example was needed of the value of regional cooperation and the rewards which can come from it, there could be no better than the announcement of this federal government fillip.

There is a whole range of these initiatives that we have put in place, seeking to achieve the objective of everyone in Australia benefiting from strong economic growth and better services. There is Networking the Nation, the Stronger Families and Communities Strategy, the Regional Solutions Program, the Regional Assistance Program, the Regional Tourism Program, bonded scholarships for medical students, rural transaction centres, Roads to Recovery—the list is quite extensive. It is a toolbox approach, recognising that no two areas face similar difficulties or can be made to fit similar solutions.

The member for Batman took a toolbox approach, too, to regional Australia in the last election, but what it contained was a sledgehammer and a list of programs that he intended to either scrap altogether or replace, in many cases, with loans. That ought not to be forgotten. Labor’s approach to regional development during the last campaign was based on loans. The Labor Party love public sector debt. They want everyone back in the situation where they owe money, where they have to repay loans and pay interest.

Look at the list of programs that they were going to either get rid of or wipe out. The Regional Solutions Program was to have been abolished. The Black Spots Roads Program, which has saved countless numbers of lives in Australia—and will in the future, because we are continuing it—was to have been abolished. The Roads to Recovery program was to be ‘retargeted’. I know what that would have meant: they would have given their colleagues in the state governments control of it. We bypassed the state governments; we gave it to local communities because we figure that they know where the money needs to be spent. But not the ALP—they wanted it run through the state governments, and you know what would have happened then.

The Regional Assistance Program would have been abolished. The Sustainable Regions program would have been abolished. Area consultative committees were under threat. Twenty million dollars would have been taken out of the Dairy Regional Assistance Program, which has been very much needed out in those areas hit by the deregulation of the dairy industry. Six hundred million dollars, under the stewardship of the Minister for Agriculture, Fisheries and Forestry, to fortress Australia in terms of quarantine and our clean, green image, would have been redirected to an ill-thought-out coastguard. Landcare was threatened. Work for the Dole was threatened, private health insurance was threatened. The Employee Entitlements Support Scheme would have been abolished and Tough on Drugs was threatened. There was no policy from the alternative minister for regional development—no policy at all.

It is not surprising, therefore, that Labor members have had their say as Messrs Wran and Hawke have moved around. One Labor member said:
“The heartland deserted Labor, because Labor deserted the heartland ...
“The ALP has been a policy-free zone for at least three years ...
The most telling point of all was a question asked by one prospective member:
“Where is policy made? ... Spin doctors. No principles and policies ...
It is pretty clear that the Labor Party, insofar as rural and regional Australia are concerned, do not believe in going out there and talking to people; they just spin.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.13 p.m.)—My question is again to the Prime Minister. Prime Minister, did Defence Force chief, Admiral Barrie, speak to Mr Reith between Mr Reith’s conversation with Air Marshal Houston, witnessed by Brigadier Bornholt, and your conversation with Mr Reith on the evening of 7 November?

Mr HOWARD—I cannot possibly answer that question. How can I know?

Opposition members interjecting—

Mr HOWARD—I thought that over the years I had acquired a few skills, but I did not think that I had acquired a skill to know of conversations taking place between two other people!

Mr Crean—He was out of the country and you know it.

Mr HOWARD—Oh, he was out of the country. There are such things as mobile phones.

Mr Crean—Well, did he have it?

The SPEAKER—Order! The Leader of the Opposition knows that behaviour is unacceptable, and I ask him to desist.

Mr HOWARD—For the self-evident reason that I have explained, I cannot answer that question beyond repeating what I earlier said in relation to my discussions with Mr Reith. Everybody is aware of the statements made last night by Air Marshal Houston and Admiral Barrie. As to the latter, I can only repeat that as recently as last night the government’s senior military adviser said that he never sought to recant the original advice that he gave to Mr Reith. I am pretty happy with that statement.

Economy: Fiscal Policy

Dr SOUTHCOTT (2.15 p.m.)—My question is addressed to the Treasurer. Would the Treasurer advise the House how Australia’s fiscal position compares with that of other developed economies. How has this position been achieved and what are the benefits of sound budget policy?

Mr COSTELLO—I thank the honourable member for Boothby for his question. I can report to the House that since this government was elected we have now paid off $56 billion of Labor Party debt. I think it is well known that in the last five years of the Labor government they accumulated $80 billion worth of deficits. This government came into office and turned the budget out of deficit—a deficit which the Labor Party said did not exist. Talk about misleading the public before an election! The Labor Party was running around before the 1996 election saying that the budget was in surplus and it was $10,000 million in deficit. Talk about misleading the public before an election—you went to the 1993 election with tax cuts which were l-a-w, got elected and took them away. Since this government has come into office it has repaid $56 billion of Labor Party debt. In fact, I can report to the House that it is expected by the OECD that Australia’s net debt position will be around 5.6 per cent of GDP, falling to 4.5 per cent—taking into account states and territories—in 2002. Let me give some comparisons: the debt to GDP ratio of the United States—bear in mind Australia’s 4.5 per cent in 2002—is 41.4 per cent. In Europe, the debt to GDP ratio is expected to be 47.7 per cent. In Japan, the debt to GDP ratio is expected to be 66.8 per cent. Australia is about a tenth of many of the comparable economies of the world.

Let me show the benefit that this has for taxpayers. When the Labor Party were in office we had to raise $8.4 billion in taxes to service their debts. That was just to pay the servicing costs of Labor Party mismanagement. After repaying $56 billion of Labor Party debt, we are now saving $4 billion a year in interest payments, which means that
is $4 billion a year more for schools, for beds—

Opposition members interjecting—

Mr COSTELLO—No, for all schools actually. Government schools did not have the opportunity of getting that money because you were paying for past debts—that is Labor Party debt-driven policy.

Mr Bevis—If you want to do a history lesson, go back to school.

Mr COSTELLO—I’ll do a history lesson because you need it, old son. You are never going to learn anything from this Leader of the Opposition.

The SPEAKER—The Treasurer will address his remarks through the chair.

Mr COSTELLO—He was a big part of the problem. We can remember all last term—he stood here and he had his little bags of plastic—remember? Remember his Hockey Bear pyjamas? The GST was going to cause Australia to go into recession. The GST was going to cause earthquakes, starvation and all sorts of plagues were going to be visited on the community. He did not do one thing by the time the election came. He never produced a policy—we never had a policy.

He will run around and he will try and inveigle the reputations of good, decent, honest people in this place. But I make this prediction: he will never produce a policy. I say to all of the people of the Labor Party: two weeks of distraction has kept the pressure off him announcing a policy, but it will come to an end. When it comes to an end, he will be as naked as he was at the last election. I am not a pretty sight, but as naked as he was at the last election, three years of plastic salads and Hockey Bear pyjamas, where did it all end for the Labor Party? No policy on rollback; no policy on economics; no policy to take Australia forward. We are watching it again. It will end in the same way. Have your fun now because it will come to a conclusion.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.20 p.m.)—My question is to the Treasurer. Can you confirm that, when the Prime Minister sat down in response to my first question, you said to him, ‘We’ll get rid of the Air Vice Marshal’?

Mr COSTELLO—Mr Speaker—

Honourable members interjecting—

The SPEAKER—I will recognise the Treasurer when the House extends to him the courtesy of being heard.

Mr COSTELLO—I can confirm I did not say that. I confirm I did not say that. That is neither a decision for me, nor would I have any involvement in it. If this is the best that you can do, if this is the rather large attack coming out of estimates, all I can say is that it is running a bit thin.

Dr Emerson interjecting—

The SPEAKER—The member for Rankin believes he has the call, does he?

Immigration: ‘Children Overboard’ Affair

Mr PROSSER (2.22 p.m.)—My question is to the Minister for Immigration and Multicultural and Indigenous Affairs. Is the minister aware whether passengers have gone into the water from more than one boat attempting to arrive unlawfully on our shores? Would the minister inform the House whether personnel have been obstructed in their attempts to respond to these boats?

Mr RUDDOCK—I thank the honourable member for Forrest for his question.

Mr Edwards interjecting—

The SPEAKER—The member for Cowan!

Mr Edwards interjecting—

The SPEAKER—The member for Cowan will withdraw that remark!

Mr Edwards interjecting—

The SPEAKER—The member for Cowan will withdraw that remark!

Mr Edwards—Mr Speaker, I withdraw the fact that I called the Minister for Immigration and Multicultural and Indigenous Affairs Goebbels.

The SPEAKER—The member for Cowan will withdraw the remark unconditionally or I will deal him.

Mr Edwards—I called him Goebbels—
The SPEAKER—The member for Cowan will excuse himself from the House under the provisions of standing order 304A. It is quite unacceptable behaviour.

The member for Cowan then left the chamber.

Mr RUDDOCK—Thank you very much for the opportunity to elaborate on some of the facts that ought to be known. I notice that the opposition very much seems to want to get out some of the facts in relation to these matters, but when people are going to elaborate on some of the other facts they do not seem to want to hear them. I am aware of reports which record passengers on boats seeking to frustrate efforts to return them from where they have come. This House is already aware of an incident involving SIEV4 on 7 and 8 October last year when more than 200 men, women and children were forced into the water when their boat was ‘deliberately sabotaged’—in the words in the report that I read yesterday—by the suspected unlawful arrivals. They were the people who were responsible and that was the information that was clearly conveyed to the Senate.

But people jumping into the water has happened before, and it has happened since. The fact is that on 17 December four people jumped off a boat which was later sabotaged, and again it was Navy personnel that were forced to place themselves at risk in order to rescue those people involved. There was a similar incident reported to have occurred the next day involving the same vessel.

I am sure members would be interested to know whether young children were involved. In evidence before the Senate committee that has been brought to my attention about a vessel which arrived at Ashmore Island on 22 October, Admiral Shackleton had this to say:

SIEV7 was a vessel which had entered Australian waters and was at anchor on Ashore Island, Ashmore Reef, in that lagoon. It was in company with the Customs vessel, the Roebuck Bay; and a naval patrol boat, the Bendigo. During the incident, as it were, I think it was about 15 people from the vessel jumped into the water, one woman amongst several women held a child over the side, a young child, by its wrists, and the child was dropped into the water. The child was recovered by one of the people in the water, who swam to the child, raised it from the water and then they were subsequently brought out of the water and back to the vessel.

Mrs Irwin interjecting—

The SPEAKER—Member for Fowler!

Mr RUDDOCK—Admiral Shackleton was subsequently asked by Senator Brandis—

Mrs Irwin interjecting—

The SPEAKER—The member for Fowler!

Mrs Irwin interjecting—

The SPEAKER—The member for Fowler is defying the chair!

Mr RUDDOCK—whether there was a belief among naval personnel—

Mrs Irwin interjecting—

The SPEAKER—The member for Fowler is warned!

Mr RUDDOCK—that children were being thrown overboard and that that was not uncommon. I want to quote him; you said you want to listen to some naval officers. He replied:

If you were asking is there a belief that this is a common event, then I would have to say that that is probably the case. Our Navy and the border control personnel should not be subjected to behaviour of this kind in carrying out their responsibilities and their duties. More importantly, children should never be placed in that sort of situation.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.27 p.m.)—My question is again to the Prime Minister. I refer again to the evidence of Air Marshal Houston and Brigadier Bornholt at Senate estimates last night, and in particular their evidence that they informed former Minister for Defence Peter Reith on 7 November that there were no women or children from SIEV4 in the water on the 7th. Prime Minister, was this corroborated evidence communicated to anyone in your office, including those staff who were present at the Lodge on the night of 7 November 2001?
Mr HOWARD—Clearly the evidence given last night was not communicated back in November, because it was given only last night. Beyond that, I confirm everything I have previously said, in relation to the meeting that night, about my staff.

Immigration: People-Smuggling

Mr JULL (2.28 p.m.)—My question is directed to the Minister for Foreign Affairs. What concerns have been expressed by states other than Australia regarding the effects of people-smuggling on border security and on the established international refugee system? Is he aware of any alternative views of the situation?

Mr DOWNER—I thank the honourable member for Fadden for his question. I appreciate his interest in this issue. Honourable members might be interested to know that the United Nations High Commission for Refugees estimates that there are 21.3 million refugees and displaced people, and so, clearly, with that vast number of people it is essential to have an international resettlement program which is both orderly and effective. It almost goes without needing to be said that clearly no single country could absorb that number of refugees, and so there must therefore logically be some orderly process for managing it.

Over and above that, there is enormous international concern about the global criminal trade of people-smuggling. This is a trade which is estimated in Australian dollar terms to be worth about $15 billion a year. The simple fact is that it very substantially undermines the integrity not just, by the way, of refugee programs but of more broadly defined immigration programs.

Since the honourable member asked, it is interesting to reflect on what other governments have said about this, because there is the occasional hysterical comment in this country about the issue. Jack Straw, now the British Foreign Secretary and the former Home Secretary, a man for whom I have the highest regard, said in February last year, ‘The system has drifted out of the control of governments and into the hands of criminal gangs.’ A Japanese spokesperson at a meeting of state parties to the refugee convention in December last year said, ‘Smuggling may pose a vast threat to the refugee protection regime.’ The Danish immigration minister said two months ago, ‘The international protection regime can easily be undermined by criminal people-smuggling networks.’

Other countries are taking increasingly decisive measures to reinforce their border control. I draw the House’s attention to the new US-Canada border security agreement, which includes a focus on deterrence and disruption of illegal immigration. The Canadian Foreign Minister told me the other day that Canada had turned back 20,000 potential illegal migrants from its border with the United States in the course of the last year. The new British white paper on asylum and immigration includes tougher penalties for people traffickers and tighter visa and border controls.

The fact that this government may be out taking the lead is not a surprising or unusual thing for this government. But the simple fact is that many governments around the world are determined to make a contribution themselves to destroying this whole process of people-smuggling.

The fact is, though, we were pleased during the last election campaign that in this country the Australian Labor Party supported the government’s view on border protection. When the honourable member asks, ‘Are there alternative views?’ at first blush, and up until 10 November, you would have said there were not. It is worth remembering what the member for Brand said on the Sunrise program on 7 October. He said that the back-bench supported the border protection bill and continued:

They did not support it under duress. They support it with pride …

That presents the public with a particular message, doesn’t it? Before the election—ironically on a date they love to quote—on 7 October, the Labor Party was saying that it supported the government’s position on border protection ‘with pride’.

It is therefore of great interest to Australians that there is suddenly, after 10 November is out of the way, a new Labor Party policy on this issue. The Labor Party went
into the last election promising people who voted Labor that they would support the government on the issue of border protection. As soon as the election was over, they changed their minds. They supported us with pride before the election and now they condemn the government.

The member for Sydney is an example. It would be interesting to see what brochures she put around in the electorate of Sydney during the last election. I do not live in the electorate of Sydney; I live in the electorate of Mayo, which is a particularly fine and supportive electorate. On 12 December, the member for Sydney said:

The ALP must come out publicly and say that the bipartisanship that occurred before the election was a mistake.

So the member for Sydney went into the election proudly supporting the government on this issue and after the election said that it was a mistake. The member for Fremantle was ‘ashamed she did not speak sooner’. That is what she said on 4 February. And the member for Denison said, ‘We got dragged down the wrong path.’ The fact is, the Labor Party said one thing before the election—it made one commitment to the Australian public before the election—and is now saying another.

Would some people, particularly Labor members in marginal seats—those seats where they just scraped over the line—like the member for Brisbane, the member for Griffith and so on, have won if the Labor Party had told the truth about what they really thought on this issue at the last election? The answer is that if you had told the Australian public the truth you would have a lot fewer members here today than you do have. There are members on the Labor Party benches who are sitting there by virtue of a great deception. That is the great lie of the 2001 election: that you said one thing to the public before the election and you did another thing after.

The SPEAKER—The minister will address his remarks through the chair.

Mr DOWNER—Mr Speaker, I apologise for that. On 6 February, the Leader of the Opposition said on the Sunrise program, a program apparently favoured by the Labor Party:

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

The member for Sydney has argued for the abolition of mandatory detention. What is the view of the member for Fremantle or the member for Denison, and indeed many others, on this issue? How is it that the Leader of the Opposition has not heard what they have said? Is the Leader of the Opposition telling the truth when he says that he has not heard? Is that the truth? Only yesterday he had to apologise for telling a lie. All I can say is that the lack of integrity from the Labor Party after this election is just as it was after the 1993 election, when you promised the l-a-w tax cuts and you took them away after the voters voted. You promised you would support us on border protection up to 10 November and now you do not. I think it is a disgraceful deception.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.37 p.m.)—My question is to the Prime Minister. I ask: given the Prime Minister’s reliance on Admiral Barrie’s testimony as the most senior military adviser to the government, is he aware that Admiral Barrie has just tabled in the Senate estimates a cable from the commanding officer of HMAS Adelaide dated 10 October, which says:

SUNC on top of coach-house dressing small child in life jacket and preparing to throw small child overboard. Child not thrown overboard.

And further in what he has tabled:

Male SUNCs in vicinity of wheelhouse threatened to throw women and children overboard. This did not occur.

What do you say about that, Prime Minister?

Mr HOWARD—The answer to the first part of the question is no, I am not aware of what has just been tabled in the estimates, but I will find out. But I tell you what, I am aware of what he said last night. What he said last night has been in no way withdrawn. You cannot avoid the plain English meaning of:
I never sought to recant that advice that I originally gave to the minister.

The reality is that this whole debate is about the state of knowledge of myself and the minister and others at the time of the election. That is what it is about.

Mr Crean—Deception!

Mr HOWARD—The Leader of the Opposition interjects about deception. The reality, as the Minister for Foreign Affairs has just illustrated, is that the real deceivers on border protection are the members of the Australian Labor Party. They are the real deceivers. They are the ones who have been demonstrated since the election to have said one thing to hold on to their seats and then behave in a different way now that they have been re-elected. The fact remains that the most senior military adviser to the government had this to say:

It was my view that the photographs were simply part of evidentiary material. The really important aspects of this are witness statements and perceptions.

That additional report, so far as I was concerned, ought to stand:

I never sought to recant that advice that I originally gave to the minister.

Mr Crean—I seek leave to table the cable that Admiral Barrie tabled in the Senate committee today.

Leave granted.

Honourable members interjecting—

Mr Crean—It didn’t happen.

Mr Nairn—It’s already in the Hansard, you fool!

The SPEAKER—The member for Eden-Monaro!

Ms Gillard interjecting—

The SPEAKER—if the member for Lalor has a difficulty, I will facilitate her at the dispatch box.

Mr Swan—I raise a point of order, Mr Speaker. There was an offensive remark from the member for Eden-Monaro. Ask him to withdraw, please.

The SPEAKER—I was aware of the remark by the member for Eden-Monaro, which I found most undesirable. It is not, however, a remark normally regarded as something that is withdrawn, and for that reason I drew his attention to it. He apologised to me. If I required him to withdraw that remark, I would be very busy having a number of remarks withdrawn from the frontbench on both sides.

Immigration: ‘Children Overboard’ Affair

Mr CHARLES (2.42 p.m.)—My question without notice is to the Minister for Immigration and Multicultural and Indigenous Affairs. Minister, as you would know, members of Australia’s Defence Force, Customs, and border control agencies play an integral role in maintaining the integrity of Australia’s borders. Will the minister confirm for the House whether these personnel have observed attempts to sabotage vessels or been threatened while carrying out their duties?

Mr RUDDOCK—I thank the honourable member for the question. It obviously has not been tediously repetitious enough for the Leader of the Opposition to know that the cable he has just referred to was referred to by me on numerous occasions in the Powell report that was tabled by the Prime Minister.

Opposition members interjecting—

Mr RUDDOCK—The direct terms were used and it is recorded in Hansard very clearly. But I thank the opposition whip for giving me the opportunity to clarify that matter.

I am aware that threats have been made to personnel carrying out their duties in protecting the integrity of our borders, and it is not just one recent matter, nor has it been isolated. In the situation report prepared on incidents occurring near Ashmore Reef on 8 September last year, it was recorded that when the Navy boarded the vessel known as the Aceng:

Threats have been made to the HMAS Warramunga boarding party and physical jostling, including grabbing and hitting, occurred.

Naval personnel have been subjected to this practice on a number of occasions. Only this morning in the Senate estimates committee, Admiral Ritchie gave evidence to indicate that it was not uncommon for people arriving on boats to threaten boarding parties. Admi-
eral Ritchie observed, as I have observed, that these were young sailors doing a difficult job and doing it well.

This House, of course, is aware—other than the Leader of the Opposition—of the events surrounding the vessel known as SIEV4 at Christmas Island. It is instructive that I should go through some of those details again. The chronology to the Powell report was sourced from the cables from HMAS Adelaide. Each of those cables documents the incidents in relation to threatened suicide and threats to throw children overboard, but they also detail the number of people who jumped over the side, totalling in all 13 separate events. It dealt with the small child in a life jacket, a parent preparing to throw that small child overboard and the efforts of the Australian personnel to prevent that particular event from occurring. More importantly, the cables recall that steering capacity was lost, that following investigation it appeared that the steering had been sabotaged by the unauthorised noncitizens, that there was a further male in view of the wheelhouse threatening to throw women and children overboard. This did not occur—

Mr Crean interjecting—

Mr RUDDOCK—Yes. As I said, that was the cable you have just tabled and that was the cable recorded here which I have outlined on two separate occasions in this House. Further, the cable recalls that the main engine was disabled by the unlawful noncitizens, the cooling lines were slashed and fused to the engine casing, rags and plastic had been thrown on the casing to produce thick toxic smoke, there was the final man overboard, a fire which had been lit on the foredeck was extinguished and then, when the vessel had been put under way again, it displayed a distress signal. The cable records, after that, ‘sabotage, steering rods bent and chains removed, engine damaged, cooling hoses slashed and melted onto engine casing, oily rags and plastic on engine manifold to cause more smoke in the engine room.’ Then they found that there was water in the fuel, a starter motor had been damaged and the rocker cover was missing.

A fortnight later, off Christmas Island, there was another vessel. The report about that stated that the engine and gearbox had been extensively damaged by people on the boat. Again, on 17 December, off the Ashmore Islands, another boat arrived and reports show that ‘two small fires were extinguished by the boarding party’. The next day, reports were received that both engines on this vessel had been sabotaged.

As a result of some of these events, people have lost their lives, tragically—not Australians but other people who were passengers on this vessel. Let me make it very clear: I do not blame everyone, but there are people who have been determined to put our personnel under duress and who have been determined to make unauthorised arrivals. They have either decided themselves or have been advised to take a course of action to frustrate our border protection measures. That has endangered people’s lives, it has meant that people have been injured, it has meant that people have been hurt and it is a proper matter for not only the government but also this parliament and the people of Australia to be very concerned about.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.48 p.m.)—My question is to the Prime Minister. Prime Minister, are you aware of evidence given at Senate estimates last night by Brigadier Gary Bornholt that he left a message for Mr Ross Hampton and he spoke directly to Mr Mike Scrrafton on 11 October 2001 to inform them there were no women or children from SIEV4 in the water on 7 October? Prime Minister, who did Mr Hampton and Mr Scrrafton pass this information on to?

Mr HOWARD—I am broadly aware of the evidence given by Brigadier Bornholt and, for the purposes of answering this question, I will not dispute the version given by the Leader of the Opposition. That is a fairly dangerous thing for me to do but, for the purposes of this, I will not. As to the question of the version of events from Mr Scrrafton and Mr Hampton, I gather both of them gave statements, and this issue is broadly canvassed in the Bryant report. As to that, I have no knowledge.
Workplace Relations: Trade Union Survey

Mrs MAY (2.50 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Is the minister aware of any recent surveys conducted by registered organisations under the Workplace Relations Act, particularly trade unions? What is the result of the survey and what does it confirm about the attitude of Australian workers?

Mr ABBOTT—I thank the member for McPherson for her question. I am aware of a recent survey conducted by the Australian Workers Union, which is a registered organisation under the Workplace Relations Act. I am delighted that the Workplace Relations Act gives unions the freedom and flexibility to conduct surveys of this sort. The survey revealed that 83 per cent of AWU members thought that the Prime Minister was right to take a strong stance against illegal immigrants. This backs up another survey by the New South Wales Labour Council which showed that 58 per cent of unionists thought that the Prime Minister had handled the boat people issue well or very well. It is very clear that Australian workers trust this government and they trust this Prime Minister to deliver a strong border protection policy. They do not trust and they cannot trust the Labor Party on this issue. They know that the Labor Party said one thing during the election fully intending to do a completely different thing after the election. Let me quote the member for Fremantle, speaking in the Financial Review, published on 30 November. She said:

On several occasions, I was reassured, as I am sure others were, that we should simply “wait until we are in government” to enunciate and implement policies consistent with our values.

Well, Mr Speaker, ‘Wait until we are in government to enunciate and implement policies consistent with our government.’ The member for Fremantle never tells fibs, so the member for O’Connor tells me. I think the member for Fremantle should be called before a Senate estimates committee and she should be cross-examined as to exactly who in the Labor Party was propagating the great lie which, according to the Labor Party’s secretary Geoff Walsh, was responsible for preventing an anti-Labor landslide at the last election.

Let me quote Mr Bill Shorten, who is the boss of the Australian Workers Union. Quoted in today’s Daily Telegraph, Mr Shorten told the National Press Club yesterday:

... if the Labor Opposition could develop positive and ‘principled’ policies ... they could regain their blue collar support lost at the election.

They are not going to regain that blue collar support because they cannot develop principled policies because, on the issue of border protection, the Labor Party has clearly sold out to the caffelatte set.

The workers of Australia fully understand that when it comes to border protection this Prime Minister stands foursquare with the spirit of John Curtin and Ben Chifley. He is much closer to the spirit of John Curtin and Ben Chifley than the Leader of the Opposition is. The workers of Australia understand that when it comes to border protection the Leader of the Opposition is nothing but a gutless wonder. He is very good at throwing smears across this chamber, but he cannot impose discipline on his own party.

Mr Swan—Mr Speaker—

Honourable members interjecting—

The SPEAKER—Order! My capacity to hear the member for Lilley is not being assisted by those behind him.

Mr Swan—Mr Speaker, on a point of order: will you ask the minister to withdraw those offensive remarks?

Mr ABBOTT—Mr Speaker, to help you and to assist the House, I withdraw it. I ask the Leader of the Opposition to prove me wrong.

Mr Latham interjecting—

Mr Fitzgibbon interjecting—
The SPEAKER—Order! I am mystified about why the interjections of the member for Werriwa or the member for Hunter would assist me in accommodating what I believe will be a reasonable request from the member for Brand.

Mr Beazley—On a point of order: quite simply, when you require a withdrawal and in this case of most offensive language from that character, you require it unconditionally—

The SPEAKER—The member for Brand is not assisting me either. The member for Brand will resume his seat.

Honourable members interjecting—

The SPEAKER—Order! The dignity of the House is not being facilitated by the behaviour on either side. The minister is aware that his withdrawal was mischievous and I ask him to make an unconditional withdrawal.

Mr ABBOTT—Mr Speaker, I withdraw unconditionally.

Honourable members interjecting—

The SPEAKER—Order! As I indicated earlier, there are members on both sides who are not facilitating the chair. I am not sure who was responsible for that remark, but whoever it was has done nothing to encourage the members of their electorate to support them.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (2.57 p.m.)—My question is to the Prime Minister and I refer him to evidence given to a Senate estimates committee hearing last night by the vice chief of the Australia Defence Force, General Mueller, in which General Mueller said the head of your department, Mr Max Moore-Wilton, was told unequivocally on Friday last week that there were no women or children from the SIEV4 in the water on 7 October. Given that Mr Moore-Wilton was told this last Friday, is the Prime Minister aware that the following exchange at the Senate estimates hearings took place on Monday:

Senator FAULKNER: Could I ask you if you would not mind telling us very precisely when you became aware that there was no evidence that children had been thrown overboard?

Mr Moore-Wilton: I have no recollection of being told that there was no evidence of children being thrown overboard.

Prime Minister, when will you sack Mr Max Moore-Wilton for misleading the committee of the Senate?

Mr HOARD—Mr Moore-Wilton has not misled the Senate. What happened was this—and I am very happy the Leader of the Opposition asked the question—on Friday evening, so Mr Moore-Wilton tells me, he was contacted by General Mueller and I think either General Mueller retailed what he had been told by Air Marshal Houston and Brigadier Bornholt, or perhaps Moore-Wilton spoke to one of them, but the indication was that Air Marshal Houston would be making a statement to the effect that ultimately came before the Senate yesterday. Mr Moore-Wilton reported that to me and we discussed it—

Mr Crean—Why?

Mr HOARD—Why wouldn’t he report it to me?

Mr Crean interjecting—

The SPEAKER—Order! The Prime Minister is responding to the question.

Mr HOARD—Why would I report it to the Senate? I have about 101 reasons why I would not report it. To start with, I am not a member of the Senate; secondly, the Senate was not in session at a quarter past seven on Friday evening—

Ms Macklin interjecting—

The SPEAKER—Member for Jagajaga!

Mr HOARD—and, thirdly, I have found, through the course of this and other experiences in politics, that it is a very good idea, if somebody tells you that they are going to make a statement and gives you a rough idea of what is in the statement, to wait until you actually get the statement before you act on it. That is exactly what I did on this occasion.

The statement duly arrived in the office of the defence minister, I understand, yesterday. I was apprised of it before lunch. It was the view of the defence minister that the former
defence minister ought to have an opportunity of responding to the statement and, in fact, he ultimately was given an opportunity of responding. I just happen to have been handed a copy of his response, which I table, Mr Speaker. It is an interesting response, and I might refer to the rest of it. At all material times I did exactly as I agreed with Mr Moore-Wilton would happen. Any suggestion that Mr Moore-Wilton has misled the Senate is ridiculous. Plainly, he was asked in relation to advice that he had received in the context of last October and last November—

Opposition members interjecting—

The SPEAKER—The Prime Minister has the call.

Mr HOWARD—Nothing can alter the fact that we were told this statement of his was coming. At the time the question was asked—when was the question asked of Mr Moore-Wilton?

Mr Crean—Monday.

Mr HOWARD—Monday. The statement had not arrived on Monday.

Opposition members interjecting—

The SPEAKER—Has the Prime Minister concluded his answer?

Mr HOWARD—I will go on if you want me to, Mr Speaker. Just for completeness, I will read a sentence from Mr Reith’s statement:

I am certain I did not discuss Air Marshal Angus Houston’s comments with the Prime Minister.

Zimbabwe: Election

Ms JULIE BISHOP (3.02 p.m.)—My question is to the Minister for Foreign Affairs. Can the minister inform the House of developments in Zimbabwe in the lead-up to the March election? What is Australia doing to assist the holding of a free and fair election in that country?

Mr DOWNER—I thank the honourable member for Curtin for her question. As honourable members will know, she has a great interest in Zimbabwe. She has already been there once as an observer and I am very pleased to say that she will be part of the Australian component of the Commonwealth observer delegation. I do not think she could get leave to head off this evening so she will be leaving tomorrow.

The situation in Zimbabwe remains one of very serious concern to us: the commitments made by Zimbabwe at Abuja have not been fulfilled; draconian legislation has been passed; the Chief of the Defence Force has implied there would be a coup if the opposition won the election—and his comments have not been repudiated by the Zimbabwean government. Violence is continuing to this very day in Zimbabwe and the economy is in the most appalling state. Honourable members may be interested in reports that the World Food Program is now beginning the distribution of food into a country which traditionally is a major agricultural producer: five hundred thousand people require urgent assistance in Zimbabwe and there are rations for 100,000 people for the next two weeks. I have been to London twice recently to press—

Opposition members interjecting—

Mr DOWNER—No, not actually to have a holiday in the way that the Leader of the Opposition did in France a few years ago, but to press the case for Zimbabwe’s suspension—

Mr Costello—He went to Wimbledon.

Mr DOWNER—that is right; last year he went to Wimbledon, courtesy of Deutsche Bank during the Aston by-election. I travelled to London twice recently to press the case for Zimbabwe’s suspension from the Commonwealth and, in January, CMAG did not agree to Zimbabwe’s suspension, despite the best efforts of Jack Straw, the British Foreign Secretary, and me. But it did reaffirm its deep concern.

As I have mentioned already, Australia will be sending observers as part of the Commonwealth observer team. Already Bill Gray, the former head of the Australian Electoral Commission, is in Zimbabwe. The member for Curtin is going and the Commonwealth secretariat have invited Senator Alan Ferguson to go as well. I understand that he is considering that with a view to going.

