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Tuesday, 15 October 2002

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

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.01 p.m.)—As I informed the House yesterday, the Minister for Foreign Affairs is in Indonesia in the wake of the Bali atrocities. He will therefore be absent from question time today and tomorrow. The Minister for Trade will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Indonesia: Terrorist Attacks

Mr CREAN (2.01 p.m.)—My question is to the Prime Minister and I ask him: can he inform the House of the current situation in Bali, including any updated assessment of Australian casualties?

Mr HOWARD—I thank the Leader of the Opposition for the question. The current advice available to the government is that, on the assessment of the Indonesian authorities, the death toll remains at approximately 180. At this stage, 20 Australians are confirmed killed. Two others, who have not been identified, died in Australian care, one during evacuation and one in hospital in Darwin. We expect that the Australian death toll will grow significantly. I do not think it appropriate to do other than speculate as to the figure, but it will grow significantly. As I indicated on Sunday evening, the nation must prepare itself for a much worse death toll than the publicly confirmed number of Australian fatalities. Officials are working as quickly as possible to identify those who have been killed. A further 22 disaster identification specialists from federal and state police forces will arrive in Bali today to assist. The government is confident that there are sufficient Australian specialists to identify those killed. The Department of Foreign Affairs and Trade is working with families to clarify the status of 200 Australians whose whereabouts remain unknown.

Stabilisation of the remains of those killed is a major priority. I can inform the House that five refrigeration units were flown by the RAAF into Bali this morning, and Defence is currently assessing whether it needs more refrigeration capacity. The identification of the remains will take place in Bali. The government, in this context, has engaged Kenyons, a firm of international disaster morticians, to prepare the remains for repatriation. Qantas will fly them back, in cooperation with the international firm.

There are, on my advice, no Australians still in hospital in Bali. All have been evacuated, most of them to Darwin by the RAAF. Many have been transferred overnight to Perth, Adelaide, Melbourne, Brisbane and Sydney. The most seriously ill remain in Darwin—there are 13 of them.

As the House knows, the Minister for Foreign Affairs, the Minister for Justice and Customs, the Commissioner of the Australian Federal Police and the directors-general of ASIO and ASIS are in Bali today and will be travelling to Jakarta tonight. They will be holding discussions with their Indonesian counterparts on the investigation, with a view to cooperation to bring those responsible for this outrage to justice. There is mounting evidence of the involvement of al-Qaeda, together with Jemaah Islamiah, in the attack. We will be moving as a government to have Jemaah Islamiah listed as a terrorist organisation in the United Nations as soon as possible, and we have received indications from other countries, including at least one P5 member, that that move will be supported. This will give rise under certain trigger mechanisms in legislation for certain action to be taken.

Can I say again how much the nation should be in debt to the emergency services that have been involved. This is distressing, awful, tragic work; but it has to be, and it is being, undertaken. I hope that what is being done is adequate. I believe it is. But, as always in a situation such as this, the government remains open to considering suggestions as to how additional things can or should be done. I record my thanks to the medical services, particularly to the staff of the Royal Darwin Hospital, which has been the main receiving point for people being brought from Bali. As always in these situa-
tions, the work of doctors and nurses is absolutely magnificent.

Indonesia: Terrorist Attacks

Mr JULL (2.07 p.m.)—My question is to the Attorney-General. In light of the Prime Minister’s answer, will the Attorney give us details of exactly what the government is doing to find and bring to justice those responsible for the terrorist attack in Bali?

Mr WILLIAMS—I thank the member for Fadden for his question. Australians deserve answers to what happened in Bali, and the government is committed to doing everything it can to bring those responsible for these despicable acts to justice. As the Prime Minister has just mentioned, the Minister for Foreign Affairs and the Minister for Justice and Customs are in Bali. They are accompanied by the Director-General of ASIO and the Commissioner of the Australian Federal Police. As the Prime Minister said, they will travel to Jakarta for discussions with the Indonesian government, and the subject of these discussions will of course include law enforcement. Cooperation in this respect between our two governments is essential in the pursuit of those responsible for this indiscriminate, unprovoked slaughter of human life. Our agreement with Indonesia on counter-terrorism provides a good framework for this to occur. In Australia, following notification of the bomb attacks in Bali, the AFP and ASIO established a joint strike team within the AFP’s incident coordination centre. The Australian Customs Service is also represented on that team. The centre is coordinating all information and inquiries in relation to the incident. All AFP regional offices have also established major incident rooms.

The initial team deployed to Bali consisted of 10 AFP members and two ASIO officers. This has been supplemented by two experienced AFP crime scene examiners. Two technical officers and a further ASIO member travelled to Bali from Singapore. There were also a further seven AFP personnel at the location; two were liaison officers and I understand the others were there on holiday. A further 22 AFP and state police members are due to depart for Bali today. They attempted to leave last night but unfortunately the New Zealand Air Force aircraft in which they were travelling suffered a cracked windscreen. An AFP media adviser is currently en route on a commercial flight. That will provide a significant team.