Mr Snowdon—What about opposition members?
Mr DOWNER—The member for Lingiari rightly says, ‘What about opposition members?’ We submitted opposition members’ names—the member for Swan’s name, I think—to the Commonwealth Secretariat and it was a matter for them to make the choice. The point is this: we very much sympathise with what the European Union has done in withdrawing its electoral observers and imposing targeted sanctions. It is our view that if the Commonwealth Observers Group is not able to fulfil its role during this election campaign, there will be no point in Australia continuing to participate in that Observers Group. In those circumstances we would withdraw our observers and we would impose ‘smart’ sanctions ourselves.

We will wait and see how those Australian members of the Observers Group are able to get on. Even if the observers are able to fulfil their role, if they conclude that the election is little short of a sham—and there are already enormous concerns about that—this House can rest assured that we will impose smart sanctions in those circumstances. The member for Griffith says we should impose smart sanctions now. If we were to do that we would not be able to have any observers on the ground in Zimbabwe. I think that would, in turn, undermine the efficacy and capacity of the Commonwealth Observers Group. The fact is that if we were to do that, the opposition would be disturbed. The opposition parties in Zimbabwe do want the Commonwealth Observers Group to continue because, without observers, they have no chance of a free and fair election. With some observers they have some chance. So we will give it a chance. I do that without a great deal of optimism but with an enormous amount of determination that, as a country, we will do the right thing by the people of Zimbabwe.

Immigration: ‘Children Overboard’ Affair

Mr CREAN (3.07 p.m.)—My question is to the Prime Minister. It refers to his defence that Mr Reith has denied the substance of the Bornholt and Houston evidence from the estimates last night. Prime Minister, who would you recommend the Australian people trust in this matter: the brigadier who will shortly take command of Australia’s forces in the war on terrorism or Peter Reith?

Mr HOWARD—Can I take the opportunity of saying—I know it will be on behalf of everybody—that I wish Brigadier Bornholt well, and can I say in relation to all of the senior serving officers of the ADF that they have the complete confidence and support of the government. All of them have the complete confidence and support of the government. The Leader of the Opposition invites me to say whom I ask the Australian people to believe. My experience in relation to Peter Reith, and I say this quite unqualifiedly, is that I always found Peter Reith to be a man of great decency and honour.

Honourable members interjecting—

Mr HOWARD—I do.

Honourable members interjecting—

The SPEAKER—The Prime Minister will be heard in silence. I will deal with anyone who interjects.

Mr HOWARD—I not only found him to be a person of decency and honour but also found him to be pretty effective. He was pretty effective in reforming the Australian waterfront—

Honourable members interjecting—

The SPEAKER—The member for Watson is warned.

Mr HOWARD—He was very effective in relation to that.

Honourable members interjecting—

The SPEAKER—The member for Brisbane is warned.

Mr HOWARD—Can I just bring the context of this back. Here we are at the end of the week and we have just had the Senate estimates and we have just had the evidence from Air Marshal Houston, a very fine serving officer. We have also had the evidence of the senior military adviser to the government. The problem for the opposition out of the Senate estimates is this. Put aside for a moment—and it will be taken into the mix—what Brigadier Bornholt said. I make no comment on that; I make no comment on what Air Marshal Houston said; they have given their evidence. But look for a moment at what Admiral Barrie said. The problem for
the opposition is that you have the senior military adviser to the government—nothing can alter the fact; he actually uses the expression—saying, and I ask members of the opposition to listen to this:

I go back to my opening statement. As the CDF, I am the principal military adviser to the government and it is my view that if you talk about Defence with a capital D, I am it. I have never accepted that finding, for the reasons I have outlined.

I in fact heard Admiral Barrie last night say that he rejected the principal finding of the Powell report that, by 10 October, Defence had formed a view about the original advice. Admiral Barrie has said that he rejected the principal finding of the Powell report, but more significantly—and I repeat what I said at the beginning of question time—he said:

So far as I was concerned, the original advice of the commander of the Adelaide ought to stand. And I never sought to recant that advice that I originally gave to the minister.

That is pretty strong material in support of what the government has been saying on this issue. Admiral Barrie made the point that what is really important was the direct evidence on the spot. It was his view last night that he still has not been given compelling evidence that that original view was wrong. The opposition case falls to the ground.

**PRIME MINISTER**

Censure Motion

Mr CREAN (Hotham—Leader of the Opposition) (3.13 p.m.)—by leave—I move:

That this House censure the Prime Minister for the cover up of the children overboard affair as revealed by:

(1) the startling new information that the former Minister for Defence Mr Reith was advised by the Acting Chief of the Defence Forces on November 7 that children were not thrown overboard;

(2) the failure of Mr Reith to immediately correct the public record;

(3) the failure of the Prime Minister to truthfully detail the nature of his conversations with Mr Reith on the night of 7 November 2001, in which they discussed the veracity of the claim that children had been thrown overboard; and

(4) the failure of the Secretary of the Department of Prime Minister and Cabinet, Mr Max Moore-Wilton, to tell the truth to a Senate Estimates Committee on Monday that he had been informed the previous Friday of the conversation between Mr Reith and the Acting Chief of the Defence Force.

This is a government in crisis. This is a government at war with itself, at war with its officials and at war with the truth. This is the story of Admiral Barrie, the man who was not there, and Air Marshal Houston, the man who knew too much. We now know that by the evening of 7 November all of the major
players in this drama knew that the children had not been thrown overboard and that the photographs used previously to justify the claim were selectively and deceitfully chosen. They in fact portrayed a completely different circumstance.

The Prime Minister claimed on 8 November that he believed the children were thrown overboard, and he is still sticking to that advice, but this is what I believe really happened on 7 and 8 November. The coalition realise the election is slipping away from them. They need a distraction that brings the focus of the last few days back onto their key issue, border protection, and they realise the best way to do this is to release the video that supposedly shows asylum seekers throwing children overboard. Acting CDF Air Marshal Angus Houston rings Mr Reith at midday on the 7th, a call that was witnessed by Brigadier Bornholt, the man who will soon command Australian forces in Afghanistan. In the middle of the day, that phone call takes place. It is verified by Brigadier Bornholt, and it says this:

... there was nothing to suggest that women and children had been thrown into the water. There was silence for quite a while, we are told from the Senate estimates, when Air Marshal Houston was asked about this:

... it seemed to me he was stunned, surprised.

That was what Air Marshal Houston said of Peter Reith’s response at the other end of the phone. Well he might be stunned because this had blown out of the water every fabrication that this government had perpetrated on the Australian electorate every day before. But Peter Reith knew the problem with this was that the Prime Minister was attending the National Press Club the next day and the Prime Minister would be asked about this very question. He knew that he had to pass that information on to the Prime Minister, because he also knew that, under the ministerial code of conduct, it was his requirement to correct the record at the earliest possible opportunity when information came to him that showed that what he had previously said was incorrect. What did Peter Reith do, if we are to believe the Prime Minister? He did not pass it on.

If this is a person that does not comply with the code of conduct, he does not deserve to have consultancy access to any minister in this government. If this person receives information that shows that what he was saying publicly was incorrect, how can he represent honesty in this place anymore? This is a discredited man, and yet the Prime Minister stands up here and says that he is an honourable man! What is your definition of honour, Prime Minister: a person that receives information showing that a fundamental claim being made by the government is incorrect, told by the head of his defence forces? This is the then Minister for Defence: the acting head of defence forces tells him, ‘Minister, your story is wrong,’ and Peter Reith ignores it.

What I also believe then happened is that, when he was stunned and surprised, after pausing, he pushed on with the claim that the video must be released. This is the person who elsewhere in the report, when told that the video did not support his claim, said, ‘Well, we’d better not see the video, ought we?’ That is what he said in the report—and this is a man of honour, Prime Minister? This is a man you were proud to have in your cabinet? This is your right-hand man during the election campaign perpetrating this fraud on the Australian people? Don’t talk honour to me: it is a disgrace, and you know it. This person has disgraced his office and he has disgraced your government, and the circumstance of this is that you are now relying on this person as your defence. This is the firewall that you hope will not crack, because your office one is cracked and the Defence Force’s has cracked and I think, with Max Moore-Wilton, so has the Department of the Prime Minister and Cabinet’s.

Whether this information was passed on to the Prime Minister then or later in the day I will come to, but I do believe this information would have found its way into the Prime Minister’s office. It is communicated to his office, and I also believe that Miles Jordana, the Prime Minister’s adviser on foreign affairs, is sent out with the vacuum cleaner. ‘We’ve got trouble here,’ the Prime Minister says to Miles. ‘We’ve got trouble, Miles. Get out the vacuum cleaner and see what you can
suck up to save my hide. I’ve got to go to the Press Club tomorrow. See what evidence you can find so that I can continue to perpetrate this lie.’

So Miles Jordana is sent out with the vacuum cleaner to suck up that evidence so that he, the Prime Minister, does not have to take any notice of the information he knows his Minister for Defence has. Miles Jordana then contacts Prime Minister and Cabinet, seeking the sit reps reports. That evening he is also informed by the Office of National Assessments’ director-general that the ONA report is discredited because it is actually based on media reports and ministerial statements.

He is also informed, we know, by Jane Halton that she has become aware of speculation that the photographs supposedly of asylum seekers throwing their children overboard were not about that event at all. Jane Halton also rings the head of the Department of the Prime Minister and Cabinet, Mr Max Moore-Wilton, and we know she leaves a message on his answering machine telling him that she is aware of the speculation. But Max Moore-Wilton later claims that he does not know whether or not children went overboard, despite the fact that he even attests, as recently as Monday in the Senate estimates, that he knew nothing about the changed circumstances, despite the fact that he was informed the previous Friday that there was no evidence for such a claim.

The best that Mr Jordana, the Prime Minister’s office and other advisers can come up with out of this vacuum cleaner is the 7 October advice. They have sucked everything else up, but all of that proves what Reith should have told him: the only document that this government can rely on is something written on 7 October when the allegations were first made. That is the only skerrick of evidence that this Prime Minister has. It is his fig leaf, and it is a pretty pathetic fig leaf, Prime Minister.

That information of 7 October, we now know—and it is recorded—does say the words ‘women and children overboard’. But we also know from all of the information that that very same day the same group of people that wrote that advice to you was told there was no evidence, and not only that day but every day subsequently ministerial adviser after ministerial adviser told that this information was wrong. Whether it was Mr Scrafton, whether it was Mr Hampton or whether it was Mr O’Leary—we know that Jane Halton found out about it; she headed up the task force and we know she communicated it to Max Moore-Wilton.

Prime Minister, do you really believe that the Australian public will buy your line that you were entitled to rely on the document of 7 October, when every other piece of evidence since discredits it? Is that what you are saying to the Australian public, Prime Minister—that you are in this position where you have retreated inside the only firewall you have, one document on 7 October, which the authors knew was incorrect that very day? Do you expect the Australian people to believe that everyone else in your government knew a different story, everyone but you? Prime Minister, I say again: I do not believe you, and I do not think the Australian public believes you. You cannot have a situation and pretend to lead a credible government when everyone in your government knows the story is wrong except you. It beggars belief; yet that is the story that you want the Australian public to accept.

What the Prime Minister needed to do was to get himself through the election campaign. He tries to make out that he was never asked another question on this. I think he keeps quoting 10 to 26 October. He is wrong on that too because he did mention it subsequent to that, and so did many of his ministers. It is a nonsense argument to say that the ‘kids overboard’ issue was not pursued by them during the campaign. The Treasurer raised it, and he is a member of the National Security Committee of cabinet. You would expect someone who sat on that committee to have access to the information. What information did the Treasurer rely on? Was he prepared to rely only on that 7 October document? The Australian public deserves better from this government than mere reliance on one document that was shown to be discredited and that was contradicted by every other piece of advice that filtered through to this government.
The Prime Minister goes along to the Press Club the very next day and claims that he has checked as recently as the night before and that nothing he had contradicted the ONA report, despite the fact that his Minister for Defence was told, despite the fact that his senior foreign affairs adviser was told, despite the fact that the head of the task force was told, despite the fact that the head of his department was told and despite the fact that officers within the office of the Minister for Defence were told—and the Prime Minister says he has checked! What sort of checking is that, Prime Minister? There is no-one else left to check with. If you did not check with them, who the hell did you check with? That is the question that you have to answer because you cannot get away with simply saying that you did not need to check because nothing had come to you that contradicted the original advice.

The Prime Minister is also very clever with the words. If you listen to all of his answers, he talks of ‘advice’. What does ‘advice’ mean? It means ‘written advice’. He has one piece of written advice and his argument is that there is no other written advice to contradict the original one. I heard the minister for immigration give this pathetic explanation on Sunday when he said the original advice was communicated orally to him but that there was no subsequent advice in writing to contradict it. No longer do we have core and non-core promises from this government; we now have oral and written commitments. I say to the Prime Minister: every time you make an oral commitment to the Australian people, put it in writing, because they can never believe you again. If your standard now is that you can rely on something that is a falsehood if it is spoken to you but you cannot rely on the correction until it is written, you are debasing the forms on which good government is run in this country.

Those are the standards that you are lowering your government to. The Prime Minister is not only prepared to condone ministers breaking time and again his ministerial code; he is now prepared to allow those same people in retirement to come back into the parliament as lobbyists for private industry in contracts with the government. That is corruption extended. I said the other day that this is a government that has lied, spied and denied; it has now given its former ministers a ticket to ride. This is a government that is prepared to condone untruths and is prepared to ignore the truthfulness when it comes forward.

The SPEAKER—the Leader of the Opposition is aware that he cannot imply that the government has lied.

An opposition member—But they can confirm we did!

The SPEAKER—I will take the same action, as the Leader of the Opposition knows, that I have consistently continued to take this week.

Mr CREAN—Today the Prime Minister’s defence to all of the allegations coming from the Senate that show that Minister Reith and government advisers were told that there was no evidence is to hide behind Admiral Barrie. It is true Admiral Barrie is Chief of the Defence Force, but when this issue took place he was not in the country; the Acting Chief of the Defence Force was. Prime Minister, by your own standards, if you say you have to take advice and you take advice from the senior defence adviser to the country, when he is out of the country you have to take it from the next senior defence head. So by your own standards, Prime Minister, you had to take notice of what Air Marshal Houston had to say. It is only certain heads of defence that you want to rely on, isn’t it, Prime Minister? It may well be that Admiral Barrie does think that ‘kids overboard’ might have happened. The trouble is that no-one else who was reporting to him did. The cable that has been tabled today puts that clearly. Admiral Barrie tabled a cable from HMAS Adelaide, the vessel that had to go to the distress of these people in the water. In two parts of this document there is emphasis on:...

... small child in a life jacket and preparing to throw small child overboard. Child not thrown overboard.

And then it says:

Male SUNCs in view of wheelhouse threaten to throw women and children overboard—this did not occur.
There you have it, Prime Minister. You are trying to rely simply on what Admiral Barrie believed, but that is not good enough. You have to rely on the hard evidence that comes to you and your government. So does Admiral Barrie, I would suggest, because Admiral Barrie has a cable from his own vessel that says there was no evidence. Doesn’t he believe them? Prime Minister, this defence of yours is shot to pieces.

The final point that I make goes to Max Moore-Wilton. This is the head of the Department of the Prime Minister and Cabinet. In a Senate estimates committee last Monday, this is the question that was asked of him by Senator Faulkner:

Could I ask you if you would not mind telling us, very precisely, when you became aware that there was no evidence that children had been thrown overboard ...

That was asked on Monday. Max Moore-Wilton said:

I have no recollection of being told that there was no evidence of children being thrown overboard ...

Yet yesterday, in a Senate estimates committee, we have evidence that shows that Max Moore-Wilton was advised of that very fact again on Friday. So Max Moore-Wilton, the head of the Prime Minister’s department, is told on Friday that there is no evidence. He goes to the Senate estimates committee and says he has no advice to that effect. I think that is called misleading the Senate. The Prime Minister tries to mock the Senate. Yet today I heard John Howard say when he was asked the question, ‘Why didn’t you, Prime Minister, come into the House and correct the record when Senator Hill had passed on this information that we are talking about?’ at the press conference, ‘Oh, because I knew it was going to happen in the Senate.’ That means that he cannot tell the truth in here; only the Senate can tell it on his behalf. (Time expired)

The SPEAKER—Is the motion seconded?

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

Mr HOWARD (Bennelong—Prime Minister) (3.34 p.m.)—This third censure motion in this two-week period was meant to be the day to end all days. This was going to be the day when it was all brought together. The government was going to be put under pressure, there were going to be ministerial nerves all along the front bench, the Leader of the Opposition was going to be able to point unambiguously to some evidence given before the Senate estimates committee—and all he is reduced to is this pathetic argument about the answer that Max Moore-Wilton gave, clearly in the context of advice to the government before 10 November. That is all he is left with, that is the only skerrick of an argument he is left with, and he cannot even finish that within the allotted time. The reality is that the great Exocet missile that is meant to be represented by Air Marshal Houston’s evidence has in fact been torpedoed by what Admiral Barrie had to say yesterday.

The Leader of the Opposition says that all I am left with is the testimony of Admiral Barrie. I do not regard that as all I am left with. But I will tell you what: if it comes to official advice from the defence forces, it is not a bad bit of evidence to be left with. He is, after all, the most senior serving officer in the Australian military forces. While I am on the subject of the Australian military forces, I want to make it very clear that the people who, throughout this very difficult issue, have behaved with enormous capability and enormous distinction have been the men and women of the Australian defence forces.

It is an indisputable fact that, back on 7 October, we received advice. That advice was conveyed to the Minister for Immigration and Multicultural Affairs, who in turn conveyed it to me. It was conveyed to the Minister for Defence. We believed it to be true, we relied on the advice, we made the public statements; and I never received, and Mr Ruddock never received, any advice from either of our departments suggesting that the original advice was wrong. Nothing that has been said—the thousands of words that have been uttered by the Leader of the Opposition and those around him over the past few days—has shaken that one unassailable fact. And nothing has apparently shaken the belief of the Chief of the Defence Force, as enunci-
ated in the Senate last night, that his original advice ought to stand. He said the original advice ought to stand. He said:

And I never sought to recant that advice that I originally gave the minister.

That is pretty powerful, isn’t it? Here is the Chief of the Defence Force, Admiral Barrie, the man right at the top, the person who says, ‘If you want Defence with a capital D, I am it.’ He says in his evidence to the Senate:

… I never sought to recant that advice that I originally gave the minister.

I know this is very disappointing to the opposition. They probably thought that they would have it all on their own as a result of the evidence that was given yesterday. But the reality is that there are a number of people around who are still prepared to assert that the original advice ought to stand.

An opposition member—Not many.

Mr HOWARD—I would believe Admiral Barrie before I believed you, and I think that would apply to a very, very large number of people. The task group report that was cleared through the task group chaired by Jane Halton and delivered to me, Mr Ruddock and Mr Reith on 7 October contained the unambiguous statement that children had been thrown overboard.

Interestingly enough, as I pointed out yesterday, on 8 November, in the middle of the doorstop that he gave, which was the subject of a lot of media coverage on the evening of 8 November, Vice Admiral Shackleton, who is the head of the Navy, was asked whether the Navy had altered the original advice that it gave to the minister. He said, ‘No, no, we haven’t.’ In other words, you have the head of the Defence Force, Admiral Barrie, and the head of the Navy on 8 November both saying that they had not altered the original advice that was given to the minister. So I say to those who interject and say, ‘Admiral Barrie is on his own,’ that Admiral Barrie is not on his own. Bear in mind that this is all about alleged deceit before the election. I will come to the ‘we wuz robbed’ plea. ‘We wuz robbed,’ those opposite say. I will come to that before I sit down.

You have a very clear situation, with Admiral Barrie as late as last night saying that he has never recanted the advice that he has given and Vice Admiral Shackleton on 8 November making it very clear that as far as he was concerned they had never altered the advice. I think that that represents an extremely strong case.

I also refer to the statement issued today by the former Minister for Defence. I know that the former defence minister used to get under your skin. I know that you did not like the former defence minister; he used to hit you where it hurt, politically. I know that. To borrow Ron Boswell’s slogan, he may not be pretty but he was pretty effective. He was very effective. Not only was he an effective defence minister but also he was particularly effective at cleaning up the Australian waterfront. As a result of that, we have a far more effective waterfront. In his statement, Mr Reith notes the evidence that was given by Admiral Barrie last night. Just in case you have not heard it, would you like me to repeat it? Do you want to hear it again?

Government members—Yes.

Mr HOWARD—Admiral Barrie said:

It was my view that the photographs were simply part of evidentiary material. The really important aspects of this are witness statements and perceptions, and that initial report, as far as I was concerned, ought to stand. And I never sought to recant that advice that I originally gave the minister.

Mr Reith goes on to say:

I can confirm that I did speak with Air Marshal Angus Houston on Wednesday, 7 November 2001.

I had asked that Air Marshal Houston contact me …

Listen to this: Mr Reith had in fact asked that Air Marshal Houston ring him. He was not rung in pursuit by Air Marshal Houston; he in fact asked Houston to ring him as a result of the reports that had appeared in the paper that morning. This is not the behaviour of somebody who is engaged in a cover-up; this is the behaviour of a minister following up a report in the Australian of the morning of 7 November. So he sends a message to Houston to ring him, and this is what he has to say:
My recollection of our conversation is that he had that morning examined some material in the Chief of the Defence Force’s office which had caused him to deduce that as there was no evidence to support the claim that children had been thrown overboard then the event had not happened.

Mr Reith goes on to say this, and it is very material in the light of the evidence given by Admiral Barrie last night:

Such a conclusion contradicted advice provided to me previously by the Australian Defence Force.

This is the minister speaking as at 7 November, saying that advice that the children had not been thrown overboard contradicted the advice that he had received from the Defence Force. Yet others opposite would have us believe that Defence had concluded by 10 October that there was no evidence that children had been thrown overboard. The reality is that Admiral Barrie last night rejected that finding. Not only did Admiral Barrie say that he had never recanted his original advice but last night in Senate estimates Admiral Barrie said that he rejected the principal finding of General Powell’s report that by 10 October Defence had concluded that no children had been thrown overboard. And that is the self-same reference that is made in Peter Reith’s statement, speaking of his state of knowledge at 7 November. Mr Reith goes on:

I asked him questions to the effect whether all the information was available, including statements from defence personnel and whether there had been a thorough investigation and a properly concluded view formed.

I was concerned that I had not had the opportunity to speak to the Chief of the Defence Force and had not had a proper detailed and conclusive report.

Although he had a report on the video—this is Reith speaking of Air Marshal Houston—he had not seen the video.

That is, Air Marshal Houston had not seen the video. Mr Reith goes on:

I immediately arranged for a person from my office to view the video. I was still under the impression that the video supported earlier advice and I thought it should be released. Later on that day I recommended the release of the video to the Prime Minister.

As you know, that was released, despite its inconclusive nature. Once again, that is hardly the evidence of men trying to cover things up; rather the reverse—the evidence of people trying to be completely transparent with the Australian public. It is also worth saying that Mr Reith goes on with his statement:

I am certain I did not discuss Air Marshal Angus Houston’s comments with the Prime Minister.

Mr Crean interjecting—

Mr HOWARD—If something does not suit the argument of the Leader of the Opposition—

The SPEAKER—The Leader of the Opposition will extend the same courtesy to the Prime Minister as he has extended to him.

Mr HOWARD—You always know when an opposition leader has had a bad censure—he interrupts the Prime Minister. It is a tell-tale sign. I have had that experience myself. On one or two occasions when I was opposition leader I was not too flash on the old censure and I used to interrupt Bob Hawke a bit too much. It would be a bit of a giveaway. I tell you what, if you are interrupting a prime minister in your first two weeks as opposition leader, you haven’t got off to a very good start—that is all I can say.

This has not been a very good day for the Leader of the Opposition. This has been a very, very bad day. This was going to be the big one. We had all the media on the side and they are all trying to even it up. We had the member for Brand on his feet saying: ‘I was robbed; I should be in the Lodge. It is all terrible and it is all deceptive.’ But it has all rather come apart, because Admiral Barrie, who just happens to be the best person to be giving advice to the government, because he’s the boss, did not quite agree with everything that the Leader of the Opposition had to say. It has all rather run into a bit of sand. It really brings us back to the reality.

As the member for Mayo, the Minister for Foreign Affairs, said in his very fine answer, the real deceivers on this issue are those members of the Labor Party who are now trying to change their policy. The member for Fremantle really gave it away when she said, ‘Look, I was assured that, once we got
into office, we’d then change the policy.’ I would like to know whether that assurance was given by the Leader of the Opposition. I wonder whether it was given by the member for Brand. Was it given by the member for Jagajaga? Was it given by Senator Faulkner? There are a whole lot of fraudulently elected members of the Labor Party on the other side. There are all of those people who did not believe in our border protection policy but they won by wafer thin margins by pretending that they did. They ought to go back to the people. They talk about us having stolen the election. They stole their re-election by pretending that they, after all, were representing people on a border protection policy that was quite different.

The last election was fought and won by the coalition on a large number of issues. It was won very convincingly, and I know it still cuts to the quick. It still hurts that that great political juggernaut, the Australian Labor Party—those great political geniuses out at Sussex Street, the wonder kids from Queensland, the glimmer twins—should shut up about policy, shut up about everything: ‘Kim’s a terrific bloke, Howard will shoot himself in the foot, they will self-destruct, the GST will be a disaster, don’t mention policy, don’t mention the war, don’t say anything and we can sneak over the line.’ That was their policy. It did not work and now they are searching around for somebody to blame. Can I say to the Leader of the Opposition that you have only got yourselves to blame. You lost the last election because the Australian people thought you were unfit for government. The Australian people will never think that you are fit for government until you have the courage to embrace some policies, stand on some principles, get a broadly based party and re-identify with the mainstream of the Australian community.

Ms Macklin (Jagajaga) (3.49 p.m.)—The Prime Minister relies very selectively on evidence provided by Admiral Barrie. What Admiral Barrie had to say last night in the Senate is that the witness statements are what is important. Let us go to those witness statements. We know from Admiral Barrie that 16 sailors gave sworn statements. The Prime Minister obviously isn’t the slightest bit interested in what else Admiral Barrie had to say. Admiral Barrie said 16 sailors gave sworn statements about the incident and only one thought he saw a child being thrown overboard. He was a video operator on the ship, not rescuing people from the water. We saw what he saw on the video, which was inconclusive. None of the other 15 sailors report rescuing a child from the water. If they cannot report rescuing a child from the water, obviously the children were not in the water in the first place.

The initial report, which is the Prime Minister’s fig leaf, was revised with sworn statements saying only men were in the water and that is where we are at today. Prime Minister, go back and have a look at what else Admiral Barrie had to say—the fact that we have to rely on the sworn statements of the 16 sailors who were actually there and saw the incident. We also see in Senate estimates that Admiral Barrie actually indicated that he did raise doubts about the veracity of the photographs on 11 October with Peter Reith. Admiral Barrie certainly was raising concerns about what the government was saying as far back as 11 October. What we have seen from this government—and it started some time ago—in effect, is the government trying to stitch up the defence forces. That is what we have seen from this government over the last few months. It goes back as far as November last year when the Age reported on 17 November:

Last Thursday, John Howard said he would ‘talk’ to Shackleton about what had happened, and complained...

So Mr Howard complained that it would have been helpful if the admiral had let him know earlier that what the government was saying was wrong. After telling falsehoods to demonise asylum seekers, the government now turns on the defence forces.

I know you all think I have got a bit of a thing for the former minister for health, but in the same article Michael Wooldridge, when asked on ABC TV on election night about the prospects of an inquiry, said:

There could be one, and a couple of naval officers could find themselves quickly dispatched as military attaches to upper Chad.

The journalist pointed out:
So much for duty, honour and country. We also know that this attitude to the defence forces is shared by none other than the Treasurer, who said today in an aside to the Leader of the Opposition, ‘We’ll get that Air Vice Marshal Houston. We’ll have to get rid of that Air Vice Marshal Houston.’

Ms Macklin—We will hear more about what he really said a bit later. Senior officers in the defence forces understandably are extremely angry about being blamed for what has gone on. On Tuesday in the Australian we saw another example of the government attempting to blame the defence forces:

Backing John Howard’s account of the children overboard affair, Mr Moore-Wilton also blamed the Defence Department for the bureaucracy’s failure to ensure that ministers were aware about doubts about the since-discredited claims.

Mr Moore-Wilton is in the estimates hearing saying, ‘The only problem is Defence didn’t tell anyone what they concluded.’ Is that true? Is it true that Defence in fact did not tell anybody about their concerns that what was going on was not true? Obviously that is not the case. What we heard yesterday from Air Vice Marshal Houston is that he told Minister Reith on 7 November that children were not thrown overboard from the SIEV4. This fact corroborated by Brigadier Bornholt, the man who shortly will command Australia’s forces in Afghanistan as part of the war against terrorism. Last night Brigadier Bornholt, recalling a chronology from Strategic Command, said:

It indicated there were no women and children in the water.

Again, he said:

Strategic Command indicated 14 people were in the water. They had no indication to support any contention that there were any women and children in the water.

These are not unsubstantiated doubts. This is not tearoom gossip. This is the acting head of the defence forces recalling the record that he put forward to the minister for defence, witnessed by the man who will lead our troops in Afghanistan. You would think that if there were women and children in the water they would have been picked up. But there is no reference anywhere to women and children being picked up out of the water.

What we also heard last night from these senior members of the defence forces was Mr Reith’s reaction to this extraordinary information—the truth, something that Mr Reith is not inclined to listen to.

Mr Crean—He was stuck!

Ms Macklin—He was stuck—‘shocked’ I think was the word that was used. And apparently there was a long silence while he obviously thought about what he was going to do next—the silence of a man sprung. The silence of a man sprung because of the untruths that he had been telling to the Australian people for a whole month. The silence of a man now searching for another way to prevent the truth getting out before 10 November. That became the former defence minister’s job: ‘Make sure the truth doesn’t get out. Muddy the issues. I know—release the video,’ even though he knew the video was inconclusive. And now we have the evidence for that as well.

What we know from all of this is that the Australian defence forces executed their duty properly and clearly as far back as 10 October, three days after the original ‘children overboard’ claims. The defence minister’s press officer, Ross Hampton—we will hear a bit more about him over the next little while, I think—

Mr Crean interjecting—

Ms Macklin—I think so. I think we will definitely get a bit of information we have been seeking from the Prime Minister all week. He was told by Brigadier Bornholt that there were doubts over the photographs to back up the ‘children overboard’ claims. What does Mr Hampton do? He gets very angry. Senate estimates was told that one of Brigadier Bornholt’s junior staff tried on two separate occasions to tell Mr Reith’s media adviser, Mr Hampton, that there was no evidence to back up the ‘children overboard’ claims. Brigadier Bornholt said to the committee:

The junior officer tried to deal with him on two separate occasions to say to him there was no
evidence that we could find to corroborate such a claim.

After she said that he got quite got quite angry with her, so she decided that it was time to hand the problem over to Brigadier Bornholt, because, as the brigadier said, he will not have his staff ‘being dealt with like that’. The brigadier said he was able to confirm that the photographs Mr Reith wanted to release were taken on 8 October, the day the boat sank. We all know the history of the photographs.

We had in question time today the Prime Minister desperately trying to hang onto the advice tendered by Admiral Barrie last night in estimates. The interesting thing is of course what the former Minister for Defence’s letter—or ‘statement’, it was said—which was tabled in question time today, said about Admiral Barrie, because we all know that Admiral Barrie was not around at the time. He was overseas. The person who was the acting head of the defence forces is Air Marshal Houston. But most conveniently what Peter Reith said was:

I was concerned that I had not had the opportunity to speak to the Chief of the Defence Force and had not had a proper detailed and conclusive report.

This is after he hears that Air Marshal Houston—

Mr Crean—The stunned mullet response to the report.

Ms MACKLIN—That is right. He said: I’m certain I didn’t discuss Air Vice Marshal Houston’s comments with the Prime Minister. I’m certain I wouldn’t have done that because that would have belled the cat, because I felt was wrong to do so without talking first to the CDF—The Chief of the Defence Force. Mr Reith’s letter went on to say:

I thought the video should be reviewed and I wanted some further advice on the investigation. It seems that he purposely ignored the advice that he got from the acting head of the defence forces—

Mr Melham—He was smart enough to have a witness.

Ms MACKLIN—who had as a witness, as the member for Banks rightly points out, the brigadier who is about to lead our defence forces in Afghanistan. The two of them told the former Minister for Defence that there was no evidence that children were thrown overboard. The witness statements show that no children were thrown overboard. There is no evidence that any children were picked up out of the water, so how could they possibly have been thrown overboard in the first place? What we have is another attempt at a whitewash by Peter Reith, which we are so well used to, to try and ignore the advice. That is exactly what he did: he ignored the truth because he did not want to own up to the fact that this government had been lying to the Australian people for a whole month.

The SPEAKER—The Deputy Leader of the Opposition knows that that is unacceptable

Ms MACKLIN—He had been telling a gross untruth to the Australian people for a whole month—as had the Prime Minister, as had the Treasurer and as had the minister for immigration. And not one of them wanted to know the truth. When the truth became available to the Minister for Defence he said, ‘I don’t want to hear that. I don’t want to know what the truth is because that does not suit our political objectives.’ He knew that that did not suit his political objectives. And so we had the extraordinary events that led up to the election campaign.

The Prime Minister continues today to be in complete denial of the advice received at the most senior level by the Minister for Defence from the Acting Chief of the Defence Force. The Navy did the right thing: they clarified the incident and they sent the report up the line and informed the minister. The defence forces exercised their duty properly and clearly. But the government did not want to hear that children had not been thrown overboard. But slowly, as the truth seeps out, the Prime Minister continues to have to change his story. This week, he says nothing was done to correct the record because it was only tearoom gossip. That is why they did not have to correct that original report—you know, the one that he continues now to have to revert to and rely on? He wants to rely on that because nothing substantial, only unsub-
stantiated rumours and tearoom gossip, got in the way of that original report.

We now know that is a gross untruth, another gross untruth from this Prime Minister. Advice from air vice-marshals and brigadiers is not tearoom gossip. It is not unsubstantiated rumour. This government deserves to be censured for deliberately misleading the Australian public and vilifying asylum seekers when they had full knowledge from the witness statements that were issued by the people who were on the boat at the time and from very senior officials in the defence forces that what they were peddling was untrue. That is why this government deserves to be censured; that is why this government should come clean and finally own up to who it was who decided to invent this great untruth that we are now seeking to uncover.

Mr COSTELLO (Higgins—Treasurer)
(4.04 p.m.)—This side of the House utterly repudiates the proposed censure on the Prime Minister. Notwithstanding two weeks of fishing and confusion, the Australian Labor Party has not come up with one single clear piece of evidence to support the allegation that it makes that the Prime Minister has somehow engaged in misleading the Australian public or was in any way dishonest.

Opposition members interjecting—

The SPEAKER—The same courtesy that was extended to the Deputy Leader of the Opposition will be extended to the Treasurer. The Deputy Leader of the Opposition was heard in silence, apart from the comments made by the people behind her.

Mr COSTELLO—In fact, as we end this two-week period with this plainly confected attempt at a censure, one only had to listen to how weak the two arguments were to realise that it ought to be repudiated, and to see what this is: this is but an attempt by the Labor Party to rewrite history, and to rewrite history in a way which absolves them from any responsibility for their electoral loss. If you were in any doubt about that you only had to listen to the Deputy Leader of the Opposition. In closing her censure, she said, ‘Boat people were unfairly vilified.’ The implication? ‘People therefore voted coalition. If that had not occurred, the Labor Party would have won or done better at the federal election.’ I want to pick apart that proposition bit by bit.

The first thing is that this all hangs off the proposition that somehow in this election if you had wanted a strong stand on border protection the only party you could possibly have voted for, according to Labor, was the Liberal-National Party. That is the argument now. But it was not their argument then. Their argument during the election campaign in fact was quite to the contrary. Their argument during the election campaign was that, if you wanted a strong stand against boat people, there were two parties you could vote for. You could vote for the Labor Party or you could vote for the Liberal Party because there was no difference. So, if there was a demonisation of boat people going on and if that caused you to want to vote for a strong border protection, here was the argument of the Labor Party: vote Labor, and vote Labor as much as you vote Liberal.

In fact, during the debate of the leaders in the election campaign on 14 October 2001, the then opposition leader, the now member for Brand, had this to say: The PM is quite wrong on this. Let’s take a look at this ‘soft touch’ bit. In other words, he is saying, ‘Don’t accuse us of being a soft touch.’ This is what he said: The Labor Party was the party which put in place compulsory detention for people who came to this country illegally.

In other words: ‘We are the authors of this policy. We put in place mandatory detention. If you want to take a strong stand in favour of border protection, vote Labor. Come to the originators of the policy.’ That was the pitch before the election. If all those other things were established, what would have been the situation before the election? According to Labor, you would have come to the conclusion that Australia needed a strong policy against boat people and had every reason to vote Labor. This is all recent invention, this idea that you were somehow spinning the line out there, which you are doing now, that you are not in favour of a strong policy against unauthorised boat people.
The second point that I want to make is this: the Labor Party’s argument now is that the allegation—it originated with Defence, incidentally, and I will come to that in a moment—that people had thrown people overboard on the SIEV4 was quantumly different. So let us just go back and find out what happened on the SIEV4, which is not disputed in any way whatsoever. The immigration minister has been making this point repeatedly in this parliament. Let us see what actually did happen on the SIEV4. After it had been reported, according to the Defence Force, to Defence at 7.50 on the day that men were in the water and children were thrown over the side, and that is now disputed, let us see what actually happened—this is undisputed. What happened on SIEV4 is:

Numbers of SUNCs threatened to commit suicide and throw children overboard. A man was declared overboard by a boarding party. Six more SUNCs were overboard—

Mr Danby—SUNCs? They are people, not objects.

The SPEAKER—The language being used by the Treasurer is consistent with language used on both sides of the House. It has not been challenged by the member for Melbourne Ports in the past.

Mr COSTELLO—I am reading the Defence report—all right? When you read a report, you actually use the words that are in it. It states:
The SUNC was on top of the coach-house dressing a small child in a life jacket and preparing to throw a child overboard.
That is not contested.
The child was not thrown overboard.
What happened next?
Males in view of the wheelhouse threatened to throw women and children overboard. This did not occur. The main engine was then disabled. The cooling lines were slashed and fused to the engine casing. A small fire was then lit on the deck and the boat was then sunk with everybody including children in the water.
That is what was actually happening. The vessel was being disabled. This is uncontested. Fires were being lit. Everybody ended up in the water, including children.

Nor is it disputed, according to this report, that children were being dressed in life jackets. Can you imagine the scene of confusion that was out there? Whatever you want to say about boat people—the Deputy Leader of the Opposition says that they were unfairly demonised—the fact was that a fire was lit on that boat, and that boat sank. That boat sank, and everybody ended up in the water.

The one area of controversy that we now debate endlessly was not whether or not children ended up in the water—they ended up in the water because the boat had had a fire lit, was disabled and fuel lines were cut; everybody agrees on that—it was whether or not children were thrown overboard. All of the children ended up in the water. The children were dressed in life jackets. You can imagine the amount of confusion that was going on out there on the sea. The first report that comes back to the Australian mainland which is eventually reported up the chain of command, and it is recorded in this Defence document—this was recorded by the land officer—was:

With a clear and well-documented phone call with the commanding officer of the Adelaide determined that the vessel had disabled steering—
I am reading this—
threatened of mass exodus, men in water, child thrown over the side.

Where did the allegation that children were thrown over the side come from? Did it come from the minister for immigration? No. Did it come from the Minister for Defence? No. Did it come from the Prime Minister? No. Where did it come from? It came from the defence department—the commanding officer. As it worked its way up, a written brief comes to the Prime Minister. That written brief which comes to the Prime Minister says clearly and unequivocally ‘passengers throwing their children in the sea’.

The critical point in all of this is that that written statement was never countermanded. There was never any written advice saying that that was wrong and that that did not occur. The written advice that came to the Prime Minister, which he relied on and which he was entitled to rely on, was never countermanded. So all of this talk about Mr
Hampton, this one and that one and who was doing what, if it were as clear as you say it was, if the Prime Minister had no right to rely on written documentation from his own department, don’t you think that somebody would have said that? Don’t you think that somebody would have written that? What are we supposed to do as ministers now when we get a piece of written advice—ring down the chain of command and ask for any oral contradictions and say, ‘I’m not entitled to rely on this minute; I would like to go down the chain of command, and not until every single person in my department says he has no oral doubts at all will I ever rely upon that minute’?

Mr Rudd interjecting—

The SPEAKER—The courtesy that was extended to the Deputy Leader of the Opposition will be reciprocated.

Mr COSTELLO—What do you expect the Prime Minister to do? Ring down all those chains of command and get onto the commanding officers, seamen and everybody else? If that had occurred, you would have got, as we now know, different views. We have now had the evidence which has come forward from Air Vice Marshal Houston. He came to the view that children had not been thrown overboard. That was his view. That was his honestly held view. He has a duty to report it, and the government respects his view and fully supports him and all of the defence personnel in the discharge of their duties. He has not and will not be under any pressure to do other than his duty and to tell the truth as he saw it. That was what he saw after he had looked at all the evidence, and that was the conclusion he came to. But it was not the conclusion of the Defence Force, because the commander had a different view. The commander had an entirely different view. When you have a situation where a subordinate officer has one view, who do you rely on—your subordinate officer or your commander? The reason you have a commander is that he is the person who is responsible. The commander of the Defence Force was the person who would take into account all these different views and he would come to a view to express to government. That is why you have a commander, incidentally. The commander is the person who makes the final call. If there were any doubts about any of this, I think that Admiral Barrie made that entirely clear last night. What did he say? He said:

As the CDF, I am the principal military adviser to the government. It is my view, if you talk about Defence with a capital ‘D’, I am it.

In other words, ‘I was the one’ the CDF was saying ‘whose view ought to be listened to on this. I was the one who took the final call.’ What was the final call that he made?

It is my view that the commanding officer’s initial report, which was reported to me on the Sunday and the subsequent events while I was CDF, ought to stand.

Sure there were different views in the Defence Force.

Mr Rudd—There’s no doubt about that.

The SPEAKER—I warn the member for Griffith!

Mr COSTELLO—There was Brigadier Bornholt’s view, there was the Air Marshal’s view, there was the CO on the Adelaide’s view, there was another view held by the commanding officer on the land and there was another one held by the CDF. You had written advice which was never, ever countermanded by the CDF. The defence minister was entitled—I would go further; obliged—to rely on the CDF, because if he was not prepared to rely on his CDF, what was the going to do—what was the position of the CDF? He had appointed him the CDF, he had his trust, and he was obliged to rely upon him. The Prime Minister was entitled to rely upon the written advice—it was never countermanded. Sure there were different views in the defence department, but they had to come to a view and the view they came to was a view that was never, ever countermanded. It was the view of the principal military adviser. It was the view of Defence with a capital ‘D’.

What has gone on since the election is a massive attempt to rewrite history? First, to say that there was a difference between the parties—that was not your view before the election. Second, to say that this was qualitatively different—at the time. Does anybody in this place seriously believe after the fuel
lines had been cut, the engine disabled, a fire had been lit and the vessel had been sunk, if people had been sure that nobody had been thrown overboard, they would have voted differently to the way they did after all of that? Can you point to one iota of difference in relation to that, particularly when the Leader of the Opposition was saying, ‘Not a cigarette paper between us. You want a strong view, you vote Labor.’

I can remember during the election campaign the Deputy Leader of the Opposition, as he then was, and ‘Mr McMuddle’, as he now is, saying, ‘There is no difference on foreign affairs and there is no difference in relation to boat people, so the issues in this campaign are health and education.’ If they said it once they said it 100 times. And now the entire rewriting of history. Why? Partly it is to make themselves feel better, because whilst they were saying that all the way through the campaign, we know a lot of them did not believe it. We know where the deceit lay. You have people like Carmen Lawrence now coming out and saying, ‘I never believed it. I said it, but I never believed it. I was thoroughly ashamed of Labor’s policy.’ And there was Julia Irwin, Warren Snowdon and Duncan Kerr. So partly it is to make themselves feel better: ‘We said we agreed with the government, but we didn’t really and if this hadn’t occurred then we might have actually won’!

The second reason why it is done is to try and rewrite the outcome of the election. I would urge those members of the opposition to look at the writing of Lindsay Tanner in the Australian on 13 November 2001:

We must not allow the boatpeople controversy and the war in Afghanistan to become excuses for our defeat. Although they were clearly important, other factors were also involved. If Labor allows another Petrov story to take hold as the explanation for our defeat, we will not learn from our mistakes and we will continue to lose.

That was Lindsay Tanner on 13 November.

The SPEAKER—Treasurer, you will refer to people by their electorates.

Mr COSTELLO—If the now Leader of the Opposition convinces them to take another course, ultimately it will rebound in their faces. In the interim, I do not want to let this Labor Party try and take shine off any member of this coalition government for things they never did and for a censure which is totally unsubstantiated. (Time expired)

Mr BEAZLEY (Brand) (4.19 p.m.)—The Treasurer is a loyal fellow. He is out here staking his claims. The loyal party man doing the head-kicking and the boot-polishing for the Prime Minister. Let me just make a couple of points quite clear at the outset, as I made in the speech that I made the other day. I have absolutely no resentment about defeat in the election or the way we were defeated—none at all. Nobody in politics who wishes to serve and maintain their sense of personal stability takes things personally. Everybody in politics knows that you do the very best you can. There is a considerable amount of luck involved and, when you are in the opposition—and this is any opposition, Labor or Liberal—you do not call the shots.

You have to fight very hard and more often than not in Australian historical terms you lose. Had this issue not occurred, we may or may not have won the last election. It is not predictable. A ‘stolen election’ is an election where somebody makes off with the ballot boxes, and we have a Court of Disputed Returns to deal with those particular problems. Nobody is going to the Court of Disputed Returns about this particular election.

What we are dealing with here is what the opposition has been about in the Senate. I partly attended those Senate hearings yesterday in person and then watched some of them on TV and it is the most riveting parliamentary activity I have seen in a very long period of time. It was not the opposition trash ing the defence department or the chain of command at those particular hearings, it was the Minister for Defence trash ing the defence department. That is what was happening last night, as the Minister for Defence suddenly realised that the rug had been pulled out from under a key part of the government’s defence of itself in this matter and closer and closer the attack was getting to the feet of the Prime Minister himself.

I do not need to be educated on the chain of command in the defence forces and, having listened to the Treasurer, all I have to say
is: he does need to be. The chain of command in the defence forces stops with the person who acts in the position of commander of the defence forces at the time questions are asked of him.

What we need to understand here is that when the air marshal—that wise air marshal, who got himself a witness to the conversation—reported to the minister it was because that matter had become a subject of controversy to which the defence department would have to respond. It would have to provide the government with accurate information drawn from the opinions of those in the defence forces responsible for reporting up the chain about a set of events that had occurred. The minister would then be in a position to go and inform the public, and anyone else who needed to know, what the position of the defence department was.

It was not a case of the air marshal suddenly saying, ‘Gee, the Chief of the Defence Force is out. I haven’t been agreeing with him for some considerable period of time. Here’s my chance to get into it.’ No, that is not what was happening. This was the man in the chief’s position at that point in time being approached by the government to work out what their response should be to a set of stories about to appear in the newspapers—and which may even have appeared in the newspapers by then—to which they expected honest answers to be given. That is how all this came about. They expected honest answers because, with the defence department probably more than most, it sits in the code of honour of officers who have been trained and who believe you should tell the truth in public. It does not mean that you do not make mistakes. It does not mean that you do not bumble and bungle. But it does mean that your best information—security considerations aside—is made available to the public, but in particular is made available to the senior people in the chain of command, and who are they? The senior people in the chain of command are the Minister for Defence and the Prime Minister. All that the air marshal was doing that day was his duty; that is all that he was doing.

It is a very different time—and there is a very different atmosphere in this chamber now—compared to where we were in the middle of last week. In the middle of last week, the Prime Minister had one thing to say and one thing only: ‘I had a conversation with Reith that particular night and he advised me that nothing had changed.’ That is what he said then. That is what his defence was then. Right through this campaign no other information was circulating. As this sorry tale has emerged from the Senate’s consideration of it, it appears that there was an avalanche of written and verbal information passing through several departments of government, most of it ending up in ministers’ offices—an avalanche of written and verbal information on these matters.

Why is it important that we should consider these matters now? Is it because we want to prove a point about the last election? Baloney! Irrelevant! What we are doing here is engaging in that principal task of oppositions—namely, accountability—so that better government can be achieved and the Australian people can have confidence that what is done inside the government of this country is done dispassionately and honestly.

In all of this, I feel genuinely sorry for Admiral Barrie. He is the chap who is caught in the vortex of what has become an extraordinary intimidatory practice now in the management of government in this country. We have public servants bullied to the point where they are afraid to tell the truth. We have public servants manipulated politically. Probably the Department of Defence is the last bastion because it is such a strong organisation, particularly in its military component, that it is extraordinarily difficult to reach down into it, at junior and mid-ranking levels at least, and impose your political will. It is a very difficult thing to do. What we have had here is a clash of two cultures: the intimidatory culture that has been imposed on the Public Service by this arrogant government, and the traditional defence culture of the independent, dispassionate defenders of the nation. They are coming slowly through this sad, sorry tale into collision and right at the vortex of that collision is Admiral Barrie.

In order to defend the Prime Minister, Admiral Barrie has to put himself now in an
impossible position. And this is the position he is in: as he looks at the witness reports related to this, or not as the case may be—and I understand that, on some evidence he gave today, he had not read all the witness reports—but assuming he did—and I have to put a question mark over that—he has to say, ‘My view is that I stick with the original report that came in, despite the fact that he has to acknowledge that absolutely everything else said since that point in time contradicts it.

The commander of the *Adelaide* and the sailors on board the *Adelaide* are outside an election context. Let me tell you what is going on there. What is going on there is a hard, tough operation which, in many ways, was accurately described by the Minister for Immigration and Multicultural and Indigenous Affairs and by the Treasurer. It is an operation where, in at least the first instances, there is a junior version of a fog of war. When you are getting telephone calls and it is a white-heat situation, there are people in the water, there is a boat to hand and it is the early hours of the morning, you are in a situation where you are going to get a varied report from the sailors who are engaged on an almost minute-by-minute basis. That is how this thing came through.

When the Prime Minister, the former Minister for Defence and others were talking about this early in the election campaign, when they said with such enormous certainty that women and children had been thrown overboard and all the rest of it, I assumed that what they were looking at was not a telephone call and then a document based on it, but something like this cable that we have been quoting from ever since. That is what I assumed. I thought the cable was the basis of a properly structured memo which went to the heart of government and told us actually what happened. But I was wrong—and we were all wrong up until the very end of the week of that campaign. I became aware that that was not the situation on 8 November when Shackleton blew the gaff on our opponents at that very late stage. In respect of Reith—and I do not believe it was the moment that he became aware of it—he at least and then the very highest levels of the government were aware of the fact that what they had told the electorate at the beginning of the campaign was not the truth.

Until that Monday the members of this government, severally and collectively, had the opportunity to say in a debate in this place that, whatever had gone on at that point in time, they had made an honest mistake. From that point on, the leadership of the government were in a position of deliberately misleading the Australian people—lying. I think that occurred much earlier, but from that point it certainly did. If we want evidence that it probably occurred much earlier that also came through in the Senate hearings last night from a very brave brigadier. I almost pity Al-Qaeda. We are putting into the field a fellow who will take apart Max Moore-Wilton; who will take apart the former defence minister of this country—Peter Reith—and who will take apart every wretched politician who wants to stand between him and his ability to put up the truth. I think they are going to find Osama bin Laden. He made the point—and this is the evidence of this vicious suppression that went on during the campaign—that the brigadier was obliged to step in to defend a junior female officer who was engaged in a contretemps with Ross Hampton of the minister’s office when the junior officer was pointing out these things. The brigadier said:

> The junior officer had tried to deal with him on two occasions to say to him that there was no evidence that we could find to corroborate such claims.

Children overboard; that is the claim—

After he had, as she said, ‘got quite angry’ with her she decided that it was time to hand over the problem to me because I won’t have my staff dealt with like that.

This was very early in the campaign—this was 11 October. It was not just about photographs; it was about all the statements. I pity the situation in which Admiral Barrie finds himself. I pity him even more in the way in which the Prime Minister is now dragging him down on top of himself as the last defence. You drag a body or somebody else down on top of yourself so that the enemy
gets him and not you—a courageous Prime Minister! We have on our hands now a man who takes so readily responsibility for the whole of his government and he is finding one body after another to drag down on top of himself to defend himself in this particular case.

But the problem is that—and it is a problem for Admiral Barrie’s position and it is a problem for John Howard position—it was not just that the photos were wrong; there were the witness statements. In the end there were videos, photos and witnesses statements from 15 sailors—14 of whom said, ‘No women and children in the water’ and one of whom said, ‘Inconclusive on women and children in the water’. There were 15 witness statements, photographs and videos and a cable from the commander of the Adelaide—end of story.

That story was completely intact by 10 October and then it made its way through the bureaucracy. It found its way through to the Department of Foreign Affairs. By the 7th, by the 8th October, Defence was giving correct information to the Department of Foreign Affairs. So the Department of Foreign Affairs task force reports reflect the real situation. Then there were the various processes by which it was getting into the ministers’ offices—mainly into the area of the Minister for Defence, but I find it impossible to believe not Foreign Affairs and Trade and Immigration as well and, also, of course, the Prime Minister’s office.

We are at a way station in this debate. The House will probably not pass this censure—I think that we can be confident of the numbers in that regard. But there is a long way to go in this and the last carcass is down on top of the Prime Minister. It is the former defence minister’s carcass that he has dragged down on top of himself. But there were other people talking to the Prime Minister at that point in time—officials of the Prime Minister’s department who knew the truth; members of the office of the former Minister for Defence who knew the truth—and there were a lot of conversations. All that we have seen of the evidence so far is that this is a very mendacious government. That is the problem and that is why the censure motion should be passed. *(Time expired)*

Mr ABBOTT (Warringah—Leader of the House) *(4.34 p.m.)*—Today we have the sixth parliamentary day of the great Labor dummy spit of 2002 and the sixth parliamentary day of this great eruption of sour grapes from sore losers. We have the sixth day of wasting this parliament’s time by pursuing a fantasy that the Prime Minister in some way has misled or lied to the Australian people and to this parliament. If we wanted any surer proof, any more clear demonstration that this is nothing but an attempt to rewrite history, it was provided by the fact that the Leader of the Opposition put none other than the member for Brand up as the third speaker in this censure debate—the poor old member for Brand who did nothing but demonstrate in his contribution the misery and the bitterness that he still feels over losing the election that he once thought was unlosable.

I feel sorry for the member for Brand. Obviously it has hurt him deeply. I suspect that members opposite also feel sorry for the member for Brand. Certainly they turned up in force to listen to him. That will be the last time that the member for Brand ever has that kind of an audience in this House, except perhaps when he is giving his valedictory. I will say this much for the contributions opposite: they got better as they went on. The member for Brand did not do a bad job of bluster. It was certainly better than the Deputy Leader of the Opposition’s contribution and much better than the Leader of the Opposition’s, who plainly understands that his case has collapsed.

What we have seen over the last six days are the opposition’s best efforts to prove forensically, as best they can, that the Prime Minister has lied. I have to say that, as lawyers, they make very good trade union officials. They certainly have comprehensively failed in their attempt to convict the Prime Minister of deceiving the Australian people. We even had today the Leader of the Opposition coming in here and constructing a scenario of what might have been said under certain circumstances by certain hypothetical people in the Prime Minister’s office.
Not only do they fail as Perry Masons but the Leader of the Opposition fails as Raymond Chandler and he fails as Jeffrey Archer when it comes to writing a bit of political fiction. He might have succeeded as Enid Blyton, because only children would be convinced by the pathetic argument that has been put up by the Leader of the Opposition. The thing about the Leader of the Opposition today is: faced with the collapse of this house of cards that he had built, what did he do? He reverted to type. The nice statesman Simon that he has been trying so hard to be over the last few weeks suddenly once more went back to type, and we saw snarling Simon, the trade union leader, hectoring the Australian people like he hectors the comrades at the trade union meetings he feels much more comfortable with.

Members opposite really want to believe—they really, really, really want to believe—that the minister has lied, in the same way that children really want to believe in Santa Claus, in the same way that a drowning man really wants to believe that there is a boat just over the horizon. They really want to believe, but their beliefs do not make the facts true. The fact is that this government had written advice that there were children thrown overboard—and that written official advice has never been contradicted. We have no better authority than the Chief of the Defence Force and the Chief of Navy that the written advice stands. That is what Admiral Barrie said, as recently as last night.

What we are really seeing from members opposite is not a censure of the government, not a censure of the Prime Minister, but something really low and despicable. They are really—and they demonstrated it time and time again in their speeches today—censoring Admirals Barrie and Shackleton. Admirals Barrie and Shackleton have had the temerity not to agree with the Labor Party’s view of the world, so now they want to censure them.

Members of the government would certainly concede that we may well have discovered over the last few weeks and months that, on this issue, there was some confusion, some conflict inside the defence department. But there was not as much confusion and conflict inside the defence department as there is on that side of the parliament—certainly not. The former Leader of the Opposition talked about the ‘fog of war’. Well, there is fog and war over there! Like a pack of squabbling cats—that is what members opposite are at the moment.

This is a censure of the Prime Minister, so let me state for the record that I am proud to support our Prime Minister. Members of the government are proud to support the Prime Minister. This is the best Prime Minister Australia has seen since Bob Menzies. This is the Prime Minister who gave Australia decent gun laws. This is the Prime Minister who helped our country to liberate East Timor, to enable that country to live in freedom for the first time in 500 years. This is the Prime Minister who has committed Australia to the war on terrorism, where we are playing a proud and honourable part. It is the Prime Minister who introduced Work for the Dole. It is the Prime Minister who has given us industrial relations reform—and that means higher pay, more jobs and fewer strikes for the people of Australia. It is the Prime Minister who has given us four per cent economic growth, who has insulated us against all the economic storms—along with the Treasurer, who has also done a stunning job of giving us lower, fairer, simpler taxes. This is an outstanding government, led by an outstanding Prime Minister, and I have got to say—

Mr Leo McLeay interjecting—

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

Mr ABBOTT—watching the Prime Minister today demonstrate his complete mastery of this parliament, he just gets better and better.

Mr Latham—if you brownnose, you get ahead.

Mr ABBOTT—it is an old rule of politics: if in doubt, what do you do? You attack the other side. That is what you do.

Mr Latham interjecting—

The SPEAKER—the member for Werriwa is warned.
Mr ABBOTT—There certainly is tremendous doubt amongst members opposite on just about every conceivable issue. Not a single issue has arisen since November of last year on which the opposition is not riddled with doubt. They did not know what to do with the member for Denison. They do not know what to do on parliamentary standards. They are riddled with doubt over the 60-40 rule. They are paralysed with doubt and confusion and riddled with fear and fog on the whole issue of border protection and they are full of doubt over the leadership of the member for Hotham.

Let us look at the leadership of the member for Hotham. Almost the first act of the member for Hotham when he became the Leader of the Opposition was to give the member for Denison the wink and the nod to leave parliament, to subject his people to an unwanted by-election. What did he say—you know, this great leader, this man of principle and integrity? He said, ‘Duncan Kerr has served the people of Denison well.’

Mr Hardgrave—Well!

Mr ABBOTT—Well, indeed! Then of course we had the Leader of the Opposition coming in here and telling you, Mr Speaker, that he had turned over a new leaf, that he was part of the problem of poor parliamentary standards but now he was going to be part of the solution. He comes in here moaning the terrible, terrible thing—that, out there in the community, members of the public think that politicians are pretty horrible. And what does he do? He spends two weeks telling the public that politicians tell lies, that they are gruesome, that they are terrible. The man who was supposed to have turned over a new leaf, the man who was supposed to be lifting parliamentary standards, does not let a minute go by without demeaning the chair in which he is currently sitting by calling people on this side ‘goose’, ‘fools’, ‘dogs’ et cetera. It is a terrible travesty of leadership that this man is providing.

On the 60-40 rule, he says the influence of trade unions necessarily has to wane. Then he says, after he has visited the ACTU:

*I’m not Tony Blair, and I won’t forget where I come from.*

He certainly has not forgotten that.

I’m not interested in the third way.

Listen to the Leader of the Opposition on the whole question of border protection. In 1999 the member for Hotham supported the government on border protection:

*We will support the government to the hilt in cracking down on them—*

that is to say, illegal boat people and their activities. But what happens then? He flipped and then he flopped. He said the government’s handling of the matter has been ‘terribly messy’. Then he has a bet each way. He becomes the leader and says, ‘Well, we’ve got to be tough but we’ve got to be compassionate.’ This is the kind of oxymoronic confusion and captaincy of contradiction that we see constantly from the Leader of the Opposition, because the Leader of the Opposition cannot control the fog of war which is now raging inside his own party.

We all know that the member for Fremantle—supported, I suspect, by the majority of caucus—feels ashamed of the policy which the ALP took to the last election. The policy that the member for Brand says they were proud to support the member for Fremantle and her colleagues say they are ashamed of. The response to the member for Fremantle, from no less a person than the member for Werriwa, has been absolutely uncompromising. The member for Werriwa—and this is to his credit because the member for Werriwa comes from Western Sydney; he understands what the people of Western Sydney think—said:

*To claim that people who oppose an open door policy are ignorant, racist and emotive is a massive slur against the working class.*

It is a massive slur against the working class being perpetrated by the majority of the Labor caucus. Good on the member for Werriwa, supported as he is on this matter at least by the member for Batman and the member for Hunter, because the member for Werriwa believes, and I am quoting from the *Sydney Morning Herald*:

Mark Latham, the rights champion of Sydney’s western suburbs, continues to say the issue—

*that is, the issue of going soft on boat people—*
is one which appeals to the latte sippers of Labor’s trendier electorates, but is poison among real people.

The member for Werriwa has got it absolutely right. His own party, the once proud Australian Labor Party, has become the alien Labor Party, alien to the values and the decenties of ordinary working Australians, alien to the spirit and the traditions of John Curtin and Ben Chifley which are now best represented in this House by the Prime Minister.

The true deceivers in this debate are those members opposite who said before the election that they supported the government to the hilt, who said before the election that there was not a cigarette paper of difference between the policies of the Labor Party and the policies of the coalition and who are now en masse calling for those policies to change. They are saying that they are ashamed of those policies. But in the end it is up to the Leader of the Opposition to actually provide leadership. But what does the Leader of the Opposition say about himself? On the Neil Mitchell program on 14 November last year, he said:

I am a conviction politician.

Then on the selfsame program a few moments later he said:

I’ll be a consensus leader.

He is a sneaky leader, he is a tricky leader and he is a deceitful leader. The member for Fremantle has said that others in the party were tipping the whisper: ‘Just wait until we are in government.’ She should front a Senate committee and provide the evidence. She should name the guilty parties. She should name the people who have deceived the Australian people. I move:

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

This House censures the Leader of the Opposition for deceiving the Australian people before the last election in the full knowledge that the Labor Party’s Policy on border protection would be abandoned on coming to Government.

Question put:

That the amendment (Mr Abbott’s) be agreed to.

The House divided. [4.54 p.m.]
Question agreed to.

Question put:

That the motion (Mr Crean’s), as amended, be agreed to.

The House divided. [5.02 p.m.]

(The Speaker—Mr Neil Andrew)

AYES

80

NOES

66

Majority........ 14

AYES

Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
Crean, S.F.  
Danby, M. *  
Ellis, A.L.  
Evans, M.J.  
Ferguson, M.J.  
George, J.  
Gillard, J.E.  
Griffin, A.P.  
Hatton, M.J.  
Irwin, J.  
Kerr, D.J.C.  
Latham, M.W.  
Livermore, K.F.  
Martin, S.P.  
McFarlane, R.F.  
Mossfield, R.C.G.  
O’Byrne, M.A.  
O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  
Snowdon, W.E.  
Tanner, L.  
Vamvakou, M.  
Windsor, A.H.C.  
Zahra, C.J.  

* denotes teller

NOES

Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
Crean, S.F.  
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Mossfield, R.C.G.  
O’Byrne, M.A.  
O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  

As for the Ayes and Noes side:

AYES

Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
Crean, S.F.  
Danby, M. *  
Ellis, A.L.  
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Gillard, J.E.  
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Irwin, J.  
Kerr, D.J.C.  
Latham, M.W.  
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McFarlane, R.F.  
Mossfield, R.C.G.  
O’Byrne, M.A.  
O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  

All these names are marked with an asterisk and are denoted as tellers.

NOES

Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
Crean, S.F.  
Danby, M. *  
Ellis, A.L.  
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O’Byrne, M.A.  
O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  

For the Ayes and Noes side:

AYES

Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
Crean, S.F.  
Danby, M. *  
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O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  

For the Noes side:

NOES

Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
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O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  

* denotes teller

Question agreed to.

Question put:

That the motion (Mr Crean’s), as amended, be agreed to.

The House divided. [5.02 p.m.]

(The Speaker—Mr Neil Andrew)

AYES

80

NOES

66

Majority........ 14

AYES

Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
Crean, S.F.  
Danby, M. *  
Ellis, A.L.  
Evans, M.J.  
Ferguson, M.J.  
George, J.  
Gillard, J.E.  
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Irwin, J.  
Kerr, D.J.C.  
Latham, M.W.  
Livermore, K.F.  
Martin, S.P.  
McFarlane, R.F.  
Mossfield, R.C.G.  
O’Byrne, M.A.  
O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  
Zahra, C.J.  

* denotes teller

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Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
Crean, S.F.  
Danby, M. *  
Ellis, A.L.  
Evans, M.J.  
Ferguson, M.J.  
George, J.  
Gillard, J.E.  
Griffin, A.P.  
Hatton, M.J.  
Irwin, J.  
Kerr, D.J.C.  
Latham, M.W.  
Livermore, K.F.  
Martin, S.P.  
McFarlane, R.F.  
Mossfield, R.C.G.  
O’Byrne, M.A.  
O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  

As for the Ayes and Noes side:

AYES

Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
Crean, S.F.  
Danby, M. *  
Ellis, A.L.  
Evans, M.J.  
Ferguson, M.J.  
George, J.  
Gillard, J.E.  
Griffin, A.P.  
Hatton, M.J.  
Irwin, J.  
Kerr, D.J.C.  
Latham, M.W.  
Livermore, K.F.  
Martin, S.P.  
McFarlane, R.F.  
Mossfield, R.C.G.  
O’Byrne, M.A.  
O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  
Zahra, C.J.  

* denotes teller

NOES

Adams, D.G.H.  
Andren, P.J.  
Bevis, A.R.  
Burke, A.E.  
Corcoran, A.K.  
Crean, S.F.  
Danby, M. *  
Ellis, A.L.  
Evans, M.J.  
Ferguson, M.J.  
George, J.  
Gillard, J.E.  
Griffin, A.P.  
Hatton, M.J.  
Irwin, J.  
Kerr, D.J.C.  
Latham, M.W.  
Livermore, K.F.  
Martin, S.P.  
McFarlane, R.F.  
Mossfield, R.C.G.  
O’Byrne, M.A.  
O’Connor, B.P.  
Price, L.R.S.  
Ripoll, B.F.  
Rudd, K.M.  
Sciacca, C.A.  
Sidebottom, P.S.  

All these names are marked with an asterisk and are denoted as tellers.
Snowdon, W.E.       Swan, W.M.
Tanner, L.          Thomson, K.J.
Vamvakinou, M.      Wilkie, K.
Windsor, A.H.C.     Zahra, C.J.

* denotes teller

Question agreed to.

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

PERSONAL EXPLANATIONS

Mr Ruddock (Berowra)—Minister for Immigration and Multicultural and Indigenous Affairs and Minister Assisting the Prime Minister for Reconciliation) (5.04 p.m.)—Mr Speaker, I wish to make a personal explanation.

The Speaker—Does the honourable member claim to have been misrepresented?

Mr Ruddock—Yes.

The Speaker—Please proceed.

Mr Ruddock—The Leader of the Opposition suggested that I had accepted oral advice on the morning of 7 October but that I would not accept any other advice unless it was in writing. Any fair reading of the transcript of the Sunrise program last Sunday would not suggest that view—in fact, it was quite the contrary. The fact is that the situation in the afternoon—

Mr Crean interjecting—

Mr Ruddock—It is a misrepresentation to suggest—

Mr Crean interjecting—

The Speaker—The Leader of the Opposition! The minister cannot advance an argument. He must indicate where he has been misrepresented. I will allow him to do just that.

Mr Ruddock—It is a misrepresentation to suggest that I would not accept any other advice unless it was in writing. As I made clear on that occasion, the only advice that was available in the afternoon was oral advice.

The Speaker—The minister has indicated where he was misrepresented.

Mr Ruddock—It is was just the same in the afternoon as it was in the morning!

Honourable members interjecting—

Mr Crean interjecting—

The Speaker—The Leader of the Opposition must understand that when I am on my feet—

Honourable members interjecting—

The Speaker—And the same admonition applies to the minister, when I can complete my sentence without assistance from members such as the member for Lyons and the member for Chifley.

QUESTIONS TO THE SPEAKER

Immigration: ‘Children Overboard’ Affair

Mr Swan (5.07 p.m.)—Mr Speaker, you will recall that the Prime Minister has been asked three times in the House this week for photos, and the names of those photos, from the Department of Defence. As the House is about to rise, could you make inquiries with the Prime Minister as to when these photos requested by the House will be provided?

The Speaker—The member for Lilley is aware that the Prime Minister has been requested on three occasions—I will take his word for it—by way of questions without notice, for the provision of such photos. The answering of questions without notice is covered in the standing orders. If the question is put on notice, a slightly different standing order applies.

PERSONAL EXPLANATIONS

Ms Plibersek (Sydney) (5.07 p.m.)—Mr Speaker, I wish to make a personal explanation.

The Speaker—Does the member for Sydney claim to have been misrepresented?

Ms Plibersek—I do.

The Speaker—The member for Sydney may proceed.

Ms Plibersek—Today in question time the Minister for Foreign Affairs implied that my position on refugees is inconsistent. I draw his attention to a pamphlet that I put out during the election that said:

She is committed to developing a fair and humane approach to dealing with refugees.

That is completely consistent with my approach now—
The SPEAKER—The member for Sydney has indicated where she was misrepresented. Does she have any further personal explanations?

Ms PLIBERSEK—Yes, I do.

The SPEAKER—The member for Sydney may proceed.

Ms PLIBERSEK—The minister mentioned a quote. He did not say where it was from but implied that he had somehow caught me out saying something that was not party policy. He is referring—

The SPEAKER—The member for Sydney must be more precise than this if she is to claim that she has been misrepresented.

Ms PLIBERSEK—I am, Mr Speaker. He is referring to an article that was published in the Sydney Morning Herald. His opposition research is not very good if he thinks he is catching me out by reading the Sydney Morning Herald.

QUESTIONS TO THE SPEAKER
Frequent Flyer Points

The SPEAKER (5.09 p.m.)—On Tuesday the honourable member for Chifley asked me whether members were required to include in their declarations of interests travel undertaken by the use of frequent flyer points earned by the use of charter flights. As Speaker, while I am required to appoint the Registrar of Members’ Interests at the commencement of each parliament, I am not responsible for the interpretation and application of the requirements for the declaration of members’ interests. I have, however, been provided with a copy of the explanatory notes authorised by the Committee of Members’ Interests, and I table a copy. These notes provide some guidelines on the declaration requirements.

PAPERS

Mr ABBOTT (Warringah—Leader of the House) (5.10 p.m.)—A paper is tabled in accordance with the list circulated to honourable members earlier today. Details of the paper will be recorded in the Votes and Proceedings and I move:

That the House take note of the following paper:


Debate (on motion by Mr Swan) adjourned.

MATTERS OF PUBLIC IMPORTANCE
Howard Government: Standards of Honesty and Decency

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

The failure of the Howard Government to uphold basic standards of honesty and decency

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) (5.11 p.m.)—I move:

That the business of the day be called on.

Question agreed to.

MAIN COMMITTEE

The SPEAKER—I advise the House that the Deputy Speaker has fixed Monday, 11 March 2002 at 4 p.m. as the time for the next meeting of the Main Committee, unless an alternative day or hour is fixed. It is expected that the Main Committee will sit from 4 p.m. to 6.30 p.m. and from 8 p.m. to 9.30 p.m. on that day.

AUSTRALIAN CITIZENSHIP LEGISLATION AMENDMENT BILL 2002

Debate resumed.

Mr LAURIE FERGUSON (Reid) (5.12 p.m.)—In referring to the many submissions received by the Citizenship Council, I particularly acknowledge the persistent efforts of the Southern Cross Group, which represents Australians living and working abroad and their families and which has played a key role in placing this matter on the agenda and keeping it there. In its report, the Citi—
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zenship Council strongly recommended the repeal of section 17. It argued:

... as we move into the twenty-first century, the prevalence of dual Citizenship internationally will rapidly increase. The law and practice of most countries with which Australia likes to compare itself permits Citizens of those countries to obtain another Citizenship without losing their original Citizenship ... These countries simply recognise that they have an internationally mobile population and that they can retain connection with this population even if another Citizenship is acquired ...

The Council also believes that to hold and enforce the threat of loss of Australian Citizenship over Australians who wish to live and work overseas in countries where acquisition of another Citizenship is important to their situation is to place a completely unnecessary obstacle in the way of expansion of Australian presence in other societies.

Internationally, the trend has been very much towards dual citizenship, essentially in Europe and North America—both Canada and the United States countries with which we compare ourselves—where dual citizenship has been allowed for many years.

In April 2000, following the Citizenship Council report, the opposition shadow ministry considered the matter and agreed that Labor would support the repeal of section 17. My colleague the member for Bowman, who was then the shadow minister for immigration, issued a media release to this effect. There is no doubt that this decision by the shadow ministry was a major breakthrough in the debate. Subsequently, in May 2001, the government announced that it proposed to introduce legislation. Legislation identical to the current bill was introduced by the government on 23 August 2001 but did not pass before parliament was dissolved in the election.

In indicating the opposition’s support for the repeal of section 17, I wish to clarify three aspects. Firstly, I emphasise that the change does not involve the introduction for the first time of dual citizenship into the Australian system. Dual citizenship has long been a fact of life in Australia. Today, more than 4 million Australians are already dual citizens—even by 1986 there were over 3 million—largely because migrants are perfectly free, under Australian law, to retain the citizenship of the country of their origin. Their country of origin may, however, not allow them to hold dual citizenship. An instance is Turkey, which only in the early nineties reversed its previous position. Looking at citizenship take-up rates in this country, the Turkish take-up rate was extremely low until Turkey abolished bans on dual citizenship. Before that time, Turks lost any property that they owned within Turkey if they took up dual citizenship. Once again, that is typical of the trend internationally. If you want to cite a country that is fairly nationalistic and patriotic, it would be Turkey. Even Turkey has moved in this direction before Australia. Section 17 has only prohibited dual citizenship if the person takes action to acquire another citizenship after they already possess Australian citizenship. Even then, it can still be possible in some circumstances to acquire the citizenship of another country without penalty—for example, by marriage or descent—if the person does not do any act or thing, the sole or dominant purpose of which is to acquire that citizenship.

Secondly, the bill in no way alters the position of members of parliament who face disqualification under section 44.(i.) of the Constitution if they hold dual citizenship. That provision has prompted a number of high profile High Court cases, the most recent being the 1999 judgment that Heather Hill was ineligible to be elected to the Senate representing Queensland at the time of the 1998 election.

Thirdly, I note that the bill provides that section 17 is repealed from the date the legislation receives royal assent. The change is thus purely prospective in nature and does not change the position of those who have already lost their Australian citizenship. In this regard, I would indicate the opposition’s disappointment that the government is unwilling to revisit the current resumption arrangements as set out in section 23 of the act. By repealing section 27, we are signalling to the Australian parliament a bipartisan approach that we consider it inappropriate to penalise people simply because they acquire the citizenship of another country. You
would think that it would be appropriate to simultaneously address the situation of those who have suffered from the application of section 17, particularly in recent times, and all the more so because as early as 1994, as indicated earlier, a joint committee of this parliament unanimously decided that we should move in this direction. Many people have lost citizenship in the interim.

In discussions with the minister, he has indicated that people who have already lost their Australian citizenship will need to make application to have their citizenship restored in accordance with the current resumption requirements. Currently, the first requirement in applying to resume Australian citizenship is that the person must indicate that they did not know that they would lose Australian citizenship as a result of their actions, or that they would have suffered significant hardship or detriment had they not acquired the other citizenship and, if the hardship or the detriment was of an economic nature, the circumstances that caused them to take out foreign citizenship must have been compelling. The other requirements are that the person has been lawfully resident in Australia for at least two years at some time and undertakes to continue to reside in Australia if they are in Australia, or that they intend to resume living in Australia within three years of the restoration of their citizenship if they are overseas and, finally, that they have maintained a close and continuing association with Australia.

Sensible lobby groups like the Southern Cross Group are disappointed that the coalition will not agree to free up the current resumption requirements. These requirements appear to presume that Australian citizenship should only be restored in exceptional circumstances. They require applicants to establish that there were compelling reasons for their action, and that they would have suffered significant hardship or detriment had they not acquired the other citizenship.

The resumption provisions also require an overseas applicant to undertake a return to Australia in three years. These requirements in toto place applicants in an invidious position because if they tell the literal truth their application may be rejected. We are aware of overseas posts, Australian embassies and high commissions telling Australians to lie about these requirements. That is a highly unsatisfactory situation. Essentially people go along there, and they are honest with the post and the immigration authorities, and they explain their problem. The representatives of this country abroad know that it is a rather silly situation so they say, ‘Look, just sign it; say you’re going to go back in three years. That’s the best thing to do.’ We feel that is very unsatisfactory, and that the government should tackle this matter at this stage.

I urge the minister to give further consideration to this matter. He seems relaxed about the fact that people continue to be deprived of their Australian citizenship, even after both the government and opposition have indicated their support for the repeal of section 17. He appears to accept that some people will have to fudge their answers in order to have their Australian citizenship restored. I stress that just because the opposition does not wish to hold up this bill which, as we know, has had a fairly long process, he should not assume that dissatisfaction with the resumption arrangements will simply fade away. We act on the basis of lobbying by groups which want this matter finalised. They do not want to see amendments; they do not want to see debate and argument about this matter, but they do say to the government that the resumption situation should be revisited. I have heard from the minister the example that some people might—if we were to make mandatory decisions to basically give everyone back citizenship—suffer overseas. An instance was given of American taxation laws. A person might be hit with taxes if we summarily gave them back citizenship. However, there is a lot of area between that and other alternatives, and the government should look at this situation.

Resumption arrangements were last eased in August 1995 when Senator Bolkus was the minister. He approved a broader range of circumstances that would be accepted as evidence of ‘significant hardship and detriment.’ These changes were made in the context of section 17 remaining the law. Now
that section 17 is to be repealed, it would seem appropriate, once again, to review the resumption arrangements. Whilst noting government indications that some individuals overseas might be disadvantaged if their Australian citizenship is automatically restored to them, I frankly cannot understand the government’s refusal to liberalise the citizenship resumption provisions for this group of people.

Currently, the act provides that a person born overseas to Australian parents can obtain Australian citizenship by descent if their parents registered their birth before their 18th birthday. Each year, some 8,000 to 9,000 children are registered in this way throughout the world. Section 10(c) of the act allows people who were born before 15 January 1974 to register after age 18 if they have an acceptable reason for not having registered earlier. There is no such discretion for people born after 15 January 1974. As a result, some young people have missed out on the opportunity to obtain Australian citizenship because they were unaware of the registration requirements or because they failed to register in time. To overcome this problem the bill extends the registration deadline to the person’s 25th birthday. This is in line with recommendation 26 of the Citizenship Council report. I note that the government has imposed an additional requirement that adult applicants seen to have obtained citizenship by descent will, unlike those aged under 18 years, be required to satisfy the minister that they are of good character.

Under current provisions only adult migrants are issued with citizenship certificates. The names of children under 16 are recorded on a parental certificate. I think many members would be aware, from their experiences in their electorate offices, that this can create problems when the child later has to provide evidence of their Australian citizenship and can no longer easily access the parental certificate for a variety of reasons. To overcome this problem, the government proposes that eligible children under 16 years will in future be issued with a certificate in their own name. This provision will also be available to those who wish to obtain evidence of an earlier grant of citizenship to them.

The bill makes a number of changes to the integrity provisions of the Citizenship Act. These generally relate to the requirement that an applicant be of good character. Currently an applicant cannot be granted Australian citizenship if they are awaiting trial for a criminal offence or have been sentenced to imprisonment for a term of 12 months or more. People so sentenced cannot be granted citizenship for two years after their release from prison or while they are serving a period of parole. No additional penalty exists for those who are imprisoned on more than one occasion before the grant of citizenship. To address this situation, the bill provides that a ‘serious repeat offender’ who serves more than one such period of imprisonment cannot be granted citizenship for 10 years after that has elapsed.

The bill also provides for the revocation of a grant of citizenship where, before the citizenship certificate has actually been conferred, additional information becomes available to DIMIA that is sufficiently adverse to the applicant that they would not admit the original application requirements. Where the person is charged with a criminal offence in Australia before citizenship has been conferred, the minister may also defer the conferral pending the outcome of the trial. Henceforth, a grant of citizenship can be revoked if an applicant fails without acceptable reason to make a pledge of commitment within 12 months of being notified that their citizenship application has been successful. The grounds the minister may consider acceptable for any such delay will be defined by regulation after passage of the bill. I would hope that these are framed in a sensible way and address situations where a person is unavoidably required to remain overseas. As we know, that is a continuing reality and the number of people affected is growing every day.

Finally, the bill clarifies an existing provision whereby an overseas born person can be deprived of Australian citizenship. The act already provides that a person can be deprived of citizenship where they are convicted of citizenship or immigration related
fraud or where they are convicted of an offence that was committed before the citizenship application. This bill includes a preparatory provision to the effect that being sentenced to imprisonment for 12 months or more for a people-smuggling offence that was committed before the grant of citizenship shall constitute grounds for revocation of citizenship.

In conclusion, I again indicate that the opposition is happy to cooperate in seeing this legislation passed without unnecessary delay. We do so because we particularly understand the situation of those who will benefit from repeal of section 17. We believe that measure is a sensible and overdue development. We do not oppose the other changes in the bill. I would emphasise that Labor has a long and proud record on citizenship issues. We take seriously the range of other proposals that the Citizenship Council recommended but which are not included in this bill. As we review our policies, we are committed to maintaining a dialogue with interested organisations on the issues of citizenship and multicultural affairs. We recognise the efforts of the Southern Cross group on the matter.

Today the government was censured for its disgraceful performance in relation to the asylum seekers and the dishonesty that was perpetrated in relation to that. But this government deserves to be censured for another issue related to border protection, and that is its terrible performance on shipping. I believe that its efforts in this area are directly disproportionate to its efforts to demonise asylum seekers.

Today, the Industrial Relations Commission has a case before it whereby unions are currently in dispute with the owners of the Australian flagged and crewed CSL Yarra. They are taking a case to the commission to ensure that foreign shipowners working Australian routes observe proper minimum working conditions. It is expected that the federal government will oppose this application and I am urging the federal government to change its attitude to the demise of shipping in this country and to support this industry, which is so important to us.

In fact, instead of developing a shipping industry, what we are getting is the export of jobs from Australia. Australia is almost totally dependent upon sea transport for the carriage of its imports and exports. In terms of tonnes-kilometres, Australia has the fifth largest maritime transport task in the world. However, less than one per cent of this trade generated by Australia is carried out in Australian flag shipping. Virtually the whole of the task, necessitating some 60,000 to 70,000 ship visits per year, is carried out by foreign flagged ships whose crews are not Australian nationals.

In 1990, the Australian fleet comprised 76 ships, of which 45 were involved in coastal shipping. In 1999, the fleet comprised 58 ships, of which only 35 were involved in coastal shipping. Ten per cent of our nation’s coastal trade is carried by foreign ships, which is a fourfold increase since the early 1990s. In the early 1990s there were around
200 FOC permits granted per year, but by the mid-1990s this had risen to 450 and by 1998 some 700 permits were issued. The number has continued to increase and many more single voyage permits have been granted, which has further exacerbated the situation.

Maybe this government does not want to engage in debate because it knows by the weight of evidence that it is guilty of at best negligence and at worst wilfully endeavouring to destroy Australia’s shipping industry. This can be no better highlighted than during Australia’s peacekeeping efforts in East Timor. We saw a situation where cargo to support Australian peacekeepers was shipped from Townsville to Timor not by any ships in Australia’s dwindling merchant fleet but by foreign vessels with foreign crews. The use of foreign flag vessels and crews in Australia since 1994 has grown by 293 per cent. Many of these, I regret to say, have also become known as ‘ships of shame’.

The demise of the Australian shipping industry and the Australian shipping fleet is happening right under our nose, even to the extent where Australian ships are being sold and reregistered overseas, their crews sacked and the ship returning under a foreign flag with foreign crews. I refer to MV River Torrens, now the CSL Pacific, formerly a vessel owned and operated by CSL Australia. (Time expired)

New South Wales: Bushfires

Mrs BRONWYN BISHOP (Mackellar) (5.33 p.m.)—I rise on this adjournment debate to acknowledge some fine work done by people in my electorate who are associated with the rural fire service. I begin my remarks by saying that in 1994, the year I became the member for Mackellar, we had the most devastating fires in my electorate. The effort that was put in by our brigades and by individuals was absolutely magnificent. We did lose some houses but we lost no life. It was their skill and their dedication that enabled people’s lives to be saved and a vast majority of property to be saved.

In the recent fires, we were fortunate. We held our breath in case our electorate went up again, but it did not, and I have to say that it was because of good planning and good intelligence work by our volunteer firemen that indeed that did not occur. But they did not shrink from the task of being involved in the hardship of other people who did suffer in those fires. I would like to place on record the contribution that was made by the following brigades, which are in the Warringah Pittwater Fire Service: Beacon Hill, Belrose, Coal and Candle, Coasters Retreat, Cottage Point—of which I have the honour to be patron—Davidson, Duffys Forest, Ingleside, Scotland Island, Terrey Hills, Tumbledown Dick and West Pittwater, together with catering, communications, composite activities, group offices and headquarters, which included a control centre which was manned 24 hours a day and required 20 people a day.

All in all, we had crew strength of around 900 individuals who gave of their personal time and effort to assist other people. They served in the Blue Mountains, Wollongong, Penrith, Hawkesbury, Campbeltown, Sutherland, Wollondilly, Baulkham Hills, Gosford, Peak Hill, Hornsby, Shoalhaven and Goulburn and provided state operations spotters and state operations personnel. They provided 63 vehicles and, as I said, around 900 personnel and they gave some 14,500 man hours in service.

I think one of the things that is so special about the rural fire service is that they are volunteers. They give their time to train and to learn their skills, they present themselves in dangerous situations and they reach out for each other with a sense of camaraderie which allows them to go and support other people when other people’s needs are greater than theirs.

I would also like to acknowledge just some people. It is always difficult to choose some names of people who particularly have given of their time, effort and expertise. But I would like to acknowledge Group Captain George Sheppard, Senior Deputy Group Captain Peter Owens, Deputy Group Captain Scot Crossweller, Deputy Group Captain Jeff Cree and Deputy Group Captain Warren Cree—and, very particularly, the catering officer, Beryl Oliver. Getting food and resources up to the people who are fighting is a very important task.
I would like to say that, in recognising the good fortune we had in the electorate of Mackellar in not having fires on this occasion, and in offering a great sense of sympathy for those people who lost property and lives in other areas, I am very proud of the sense of camaraderie and volunteer spirit that came from the people who make up the brigades in my electorate. I am very proud of them.

Insurance: Public Liability

Ms O’BYRNE (Bass) (5.37 p.m.)—The effect on community and sporting organisations from the unprecedented rises in public liability insurance premiums continues to be felt, and the crisis is not limited to the particular issue of cost rises. Many organisations are having enormous difficulty in finding any insurer at all to provide them with public liability cover. One major sporting body in my electorate recently sought expressions of interest for its insurance business. For its combined insurances, it approached 11 potential insurers—10 declined. For its public liability cover, it approached 13—12 declined. So much for choice.

Our local eisteddfod society, the Launceston Competitions Association, is celebrating its centenary in 2002. It has never had to make a claim on its insurance, yet it has received a public liability insurance bill double the previous one. One of our major annual community festivals was unable to find cover at any price until just hours before it was due to begin. A smaller one-off event with very little risk exposure has been advised that its premium will be $3,400 for two days cover. One of our major show and sport facilities has been presented with notice that its premium for public liability cover in 2002 is likely to rise from $45,000 to around $90,000. For many of them, these difficulties are accompanied by the news that other categories of premiums are rising at the same time. In particular, personal accident cover is experiencing significant increases caused not only by the traditional factor of claims history but by other factors as well.

For years now, sporting and community organisations have been assailed by government to become more self-sufficient—less dependent on government grants. But their ability to do so is being diminished more and more each day. Their budgetary position is under attack. For the majority of these responsible organisations the end of year result is a balanced book. They have no room to move if outgoings rise without commensurate increases in grants or new sources of income, and it is in the area of alternative sources of income where the double whammy comes into play. If the organisation hires out its premises or facilities, it is forced to pass on the effects of insurance increases to the hirers—the same hirers who have already been hit by increases in insurance premiums of their own.

Australia—in particular, my home state of Tasmania—has prospered and been enriched by the value adding to our society provided by voluntary organisations in all walks of life. Government will never be able to replace them and society will be immeasurably poorer if some, many or all simply fade away. It is almost impossible to find an organisation which has renewed its insurances in the last six months which has not received a premium bill at least double that of its previous account. In a significantly large number of cases this situation had already occurred in the previous insurance year, before the collapse of HIH or the tragic events of September 11, both of which have oft been presented as principal causes of the situation we now face.

If, as expected, similar or greater increases are repeated during their 2002 renewals, the consequences for each organisation will be even more frightening. Indeed, many insurers have already warned their clients to expect hefty increases. The underwriters and insurers argue that the growing willingness of the community to sue and the amounts being awarded by courts leave them with no choice but to pass on the resulting cost to those seeking cover, or to cease providing public liability cover altogether. They refer also to the additional burden of legal costs in respect of claims which never even reach court.

There is no doubt that the situation is also exacerbated by the inability or unwillingness of many community organisations to reduce their exposure by instituting a program of...
risk management. Some simply do not even know about such things. An immediate initiative should be a program to introduce organisations to risk reduction and management strategies. It is imperative, though, that such a program covers all bodies from the smallest clubs in regional and rural centres through to national bodies. Programs encouraging the consolidation of risk and premiums amongst organisations will also reduce the burden. Some national bodies have already taken this initiative and acted accordingly.

Legislation to obviate the need for a facility owner and hirer to each insure, at their own cost, what is essentially the same risk would also provide a major relief to organisers. As it currently stands, many venue owners or operators require any person or organisation hiring or using their facility to stage an event or activity to take out a public liability policy to the same level as their own—the most common covers being $10 million to $20 million.

In reality, though, it is the hirer, often a sporting body or community organisation simply trying to provide a service or healthy activity to ordinary Australians, which has to bear the burden of both premiums. The owner or operator has no choice but to pass on, as part of the rent or hiring fee, its business costs, including insurance cover, to those who hire facilities. But the hirer must pay for its own cover as well, which it must then either absorb or pass on to its members, users or spectators. If the price becomes too great, the organisation either fails or voluntarily winds up. Participation rates also decline, especially amongst those who are no longer able to pay.

Mr Speaker, one of the great characteristics of sporting bodies and voluntary community organisations in Australia is their willingness to help charities—the athletic club that stages the fun run, the service club that holds a fair, and the group that holds a raffle at the local shopping centre and then passes on all the profits to a charity. But as the cost or risk associated with conducting the primary activity rises, or becomes prohibitive, many will be abandoned, or the size of the resulting donation will decrease.

Sadly, I have learned of the lamentable situation where a weekly meeting of five ladies to knit together in a community hall has had to be discontinued because the facility insurance did not provide public liability cover for their gatherings. The solution was for those five women to take out their own cover. This can hardly be justified and should not be necessary. One finds it hard to imagine a sadder threat to community spirit.

(Time expired)

Roads: Scoresby Freeway

Mr PEARCE (Aston) (5.42 p.m.)—I rise today to update the House on the Scoresby Freeway project. Mr Speaker, you and honourable members might recall that last year the Scoresby Freeway was one of the most important elements of the Aston by-election campaign and indeed of the recent general election in November. I am very pleased to inform honourable members that the Deputy Prime Minister and Minister for Transport and Regional Services has now approved the first $45 million instalment of federal government funding for the Scoresby Freeway. Federal funds have now started to flow into the state of Victoria for the Scoresby Freeway project. The Scoresby Freeway goes through the heart of my electorate of Aston, by extending from Ringwood and down to the Mornington Peninsula and Frankston. I am delighted to inform the House that the federal government is standing by its commitment to provide funds for the freeway.

Unfortunately, having said that, I also have to inform the House that to date we still do not see any tangible example from Labor in Victoria to start the construction of this freeway. Honourable members might remember that during the by-election I professed that I was the only candidate who was totally committed to seeing the Scoresby Freeway corridor built. Following the Deputy Prime Minister’s announcement, I have let the people of Aston know that federal funds have started to flow. I noticed this week in an article in one of my local newspapers called the Knox Leader, a spokeswoman for Mr Batchelor, the Victorian Labor Minister for Transport, is quoted as saying:
The federal government has skewed the history of the project to suit themselves.

Let us look at the history of the project. If you go back to August 2000 in an article in the *Age* titled, ‘Labor in freeway U-turn’, the transport reporter for the *Age* says:

The Bracks Government, in a major policy about-face, is expected today to confirm plans to build the contentious Scoresby Freeway in Melbourne’s outer east.

In an article in the *Age* on Wednesday, 10 January 2001, Paul Mees, at that time the Public Transport Users Association spokesman, was quoted as saying:

“The problem with Peter Batchelor is that he came into office without an agenda and there’s been no substantial change in transport policy since the Kennett regime,” he said.

The article also stated:

Labor has also been accused of a policy reversal over building the Scoresby Freeway.

But the best example of Labor’s approach to the Scoresby Freeway is in a letter from Peter Batchelor, the Minister for Transport, to the Hon. Neil Lucas, an upper house member in Victoria, dated 17 November 1999. In the second paragraph of the letter it says:

I can advise that the government—the Victorian government—has made clear its decision with regard to the Scoresby Freeway. Construction of the Scoresby Freeway will not occur during the next four years because no provision has been made for it in any current or past government funding programs.

This is a major concern, because in the other local newspaper this week, the *Knox Journal*, a spokesperson for the state government is quoted as saying:

The state government said no money has been set aside for the Scoresby Freeway.

So you have a situation where the federal government has now budgeted and committed $445 million for the Scoresby Freeway and we have declared it a ‘road of national importance’. We have now signed off on the first instalment of $45 million and we are yet to see any action from Labor in Victoria towards the construction of the Scoresby Freeway. I call on the Victorian Labor government to immediately inform the people of Aston when the freeway will begin. *(Time expired)*

**Population Policy**

Mr JENKINS (Scullin) (5.48 p.m.)—Today there has been great mention of policies that we as members of the Labor Party took to the people in the election of November last year. One of the policies that I was very pleased that we put to the people was a population policy, where we saw the need for the establishment of an office of population, we saw the need for conducting a wide-ranging inquiry into what should be the optimum population of Australia. This is an area of policy that this place—whether as backbenchers or members of the executive—should be returning to. It is a very important and fundamental piece of public policy.

I am, therefore, very pleased that next Monday Premier Steve Bracks and the state of Victoria will be hosting a national population summit at the Regent Theatre, where over 500 people will come together to discuss the issues which surround the way in which we might set out a proper population policy. This has to be a wide-ranging debate, because there are so many facets to the way in which we would put in place a proper population policy.

I have mentioned at the periphery population policy on a number of occasions in this place. I was researching when I had actually done this and the first occasion was back in October 1989. The interesting thing about that first contribution was that it was actually in response, during the discussion of the appropriation bill of 1989-90, to the spokesman for the then opposition on immigration matters, the honourable member for Dundas, Mr Ruddock. He said that what really disturbed him was the total lack of a population policy. I am concerned that he now seems to have gone a bit lukewarm on the idea of putting in place a population policy. He berated the then minister for immigration, Senator Ray, and quoted where Senator Ray had said in an interview that his intuitive guess was that the optimum population was about 25 million. Mr Ruddock then went on to say in his contribution to the debate that, without a change in the immigration program—this is back in 1989—he had seen studies that be-
lieved we would reach 25 million by about the turn of the century. We see by the facts that he was actually incorrect in that estimate.

I was then intrigued to see that, in the discussion about the summit, not only the Prime Minister but also Mr Ruddock were quoted as saying that they did not really see any need for the detailed debate. What was very interesting was that Mr Ruddock was quoted as saying that 25 million people was his best estimate of what could be achieved. He should realise that there is a need now—in the 21st century—to have a proper debate about how we would reach a figure, whether it be 25 million, 30 million or, as has been floated, 50 million people. But we must have that debate. We have to look at it in terms of what is sustainable in environmental terms, we have to look at the economics of it—what is sustainable in economic terms. We have to look at an optimum population in demographic terms. Will we have the right balance between people that are of workforce age and older people? What will be the regional distribution? Will we see states such as Tasmania and South Australia being beneficiaries of a proper population policy which sees their states gaining some of those immigrants or will we see changes in the way that we see city centres?

At the end of the day, one of the great considerations is that, through proper planning, if we have an optimum population number, we can do it in a sustainable way both environmentally and economically, and we can assist other spheres of governance in the provision of infrastructure, as was mentioned by the member for Aston. In my electorate, two municipalities are fringe municipalities. They are the municipalities of Whittlesea and Nillumbik. They provide the homes for new people living in the metropolis of Melbourne, but they do so without assistance and infrastructure. Without this proper planning, we are not going to be able to assist bodies that need to put in place the proper infrastructure.

This is a wide debate. The forum on Monday is a very good first step. It is not going to be the end of the debate, but it is something in respect of which this government should show leadership and, if the government does not show leadership, this House as a parliament should show leadership by making sure that it is fully discussed. (Time expired)

Arrowlea Pty Ltd

Mr SECKER (Barker) (5.53 p.m.)—Tonight I raise a matter of great importance to my state of South Australia. It was reported in January that one Terry Norman Stephens had purchased a mansion at Kapunda owned by disgraced paedophile magistrate Peter Liddy. Stephens spent six years in jail for armed robbery in New South Wales and has been jailed for fraud. Stephens is the promoter of a company called Arrowlea Pty Ltd and he invited members of the public to subscribe for shares in that company, although no prospectus has been registered. In January 2002, an administrator was appointed to Arrowlea and on 19 February the administrator issued his report to creditors. I seek leave to table that report.

Leave granted.

Mr SECKER—The report indicates that, in January 2002, Arrowlea entered into an agreement for the sale and purchase of shares in a company called Goldus Pty Ltd. Parties to the agreement were Ivan Peter Lewis, Goldus Pty Ltd, Arrowlea Pty Ltd, Terrence Norman Stephens and Mount Gleam Pty Ltd. The report indicates that the components of the Goldus agreement were that Arrowlea was to purchase 2½ million shares from Mr Lewis for $490,800. Arrowlea was to apply and pay for 400,000 shares in Goldus at an issue price of 25c, that is, $100,000. The company was to discharge debts of $192,809 owing to trade creditors of Goldus. The company was to discharge loans totalling $661,618 owing to certain lenders to Mr Lewis or Goldus. Arrowlea was to finalise further mining tenement obligations totalling $50,000.

Although this agreement was not completed, it raises serious questions. Ivan Peter Lewis is the sole director and sole shareholder of Goldus Pty Ltd. Terry Stephens resigned as a director of Arrowlea on 24 January and the only two directors remaining in that company are Garry William Lewis and Robert Wayne Shepherd.
Lewis is the nephew of Ivan Peter Lewis. The administrator has examined the financial position of Goldus and he states:

A review of the financial position of Goldus indicates that, as at 30 June 2001, the company had net liabilities of $439,740 and sales for the previous 12 months of $9,145. On the basis of the financial information provided to me, it appears that the value of Goldus and the shares sold by the company by Mr Lewis were questionable.

The administrator concludes that the Arrowlea-Goldus transaction is an ‘uncommercial’ transaction. He said:

The assets of Goldus do not appear sufficiently valuable to warrant the consideration offered by the company for the shares of Mr Lewis and Mt Gleam.

It is calculated that Mr Lewis and his solely owned company Goldus would have benefited to the extent of $1.2 million if this transaction had gone ahead. The administrator refers to amounts of $2,500 paid to Mr Lewis and two other parties. Ivan Peter Lewis is better known as Peter Lewis, the member for Hammond in the South Australian parliament. He was elected as an Independent member at the election on 9 February 2002.

The report of the administrator of Arrowlea raises serious issues, such as: why was Stephens-Arrowlea prepared to pay Lewis and his company more than $1 million for assets which were of questionable value? Was there some other benefit which Lewis promised to provide Stephens? Why did Mike Rann enter into a deal with a person as desperate as Peter Lewis? Was any benefit or advantage offered to Lewis by Labor to get him out of his financial predicament? What do Lewis’s mining and corporate activities say about his competence to play a central role in government in South Australia? Whatever the answers may be, the process I have outlined, and that conducted by Mr Lewis with a convicted criminal, should remove him from the candidature for the position of Speaker. He is an embarrassment to the parliament of South Australia and an embarrassment to all of his parliamentary colleagues.

Cross-Media Ownership Rules

Mr MURPHY (Lowe) (5.57 p.m.)—Before the House rises for the week, I want once again to draw attention to my question No. 11 on the Notice Paper in relation to cross-media ownership laws in Australia and the government’s agenda to change those laws. The role of the media is crucial to our democracy in Australia and, from all the reports in the media, my understanding of the government’s agenda is that the government wants to allow a person to hold licences to own television stations, radio stations and newspapers in the one market.

This is a very serious issue for the future of our democracy because, as I have said on a number of occasions in this House, the commercial media in Australia is owned predominantly by Mr Murdoch and Mr Packer and any further attempt by the government to reward those proprietors by giving anything to the Fairfax Group in the case of Mr Packer or a television station in Mr Murdoch’s case is contrary to the public interest and it has got to stop.

Capricornia Electorate: CMG Meatworkers

Ms LIVERMORE (Capricornia) (5.59 p.m.)—In the short time that remains today, I would like to mention the plight of over 1,000 meatworkers in my home town of Rockhampton. It is very appropriate that we have spent some time today debating amendments to the Workplace Relations Act and to the industrial relations system of this country when over 1,000 meatworkers can be out of work for coming up to three months while there is a stand-off over an enterprise bargain agreement. The company, CMG, really holds all the cards in this dispute and we see this government’s industrial relations legislation giving no mechanism to resolve a dispute. It is really there as a tool to escalate disputes. It does not provide any balance or fairness on behalf of those workers.

The SPEAKER—Order! It being 6 p.m., the debate is interrupted.

House adjourned at 6.00 p.m.
The DEPUTY SPEAKER (Hon. I.R. Causley) took the chair at 10.03 a.m.

GOVERNOR-GENERAL’S SPEECH

Address-in-Reply

Debate resumed from 20 February, on motion by Ms Ley:

That the address be agreed to.

Ms GAMBARO (Petrie) (10.05 a.m.)—It is a pleasure to be standing here as the member for Petrie for the third time. I want to place on the record my humble thanks to the people of Petrie for giving me the opportunity of serving them. It has been an amazing journey for me. I never imagined that I would be a representative of the federal parliament of Australia. I do not think my grandfather would have ever imagined that when he migrated to Australia in the early 1950s one of his descendants would be sitting in the federal parliament. I want to pay tribute to Giovanbaptista Gambaro for having the courage and the foresight to come to Australia. His choice to immigrate to a new land was to catch a boat either to America or to Australia. Thank goodness he caught the Napoli and came to Australia, because I would have had a different accent and I would not be standing in this place, I am sure.

History and destiny have an amazing way of intertwining. The first suburb he came to and settled in in Brisbane was called Petrie Terrace, named after Andrew Petrie, the gentleman whom my electorate is named after. Andrew Petrie was a very famous Scottish explorer and settler. He was a great student of indigenous people and the first free settler in Queensland. When you look back at things that have happened in your life, sometimes you think to yourself: was this meant to be? I went to a school that had some buildings that were designed by Andrew Petrie, and Petrie seems to have featured prominently in my life.

I had not been a member of a political party when the Liberal Party approached me to run for the seat of Petrie. It was the most amazing opportunity. When I reflect on it, it is just wonderful to be in this place. It has given me an increased sense of humbleness each time I am re-elected to the federal parliament. Sure, there is a lot of hard work to be done in an electorate and, having come from a business background, I knew nothing of the world of politics before I came into this House. In fact, I was not even a member of the Liberal Party when I was asked to run for the seat of Petrie, and I remember it well.

I had been raising two small children on my own, I was teaching marketing part time at the Queensland University of Technology, I was acting as a marketing consultant for the Queensland division of the franchisors of the Australia and New Zealand Association, and I thought my life was going along pretty nicely. I received a phone call from the area chairman of the Liberal Party saying, ‘We want you to stand for us for the seat of Petrie. You have three days to think about this, and we will get back to you.’ How can you think about changing your life in three days? It was an absolutely momentous decision. I consulted some family and friends who said, ‘You are made for this. You are always complaining about the government. Here is your opportunity to do something about it. You can talk under wet cement.’ Coming from an Italian background, I thought that was very amusing. But it was a wonderful opportunity, and I decided to take up the Liberal Party’s offer.

What has it meant to be a representative? When I reflect on it, I have achieved some wonderful things for the people of my electorate. I probably have one of the most dynamic and diverse electorates that anyone could have. Even though I get a lot of attention, because it is a marginal seat—and sometimes I wish I did not—I just want to get out there and do my job. I do not want to read about myself in the national media. I am just an average person representing some 91,000 people. They do come to me with some wonderful issues that I am able
to bring to parliament at each sitting. I am sure some of my colleagues sometimes wonder: what is the member for Petrie going on about this time? But, as usual, it hits their electorates shortly afterwards. I am very fortunate to have a very diverse electorate that is very responsive and gives me that feedback that I need so much to ensure that I carry out my job.

I thank all of those community leaders and members who work so tirelessly. There are men and women on the Redcliffe Peninsula who are members of 10 community organisations or more. I take my hat off to them. I have come to know most of them over the last six years and I count them as my friends. I get a lot of inspiration from many of them. I pay tribute to them for the countless hours of community work that they do and I thank them for coming and seeing me.

I want to place on the record some of the achievements that I have been able to deliver for the people of Petrie over the last six years. Every time I go past the Bruce Highway and see the evidence of the $75 million that I was able to secure, I cannot help feeling proud. My children are sick of hearing me point out the cranes and saying, ‘I got that money.’ It has made a huge difference. The north and south of Brisbane merge in the seat of Petrie. We had terrible problems because of that merge, and the Gateway arterial merge. People wanted to travel north along the Bruce Highway, to places like Noosa and Caloundra, and we had never had a decent road. For the first time ever, we have extended and widened the Bruce Highway and the Pine Rivers bridge. This affects anyone who is commuting, be they tourists or business people. The people of the City of Redcliffe will not have those seven-kilometre traffic jams that they have experienced in the past.

I also place on the record the wonderful youth work that is carried out in my electorate. I have been happy to deliver some of those youth programs. We were able to deliver $265,000 in that area in 2001. The emergency relief people do a great job in helping those in our community who have very little. I will continue to lobby for funding for them. I know that last year they received funding. I have an ageing electorate, which means that I have a large number of nursing homes in the electorate. So far, we have been able to secure $34 million for aged care services in the Petrie electorate.

I am committed to working to decrease the unemployment rates in my electorate. I will do everything I can in that regard. Coming from a business background, I believe that, if we can solve the economic problems of our country, the other problems will fade into insignificance. There are people who will never have an opportunity to experience holding down a job. I know that there are many out there who find that very, very tough. Through Work for the Dole and through apprenticeship programs, I will continue to work with the local business community, the Redcliffe City Council and many of those people to ensure that our young people and also our mature age people are given opportunities.

I conclude by again thanking the people of Petrie. I am very honoured and feel humble to be standing here. I will continue to work hard for them. I thank them for keeping me humble. I hope that in three years time I am able to deliver even more for them. I will be in there fighting for everything I can for them.

Mr SIDEBOTTOM (Braddon) (10.12 a.m.)—I welcome all of those members who have returned to the parliament, and new members of the chamber. It is a great honour to be back here. It is a great honour to be elected to the House of Representatives, but to be re-elected is indeed a very great honour. I thank the people of the north-west coast and King Island for giving me the honour of representing them again.

The election was, from most observers’ commentary, a rather strange one in relative terms. I heard it said that the only people who were really interested in the election were the politicians themselves. Given the nature of events surrounding the election, I suppose that is not strange. Australian communities, in many ways, had their consciousness heightened by the
whole question of border protection. Events in the United States seriously dampened people’s social optimism. The collapse of Ansett militated against any sense of optimism. There was generally a rather pessimistic view in Australian communities, and certainly in mine. I think that probably accounted in many ways for the ascendancy of incumbency, in terms of both government and membership. It is pleasing to see some new members in the House.

In my own electorate I would have to say, again, that there was little engagement in the federal election. I found it personally difficult to engage, because my opposition did not want to personally engage me, and so I found it very difficult to dig them out to enter into some form of social and public engagement on the issues themselves. The people of Tasmania chose, I believe, to support the Australian Labor Party because the Australian Labor Party had a plan for Tasmania. I believe too that the policies that the Australian Labor Party wished to enunciate in the election resonated with the Tasmanian people. Whilst the Tasmanian people have certain views on the important question of border protection and the security of our nation, they were engaged by the actual social and economic policies enunciated by the Australian Labor Party, particularly as they affected issues such as public health—particularly waiting lists for public hospitals, Medicare and Medicare arrangements that we had engaged with in terms of a partnership with the Tasmanian government—and, of course, some very innovative and very important measures related to education.

In my own electorate and in Franklin, the electorate of my colleague Harry Quick, we had a specific plan advancing the north-west coast, with attached funding of some $47 million. It was a genuine recognition of a struggling region. My region is one of those regions, unfortunately, that is struggling in terms of its economic performance anyway. That is certainly beginning to improve; but, in terms of our spirit, we are on the top of the list in helping ourselves. Overall, the Australian Labor Party, I believe, won the hearts and minds of the Tasmanian people because it specifically targeted its policies to Tasmania and that was not lost in the rhetoric and the hype that was unfortunately surrounding the issue of border protection. Of course, some of that rhetoric is now coming home to roost and it will be seen for what it truly is and was: very much a manufactured incident to assure the present government of re-election—but more of that to follow. I thank the people of the north-west coast and King Island for their terrific support and I thank all those people who supported me. We had something like 500 people on the ground, and I would particularly like to thank my campaign team, my loyal and hard-working staff and, of course, my family.

Now I would like to raise some issues in relation to my electorate, and I will be expanding on these throughout this year, next year and the year after, if I have to, and I hope to be able to affect policy in the future. If the government would like to take it up, I would be more than happy, but I would like to feel that my own party and my own colleagues will be taking up these issues. The first of those that I would like to raise is the fact that, when I fly out to Canberra of a Sunday afternoon, I go through an airport where I could drive a tank onto the plane. I could bring a machine gun on, or a bazooka or anything else—the kitchen sink. There is no airport security at all for a region of nearly 100,000 people.

We had Minister Anderson on 19 October 2001 talking about airport security in the wake of the terrible events in the United States and the antiterrorism platform and program that we were trying to establish. He was pointing out in that that he would upgrade the security at 29 regional airports and that, where they did not have upgrades of security, security was already appropriate. How can you have ‘appropriate security’ when you have absolutely none at all? When I did arrive at Melbourne airport on one of these occasions, we went through the little security check on persons and bags, and there was only one person there after we got off the Dash 8. This worker said to somebody going through with a bag, ‘You look as if you have a
sharp instrument there. Would you please take it out at the end of the baggage area.’ The person was standing there, looking for it and wondering what it was. He opened the bag up, played around with it, and was standing there like a shag on a rock with no security person there at all, and so he closed the bag and walked off. This is into Melbourne airport!

It is bad enough in my own region—and that is replicated throughout regional Australia—but to get to Melbourne airport and have this happen is appalling. I am not being overly alarmist here but, talking about security, I do not know much about carrying out terrorist activities—I do not mind a raid on the opposite side every now and then—but I would not go to the most secure area in Australia to carry out terrorist activities; I would go to the weakest point, and the weakest point in Australia would happen to be in my electorate. It is outrageous! Don’t tell me a Dash 8 could not do any damage if someone wanted to use it that way. I take this very seriously, and on behalf of my community I have written to the minister twice but, like most correspondents to the minister, I will probably never hear back again. I take it very seriously. I want the minister to reply. I want security in my region, as I believe there should be in every other part of Australia. If the Commonwealth has to take this over, so be it.

Let me move on to another issue which affects us all—everybody in this room and our communities throughout Australia—public liability. I am happy to promote this issue with my colleagues. I know that both my colleagues in the chamber at the moment have spoken on this. The issue of public liability is affecting our community organisations and social groups. It affects us no matter how much money we have, where we live and what we do. It is a national issue, a national problem. I do not want to point the finger, but I believe the Commonwealth has an important role to play in this area. I think we would all say that. I know the issue is complex, I know it is difficult and I know it has very important federal implications.

Mr Hawker—And it involves state laws too.

Mr SIDEBOTTOM—It does involve the states, but section 51 of our Constitution says quite clearly that we have responsibility for the regulation of insurance. So we do have a role here. It is incumbent on all members of the federal parliament to make sure we take up this matter. If we have to do it as a Commonwealth, then let us do it, because what is happening to our community groups is absolutely outrageous. I did a community survey and I got 205 responses from community and sporting organisations. I will not go through the detail of it except to say that the premium increases are outrageous. A number of these organisations have continued to operate without insurance—the major reason being, ‘We cannot afford it.’

I do not need to teach people how to suck eggs. All I can say is that we have a major national problem here. We in the Commonwealth can do something about it, rather than point the finger and say that it is the states’ problem or have one minister say to another in the Commonwealth government: ‘You don’t know what you are talking about. Don’t blame the lawyers, You’re on the wrong beat. Let’s go to the insurance council and blame somebody else.’ We have to do something about it as a group. I certainly hope that we do. My other colleagues would no doubt share those sentiments.

I would like to raise another major issue of concern, concern which I am sure is shared by everybody in this chamber. As the people’s representatives, we would have had lobbying on this from ordinary, decent, honest Australian families. The issue is the debacle with the family tax benefit debt and the child-care benefit debt. I have had letter after letter and phone call after phone call about it. For the current Minister for Family and Community Services to say that it is adequate, that it is okay, that it does not affect many is absolute nonsense. Again, as the Commonwealth—and I do not care who does it or how we do it—we are going to have to deal with this. People who do the right thing and go in to Centrelink to explain their change in circumstance believe that, in notifying Centrelink of that change in circumstance, readjustments will be made to their payments. It is not acceptable to say to people, ‘Don’t have pay-
ments; just make a claim at the end of the financial year and you will get your money and everything will be fine.’ What we are talking about here is people who in many cases are right on the margin. These fortnightly payments are absolutely crucial to their budgeting. It is not as if they are trying to rip off the system. The minister rushes out and tells us how many welfare cheats we have, how many people were dobbed in and so forth. If people are doing the wrong thing in the system, so be it, but I wonder how many of those people in those figures that the minister announces are people who have tried to do the right thing but who have ended up with debts. It is totally unacceptable.

I have comments here from people who have written to me and visited me about this. I will not read them all; I am sure other members have also received them. But I want people to hear some of their own words. Melissa Jones from Burnie says:

It seems extremely unfair that this system does not allow for a change in family circumstances. I was told by Centrelink that maybe I should have over-estimated our income. How can you know that a change in your circumstances, such as a redundancy, is going to occur?

We are talking about modern Australia today; we are not talking about a system where everybody has a job for life. The realities are that people lose their jobs sometimes. Sometimes they are in casual employment, sometimes they are part time and sometimes they are full time. They are hit with a redundancy, and off they go. Yet here we are estimating—guesstimating—income for the year. If you make any adjustments throughout that time, you will pay the penalty. And, just to be sure, put some money aside every fortnight—put it in the bank in case you get hit later. This is extraordinary. We will all have to do business degrees to receive benefits. Melissa Jones says:

I agree with the policy of amending our family payments from the time these changes occur, but not with the decision that our family is penalised for the previous months when our estimated income was correct.

I had a very long letter and several meetings with Debbie Freeman and her family from Somerset. She says that when she got the bill:

My reaction was of utmost disgust with a system so totally unexplained, even with brochures, (a copy of which you will find enclosed) ... When you read it, what do you find? Talk about ‘bureauspeak’. It makes us look like simpletons. She goes on to say that the brochures:

... omit to say anywhere that you need to over estimate so as not to incur a debt.

You need to overestimate. I believe that, in relation to the last little payout to people, there was a rushed little brochure. ‘Quick, read this, it will help you pay your debt.’ Debbie says:

In closing, I simply wish to voice my absolute disgust with a system that affects the genuine Aussie battling families who are trying to get ahead by honestly earning an income. My only wish is that the thousands of people who will be in receipt of these bills will take it upon themselves to complain and make their concerns heard.

Here is me saying, ‘Oh, Debbie, she must be a good old Labor voter; I am happy to do that.’ No way. She soon put me straight on that. She was disgusted with the system. She is not interested in whether it is Liberal, Labor or Callithumpian doing it: fix it. Such people do pay their taxes, after all. Anthony and Tanya Miller’s bill was for $2,655.48. They wrote a very long letter with some interesting suggestions. I passed all these on to the minister and tried to do it positively. The Millers said:

Strangely, the families who need these payments most are the families who are hurt by this system the most. Families who are surviving on a number of casual jobs to make ends meet. How do they know what they are going to earn? In the future of Australian society, more and more people will live this way.
How can anybody say what will happen tomorrow? The Millers went on:

A common sense solution to this problem is to look at previous payments, subtract from what the person is entitled to for the rest of the year and divide that by the remaining payments in the year. No overpayments, no bills. The Taxation Department cross referencing can still check overpayments or underpayments.

It would have been beneficial if at the moment of exceeding our payments we had have been notified so we may have forfeited all further assistance from the FAO for the financial year.

There is no notification that a debt is on the way. Kathryn Jago, again from Burnie, says:

I was always proud never to receive a bill. But not so lucky. Centrelink used to send the previous years income. Why was that changed? The government must be feeling guilty. Why are they paying the first $1,000?

That brings me to the point—and it is not missed on people who are involved in this system—that first of all we get the waiving of $1,000 just prior to November, or October, just prior to the announcement of the election. We understand there is a problem, so we will waive the first $1,000. Whoopee. Then, when the notification was meant to come out, the time line was before the election. Curiously—perhaps not surprisingly—it was postponed until now, after the election. All I can say is that there may have been other, I hope more positive, reasons for that. But all I know is that next time people get their debts or their bills they are going to have to remember that there will be no waiver, and those people that missed out this time are going to be in for a rude shock. To say it is adequate is absolute bunkum.

I would like to conclude by raising a really important issue, which I am going to particularly pound when we look at higher education. There are needy people in our community who receive youth allowance and Austudy to assist them to further their studies, and quite rightly so. But the whole system needs a review. The income thresholds are completely inappropriate now. They are at about the level they were at in 1994. I appreciate the importance of providing assistance to people to further their studies, and it is an issue that we should look at.

Another related issue we need to look at is the age of independence—25 and still dependent on your family—if we are interested in the betterment of social psychology in this country. Yet another issue is the parental income threshold. Groups that are right on the margin receive no financial assistance at all, and this is particularly the case in my electorate. Young people in my electorate have no choice but to go away to study at TAFE or university. They cannot do it at home; they have to leave. Because of where they live, they are approximately $10,000 a year worse off than those living in, say, Hobart, Sydney, Melbourne or Launceston, who can access the relevant institutions—universities, the colleges of education and the TAFEs—and can live at home and travel there by tram. Students in my electorate have to go away, and that imposes an extra cost of $10,000. They are discriminated against because of where they live.

The issue of equity has to be looked at. I cannot understand why these students cannot, for instance, claim a tax rebate from their accommodation receipts. It is an issue of equity. Most isolated students can do that. There is a large body of people who get no benefits from the Commonwealth—nor do they ask for them, by the way—but they do want some equity. It is a system we should look at in order to give them some justice. That $10,000 cost virtually ensures that both partners in a family have to work, purely and simply to overcome the discrimination of geography. There is no provision for study for those people. I am going to pound the issue, and I hope others do too, so that we have some equity. (Time expired)

Mr ANTHONY (Richmond—Minister for Children and Youth Affairs) (10.32 a.m.)—Mr Deputy Speaker Causley, let me put on record again how delighted the citizens of the North Coast are that you, as the member for Page, have been elevated to your august position. I
know you will rule very fairly in the chambers, as you demonstrated yesterday with what I thought was a very prudent decision.

One of the drawbacks of being a minister is that I get fewer opportunities to speak in the House about the wonderful people I represent. Without being too parochial, I am fortunate to represent what I consider to be the most beautiful area of Australia, which includes some of the nation’s most community spirited citizens. Many members on both sides of the House would have seen their constituents give up their time over Christmas to fight New South Wales’s worst ever bushfires. I am grateful to the volunteers from my electorate, who left their families at the most special time of the year to help their fellow citizens further south.

Members may not be aware that the Tweed, which is in my electorate, suffered its worst ever natural disaster a few days later on Wednesday, 16 January. A freak storm with hailstones the size of cricket balls caused massive damage to homes and small businesses in the Tweed communities of Kingscliff and Banora Point. The disaster generated over 1,400 requests from local residents for emergency assistance. The salvage effort was coordinated with great professionalism by local controllers Angela Gracie of Murwillumbah State Emergency Services and Ross Phillips of the Banora Point SES. This combined effort included 57 New South Wales SES crews and 31 crews from Queensland, as well as 10 North Coast rural fire units, eight New South Wales fire brigade crews and three volunteer rescue associations.

I was able to thank many of these people at a Sunday function in Kingscliff after the clean-up, but I would like to place on record my gratitude to all the volunteers, especially Tweed residents Des Caden, Don Cowan, Joe Franklin, Ken Harrison, Millie Higgins, John McMahon, Peter Akehurst, Hynes Zimmer and Peter Mosley, and to the Salvation Army, led by Neil Clanfield. Special thanks also to Jeff Spash and Ian Anderson, who made the journey from Wollongbar, in the southern tip of my electorate.

Richmond also boasts one of the highest proportions of seniors in any electorate in Australia, as many citizens choose my home area to retire in. We have in Richmond many couples who have achieved many wonderful marriage landmarks. For example, the following couples have just celebrated, or are about to celebrate, their 60th wedding anniversary. I would like to acknowledge them: George and Maxine Ireland, of Tweed Heads South, who will celebrate their anniversary on 23 February; Raymond and Marjorie Pitt, of Tweed Broadwater Village, whose anniversary was on 3 January; Albert and Phyllis Hussey, of Alstonville, whose anniversary was on 24 January; Allan and Phyllis Smith, of Tweed Heads, whose anniversary was on 24 January; Ronald and Monica Greentree, of the Hacienda Caravan Park in Chinderah, whose anniversary was on 19 January; Edward and Joyce Wigram, of Banora Point, whose anniversary is on 28 February; Arthur and Joyce Bale, of Tweed Heads, whose anniversary was on 21 January; and Victor and Clarice Stanton, of Banora Point, whose anniversary was on 14 February.

Three couples in Richmond are celebrating their 50th wedding anniversary: Arthur and Barbara Tandy, of Mullumbimby, who celebrated their anniversary on 9 February; Trevor and Audrey McDonald, whose anniversary is on 25 February; and Robert and Beryl Thompson, of Tweed Heads, whose anniversary was on 9 February. I know that all of those people will be interested in reading the Governor-General’s speech and the address-in-reply.

I would also like to acknowledge younger people in my community. April Rich, of Lennox Head, was the Ballina Shire’s Australia Day Young Citizen of the Year. Stacey Chesworth, of Alstonville, was awarded a commendation under the same category. I also congratulate Tweed Shire Australia Day award winners. A waterski record breaker, Brenton McGrath, and a musician, Elizabeth Brooks, of Kynumboon, shared the honour of being named Tweed Citizens of the Year. Uki’s Mark Gleave was the Tweed Shire’s Young Achiever for his contribution to St
John Ambulance. An 18-year-old triathlete, Paul Matthews, of Kiel Vale, was our sportsper-
son of the year. James Brown, of Kingscliff, who is just 11 years old, is Tweed junior sports-
man for his success in an incredible range of different sports, and 84-year-old Arthur Thomas,
of Tweed Heads West, won recognition for his outstanding sporting career. I think it is terrific
that individuals of that calibre choose to live on the North Coast.

In my father’s and grandfather’s day, the Richmond electorate was four or five times its
present size. Because the New South Wales North Coast is the best place to live in the best
part of the country, Richmond is one of the fastest growing electorates in Australia.

I am always pleased to welcome new constituents. I would like to welcome the following
Australians to my electorate, either as new arrivals in Richmond or as locals who have turned
18 or recently joined the Australian family: Scott Dryburgh and Justin Gioffre, who have just
turned 18; Beverly Sharp, Ken Somers, Ronald Edwards, Helen Hall, Sandra Wright, Terri
Lee Tisdell and George Quinn, who are all from Banora Point; Eileen Mugleton of Bilambil;
Leonard Self and Alexandra Gautschi of Tweed Heads; Shirley Fahy and Norman Clarke of
Terranora; Darrian Collins, Robert Harvey, Rachel Playford and Rose Kluve from Kingscliff;
Wendy Hohenhaus and Trevor Mutton of Coorabell; Clayton Iskov of Cabarita and Nerida
Doggett of Chinderah; Susan O’Regan of Crystal Creek, Brett Hayes of Numinbah and Rich-
ard Fraser of Pottsville; Edwin MacPherson of Uki, Deborah Hudson and Drew Matlock of
Bryrill Creek; Jasmine Beadel and Kathryn Durston of the excellent North Star Resort in
Hastings Point; Andrew Hauserman, Marilyn Myres and Mark Lycos, all three of Ocean
Shores; Nicolette Hilton, who has just turned 18, of Broken Head; Serena Thomson-Powles of
Byron Bay, and Richard Hodgson, just up the road at Ewingsdale; Rose Ann Staff of Suffolk
Park and Érica Schmidt of Mullumbimby; Ben Truscott of Federal and Anthony Brearley of
Tintenbar; Ann Staughton of beautiful Lennox Head; and finally Ian Wilkes, Terrence Flatley
and Madeleine Liddy, who all live in a beautiful part of the Richmond electorate, the Alston-
ville Plateau. These are just some of the worthy people in Richmond that I would like to men-
tion in the House today.

I am pleased to have been able to mention today some of these individuals who have
played an important part on the North Coast and to place their names in Hansard for a perma-
nent record here in the Commonwealth of Australia. I hope that in the future the descendants
of these worthy citizens will look up the Hansard record and discover with pride the special
place their ancestors took in Australia.

I am very humbled to be re-elected for the third time and am grateful for the confidence
that the people of Richmond have shown and the privilege given to me of being re-elected to
this House. I would like to thank the 37,545 people who preferred me ahead of the Labor
challenger and I would especially like to thank the 32,516 Richmond citizens who placed me
first on their ballot paper. I will always represent all Richmond residents, whether they voted
for me or not.

I would like to turn to the campaign itself shortly but, first, there are a few people I would
like to mention, because without them I certainly would not be here, and I know other mem-
bers would share these comments when it comes to family. My wife, Jenny, is always a pillar
of strength, and has to keep the home fires burning during my long periods of absence, and
my three children, Bronte, Alexander and William, are enormously patient with their father’s
absences. Of course there is always pressure put on families, particularly during campaigns.
My parents, who are no strangers to this House, have always said, ‘You never give up no
matter what the Anthony Greens of this world say about what election results will bring.’ I
also acknowledge the very diverse media in Richmond. Whilst they were fairly tough, I think
they were fair on all the candidates.
I wish to acknowledge other people, particularly my Richmond FEC—my chairman, Andrew Sochacki, and his secretary, Sue Curtis, and my treasurer, Idwall Richards, to whom I am always indebted. I want to thank the people who ran some of my key campaign offices—I cannot name them all—particularly Maree Burke at Murwillumbah, Robyn Ford in the Ocean Shores area and Jan Doust, affectionately known as my ‘southern general’, and her husband, Graham, for their contribution in Alstonville in the Ballina Shire area. In the Tweed area, thank you to the head of my Tweed FEC, Sue Vinnicombe, and to Andrew Walker. In the Ballina FEC, thank you to Avis Kennedy and, of course, I thank my very loyal staff, both there and in Canberra, who made an enormous contribution, and all those helpers and booth workers across the three shires.

I would like to give a brief account of the election campaign in Richmond last year. It provides lessons, I think, for both sides of the House. The first indications that we were going to have a robust campaign in Richmond came with the ALP preselection rort in late 2000. Labor had two local candidates, including a very strong contender in the long-term Alstonville resident Judy Mannering. Little did Judy know she had not stood a chance because she was not part of the factional game. How was she to know that a dirty deal had already been sewn up in Sydney between John Della Bosca and the member for Grayndler? If Della Bosca’s wife, Belinda Neal, got a clear run in Paterson, then he in turn would let the hard Left take over Richmond. Back in Richmond, local ALP members were duly coerced and the member for Grayndler’s hard Left candidate won the preselection.

It would certainly be difficult to imagine, notwithstanding her virtues, a person who is more unsuitable to represent the people of Richmond. She had been a hard Left union official at university, she had worked on the staff of hard Left members of this House, including the member for Sydney but, more importantly, she was under the control of the member for Grayndler. When she landed in Richmond her cover was a union organiser for the CPSU, although her sponsors were the metalworkers union, which is not overly represented in my quiet regional electorate. We are not known for heavy industry. She had a very short professional life in the private sector, so relied mainly on her union background and university training. It is also worth noting that in my first attempt, in the 1993 campaign, many members of the Labor Party, the Prime Minister in particular, were very critical of me on account of my age, at the time 31. I certainly did not draw the media’s attention to it, but it is interesting that the Labor candidate this time was considerably younger than I was in my first attempt. But I wish her well in whatever capacity she wishes to take in the future.

To be fair to the Labor Party in Richmond, a number of local members had the courage of their convictions. Judy Mannering left the party in disgust, as did local branch chair Georgie Jeston. The chair of Labor’s Richmond federal electorate council, Julie Nathan, went one step further. It was extraordinary. She resigned and stood as an independent Labor candidate in protest at the interference in local affairs by Sydney officials. The treatment of Julie Nathan by the hard Left union heavies that the member for Grayndler sent to Richmond was both ruthless and brutal. Yet she stood firm under the onslaught and showed tremendous courage right through to polling day. I did not share Julie Nathan’s political views at all, but I certainly admired her determination and her loyalty to her local community. I hope she is not vilified by other members of the Labor Party, now or in the future.

When the Sydney Labor machine rolled into town, it brought with it considerable resources both in union manpower and union money—about half a million dollars, I am told. Almost a full 12 months before the election, the hard Left opened the biggest campaign office I have ever seen. The hard left was running television advertisements for its candidates more than one month before the election was even called. The filthy and grubby tactics flowed freely. The principal victims for the member for Grayndler in his scare campaign were elderly rela-
catable home park residents in my electorate. These unsuspecting residents were bombarded with smears and lies, particularly in relation to the effects of the goods and services tax on their site fees. For the information of this House—I know many members had views on this—very few, if any, relocatable home parks in Richmond now charge the GST. However, the truth or otherwise has never been much of a consideration for the member for Grayndler and for those seeking to increase his power base.

These disgusting tactics culminated in a mass push-polling attack in the last few days before the election. Unionists rang thousands of mainly elderly residents in their homes, with the message that a vote for Larry Anthony was a vote to increase the GST rate to 15 per cent and extend it to fresh food. In other words, they were saying, ‘If you vote for Larry Anthony, you won’t be able to afford to eat.’ How tacky is that. The good news, of course, is that this failed. The good news is that the people of Richmond saw through the lies of the imported candidate and her Sydney masters. I was honoured with my highest ever personal vote, while the Labor Party suffered a primary swing of nearly five per cent against it. Only a sneaky preference deal between Labor and the ‘Demorats’, as they are locally known, and the Greens, prevented a complete rout.

I said earlier that the Richmond campaign had lessons for both sides of the House. The first lesson is that, if you want to win a marginal seat, you cannot take short cuts. There is no substitute for hard work. I must compliment other members of the Labor Party who have marginal seats. It is that hard work over the years that pays the dividends. I was rewarded, I believe, not for my campaign skills but for the 5½ years of constant, solid toil and hard work for the people of Ballina, Byron and Tweed shires. The second lesson is that local people want a local person to represent them, especially in regional and rural Australia. Having imported Sydney candidates just does not work. The final lesson is that you cannot con voters in the 21st century. Australians do not believe the big lie, and particularly Labor’s allegations about increasing and extending the GST.

To conclude, I can find no more appropriate words than those I uttered the first time I rose in this place nearly six years ago:

... as the sun sets this evening behind Mount Warning, and as the shadows stretch across the coast of Richmond, I make this pledge to the people of Richmond: to serve to the best of my ability and, God willing, to live up to the trust they have placed in me.

It gives me great pleasure to have spoken on the motion on the address-in-reply to the Governor-General.

Ms HALL (Shortland) (10.49 a.m.)—I would like to thank the voters of Shortland for the confidence they have shown in me by returning me to this place. It is a great honour, and I pledge to them that I will serve them loyally throughout the term of this parliament.

There are a couple of things I would like to pick up on from the speech of the Minister for Children and Youth Affairs. The first is that, whilst he may feel the North Coast is the best place to live, I would have to say that it is the second best place. Having lived on the North Coast for the first part of my life, I am able to appreciate the virtues of that area and compare them with the wonderful area that I live in now: Lake Macquarie and the Central Coast of New South Wales. It is a truly beautiful area that has some very wonderful people living in it whom, as I have already mentioned, I am very privileged to represent in this place.

The second thing I would like to pick up on—and I did not intend to do this in this debate—is the fantasy that the minister portrayed to this House today, the distortion of facts and the fact that he really does not understand anything about the Labor Party. If that is the sort of information he is going to spread throughout his electorate, it is understandable that it is something that needs to be addressed. As for talking about things that happened in Richmond during the election, people who lived in caravan parks there were inundated in the few days
before the election with pamphlets stating that illegal immigrants were going to be settled in the caravan parks in Richmond. I find that rather despicable. I feel that the whole campaign in Richmond was one that you would not want to replicate—as was the entire 2001 election campaign. But more of that in a moment.

The Governor-General’s speech at the opening of parliament outlines the government’s vision for Australia. It is supposedly a vision for the future, an outline of what the government hopes to achieve in its term of government. The Governor-General’s speech at the opening of the 40th Parliament was very disappointing, to say the least. It was a speech that had no vision whatsoever for the future. It was a speech that gave no hope to families, no hope to workers and no hope to older Australians. It was a speech that showed that the Howard government was bereft of ideas, a government with no third-term agenda. The only themes or policies outlined in the speech were those driven by the government’s ideological enslavement to attacking unions, the cult of the individual, economic rationalism and wealth for the deserving few.

I will concentrate on those issues. On unions and workers, it outlined a vision to attack compulsory union fees, it referred to the introduction of secret ballots—this is all legislation—and the House is currently discussing fair dismissal procedures. Throughout this government’s present term, as with its previous term, I am sure we are going to be inundated with a diatribe of attacks on unions and workers and the vilification of unions. You can see that the government is already starting to set its agenda for the next election, with the royal commission into the CFMEU. It is all about creating a division between one group in society and another group in society rather than trying to work with unions and with workers. If you look at what a union is, it is an organisation of workers. Unions were set up to address the power imbalance that existed between employers and workers. Unfortunately, what this government is about is eroding that balance, trying to establish an environment where one group has all the power. It is about class warfare; it is about worker against business against employer. I really feel that that is wrong. For a country to thrive and grow and survive, we need an environment where all sections of the community work together, not a society that is based on conflict.

This government is noted for its economic rationalism. Rather than being there to represent the people and saying, ‘We’re here to establish a strong community and a series of good, strong communities,’ what it says is, ‘The economy is here, and you, the people, are here to support that economy.’ It talks about having retired $55 billion worth of debt. This is being done by selling off all our government assets—and there is more to come.

I have a vision for Australia of shared prosperity for all, not just for a few people who can benefit by this government’s economic rationalism and the push we have seen over the last few years. I have a vision—but not of a two-tiered society, one where we have the haves and the have-nots, a society where people, through no fault of their own, are forced to rely on welfare benefits or support from Centrelink. I have a vision of assisting the unemployed to actually find work, rather than vilifying people, as this government tends to do. Its talk of ‘mutual obligation’ is obligation on one side, obligation by the person who is in receipt of some sort of assistance from the government, be it assistance to find work or be it income support.

We have a system of education where people attending private schools are advantaged—something that everybody should aspire to be—rather than an education system that is there for everybody and where everybody has the opportunity to have the same quality of education. This government’s health system has once again, instead of putting money into the public system, been putting money into the insurance industry. Because of that, people in the electorate that I live in and represent are being severely disadvantaged—and I will talk a little more about that—by doctors no longer bulk-billing and doctors closing their books because
there is a shortage of doctors in the area that I represent and live in. All you have to do is go
to the eastern suburbs of Sydney—which is not so far away from where I live—and you can
walk into any doctor’s surgery and find that they are bulk-billing. It really seems to me that it
is a very unfair system, which this government supports, a system that disadvantages the most
disadvantaged in our community.

This government values self-reliance and really respects a person who is able to get in
there, stand up for themselves and achieve on their merits. It gives rampant support for the
cult of the individual, for choice and for rewarding people for being able to succeed. But what
it does not do is recognise that people have different ability levels and different opportunities
in life and that sometimes, because of these differences, they cannot make the same choices
and are not as able to be self-reliant. By pushing the cult of the individual, what you are doing
is ensuring that these people will be disadvantaged for the whole of their lives. So to the hon-
ourable members opposite, I suggest that they actually get out into their communities and talk
not just to their friends and the elite in their electorate but to some of those people who have
had a life in which they have struggled and struggled and in which they do not have the same
opportunities that the members themselves have had.

It is the Howard government’s slavish commitment to these values and this philosophy that
justifies any action it or the Prime Minister takes. When the Prime Minister said earlier last
year that he would do whatever he had to do to win the election, this was understandable be-
cause, in his mind and in the minds of the members opposite, you are rewarded for your ef-
forts and actions. So, if you have to push the boundaries of decency to win, so be it. The re-
ward is winning. That is what it is all about—winning. You do whatever you have to do to
win.

Since the resumption of the parliament, we have seen just how far John Howard and his
cronies—the government—are prepared to go. That has been very evident with the ‘children
overboard’ affair. It is almost inconceivable that a government would think of, let alone try to
manipulate, a situation, or public opinion, in the way this government has done. It really has
diminished our democracy, and it leaves such a bad taste not only in my mouth but in the
mouths of many, many thousands of Australians.

First, there was the Tampa issue. It engendered fear and hatred towards people who were
fleeing the most horrendous circumstances. If you look at what has happened subsequently in
Afghanistan, you can see that it was not a very pleasant place to live. But these people were
portrayed to Australians as queuejumpers. It is not like pushing to the front of a queue at the
supermarket; it is impossible to get on those immigration queues. The situation is chaotic.
There is no procedure in place to process those people seeking to escape these horrendous
circumstances. It was all about vilification of those people. The Pacific solution has cost hun-
dred thousands of millions of dollars. The government is saying that that has resolved the
problem: that the hard stance that it took has ended the problem of people trying to come to
Australia and escape these horrendous circumstances. It has not solved the problem. The
number of people trying to come to Australia has fallen because it is the monsoon season. Let
us see what happens when that ends. And let us see what stunt the government pulls.

I have watched with great interest this week the ‘children overboard’ fiasco. The Prime
Minister says, ‘I knew nothing; I know nothing.’ The minister for immigration says, ‘I knew
nothing. Anyhow, it does not really matter because they tried to sink the boat; they’re dread-
ful, horrible people.’ Once again, there is this vilification of people trying to escape their hor-
rendous circumstances.

Max Moore-Wilton knew nothing. What about the Prime Minister’s staff? It is very inter-
esting to track what has been happening in his office, isn’t it? It is very interesting to read
about it and it is a source of interesting speculation. What about Peter Reith? The revelations
last night by Air Marshal Angus Houston mean that the integrity of this government is very questionable, and that is very sad. What about Jane Halton and her role in the whole event, and the reward that she has subsequently received? Yet we hear throughout the saga that no-one is responsible. If no-one is responsible and no-one knows what is happening, I ask: who is governing Australia?

We are really seeing to what level the Prime Minister—honest John, the never, ever man—will stoop. The implication for the government, and for all of us, is that it creates scepticism about politicians. It really undermines our system of government. We should not be about winning at all costs. We are about representing the people of Australia and providing good government. We are going to have different opinions on matters—and I have already mentioned a number of those. I look at education differently from members on the other side. I believe that everybody is entitled to a good education, while members on the other side believe that some people are entitled to a better education than others. I believe this is all about government and governance. I believe that, as members of parliament, we are role models for the rest of Australia. It is about leadership, and it is about making sure that Australia is viewed overseas as a worthwhile country and it is about our international reputation.

What we have is a government in crisis. This government stumbles from one crisis to another. Everyday we hear about another crisis. One is the government’s portrayal of the lip-sewing incident at Woomera. We now hear that no adults sewed children’s lips together. We also have the Governor-General, who is under siege for choosing to ignore allegations of child sexual abuse—one of the most disgraceful acts persons can perform—

Dr Southcott—I raise a point of order. Under standing order 74, no member can refer to the Governor-General during debate in a manner which is disrespectful. I put to you that the member for Shortland’s remarks are disorderly and that she is in breach of that standing order.

The DEPUTY SPEAKER (Mr Hawker)—I would remind the member for Shortland that I think she ought to temper her remarks in that area.

Ms HALL—Thank you, Mr Deputy Speaker. Currently there is a cloud over the office of Governor-General. It is interesting that the current Governor-General in Australia is the Prime Minister’s man. He chose him without consultation with anyone in the community. He chose him without consultation with anyone in the parliament. He chose to appoint a person of the church, and there were always questions about the separation of powers of the church and the state. The Prime Minister has always argued that the Governor-General’s role is sacrosanct. It is worth while casting our minds back to the republic referendum. The Prime Minister objected to changing the system and the system that was put forward was to have consultation with the community and to have a presidential nomination committee, and then the Governor-General or the president would be appointed by a two-thirds majority of the parliament. The Prime Minister argued against this because you could not trust politicians: you could only trust the Prime Minister. We have seen just how much you can trust the Prime Minister and we can see what that has led to!

This latest crisis has shown that our current system of government is flawed. It is flawed because we have a head of state who lives in the UK and the person who represents that head of state in Australia is chosen undemocratically by one person—the Prime Minister. It is time to revisit the issue of Australia becoming a republic. The people of Australia deserve better.

Whilst I am in this parliament I intend to fight to see that the people of Australia get a better deal. I intend to fight to see that education is available for all, that it does not become a debate about private and public schools but rather that the government recognises that every single person in Australia should have the opportunity to receive a quality education. I intend to fight to see that bulk-billing remains, to see that the government takes action so that there
are enough doctors available in the community. I intend to fight to see that there are jobs for everyone, to see that people can have some security of employment so that people do not have to stand by the telephone waiting for that call.

This is a government for a few; it is not a government for all. It is a government that lurches from one crisis to another. It is a government that looks after its friends at the expense of the community as a whole. It is a government of ideologues and it is a government that is totally bereft of ideas.

Dr SOUTHCOTT (Boothby) (11.09 a.m.)—There is a view that there is no real difference between the major parties and that political struggle is all about who is the best manager. A debate like this ignores the ramifications of a genuine clash of ideas. We can do more to explain why our approaches in this parliament are different. When Liberal policies can be dismissed as mean spirited, it is, in effect, a denial of the legitimacy and richness of Liberal thought. In making his appeal to the forgotten people in 1942, Robert Menzies targeted the middle-class and the values of the family and the home. Two generations later, the mantra of Liberal Party candidates in 1996 was jobs, family and small business. Despite the massive changes in Australian society since World War II, these enduring values have appeal today.

The Liberal Party should learn to speak more articulately about our version of Australia’s future. It should be of a meritocratic society which encourages personal responsibility and rewards hard work. We should foster an entrepreneurial spirit where bearing risk is rewarded. The Liberal Party should express a preference for having a bit of get up and go. We should not be afraid to emulate the very best of America’s dynamism. We should continue to build on the economic, financial and labour market reforms of the last 15 years. Over the last decade Australia’s performance has improved. To become an exceptional nation we need to keep going.

In 1930 our greatest historian, Sir Keith Hancock—I noticed in his book, Mr Deputy Speaker Hawker, that he had a foreword from a relative of yours and mentioned his discussions with one of your forebears—noticed that ‘Australian democracy has come to look upon the state as a vast public utility’. This tradition of socialisme sans doctrines has always made Liberal governments cautious in their rhetoric on small government. But Hancock also went on to note the paradox that support for a strong role for the state coexisted with a marked individualism. He predicted over time these tendencies would be more openly competing.

As the guardian of the individualistic tendency in Australia, Liberals should not be afraid to say that there are some things that individuals, families and communities do better than the state. Last year when there was a public appeal for the victims of the earthquake in Rajasthan there was more money raised by the community than was contributed by the government. Rather than that being a cause for condemnation of the government, I think it should be celebrated that the community, of its own free will, gave so much. Similarly, we saw how much the Catholic Church raised for East Timor. Again, that was a great response from the community. Community associations already struggle with membership and relevancy. A greater role for community groups is consistent with a Liberal belief in a strong but limited role for government.

Australia should do more to encourage corporate philanthropy. Unlike the United States, we have no sustained tradition of corporate giving. Despite the fact that many of the best universities in the United States are endowed, in Australia too many in higher education are implacably opposed to harnessing private revenues. Santos and Cisco represent good examples of the type of activity we should foster. Santos recently endowed a petroleum engineering school at the University of Adelaide. It was the largest single example of corporate philanthropy in Australia’s history. IT company Cisco requires its work force to make a contribution to the community through their association with the Smith Family. I am pleased that
they were recently recognised in the Prime Minister’s Community Business Partnership awards.

Just as Menzies fostered home ownership as an affordable dream, Prime Minister Howard has democratised share ownership. This development has the potential to cause a fundamental realignment in Australian politics. With more holding a direct stake in the health of business, there is a new and growing constituency for parties of the centre right. The task for the future will be to broaden and deepen this investment culture.

In 1930 Sir Keith Hancock also noted that ‘the passion for equal justice can so easily sour into a grudge against those who enjoy extraordinary gifts’. Seventy years on we should heed his warning and resist this levelling tendency. Fairness is important; but if fairness becomes our predominant goal, then it will provide a cloak for envy and mediocrity. In a competitive world, if Australia does not foster a culture of spirited independence we will return to the bad old days of inch by inch comparative decline against our neighbours.

In speaking in the debate on the address-in-reply to the Governor-General’s speech, there is a lot to feel proud of in terms of where Australia is and how far we have come over the last six years. Australia has now experienced 10 years of continuous growth, our longest growth ever. Productivity is growing as fast as it has ever grown in Australia. The latest speech from Glenn Stevens of the RBA suggests Australia is poised to increase its growth this year. This stands as a testament to the outstanding economic management credentials of Prime Minister Howard and Treasurer Peter Costello.

Commonwealth net debt has reduced from 19 per cent of GDP in the mid-1990s to 6.4 per cent in 2000-01. Moving the budget into surplus has removed the drain on national savings which the public sector was under Labor. Over the last 20 years, Australia has changed from a nation of low productivity and high inflation to a nation with growth, and with unemployment below OECD averages. Remember the days when Australia would be buffered by external shocks: we could not grow beyond three per cent without running into a current account or inflationary crunch. The last six years under the Howard government have seen a dramatic improvement in Australia’s performance as a nation. This fact is recognised by the Australian community in every survey I have seen which recognises the Liberal and National parties as superior economic managers by a long way over the nearest competition.

During the Asian economic crisis there were only three countries in east Asia which did not go into recession—Australia, China and Taiwan. Thailand, South Korea and Indonesia all required IMF bailouts. Japan has a lost decade of low growth. In the words of our Prime Minister, the work we did in 1996 to repair the budget fireproofed Australia against the Asian economic crisis. More recently, two of our major trading partners, Japan and the United States, have had recessions and yet Australia is still poised to grow at four per cent. This is due in part to the effect that the reforms over the last 20 years have had in raising our productivity and competitiveness. It is due in part to the good economic management of the Howard government. It is due in part to the good conduct of monetary policy by the Reserve Bank of Australia and it is due to all of those individuals and businesses who begin an enterprise and think national or global from the beginning. It is due to people who have been in business for a long time and are responding now in a much more flexible way to changed circumstance. Without doubt, Australia is now able to respond to external shocks with a degree of flexibility that was not there before.

When the destination for 60 per cent of our exports was in recession, companies moved to other export markets in North America, Europe and the Middle East. It was in this context that Paul Krugman, looking at the fact that Australia should have gone into recession in 1998 with so many of our export destinations in recession, described Australia as the ‘miracle
representatives
main committee
thursday, 21 february 2002

something i would like to look at and build on in the next term is the work of the australia-japan research centre. they have had a number of seminars and workshops, looking at a japan-australia trade and investment facility agreement. we often hear from the opposition that the coalition is not engaged with asia or has slowed down engagement with asia. i think that is rubbish, and i will respond to that at a later time. i think the time is right for a bold step in this area for an australia-japan trade and investment facility agreement.

i acknowledge that the earlier reforms under labor have helped. labor’s steps in financial system deregulation, microeconomic reform, tariff reform and the beginnings of workplace relations reform, all of which were supported by the coalition in opposition, have helped australia’s performance this decade. but, due to the heavy influence of the trade unions on the australian labor party, labor was unable to keep going. workplace relations reform was only slowly begun in 1988, and the member for kingsford-smith’s attempts to move to a system of individual agreements was squashed by the actu. the problem with the current federal alp is that, rather than continue with what was a pretty good record in some of those areas, they want to wind back many of those improvements that they pioneered in government.

like all industrialised countries, we face the challenges of an ageing population. we need to make sure that there will be retirement incomes for people in the future. we need to discourage the practice of double-dipping in superannuation. we should encourage super to be taken as an income stream rather than as a lump sum, and we need to simplify the taxation of superannuation.

also in the context of savings, one issue that will be considered in the near future by the reserve bank and the accc is credit card interchange fees. we now see very high levels of personal indebtedness—partially due to credit card debt—and very low levels of personal savings. there has been almost a cycle whereby, due to the interchange fees, there is a fee built into every credit card transaction and that ultimately is passed on to the consumer. so it is built into the prices of everything. the people who pay the most are the people who are not using credit cards to make transactions. the loyalty programs are encouraging people to use their credit cards much more. having looked at this issue, i hope that the reserve bank will take action on the issue of credit card interchange fees. at the moment, i think it is unsustainable and the reserve bank must act on that.

australia is one of the healthiest nations in the world. in who studies i think we were rated the second highest, after japan. in the area of health, i would like to see a shift away from the focus on bucks and on sickness based public hospitals to a focus on the health of our community. by most standards australia’s health stacks up extremely well in any comparisons. in south australia, my home state, we have the best survival rates for breast cancer of anywhere in the world, because of concentrated specialist centres and early diagnosis. we have a very good record there. the state government has been spending more on tobacco control than has any other state government. it looks like we have the lowest levels of smoking amongst adults ever recorded. so we are doing very well in those public health measures. i would like to see in this parliament more of a focus on the health of the community rather than a focus just on dollars. the record shows we have increased funding to the public hospitals over the last five years, but what we really must focus on is the health of the community which, as i said, is very good.

we currently spend about 8½ per cent of gdp on health. this figure has remained about the same for the last decade. as the population ages we can expect this figure to rise. the commonwealth treasury estimates that by 2041 total health costs could be 15 per cent of gdp. the private health reforms of the last term have seen private health insurance coverage levels climb from 30 per cent to 45 per cent and have created a sustainable structure with the
reform of Lifetime Health Cover. Lifetime Health Cover should eliminate the problem of adverse selection—young healthy people leaving and the funds being left with the people more likely to claim—and also 'hit and run' membership, which describes the practice of those who take out their premium, go through the waiting period, have all their procedures done and then drop out. To contain health expenditure, we needed a better mix of private and public in health care. This was a point that the opposition missed in their reflex opposition to the 30 per cent private health cover rebate. In the future we also need to keep an eye on the high growth in expenditure under the Pharmaceutical Benefits Scheme and also the fee-for-service Medicare benefits schedule.

It used to be a standard line of campaigning in the 1980s and early 1990s—I remember Bob Hawke using it—that every election was to be ‘the most important since 1949’. We do not hear it so often now, but the last two elections have presented Australia with very different choices. In 1998 the Australian people were offered a modern tax system and continuing workplace relations reform. The Labor alternative was to wind back the clock. In 2001 the important question resolved was whether as a nation we should have control of our own immigration program. This is a worldwide problem. Britain’s Home Office estimates that about 30 million people are smuggled across international borders each year. The people smuggling trade is worth between $12 billion and $30 billion annually. The United Nations Office for Drug Control and Crime Prevention believes that people smuggling is more lucrative than drug smuggling. I have taken these figures from a recent article in Policy magazine. As government members, we continually hear uninformed opinion about the detention centres or about our tough approach to asylum seekers, but I have yet to hear a better solution to discourage people smuggling.

I would also like to take a moment to reflect on some of the more outlandish statements that were advanced by the Leader of the Australian Democrats, Senator Natasha Stott Despoja, over the last year. I must say that Senator Stott Despoja took a great interest in my seat and continually said that the Democrats would win my seat. They finished a poor third. On the subject of Afghanistan, she seriously believed that, under the Taliban, Afghanistan, with legislated maternity leave, had better family friendly workplaces than Australia. It took an ABC journalist to point out to her that, under the Taliban, women were not allowed to work. During the debate on the Border Protection Bill 2001 she said: … there are a number of nations around the world tonight—possibly even Afghanistan, certainly Norway and maybe even Indonesia … questioning our commitment to a number of fundamental principles of law and human decency.

I ask: since when is Australia measured against these countries in the area of human rights? During the election, she also called on the Prime Minister to ask the United States to stop bombing the Taliban and Al-Qaeda. Had that succeeded, the Taliban would still be there. She also was unable to say whether she was for or against our military commitment in Afghanistan. All that she could say was that she opposed an open-ended commitment.

Without question, the Democrats’ cosy preference deal with the Labor Party cost them votes. They were preparing to work with a Labor government. It did not come. With greater scrutiny from voters and, more recently, the media, it has been no surprise to see the Democrats’ vote halved during the federal campaign and then halved again at the recent South Australian election.

I am pleased to see the government’s continuing commitment to innovation in the $3 billion committed to the Backing Australia’s Ability program, which supports research, commercialisation and skills development. This comes on top of the recommendations that came out of the Wills review that were largely accepted by the government. As chairman of the
government’s health and aged care committee, I strongly supported the doubling of medical research that was announced in the 1999 budget.

Australia has a great comparative advantage in the area of biotechnology, but we must seize these opportunities quickly. Canada, Singapore and the UK are all investing enormous resources in biotechnology. Australia has 0.3 per cent of the world’s population and yet produces 2½ per cent of the world’s research. One point three per cent of Australia’s publications are in the world’s top one per cent most cited, and peer reviewed NHMRC funded research makes up two per cent of the world’s top one per cent most cited research. Wills adopted the notion of a virtuous cycle, with mutually reinforcing actions by the research sector, industry and government. Australia already ranks in the top eight of six broad fields of biomedical research. However, Switzerland, Sweden, Denmark and the Netherlands all rank more highly in several fields. Australia’s sophisticated health system provides a base to stimulate the biotechnology industry. We have an excellent record with fundamental research, but we need to do better in the management of intellectual capital and in commercialisation.

We have world-class expertise in medical research, including genetics, molecular biology, cancer research and immunology. Biotechnology has implications for industries as diverse as medicine, agriculture, forestry, aquaculture, manufacturing, mining and the environment. These are all areas where Australia has a competitive advantage, as shown by its outstanding exports. Curiosity driven, investigator initiated, peer reviewed fundamental research is the basis of Australia’s success and should be built on. The best students should be attracted to careers in science.

Ms ELLIS (Canberra) (11.29 a.m.)—It is with great pride that I stand today in the address-in-reply debate in this House because, at the federal election in November last year, the voters in the electorate of Canberra endorsed me as their representative in this federal parliament for another term. I thank them for their confidence in me and assure them of my determination to work with and for them over the coming term of the parliament.

I also want to publicly record my thanks to the membership of the Australian Labor Party in the ACT for their support and hard work over many years and, of course, to my personal staff. The value of their loyalty, honesty, dedication to the job at hand and absolute commitment cannot be overstated, and I thank them.

Governments are obligated to present to the electors a clear vision of where they see our country and our people into the future—their goals, their planned investments in our future. That means, of course, listing those priorities on both sides of the balance sheet—that is, the economic and social balance sheets—and clearly and unambiguously setting out that vision for all to see and understand.

I have looked carefully at the government’s intended agenda, as set out in the Governor-General’s speech last week. To say that I am disappointed is a bit of an understatement. A great deal of emphasis—almost half of the content, in fact—is placed on security and on the economy. I agree that both of these are important issues. However, where is the emphasis on our vision into the future—the future of our families, our education system, our care for the elderly, our pressured health systems, the needs of those with disability and chronic illness, and the families under enormous social, economic and employment pressures? These things matter, too. They matter greatly, and a few words here and there from this government are meant to make us believe that it will treat these issues as matters of importance and urgency during this term.

It is a sad fact that this government has a bad record when it comes to dealing with these issues. The policies under which most of these issues rest have been flawed and in many cases badly implemented. The government is now in its third term and I believe its learning process is well and truly over. Let us look at the area titled ‘Families’. I quote from the speech:
The government will continue to provide practical assistance to families in their day to day needs and in support of their longer term aspirations.

There would barely be a member in this place who is not receiving distress calls from families in their electorates who are trying to deal with a Centrelink debt, due to the family tax benefits situation in which they find themselves. As we all know, just prior to the election the government made a decision to do two things: firstly, to delay sending out letters confirming that these debts existed until after the election; and, secondly, under some pressure, to give a guarantee that the first $1,000 of any debt would be waived. It was rather a cynical thing to do as that $1,000 waiver is only to apply this year as a one-off. Families could not be blamed if they started to wish that another election could be held this year.

The people who are facing this hardship owe probably well in excess of $1,000. The families calling my office so far are facing debts of at least $2,000 to $2,500. In every case reported to me, they have done all they can throughout the year to avoid this happening, yet they still have the debt. Why? It is a fair question. It is because of the nature of the income test, which averages income over the entire year. The reconciliation may calculate overpayments for parts of the year when income was below the average and family payments were higher. The legislation used to recalculate benefits is deficient as it does not allow the payment system to take into account payments already received when recalculating the benefits.

Many different family situations are at risk of incurring this debt: low- to middle-income families who may have fluctuating income—for example, overtime or irregular part-time or casual work; families where a parent has returned to work after caring for children; or families where one parent has received a termination payment. These are just three examples of the scenarios facing some of those out there in the community.

There are options to reduce the likelihood of the debt. One is to receive the family tax benefit as a lump sum at the end of the year, or you could deliberately overestimate the income at the start of the year, allowing some flexibility. Neither of these is satisfactory. The first one flies in the face of offering assistance to families throughout the year as they face continual cost of living pressures, and the second one suggests they mislead the government—something that would usually incur a penalty. This is just one example of how this government legislates to assist our families. I can hardly wait to see what it will do with this new first child tax refund policy which it is promising to implement.

There is a section in the speech titled ‘Choice and access to health care’. Health and related issues are of huge concern to the majority of Australians; in fact, I am sure that it rates top, or close to the top, in any rating of issues of concern. There are merely 128 words in this document relating to health. Amongst them:

The government will continue its commitment to improving choice and a ccess to high quality health care for all Australians regardless of their personal circumstances.

Further:

... the government will negotiate new Australian Health Care Agreements between the Commonwealth and the States and Territories ... to achieve improvements for people who use public hospitals to ensure that they receive appropriate treatment in a timely and responsive way.

What does any of this really mean? We know that, back in 1996, the government slashed $800 million from public hospital funding and, since then, it has failed to keep pace with population growth and inflation in medical costs. We know the number of services bulk-billed each year has dropped dramatically, we know the average cost to see a GP has gone up, we know the cost of medicines has risen, and we know there is a critical shortage of nurses in this country. And we continue to lament the loss of the Commonwealth Dental Health Program.
We also know, sadly, that this government has spent up big—really big—in the run-up to last year’s federal election. I hope, for starters, that we never forget that enormous government advertising bill. We already have the Treasurer using cautious language leading into this year’s budget. There is not a lot of money around. So what sort of health care agreements can we expect? How much money will be available for public hospitals? How long will some people have to continue to wait for dental care? These are questions that are calling for answers. We now have the additional spectre of increased health insurance premiums, something we were told would not happen. In fact, we were told the reverse would occur: premiums would fall. Health and related issues do matter. Or will we merely hear the Prime Minister refer all cost needs to that miracle of cost miracles—the GST!

Welfare reform is something this government talks about frequently. It is an area where we would all like to see some positive, carefully considered outcomes for those people who, for one reason or another, find themselves dependent on the welfare system. This section of the address is also starkly brief, with few words to express a major platform. In the area of disability, for example:
The government will maintain a strong social security safety net and increase opportunities for people with disabilities wishing to work to their fullest potential.
There is no doubt that some people currently receiving disability support income would benefit enormously from having the opportunity and support to play a more meaningful role in our community, possibly in paid employment and possibly in other ways too. However, the government needs to be honest in its approach to this policy of reform. I understand that more than 1,200 people with disability have been retrenched from permanent positions in the Commonwealth Public Service, and many thousands are on waiting lists for employment and training programs. Is it honest for the government to suggest to business that they should employ more people with disability when it does not lead by example?

In 1996, people with disability held 4.6 per cent of permanent positions in the Australian Public Service. By June 2000, that figure had fallen to 4.2 per cent. I am advised that the Public Service Commissioner found that people with disability are far overrepresented in retrenchment statistics. When this government came to office, eight per cent of the potential population gained access to disability employment services on any day. By June 2000, that proportion had fallen to five per cent. Many of these people rely on the disability support pension or carer’s payment, and they struggle financially. They were not included in the government’s $300 bonus given to older Australians in the last budget. I am confident that our older Australians and others believe that those with disability deserve that payment no less than others.

Those who are in the role of carer contribute enormously to our community and to those for whom they care. We must care for our carers and demonstrate clearly the value of their work and their contribution. Access to respite care is of paramount importance. We must be able to offer flexible and accessible respite care across all age groups. Services and support for carers must be improved and maintained. There must be opportunities to combine caring and paid employment. We need to encourage carer-friendly workplaces. These and many other initiatives would positively affect the lives of thousands and be of great benefit to our community as a whole. It is called investment in our people and our community.

The only reference to our older citizens that I can find in this address is under the heading ‘Flexibility and reward in the workplace’. I quote:

In its third term, the government will give particular attention to addressing the challenges of an ageing population through helping mature aged people remain in and/or get back into work.

There does not seem to be any other reference to or comment on that. The question of how to assist our mature age unemployed has remained frustratingly ignored by this government.
since it came to power. We have all experienced the utter frustration of the person who has worked a productive life and finds in their mid-40s or thereabouts that retrenchment has driven them out of work. Despite their best efforts, they become beholden to the Centrelink roundabout of demands and obligations. If all that led to work, it would be fine; but it does not. I have heard countless examples where experienced and qualified mature age people have been directed to attend training programs which offer advice, information and training far inferior to their own actual qualifications. What these people really need is access to employment and a change in the employment culture to one which allows their experience and work ethic to be fully utilised. If the government is serious about this, it should not go down the compulsion path. It should go down the path of listening to the people concerned, talking seriously to the business community about it and resetting that agenda. There are some success stories from which we can all learn.

There has been a great deal of debate in recent years about how well we care for our elderly. Sadly, some of that debate has reflected very poor care and deficient administration in some parts of the system. The concerns of families and partners that, should the need arise, there will be access to the best care for their older loved ones is as high on the agenda as ever. The past claims by government—that aged care places are being provided, lists are not as long as is claimed and billions more dollars than ever before are being spent in this sector—are all very well. The reality is what we see and hear continuously within our own communities. Given the level of concern in recent times, I am disappointed, to say the least, that the Governor-General’s speech pays no attention at all to the wellbeing and care of our older folk in this sector.

The facts are clear. A surplus of aged care beds has become a shortage. The average wait for a nursing home bed has increased. The administration of substandard care reporting has failed. Nurses and care workers in the aged care sector are dramatically underpaid and therefore undervalued in the work they perform. If the government is serious in attempting to address some of these issues, it must get beds allocated and built in a timely fashion; introduce minimum staff ratios; increase remuneration for staff in the aged care sector to appropriate and comparative levels; adopt measures to keep nurses in the aged care sector; develop policy to address the capital funding shortfall; and establish respite and convalescent beds to free up inappropriately placed elderly long-term patients in hospital beds. The community does not deserve to have another three years like the last. I am sure the new minister is aware of the problems faced, and I look forward to seeing the changes I know the aged care sector is also looking for.

Another area of concern and interest in the community is that of education. It is apparent from the Governor-General’s speech that the government ‘remains committed to supporting the right of parents to choose the type of education that best suits the needs of their children and to quality schooling for all Australians’. I could not agree more. It is the right of parents to make that choice. It is, however, also the right of parents who choose a public school path for their child to expect nothing but the best in that system. What they do not, and should not, expect to see is that very system declining in financial support while the government oversees a disproportionate flow of funds into the private sector, in particular the richest schools. We believe very strongly in educational funding going where it is needed. That does not mean that a very well-off private school unable to demonstrate a comparative level of need would receive those funds. The philosophy demonstrated by the government to date does not encourage me. I urge the government to think carefully and consider the future of every child in this country when deciding on education expenditure. Our public schools must be appropriately equipped, be it in the library, the IT class or the science lab, to enable an education re-
There are many other issues I would like to address; however, time does not permit. One is the question of how we further the cause of our indigenous community. I look back on the *Health is life* report of last term with a regret that adoption and implementation of recommendations is so painfully slow. And I think with affection of our dear friend the late Puggy Hunter at the same time. His dedication to his community was absolute and he was very eagerly awaiting the outcome of that report. Other issues, including the environment, child care, our young people, those with the burden of mental illness and people trying to gain full-time secure employment, all deserve mention. The list is very long.

It is also about leadership. When government has been won, an enormous responsibility comes with that: where do we want to lead this country? How do we feel about ourselves and each other? Are we as generous a nation as we once were? What sort of character do we display? What sort of future do we see? How well do we care for those less fortunate than we are? Leadership demonstrates these important points. There is nothing in the address which gives hope to me for any of these values. The debate over the question of refugees raises some of these questions. I agree that border security is our prerogative and should be enforced. I also believe that we, as a fortunate nation, should play our part in dealing with the international tragedy facing millions of refugees across the world. We should do that with a generosity of heart, as in fact we have in the past.

People have arrived in this country from many parts of the world—sometimes by boat!—and the contribution these refugees have made to our community has been enormous; our society has been enriched by their efforts. In more recent times, the Muslims who came to what were then called our ‘safe havens’ from Kosovo saw us display that same heart. Why can’t the Muslims from Afghanistan and elsewhere also see that heart?

There are some asking whether the recent election result would have been different without the sad fiasco of the ‘children overboard’ accusations. I have no doubt that some people decided to use the language of fear and the threat of insecurity during the campaign. It is distressing to hear of some of the material used in that last campaign by some of the conservative candidates around the country. For example, a pamphlet stating that ‘A vote for Labor means a Taliban neighbour’ has to be one of the most appalling election deceits to be seen in this democracy of ours. People have been encouraged to fear and reject the asylum seekers, and this grubby chapter in our recent history continues to unfold each day. Whether or not election results would be different if truth and honesty had prevailed, I will leave to others to decide. What I and many in my community feel is shame and embarrassment at those actions.

I and everybody else in this House, I believe—maybe not the odd one—feel very fortunate. I have never been in the position of being persecuted or tortured; having my basic human rights removed; seeing my family members undergo threat, torture, humiliation or degradation; or living in a climate of war or starvation. I do not know how I would act in those situations faced by the asylum seekers. I am pretty sure that I would not be much different from them in their desperation to find sanctuary, but I will never really know, thank heavens! On that basis, what right do I have to condemn acts of desperation by asylum seekers, and what right does anyone have to demonise and vilify those people? Surely our efforts should go into trying to understand their situation and offering some kind of help or haven. Yes, protect our borders; yes, check the status of people attempting to flee appalling circumstances; but vilify, demonise or politically abuse them? Certainly not.

Like others, I have received many emails, letters and phone calls on this issue. One sent last week included the following comment: ‘We can pass through this dark night of the na-
tion’s soul but it will take courage and commitment from people in leadership positions.' The Governor-General’s address included the following comment about the government:

It will continue to believe that Australian society is fundamentally built upon principles of fairness and decency and the premise that opportunity should be available equally to all, regardless of background, gender, race or religion.

I could safely say, ‘And so say all of us.’ If the Prime Minister cannot offer that sort of leadership on behalf of this parliament, I strongly believe that it is up to each one of us to ensure that we do.

Miss Jackie Kelly (Lindsay—Parliamentary Secretary to the Prime Minister) (11.48 a.m.)—I would like to first record my congratulations to the Speaker on his re-election to that high office and also to offer my congratulations to the Deputy Speaker for his new election. Obviously, it is a challenging role, as you yourself would know, Deputy Speaker Jenkins, and a very challenging role on occasions—perhaps not so much in this chamber but certainly in the other chamber.

As the parliament knows, I am expecting my second child at the end of March and have been granted leave of absence from parliament and will be absent until mid-August—leave for which I am most grateful and for which I would like to record my gratitude here today. It is good to see that this House has adopted some family-friendly policies, which I hope will encourage more young women to put their names forward for election to this House rather than waiting until their child-rearing responsibilities are behind them. This gives a diversity to this place which more accurately represents the Australian population.

It is true that every woman is different and makes a very wide and varied choice in her transitions between career and home life and back again, back and forth, keeping the fine balance between. I have chosen to put my family first this time, which leaves me ample time to ably represent the people of Lindsay but not much time for the extensive travel. Considering how big this country is, the travel is enormous. I was seeing more of airport terminals than I was of my husband in the last term. There are also the very late evenings you spend with various industry or lobby groups. Pregnancy is the most natural of all conditions. We have all been through it, from one aspect or another. It certainly can leave mothers feeling very vulnerable, in the way that our elderly, sick or frail are vulnerable.

It is reassuring to note that our community spirit that reaches out to assist those who cannot assist themselves is alive and well in Sydney. Sydney is a city of 4 million people. It is alert to stranger danger. You pass one another by in the street and you do not say hello. You do not know your neighbours’ names, let alone those of people down the street. People living in a unit block together are unknown to one another. Yet during the horrific bushfires that we endured during this Christmas just gone we saw more than 200,000 people come out to fight the fires. On days of family reflection and celebration such as Christmas Day, Boxing Day and New Year’s Eve, we saw the communities come out and really meet their neighbours, or re-meet their neighbours for the first time in years. They actually took time in the street together to talk, to get reacquainted, or to become acquainted. A tremendous community spirit developed right across my electorate. As we realised how busy we had been during the Olympic year and the Federation year, we took time to reflect on family values, our homes, the structures into which we put a lot of ourselves and the expression of our family.

It was the second time in almost a decade that New South Wales had experienced severe bushfire. I remember I was serving in the RAAF in 1994 when there was a call back to duty for a number of Defence personnel to come out and render aid to the civilian population. That was undertaken again on this occasion, but the Defence personnel found themselves actually defending Defence assets in my area, such as the RAAF base at Glenbrook, at Orchard Hills,
and in a number of other areas where we had fires. There were about eight significant fires in my electorate. The smoke was seen on the beaches of Manly and Bondi and, I understand, as far away as the beaches of New Zealand.

Whilst families across New South Wales were settling down on Christmas Eve, the fires were being started in very dry undergrowth in the bush that surrounds Sydney. Every seven years, it seems, these environmental conditions converge to see that undergrowth, the heat, the dryness, lightning and other natural causes of fire take effect. All too frequently these fires were being deliberately lit. It is fairly hard to comprehend what inspires such actions that place lives in danger and place in danger those who seek to protect the property—our firemen—as well. I can perhaps understand kids playing with matches. We all had a fascination with matches as kids. With the environmental convergence at that time, things might have got away on them. But in some of these instances you were dealing with adults: presumably sane people were taking downright criminal actions on such a large scale for obviously malevolent and vindictive reasons. That is just too hard to comprehend.

By 4 January, which is generally a time of celebration and quiet family reflection, across New South Wales we had seen fires destroy between 160 and 170 homes, 50 caravans and many more shops, sheds, stables, cars and boats. Extensive numbers of power lines, fences and other infrastructure had been destroyed. In my electorate alone some 11,700 hectares were burning on Christmas Day. There were 97 fire appliances—that is, trucks and pumps—fighting the fires. They came from right across Sydney and New South Wales. Five residential homes, two factories, numerous sheds, kilometres of fencing and an extraordinary amount of bush was destroyed.

It was quite a bleak area to drive through in the new year. It was a blackened landscape from Penrith to Mulgoa up through to Glenbrook and out along the escarpment at Castlereagh. The Glenbrook Highway and the railway station were closed. Many roads in my area were closed at some stage during the bushfires. A National Parks and Wildlife Service depot was destroyed. Three sheds, a grader, one car, one boat, a tractor, two motor bikes and an 18,000-litre Byou Wall, which is a portable firefighting dam, were all lost. Over 300 firefighting personnel were engaged in containing this fire front.

It seems amazing when one remembers the ferocity and scale of the fires that the damage was comparatively slight. No lives were lost. When we look back to the events of 1994 it shows that we have come a long way in dealing with the environment in which we live and in educating people who live in these high risk areas. Most people did the right thing. They knew how to best protect their homes and their lives.

Some amazing stories have emerged out of those events and they highlight the devotion of our volunteer firefighters. One story in particular is of a Castlereagh volunteer firefighter, Bronte Selway, who had a lucky escape with her crew. They were surrounded by fire and were ordered into their fire truck by their captain, Laurie Bagnel. Mr Bagnel happens to be Mrs Selway’s father. He stayed outside the truck and continued to fight the fire while ensuring the safety of his crew. Fortunately for that crew the wind changed and disaster was averted. There have been numerous occasions where firemen have put their lives on the line not just for the ones that they love and crews that they work with but for total strangers. I think they need to be accorded the hero status that they deserve.

After the fires we have had all manner of celebrations in my electorate. One I would like to mention was the Gungarang Rotaract Club’s concert that it held at Glenbrook. Rotaract is a young person’s Rotary and is for people under 30. Most of the members of the Gungarang club are under 25. They really are a young group of people. They organised this concert and got it together by 20 January. They had managed to secure acts from right across Sydney and New South Wales to come and play. They had high profile MCs from children’s shows right
through to more contemporary adult shows in the evening. On the day they managed to raise $18,000 and they are still counting. That is something that the youth of today did. You sit there and think, ‘It is terrific that we have such enterprising young people with such initiative who can take forward that sort of community spirit.’ I would like to record in this place the tremendous efforts of the Gungarang Rotaract Club.

I would also like to mention Julie Magro, who made a huge effort on behalf of the residents of Glenmore Park, which is a very urban area of my electorate. The fire came very close to the edges of that residential area, and residents were very grateful for the assistance they received. Julie organised a thankyou benefit concert at the Penrith Paceway for the volunteers. She managed to draw big-name acts that agreed to perform at this charity event, such as Billy Thorpe, the Choir Boys and Darryl Braithwaite. The irony was that the event was cancelled because of the heavy rain on the day. Since then we have had an enormous amount of rain. I have not been game to complain about it because we all still remember the events over Christmas, but it shows the vagaries of the environment in which we live.

However, the people of Lindsay are not giving up. On 2 March there will be yet another fundraiser, at the historic Fairlight homestead in Mulgoa. It will be a jazz concert featuring James Morrison, and it is being held to raise money for the local bushfire brigade. When I attended a reception for the Mulgoa bushfire brigade, I talked to a young firey, Ralph, who had been in the brigade and enjoying the camaraderie for nine months. He told me a terrific story about how he was travelling with his unit between one area and another. He thought to say, ‘Can we just drop past my home,’ which is in Mulgoa, ‘and I’ll pick up the family photo albums.’ So the truck cruised past his home and saw that it was on fire. He used all the skills he had learned in those nine months and, together with his crew, he put out the fire in the gutters on his home and managed to save several others in the street as well, although other homes in the street were lost. He had been a volunteer for nine months, and the investment of his hours of effort into that community were certainly repaid in spades in that his house was able to be saved.

I record my appreciation of the efforts of the firefighters, both professional and volunteers, who did such a magnificent job, not just in my electorate but across New South Wales. They were certainly working throughout our area during Christmas Eve, Christmas Day and Boxing Day. Into the new year, most of our firefighters were still working in other areas of New South Wales, so they fought the fires in our area and then moved on. It was not until mid-January when the units had all returned that we could accord them their hero status. On Australia Day we saw many of them recognised, including Jack Tolhurst, who received the Citizen of the Year award from the Blue Mountains City Council. He has spent 36 years in the bushfire brigade.

It might sound cliched, but in times of crisis Australians do wonderful things. Those times of hardship bring out some great Australian traits, such as sharing Christmas dinner—turkey and prawns—and other food, drink and accommodation. A lot of the firefighters would love to come back to my area. They said they had never had such a good feed whenever they have been out fighting bushfires as they did then. A number of people spent Christmas in the park or in the Salvation Army quarters after being evacuated from their homes and needing to find alternative accommodation until the fires had passed.

Today, the bush has already sprung to life and started a process of rejuvenation. I read with interest Geraldine O’Brien’s article in Monday’s Sydney Morning Herald on the remains of one of Australia’s earliest vineyards. The fires had burnt away the undergrowth that had hidden a terraced vineyard owned by Sir John Jamison. According to the article, Sir John had been cultivating grapes in the vineyard for some time before he employed a German expert in
1830 to landscape the vineyard along the latest French and German lines. A photo accompanying the article shows rows of piled stones against blackened trees and scorched earth, and one of my constituents, Kerry Spurrett, of the Mulgoa Landcare Group. Next to that photo is a copy of a painting depicting the vineyard at its height. It seems very picturesque; indeed, the article quotes a description of the vineyard as ‘enclosed by hedges of the china rose and lemon’.

Picturesque though it sounds, I imagine that the vineyard was a very hard place in which to work. It is one of those quirks of Australian history that Sir Henry Parkes, our founder of federation, worked there for a year in 1839. It is recorded that Sir Henry Parkes thought very little of Sir John Jamison’s treatment of his workers. It makes me very proud that my electorate has such a fine history. It was established early by the influential settler Sir John Jamison, and his lands were laboured on by that grand old man Sir Henry Parkes. It is strange to think that it took the destructive force of the fire over the Christmas period to reveal just that little bit more of Australia’s early history. It reinforces the importance of getting land use and conservation in my area right, which is something the Howard government is doing.

I want to make this parliament aware of a very brave and courageous move that the Howard government has taken in regard to a very valuable environmental asset in Lindsay. The asset to which I am referring is the former ADI site at St Mary’s. The site was formerly a munitions factory, making bombs and such during the Second World War. Parts of the site are home to kangaroos and emus. It is quite unique in the urban environment of Western Sydney to be driving down a major arterial road and to see a kangaroo. But perhaps the most important species on the site is the endangered Cumberland Plain woodland.

On 25 October the then minister for the environment, Senator Robert Hill, announced that the Howard government would ensure that the entire 828 hectares entered by the Australian Heritage Commission on the Register of the National Estate would be preserved. That is a marvellous decision. In fact, it is the most that any government, state or federal, has done for the site or the protection of its unique environments. As part of the announcement, the government also commissioned an extensive review of all the remaining federal government open space in Western Sydney to assess its conservation value. It is a decision that scuttles the New South Wales government’s plans for mass housing on this and other sites.

In early 2001 the Carr government approved the Regional Environmental Plan for the ADI site. This REP failed to fully protect the environmental values of the site. To this effect, I would like to place on record some of the argy-bargy of politics and the mistruths that went around in that election campaign. Senator Hutchins made a statement in the Senate on 24 September last year:

The difference is that Ms Kelly’s government, in spite of the site’s full heritage listing, currently harbours plans to build 8,000 houses on the site.

Senator Hutchins made that false statement knowingly, in his attempt to help his former staffer, then ALP candidate for Lindsay, David Bradbury, in his campaign. David Bradbury, like his former employer, Senator Hutchins, was also keen to blame the federal government for Labor’s plan for mass housing on the ADI site rather than—

Mr Leo McLeay—Mr Deputy Speaker, I take a point of order. This minister now on two occasions has come to the Main Committee and spread mistruths about what she tried to claim happened in her election campaign and she is attacking other members. I would ask you to bring her back to the matter before the chair and draw her attention to the standing orders.

The DEPUTY SPEAKER (Mr Jenkins)—The honourable parliamentary secretary must realise that she needs to use the proper forms of the House if she is making allegations. (Time expired)
Mr LEO McLEAY (Watson) (12.08 p.m.)—We are here today discussing the address-in-reply to the Governor-General’s speech, which was made at the opening of the parliament in the Senate chamber a week and a half ago. I guess in a little while we will be taking the address-in-reply out to the Governor-General. I suppose the question that all of us are asking at present is: will anybody be at home? I suppose we will hear about that some time later today, when the Prime Minister makes a statement about this matter. I am glad to be here to speak in this address-in-reply debate. I will be very interested to go out with the address-in-reply committee, if it ever gets the chance to attend, and find out who is going to be at Government House to receive us.

I am glad that my electorate of Watson returned me to parliament at the last election. I was very pleased with the result that I achieved. I think that in New South Wales I received the best two-party preferred vote of any Labor member. Seeing as that was the last election I intend contesting, that is not a bad note to go out on. That made me feel especially honoured.

Mr Baird—Didn’t want to go earlier.

Mr LEO McLEAY—I know the member for Cook never got preferment in the ministerial stakes, and he has now joined the hunting party on the Prime Minister. He, of course, would like the Prime Minister to go a bit earlier. We might find that, with all these cover-ups that have been occurring this week from the Governor-General’s office down, to be the head of state or the head of government in this country at present seems to be a bit of a job that is getting hard to hold. All I would say to the member for Cook is: good luck to you. I hope the hunting party succeeds and I hope, when it succeeds, you will get into the ministry. You would certainly do a better job than—

Miss Jackie Kelly—Mr Deputy Speaker, I rise on a point of order. The member for Watson is hardly being relevant in the address-in-reply debate. The address dealt with things like unfair dismissal laws, or our fair dismissal laws, didn’t it? It dealt with reform. It dealt with—

The DEPUTY SPEAKER (Mr Jenkins)—The parliamentary secretary will resume her seat. The honourable member for Watson has the call.

Mr LEO McLEAY—It is nice to flush them out a bit. The member for Lindsay is not in the hunting party. She has been dismissed as irrelevant, given a little job and a car to keep her going, to keep her quiet. But I have to tell the parliamentary secretary that the member for Cook and his faction will be successful. When we come back here for the next address-in-reply debate, I will not be here. The member for Cook will probably be standing up here representing the opposition, but he might get a chance in that ensuing period, when the hunting party catches up with the Prime Minister, to get into the ministry. He would do a far better job than a lot of the people who are there now, and he would not have to do much of a job to do it better than the honourable member for Lindsay ever did.

I would like to, once again, thank the members of my electorate for the work that they did in getting me elected. I would like to thank the people in my party organisation for the help they have given me over the years, and I would like to thank my family and my staff and all those who assisted my return to parliament.

When I heard the Governor-General delivering the address-in-reply, I had to confess that I was a bit disappointed. I certainly did not expect much, but I was still disappointed. It was just more of the same: predictable, small picture, non-visionary, dull and unexciting stuff. The parliamentary secretary said we should be discussing unfair dismissals, that that is really the big-ticket item. Even small businesses do not think that is the big-ticket item. The government has been trying to get unfair dismissal laws passed in this parliament since 1997. The government has not succeeded in the last five years, and it will not succeed with this current at-
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tempt to add more difficulty for small businesses and attack workers who work in small businesses, particularly in rural and regional areas. It was dull and unexciting stuff. ‘Stuff’ is not a very flattering word, but it is about the only word you can use. It certainly was not inspiring or even interesting; it was just very pedestrian.

Then I remembered that this time last year the government did not believe it would get back into power. It had run out of ideas and policies some time before, and most of what it wanted to do, it did during its first term. The government did a bit more in its second term. It did not manage to achieve all that much—except to get the Prime Minister’s great landmark change of the GST in, and then it sat back and fiddled around the edges. Now, unfortunately, the government is back and it will have to get its thinking cap on. In the months since the election the government seems to have taken a long nice holiday: ministers were not seen, the Prime Minister went to the cricket and the government tried to get back to those dull old Menzian days.

We will just have to see what comes up and what the government intend to do to fill their time in until the next election. They do not seem to have much of a legislation program. Looking at the sitting pattern for the parliament for this year, I have never seen the parliament sit initially for so short a time as on the government’s current agenda. But then, again, maybe that is smart from the Prime Minister’s point of view because, as the member for Cook and the group and the hunting party are out there after him, probably the less that members get together down here in Canberra to plot against him the better for him—not better for Australia but probably better for him.

There are two issues I would like to raise in this debate today. Both are exemplified by the alleged ‘children overboard’ incident, this notorious attempt by the government to pervert public opinion. The first relates to the decline in ministerial standards and the second to the growing politicisation of the Public Service. I am sure all of us can recall our reaction when we heard the news last October that babies had been thrown overboard from a vessel carrying refugees that was trying to reach Australia. We were horrified. The defence minister was out there. The Prime Minister was out there. The minister for immigration was out there. They were belting this for all it was worth. It seemed unbelievable to me that this could be happening, but we were told that it was by people who one would have thought would have had at least a little honour. There were of course some who were quick to demonise the people who were allegedly doing this: ‘How could human beings do this to their children? They cannot be people like us.’ There were others who were appalled at the apparent desperation of those people. It seemed truly awful that there were people who were so desperate to get to Australia that they would sacrifice their children to make the point, and it seemed even more awful that some of our key politicians could still remain totally unsympathetic to the desperate plight of these people. It polarised the nation and it split us into those who saw these people as potential murderers and those who keenly felt the almost unbelievable desperation of these people. This government chose to exploit the story. Four ministers, from memory, spoke out publicly about the incident—the minister for immigration, the Minister for Defence, the Minister for Foreign Affairs and Trade, and the Prime Minister.

Photographs were published on the front page of newspapers and relayed via television to tell us what a disgusting, terrible thing had happened and how we should not have any truck with these people. If my memory serves me correctly, there was at least one newspaper report early on which did question the authenticity of the story, but mostly the story was peddled that young children had been thrown overboard by their parents, and disparaging comments were made by people in this place who should have known better, about the sort of people who would do this sort of thing. Then, just on the eve of the election, we learned again from the media reporting the Prime Minister’s address to the Press Club that there was some doubt about the accuracy of the story. The photographs were of another incident. The so-called evi-
dence was not what it had been purported to be. Then last week, over two months later, we had two reports tabled in parliament that gave some account of the whole sorry affair.

But as events of the last few days have revealed, through intensive questioning at Senate estimates hearings, we still do not have the whole story. Bits and pieces are gradually emerging but there are still people, such as the Secretary of the Prime Minister’s department, who are confusing the issue. It seems that no-one in that portfolio, and I include the Prime Minister, as the minister in charge, will say that a mistake was made and that children were not thrown overboard. In fact, I saw Mr Max Moore-Wilton in a Senate estimates hearing try to construct a double negative: that no-one had proved that children were not thrown overboard so therefore they probably were. It is just amazing the convolutions of mind that these people get up to. We have even heard this preposterous suggestion relayed by others as well. It is a bit like saying that I might have killed someone, but no-one knows I have not so therefore I am guilty until proven innocent. I can hardly believe that public servants of this stature could twist their minds to such an artifice.

And will the ministers concerned take responsibility for any of this sorry affair? No, of course they will not. I remember when this current government came into power in 1996. I remember the Prime Minister talking about ministerial standards. He was going to have a new code. Nirvana had been reached. It was going to be pretty good and proper from then on. Well, we all know what happened to those standards. After he threw a few ministers overboard, they all decided that the code had better go overboard. That was the problem. Down the gurgler went the ministerial code of conduct. This government does not have standards. Its arrogance and flouting of the truth is breathtaking. We have the Prime Minister now relying on another artifice where he says that, unless he actually got written confirmation from someone in the bureaucracy that something had happened, it had not happened. It has now got to the extent that you had better not ring him up or talk to him in the street because, unless you write him a letter, it never occurred. It is just bizarre.

The Prime Minister used to be known in some quarters as ‘honest John’. How can he be considered honest when he has been less than honest about asylum seekers and, as question time will show today, has been outright dishonest? As far as I am aware, no-one in the government has sought to apologise to these people for what the government has done to them. No-one even appears to have any regrets about the way the minister has described these people and about what the government has done. I cannot believe the government’s arrogance and its total lack of compassion.

One of the ministers has left, and I bet he is happy he has left because, if he had been watching Senate estimates last night, he would have realised that the balloon has gone up. Maybe it was thought that he could not bear the horror of this incident and what he has caused and, with him gone, the rest of them can get away with it. That is not good enough and I do not think anyone in the Australian community thinks it is good enough. It is a disgrace that none of these ministers will take any responsibility, that they blame others or deny that they individually have done or said anything inappropriate. Their behaviour is totally dishonourable and they should either come clean or go.

At Senate estimates last night, we saw just how dishonest the government has been in this campaign. At Senate estimates last night, we heard that the Acting Chief of the Defence Force at the time, Air Marshal Houston, and Brigadier Bornholt on 7 November rang the defence minister and told him that the ‘children overboard’ pictures were taken the day of the rescue, not the day of the incident, and they told him that there was no proof that children had been thrown overboard at all. They told him that, and that night the minister had a conversation with the Prime Minister, and the Prime Minister tells us that the minister told him nothing. It
does not matter which version of the story is right or wrong. One of those people—either the defence minister or the Prime Minister—or both, have failed dramatically in their duty.

If the defence minister knew that the government had been out there peddling a lie for a month, he had an obligation to tell the Prime Minister. If he told the Prime Minister, one would have thought that in the address that he gave to the National Press Club the next day he had an obligation to advise the Australian people. Whoever’s version of the story is right, both of them are covered in dishonour. If this Prime Minister has conditioned his ministers and senior public servants to the extent that when you have a very, very important piece of information that is germane to the public debate it is a case of, ‘If it hurts my political position, don’t talk to me about the war, baby,’ then we have really polluted the standards of this country. Shamefully, we have also polluted the standards of the Australian Public Service.

One of the terrible things that has happened in this country at present is that this ‘Washminster’ mutation, which is our political system, has none of the checks and balances of the Washington system and none of the honour of the Westminster system—one at all. We heard at the Senate estimates committee last night that the Acting CDF, the secretary of the defence department, Air Marshal Houston and Brigadier Bornholt advised the Prime Minister’s department head, Mr Moore-Wilton, last week. The four of them advised Mr Moore-Wilton last Friday that the story the government had been peddling for two months was a sham and that all the story that the government has been running in the parliament about how no-one knew was a sham. Mr Moore-Wilton, the most senior public servant in this country, if you believe the Prime Minister, never told the Prime Minister. At Senate estimates, Mr Moore-Wilton said that no-one had told him.

How can genuine people in the Public Service who believe in honour be encouraged if the most senior public servant in the country has no honour? How can military people be expected to go out and die for our country—and we saw that tragic case last week of a young man who died in Afghanistan—when they know that their senior officers are bringing these things to the attention of the government and the Minister for Defence, their ministerial head, is saying that it did not happen when the Acting Chief of the Defence Force told him that it had happened? Honour and responsibility under this government have gone out the window. The politicisation of the Australian Public Service has been completed. The message to the Public Service from this government is: ‘The only role you have is to get the government elected. You do not have a role if you want to be successful as a proper administrator and a person who has the national interest at heart.’ The government is saying to public servants, ‘You have to be a player, and being a player means looking after the government of the day.’

Unfortunately, what the government is saying to the military is that you can advise the Minister for Defence that he is out there perpetrating an untruth and misleading the Australian people—you can advise him of that—but, if you believe the Prime Minister, the Minister for Defence does not have the honour to advise the Prime Minister of this. What confidence can these military people have that, if they do their job properly and provide advice to government about a significant matter, it will go anywhere? No, the politics take over, and the politics are: ‘Don’t tell me about it if it is politically unpalatable.’

I hope the member for Cook and the hunting party win, because what we have seen in this parliament this week has been something that will be a smear on politics in Australia for a long while. We had the government saying to us, when we raised a question of parliamentary standards earlier last week, that it wanted to do something to raise the reputation of politicians in the eyes of the public. We were talking to the government about how we might do that at that micro level. But the public now know from the evidence that was given at the Senate estimates committee last night that politicians will tell them direct lies about what is going on in an important national issue. The public now know what can happen when ministers have
brought to their attention issues that are very significant to the issue of the day. When the
Chief of the Defence Force brought issues like that to the attention of the Minister for De-
fence, if you are to believe the Prime Minister, the Minister for Defence did not tell the Prime
Minister.

Where are we going here? We are going down the slippery track to a South American re-
public where governments do not care about what happens in between elections, where all
that matters is the next election. Unless we can restore some honour to the system here, unless
we can put back into our political life either the honour of the Westminster system or the
checks and balances of the Washington system, no-one will take us seriously at all.

Debate interrupted; adjournment proposed and negatived.

Mr BAIRD (Cook) (12.29 p.m.)—Mr Deputy Speaker Causley, I am very pleased to see
you in the chair. I congratulate you on your appointment—an excellent appointment. You had
an outstanding career in the New South Wales parliament, and I wish you well. I expect that
you will have a similarly successful career as the Deputy Speaker.

In responding to the Governor-General’s speech, I must say that the program outlined by
the government is encouraging, and it is particularly strong. If we look at some of the key ar-
 eas that have been referred to in the Governor-General’s speech, it is clear that this govern-
ment is on track. The government is looking forward to a further three years of economic
prosperity in this country. It is looking forward to a situation where we can take pride in our
position internationally, having regard to our performance right across the economic front.

Much of the credit for this performance can be attributed to the steps that the government
has taken, and initiatives by various ministers. We are reaping the benefits of tough decisions
made in the early years of government—reducing excess government expenditure, reducing
the size of the government sector, and contracting out responsibility for many areas to private
organisations, which stimulates employment growth in the private sector and adds to new ef-
ficiencies, and certainly boosts confidence in the private sector.

There is no doubt, as you move around the business community in Sydney, Melbourne and
other parts of Australia, that there is a strong level of confidence amongst the business com-
munity. Consumer surveys also reflect that confidence. We can look at some other countries,
such as Argentina in South America, and the dramas they are experiencing. The value of their
currency has been slashed and they are continuing to move backwards. We can look at Japan.
For two decades, they were held up as the model of how to put an economy together, having
regard to the close relationship that Japan had with major business corporations. Now they are
in recession. The forecast for this year is that they will suffer further stagnation—in fact, a
 recession—and there are no prospects for change.

We can look at Singapore, which was also held up as a model in terms of the initiatives
taken by them. Their forecast this year is for minus three per cent growth. So they are also in
recession. We can look at the Philippines—in fact, we can look at all of our Asian neighbours.
We are the only country in the region which anticipates strong growth. If you look at the
growth figures that we have forecast for the next 12 months, the forecast rates which have
been announced by the Treasurer are amongst the highest growth rates in the world. The
Economist magazine, in its survey of 15 industrialised countries for growth rates in 2002,
showed a forecast growth rate for Australia of 3.3 per cent, which is well ahead of other na-
tions by a substantial margin.

You do not get there by accident; you get there by pruning unnecessary government expen-
diture and by providing real incentives for the private sector in terms of cutting capital gains
tax and corporate tax rates. We now have 30 per cent tax rates for the corporate sector. We
have also provided incentives for employing people—Work for the Dole requirements. These incentives are real and significant.

We can look in particular at the incentives provided for exporters, which are part of the real engine of the Australian economy. Mr Deputy Speaker, you represent a rural area that produces many products for the export market, so you are well aware of this. We took away all taxation in terms of exports. The sales tax on exports has now been taken off; GST is not paid by those in the export market.

That provides a real boost to our economic performance. When we have seen growth rates for exports of over 20 per cent in successive years you would think that the Labor Party would congratulate the government on its achievement because it means prosperity for all. It means prosperity not only in the climes of Lismore amongst the agricultural sector but also in the suburbs of Caulfield in Melbourne. It means more jobs for people in Melbourne. It means more jobs for the people in my electorate of Cook. We have an unemployment rate in my electorate of 2½ per cent. I think that is outstanding and shows that the jobs are there and the incentives are there.

Every Saturday morning I swim with a group of guys from all levels of the spectrum in my electorate. As we were coming out of the surf last Saturday one of the guys, a 72-year-old, said, ‘People say we voted on the issue of border protection, but I can tell you the real reason we voted for the government.’ This guy was a plumber all of his life and did have a period of voting Labor but became disillusioned. He said, ‘The real reason the people of New South Wales and the people of Australia voted for this government is its economic performance. My kids and my grandkids have jobs. The economy is growing. We are well off. I hear people on the news and they criticise this country on an ongoing basis. We are the luckiest country in the world. Not only do we live in a magnificent country but when the economy continues to grow and prosper in comparison with everywhere else around the world we know that things are going well.’ This government was returned because of its performance.

If you listen to economists, one of the engines of economic growth in this country is the First Home Owners Scheme. Since commencing in July 2000, as part of the new Australian taxation system, 271,000 people have received the first home buyers grant. Some 31,000 have received the $14,000 grant for the construction of new homes. This is the type of incentive and initiative taken by this government. Regardless of what political seat they are in, regardless of the demographics, young people are encouraged to get in and buy their own home and enjoy the benefits that that provides. It is about supporting family. It is about supporting savings and investment. I think it is a great initiative. The fact that we have the lowest interest rates this country has seen for some 30 years provides a real incentive as well.

The other initiatives that have been taken to reduce the income tax rates and the fact that the inflation rate remains low are great pluses. The unemployment rate is seven per cent overall and that is a tremendous effort. Some 948,000 new jobs have been created in Australia since 1996. These are not pretend jobs but real jobs. If the Labor Party say they are concerned about the working man, this is a pure example that this government is not about looking after the rich mates that the Labor Party used to look after—the Alan Bonds of this world—but about assisting people into jobs. This government has disciplined fiscal management and it is delivering prosperity to the nation in terms of higher living standards. This economy has also survived the largest international economic downturn in the last 30 years.

The fact that we have this incredible sustained growth rate and that we compare more than favourably with every Western developed country is a great plus. The Governor-General’s speech indicates the clear blueprint for this government of continuing in that strong economic position. The plans for providing and stimulating jobs are outlined in the Governor-General’s speech. The government will introduce bills to ban compulsory union fees, secret ballots be-
fore strikes, prevent one size fits all industry bargaining and establish fair dismissal proposals. These issues are all part of an important job stimulus that we want to see in our community.

The opposition claims to be very egalitarian and interested in fairness and equity. What is fair about imposing a $500 levy on employees who are non-union members and saying, ‘We undertook bargaining for you and it is your obligation to pay this amount’? What is fair about their 60/40 rule in terms of the way they make up their own party? What is fair about one size fits all for industry, without considering the ability of certain industries to pay? What is fair about continuing to bring small business people to the Industrial Relations Tribunal because they have chosen to dismiss employees? I am very pleased to see that we have legislation before the House which will provide for fair dismissals and I hope that this time that we will see some real consideration being given to what I believe is an important reform that we need to make to change the face of small business in this country.

I am also pleased to see as part of the government’s proposals further expansion of the apprenticeship scheme. The number of people undertaking new apprenticeships has more than doubled, from about 143,000 to an estimated 330,000 in September 2001—further expansion. The Labor Party says, ‘We are the ones who look after the apprentices.’ These figures show that it is this government that looks after apprentices, that expands the apprenticeship base. An industry the former government had little to do with was the tourism industry, which has been greatly appreciative of the government’s initiatives in this area, such as expanding opportunities for new apprentices across a wide range of areas. New apprentices are a great plus in terms of what we are about.

In the education, science and training area, there are now more than 55,000 equivalent full-time student places in higher education—real places created by this government to get people into universities. The former member for Dobell—who, fortunately for us all, is no longer here—was constantly claiming that we were neglecting the tertiary sector. This is proof that we continue to make it strong.

In the transport area, I was very pleased to see that the New South Wales government and the federal government have cooperated in the sale of the National Rail Corporation. The privatisation of this organisation and the deliverance of the government from further investment in rail infrastructure will mean a much revitalised private sector rail corporation which will be able to compete effectively with the private sector. It will mean that we will see trucks removed from the roads, and safer roads as a result. On a whole number of bases—whether it is just efficiency of transport or the greenhouse effect and its impact on safety—expanding the rail network and removing some of the impediments from freight rail activity is absolutely important, and a great initiative by the government.

The tourism industry has been through a significant number of problems. The demise of Ansett, whose revitalisation we are awaiting, has had an impact on the industry, as have the events of September 11 and their effect on international travel. There has been a negative impact on the number of visitors to this country and on the business of travel agents around Australia. The $150 holiday rebate for domestic travel has been very successful, with approximately $4.5 million sent out to those who applied for the scheme. The result has been that over the holiday period the Gold Coast and the Sunshine Coast of Australia have received significantly more visitors. As I understand it, the numbers of Australians holidaying in those places reached record levels. The tourism industry is appreciative of the government’s moves.

The industry is slowly getting back on its feet. I am very pleased to hear that the minister for tourism is preparing a 10-year vision statement for the industry. He hopes to deliver it soon. This is all about the government recognising the importance of the industry. The approximately 1 million people whose jobs depend on the tourism industry will be encouraged.
by the continued interest by the government in their activities. The fact is that tourism is the second-largest provider of foreign exchange earnings—of $14 billion each year—which shows that the government has its priorities right.

The Governor-General’s speech indicated that continuing emphasis will be placed on the environment, with an investment of $1.4 billion over seven years in the National Action Plan for Salinity and Water Control. The Sutherland Shire Council has applied for a grant in respect of the dunes area of Kurnell, which adjoins the Ramsar site. This area has been continually degraded by the activities of sandmining, which was essential for home building but has gone way beyond the levels previously envisaged.

There is a proposal by Australand to build 500 homes in the sensitive wetland area adjoining the coastal dunes. The council voted unanimously against the proposal. The proposal was taken on by Dr Refshauge, the New South Wales Minister for Planning, in an absolutely cavalier way. The New South Wales government claims that the Labor Party are friends of the environment, but it has also been well documented that Australand is a significant contributor to the coffer’s of the Labor Party. Surprise, surprise! Australand has put in a proposal for 500 homes to be built in this very environmentally sensitive area adjoining the dunes. If you fly in from other areas over the Kurnell Peninsula, you will see how the whole peninsula has been degraded and ravaged.

This proposal, knocked back unanimously by the council—Labor, Liberal and Independent councillors totally objected to it—was taken on by Dr Refshauge, who thought was a good idea. The New South Wales government had a ‘so-called’ independent assessment. Who paid for it? It was paid for by Australand. Some independent assessment! We are all waiting for the election to see whether they can get away with it. If Labor gets back in, you can be absolutely sure that this very sensitive area, which adjoins a Ramsar site on the one side and the very sensitive dune area on the beach front—will be developed for 500 houses.

If the Labor Party want to show their credentials on the environment, here is a good starting point. But the whole issue is highly curious. The PR person for Australand used to work on Dr Refshauge’s staff! This issue has been raised before. Rallies have been held in my electorate, and rightly so. The Greens, the Left of the Labor Party, the Liberals and some of the Right of the Labor Party agree unanimously that this should be stopped in the interests of the environment. I hope that the Labor government in New South Wales also shows similar concern. The federal government has a great program for the next 12 months. It will be a strong government and a strong economy, and I look forward to a very successful year.

ADJOURNMENT

Motion (by Mrs Gash) proposed:
That the Main Committee do now adjourn.

Social Welfare: Debts

Ms HALL (Shortland) (12.50 p.m.)—Many Australian families are struggling under this draconian government—struggling to survive financially, struggling to come to terms with the GST and struggling to provide for their families and for their children’s education, health care and future. That is why thousands of families are reeling after receiving debt notifications from Centrelink. Today I will share with the House the hardship this has caused for three families living in Shortland and emphasise just what it has meant to them. In addition, I will be detailing the disgusting case of a man hit with a child support debt and charged interest not because he did not pay his child support but because the Child Support Agency made a mistake and the government has legislated that this is okay.
The first case I would like to raise is a lady called Sandra Dewberry. She lives at Manner- ing Park on the Central Coast. This lady has been coming to see me since I was first elected in 1998. She was eligible for child support. She had four children. She was struggling. She was doing it really hard, but she could not secure the child support payment from her ex-husband. For nine years she pursued this debt and, eventually, late last year she received a payment. What did that payment mean to her? It meant that she has now received a debt notification from Centrelink. Because her circumstances changed—not because she understated anything, not for any reason like that, but because she received nine years child support in one payment—she now owes Centrelink $1,380.75. I would argue that that is not good enough. I would argue that this is creating great hardship for this lady who has struggled for nine years without any child support.

The next case I would like to move on to is a very disadvantaged lady whom we work pretty hard with. She had a debt of $5,459 and a few cents. We had that debt waived because there had been some mistakes within Centrelink. Two weeks later she has received an account for $1,319. Once again, it is the same problem: family tax payment. The next case is very sad also. This is a lady who has struggled for years and years and years. She had a very sad childhood and she has had lots of problems over the years, but she has managed to get everything on an even keel for now. She has borrowed $500 against her supporting parent benefit and is paying it back. That is how she manages her registration and all that sort of thing. She has borrowed against family tax payment for various items as well. Now Centrelink has made a mistake. She has not understated anything; Centrelink has made a mistake and she has received an account for $1,438. She is already repaying money to Centrelink. This is the kind of thing that pushes her over the edge.

I mentioned the gentleman and the Child Support Agency. He put in for a review. When the review was conducted it showed that the Child Support Agency had made a mistake. What they did, what the legislation says that the Child Support Agency must do, was issue a debt notice to him. Not only did they issue the debt notice but they charged him interest on it. This was not a mistake that he had made. This was a mistake the agency had made.

These debts have been incurred because of the government’s policy and legislation, because of the changes made by this government and its uncaring attitude. Some of the debts have been reduced by $1,000, but that will not be the case next year. It is not good enough. The Minister for Family and Community Services, in a heartless way, said that families will just come to terms with it and have to either be overpaid or the following year put in for a top-up. I call on the government to change this unfair system.

Papua New Guinea: Rotary Aid Operation

Yates, Mr Sydney George

Mr NEVILLE (Hinkler) (12.55 p.m.)—I would like to speak about a marvellous aid operation which recently took place in my electorate of Hinkler. For almost a year, the Rotary Club of Bundaberg has worked towards donating an ambulance to the remote area of Alotau in Papua New Guinea. The town’s hospital operates with the most rudimentary equipment and has never had the luxury of an ambulance. When this was drawn to the Rotary Club’s attention, members were determined to help.

The Rotary Club was 72 years old in March. Over the years it has raised enough money to supply a number of vehicles to the QATB and, more recently, to the QAS. With this in mind, the members found a four-wheel drive ambulance due for retirement and approached the QAS about acquiring the vehicle. Arrangements had stalled until my office was approached for assistance in moving the vehicle from Australia to Papua New Guinea. With the assistance of my colleague defence minister Robert Hill, arrangements were swiftly put in place. On Mon-
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day, 11 February, a RAAF Hercules landed in Bundaberg and collected the vehicle and other
much needed medical equipment, including beds and walking frames. The equipment has
since been unloaded at Port Moresby, pending being barged to the recipients.

Those members of the Bundaberg Rotary Club principally involved in arranging the am-
bulance donation are the current President, Merv Johnson; President Elect, Lindsay Ford, who
showed dogged determination to secure the vehicle; and Community Service Director, Grant
Harrison. I commend Flight Lieutenant David Rosow of Headquarters Air Command at
Glenbrook, New South Wales for his assistance in arranging the pick-up and delivery of the
ambulance. I also commend defence minister Senator Robert Hill for his swift and decisive
action—to say nothing of the many courtesies extended by the crew of the Hercules in load-
ing the vehicle and equipment. The dedication of all those involved is an example to all of us,
and they must be congratulated on seeing the project through to its conclusion.

Although this is the first time the Rotary Club of Bundaberg has worked with the Aitotau
community, the club’s enviable record of public service has already touched many lives in the
Asia-Pacific region. In 1993, five members of the club took part in the Fourth Avenue in Mo-
tion project to help build a high school in the Solomon Islands. The club also delivered two
shipping containers of medical supplies to Fiji before the George Speight coup. Last year, in
conjunction with the Fred Hollows Foundation, members donated a dual-operating micro-
scope to Vanuatu’s medical community. The members are already looking for other projects in
developing countries. Occasionally human exercises get bogged down in bureaucracy and,
while I recognise that many major disasters need a central coordinating agency, it is still
sometimes those grassroots human exercises which have the greatest impact on remote and
developing communities.

In the time remaining I would like to pay tribute to the life of Sydney George Yates. Syd
was a member of this same Rotary Club for 29 years. He was a Paul Harris Fellow and a past
president. He was associated with many projects like this one and with the club’s annual
tropical field day, Agro Trend. Syd worked for the Queensland railways his whole life—in-
itially in western Queensland and in Bundaberg since 1968. Syd was a national serviceman, a
member of the Vietnam Veterans Association and a keen supporter of rugby league.

Last Monday week, Syd, complete with an oxygen tank, travelled from his sick bed at the
Friendly Society Hospital to the airport to carry out an inspection of the Hercules and the
equipment which was going to Papua New Guinea. This penultimate farewell to public life
was followed by his death this Tuesday. Syd’s funeral service will be held at St Andrew’s
Uniting Church in Bundaberg tomorrow. I would like to take this opportunity to extend my
deepest sympathy to his wife, Val, his son, Sydney, and his grandchildren: Adam, Ben and
Emily. I salute the Bundaberg Rotary Club and its members like Syd Yates. I pray that after a
life of service to his family, to the armed services and to community service he rests in peace.

Ansett Australia

Mr BRENDAN O’CONNOR (Burke) (1.00 p.m.)—I rise to bring to the attention of this
place the awful consequences of the Ansett collapse and the effects that has had upon the
country, particularly on the electorate of Burke. I have had meetings with many workers who
have been made redundant as a result of that collapse—flight attendants, engineers, freight
handlers, administrative workers and even pilots—and also with contractors who relied upon
Ansett being in existence. We are all aware of the role that Air New Zealand has played in this
debacle—its corporate incompetence and even its efforts to steal the assets before walking out
on the workers and its own customers.

But what we have failed to fully focus on is the pathetic, rudderless efforts by this federal
government to concern itself with the plight of those workers and the customers of Ansett. This
government was forewarned about the imminent collapse of Ansett. Ansett met with the

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Minister for Transport and Regional Services well before the collapse and informed the minister of its plight. What did that minister do to avert the collapse of this aviation carrier? What did the minister do to save 17,000 jobs directly, and probably 20,000 or 30,000 jobs indirectly? The minister did nothing. The minister defended his position on an open skies policy, the policy that brought almost a monopoly in the domestic aviation market of Australia. The minister had no regard for those workers at Ansett. The government’s policy, as I said, has led to almost a monopoly within the domestic market in aviation in this country.

Maybe it is unfair to categorise the government’s role as being non-existent. They played some role. They played largely a spoiler role in the efforts to get Ansett flying again. They have managed to limit Ansett employees’ entitlements insofar as their redundancies are concerned. Since the collapse, they have shown no regard for properly involving themselves in assisting a new carrier to hopefully supplant the carrier that has gone to the wall.

Good government would have heeded credible warnings given to it and acted to save thousands of Australian jobs. Good government would have provided assistance to this ailing company, this national icon, Ansett. But what did the government do? Instead, it played politics. This government was preoccupied playing wedge politics—not saving Australian jobs, but dividing the Australian community on other issues and not concerning itself with what was, I believe, the most important issue of the days preceding the election on 10 November. What is required, and clearly what is sadly lacking, is leadership. What is required is a government willing to construct a sensible, effective aviation policy.

The community expects a government that cares and leads those people—not one that divides and has no regard for people. In my electorate of Burke, over 1,000 families had an awful Christmas. Over 1,000 families lost jobs. In one case—and I spoke at length with them—a mother, father and two of their children had lost their jobs as a result of the collapse. Four in the family had lost their jobs. They made calls to the government. They asked me what the minister was doing about this—and no doubt asked others what the minister was to do about it. The only thing we could say is, ‘He’s not interested in your plight. He has no regard for your interests.’ He clearly showed that in his behaviour, his actions and his inaction prior to the election. The hardest thing to explain to these people is why the government will do nothing. I call on this government to have an effective aviation policy.

**Sport: Ocean Swimming**

Mr BAIRD (Cook) (1.05 p.m.)—I rise today to support what is Australia’s fastest growing sport—that is, ocean swimming. In fact, last Sunday morning at 8.30, I was with a group of 800 swimmers that swam around Sydney Harbour. Each Sunday, the program involves another beach; another swim is organised. This sport is growing at a rate of 30 per cent each year, in both New South Wales and interstate. It is very strong in New South Wales; it is growing rapidly in Victoria and also in Western Australia. It is estimated that at least 9,000 people in New South Wales alone participate in these ocean swims during the summer period. A similar number of people are involved in Queensland and around 3,000 to 5,000 in both Western Australia and Victoria.

Open water swimmers participate in their sport informally, individually or in groups, along Australian beaches and/or in one of many organised events off beaches and in other non-beach open water areas—for example, harbours, rivers, estuaries and lakes. In season 2000-01, there were 50 events on the open water calendar in New South Wales, 25 in Victoria, 26 in Western Australia, and there was also a healthy circuit in Queensland. In Sydney, events during the last season commonly experienced growth of between 25 per cent and 80 per cent. Events in New South Wales attracted between 85 and 2,000 competitors. In Victoria, the largest open water swim in Australia, at Lorne, closed off entries at 4,000 during the week prior to the event.
The Cole Classic in Sydney attracted 2½ thousand swimmers and similar numbers participated in the Palm Beach to Whale Beach swim and the Bondi rough water event. The program planned for the rest of the year includes the Shark Island swim, which takes place in my electorate and which will be a major event.

Open water swimming is enjoyed by people of all ages. There are categories for the elite swimmers; some of the great stars of swimming take part. The 2001 Cole Classic was won by Josh Santacaterina, a member of Australia’s open water swim team. Another team member, Mark Saliba, was second. Hayley Lewis placed in the event, and US Olympic gold medallist Jenny Thompson also swam. Shane Gould participates in the sport as well. We have participants of all ages, including people in their 80s. Their times are printed out by age categories. I am proud to say that the two winners of the 70-plus category came from the seat of Cook. The male swimmer, Don Tierney, completed his swim in the amazing time of 28 minutes, and the female swimmer, Helen Evans, swam in a time of 32 minutes, which put some of the younger swimmers to shame. They are both outstanding athletes. It encourages people to get out there and participate in the program.

Mr Ripoll—What was your time, Bruce?

Mr Baird—It is an excellent program. I am glad you asked: it was 29 minutes. This program encourages people to participate—families and people with various levels of skill. It is similar to the City to Surf in that it is getting people involved in the sport. The incidence of lap swimming in pools has gone up dramatically as a result of people preparing for these swims. A whole group culture has developed in this area.

With growth, problems have also arisen. With the collapse of HIH, there have been difficulties with public liability insurance. One of the reasons why the Cole Classic was cancelled was that the swell blew up and people were very concerned about safety. Two and a half thousand swimmers were there; it was rerun the next week with only 1,200 swimmers. I have spoken about the issue today to the Minister for the Arts and Sport. Paul Ellercamp, who some members would know, has his own web site: www.oceanswims.com. He is trying to bring together every sector of the sport. We wish him well in his endeavours. (Time expired)

Ethnic Tolerance: Harmony Day

Ms Vamvakinou (Calwell) (1.10 p.m.)—I rise to note with interest some of the comments that the Minister for Citizenship and Multicultural Affairs has been making in the House during this session. They illustrate that this government has concocted two versions of its commitment to multiculturalism. The public version has the Minister for Citizenship and Multicultural Affairs boasting in the House:

This government has put in place measures to ensure that Australia remains a tolerant, harmonious community and one that respects difference and encourages individuals from a diverse background to contribute to our nation.

The minister has been keen to exalt the work that this government has been doing in promoting harmony and unity in our multicultural community through the Living in Harmony program. The government’s Living in Harmony program—and, in fact, Harmony Day itself—aims to encourage Australians to take a stand against racism, prejudice and intolerance. That is easier said than done, however, where this government is concerned.

It is ironic that the minister was comfortable receiving the preferences of Independent candidate Andrew Lamb in the recent federal election. Mr Lamb was found to be distributing a pamphlet that incited hatred and severe contempt of Muslims. In essence, this government has been two-faced about its commitment to tolerate, diversity and harmony. The Howard government does not believe in a multicultural Australia, despite what it may tell us publicly. Instead, for electoral gain, the government has been willing to sacrifice the hard fought for gains of all those who have worked to promote diversity and multiculturalism.
In fact, if you scratch the surface of this government’s professed commitment to our multi-cultural society, you will find that it is a hollow commitment. The Prime Minister and his ministers give us the public line, while in the background and in the shadows they let loose the likes of Senator Lightfoot, who puts forward the other face of this government’s commitment to diversity—the one that defiles and denigrates asylum seekers and, by extension, Muslim Australians, by describing them as ‘wretches unable to assimilate’ and ‘uninvited and repulsive’ people. As the federal member for Calwell, an electorate with one of the largest Muslim concentrations in the country, I am naturally appalled and disgusted.

I am also angry because it is not only the Muslim community or newly arrived migrants who have borne the brunt of vilification; it is now also Australians of other ethnic backgrounds, second- and even third-generation Australians. I, for example, have found myself at the receiving end of this government’s version of tolerance and harmony. During the campaign last year, I was forced on many occasions to explain and defend my own ethnic extraction. After my 40 years of living here, some people felt that they could now question my bona fides as an Australian, describing my surname as ‘foreign’ and wanting to be reassured that I was not of Middle Eastern extraction.

This was not just a case of the ramblings of some unashamedly ignorant individuals: ordinary residents in my electorate were suddenly fearful of their Muslim neighbours, led to suspicion by the very public and relentless vilification of asylum seekers by this government. During meetings with local Muslim women, I was told of their experiences since the Tampa and September 11 incidents. Their experiences were different from the ones exalted by the minister. Instead of experiencing tremendous harmony in Australia, they have experienced increased abuse. They have been derided because of their traditional dress and veils. Their children, born in Australia, were told to ‘go back where they came from’. They no longer felt safe walking the streets in their own neighbourhoods and shopping centres. They did not attend their regular community gatherings, and generally felt that they were no longer welcome in their own country.

The government and its ministers showed no leadership in allaying concerns. Instead, they carried on regardless, continuing to cast aspersions, knowing that this was gaining them the support they needed to win the election. Senator Lightfoot’s comments are on the far end of the same spectrum of abuse used by this government to engineer its campaign of vilifying refugees while supposedly promoting tolerance and harmony. I often wondered during the election campaign which Australia I was living in. Was it the one that was supposed to be all those things that the government publicly boasted it to be? Hardly. The government’s hypocrisy and deceit make it not only unfit to govern but a threat to the overall harmony of Australian society. Most Australians, I am certain, will support the sentiments of Harmony Day. Indeed, the Prime Minister and his minister would do well to take the advice of their Living in Harmony program and take a stand against racism, prejudice and intolerance.

Ms GAMBARO (Petrie) (1.15 p.m.)—I feel sorry that the member for Calwell has experienced racism. As a person from a multicultural background I experienced that in my younger days as well. I know that we are working towards a more tolerant society. I want to speak up for the member for Moreton. After September 11, there was a bombing of a Brisbane mosque and the member for Moreton was one of the first people to visit the mosque and visit the Minister for Immigration and Multicultural and Indigenous Affairs. His commitment to multiculturalism has always been strong and will continue in his new role. I dispute some of the material that was presented here today by the member for Calwell. I will certainly stand up for the member for Moreton because he has a very large Islamic population in his electorate.
He has always been committed to people of all backgrounds, including Sudanese refugees. We are working towards a very harmonious society. We probably have the best multicultural policy that I have ever examined in the time that I have been here.

The reason for speaking again today in the Main Committee is to support the Betty Byrne Henderson Centre. This centre is studying the effects of ageing in women. The centre’s mission is to improve the life of women through mid life and beyond—research, education and clinical care. At the moment, it is engaged in a five-year study, a very important study and the first of its kind anywhere in the world. Our population is ageing. By the year 2031, in Queensland 26 per cent of the population will be aged 60 and over. The proportion of over-85s is expected to grow by 246 per cent by the year 2026. I was quite amazed at these figures. We are growing older and living healthier. Not surprisingly, women are living much longer than men.

When you look at these demographics in Australia, you find that by the year 2025 there will be a 60 per cent increase in the proportion of women aged over 60. This is the change that is deriving population dynamics from the control of population growth to the management of consequences such as ageing. In Australia, the population distribution in 1901 was only four per cent in women over 65 and 35 per cent in women under 15. By 1986, the proportion of change was 10.5 per cent and 23 per cent respectively. In developed countries like Australia, and probably most places in the world, women can expect to live to over the age of 80. It is important that this research occurs.

Some 500 women have been selected randomly from the electoral roll. The study is being conducted in conjunction with the Royal Women’s Hospital Foundation which has provided funding of $100,000 per year for the next five years. The general community has contributed $1 million. The estimated budget for this research is $3.8 million. I am happy to support this world leading research. Research has been done into various aspects of women’s health throughout the world. This particular research is very intensive. It will go into things like cardiovascular function, cognitive function, balance and posture, nutrition, body composition and bone density, endocrine functions and a whole lot of skin factors.

Professor Soo Keat Khoo and Dr Sheila O’Neill need to be congratulated for their one-year study being conducted at the moment. They are clearly working very hard to present this wonderfully intensive work that lies ahead. I would encourage all Australians to get behind this research because the longer and healthier we live the less burden we will be on our health systems. I congratulate the Betty Byrne Henderson Centre and wish them well in their research. I certainly will be supporting and looking for further evidence of their research in the years ahead.

Question agreed to.

Main Committee adjourned at 1.20 p.m.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Australian Defence Force: Reservists
(Question No. 51)

Mr Murphy asked the Minister Assisting the Minister for Defence, upon notice, on 13 February 2002:
(1) Did a reservist in the Australian Army suffer a heart attack at a training exercise at the Holsworthy Barracks in December 2001.
(2) Was the reservist refused treatment at the Field Hospital at Holsworthy Barracks.
(3) As a result of his status as a reserve soldier, was the reservist directed to a civilian hospital.
(4) As a result of the refusal to treat the reservist, did the reservist die.
(5) Are military hospitals instructed to refuse reservists for emergency medical treatment.
(6) Why are reservists denied medical treatment in Defence medical facilities when injured during the course of military training.
(7) Why are reservists on active duty sent to civilian medical facilities.

Mrs Vale—The answer to the honourable member’s question is as follows:
(1) No. A reservist in the Australian Army suffered a heart attack at Holsworthy Barracks during a training exercise in November 2001.
(2) No.
(3) No. The member’s condition required treatment in excess of that which could be provided at a Service facility, and he was taken to Liverpool Hospital (a major facility capable of dealing with any emergency condition).
(4) No. The member died as a result of his underlying condition.
(5) No. Defence Instruction (General) Personnel 16-1 states at paragraph 6:

The Australian Defence Force (ADF) will make available emergency medical and dental treatment to members of the Reserve Forces on duty on other than continuous full-time service. Where a member is on duty away from their home locality the ADF will also provide for the immediate treatment of acute conditions until the member is returned to their home locality. Where an injury or illness is attributable to service, the Reserve Force member comes under the provisions of the Safety, Rehabilitation and Compensation Act (1988).

(6) Reservists are not refused treatment in ADF health facilities if injured during training while they are deemed to be on duty. Further treatment for injuries sustained during training may be provided through the Military Rehabilitation and Compensation Service.

(7) Any ADF member who requires treatment in excess of that able to be provided at an ADF health facility will be referred to the nearest suitable civilian facility, regardless of the precise form of military service.