Let me summarise what the team will comprise. There will be two AFP liaison officers, an AFP operational commander, 10 AFP investigators and four police technical officers. There will be a total of 11 disaster victim identification officers—two from the AFP, three from the Queensland police force and six from the Western Australian police force. There will be an AFP intelligence analyst, three ASIO intelligence officers and two AFP intelligence support officers. There will be an administration and coordination support officer, four crime scene examiners, two fingerprint examiners, two bomb examiners and two search and rescue experts, all from the AFP. As I mentioned, there will be a media adviser in addition. That makes a total of some 46 personnel in that team. There will be three ASIO officers working with the team.

The AFP have advised that their incident control centre is operational. The AFP are taking interview statements from all Australian citizens returning from Bali. A specific survey form has been prepared for that purpose. We must and we will direct all available resources, including the might of the law, at protecting our community and ensuring that those responsible for threatening our security are brought to justice. We will do so as swiftly as possible. Further down the track, we will examine with the Indonesian authorities options for pursuing prosecution. At this stage, it is too early to say what those options might be; however, the public can rest assured that we will leave no stone unturned in working with Indonesia and other allies in the war against terrorism. The allies include the United Kingdom and the United States, who will be providing people on the ground in Bali. We intend to bring all those responsible to justice.

Indonesia: Terrorist Attacks

Mr LEO McLEAY (2.12 p.m.)—My question is to the Prime Minister. Prime Minister, yesterday I spoke to your office about a member of my family who was in-
volved in identifying the bodies of his friends who died in the Bali bomb attack. Your office was very helpful and cooperative and I thank you very much for that. Referring to your answer previously to the Leader of the Opposition, is it possible to advise the House of when the bodies of those Australians who have already been identified will be able to be repatriated?

Mr HOWARD—I thank the member for Watson for his question. As with so many members of the House, he has been touched by this awful event. I understand that the first repatriation will probably take place today. The repatriation arrangements are being organised by Kenyons, in cooperation with Qantas. I can inform the House that the government will pay the entire cost of the repatriation back to Australia of the remains of all the people killed. We will also pay the costs of any Australians who need to go to Bali in order to assist with identification, although it is my understanding that the great bulk of the identification has occurred either in concert with people who are already there or on the basis of dental records or DNA and that the number of people required to leave Australia for identification purposes is not extensive. But if there are people who need to do so, we will be ready.

The repatriation arrangements, so I am told, are best carried out by the company I mentioned, which has had experience in, amongst other things, major air disasters not only in the region but also around the world. It is an American company that is very experienced in this awful work. It will be operating with Qantas. Obviously, care has to be taken in relation to identification before repatriation takes place, lest the repatriation of the nationals of another country occurs. That is why the decision has been taken for the identifications to occur in Indonesia, in Bali, rather than in Australia, for reasons which I think will commend themselves to the House. That is why the arrangements I mentioned in response to the earlier question from the Leader of the Opposition regarding stabilisation and preservation of the remains are so very important. If there is anything further that the government can reasonably do to make it a little less burdensome for the people who are caught up in this event then we will certainly do so.

Indonesia: Terrorist Attacks

Mrs GASH (2.15 p.m.)—My question is addressed to the Minister for Trade representing the Minister for Foreign Affairs. Minister, what advice can the government give to people waiting to obtain details of family members who were in Bali at the time of the terrorist attack? Minister, what are our Australian consular officials doing to ensure that Australians who find themselves in this difficult situation receive the assistance they need?

Mr VAILE—I thank the honourable member for Gilmore for her question. We are obviously working around the clock to ensure people with relatives missing in Bali are informed of their whereabouts as soon as possible. The Department of Foreign Affairs and Trade established a help line early on the morning of Sunday, 13 October, to assist people seeking information about Australians in Bali. The number for that help line has been widely publicised; I think it has been carried in all the major Australian newspapers. By this morning, we had received 17,500 calls to that line. It is worth noting that this is a special number for inquiries about relatives in Bali only and that it will help if only one family member at a time contacts the hotline to gain information and then disseminates that amongst other family members. DFAT is also keeping its web site up to date on the broader issues and the latest developments in Bali.

There were 113 seriously injured Australians hospitalised prior to evacuation. The Australian Consulate-General in Bali has been working tirelessly with medical staff and has arranged medical evacuations of those injured in the blasts. Three additional consular officers from Canberra have arrived in Bali, together with 14 staff members from the embassy in Jakarta, to assist with the consular effort. Following a search of Bali hospitals on Monday, we are now confident that there are no injured Australians remaining in the hospitals in Bali. Around 200 Australians remain unaccounted for at this stage. This should not be confused with the likely Australian death toll, which should
become clearer within the next 24 hours. Department of Foreign Affairs and Trade staff have worked through the night to reconcile cases reported to us by families with information available in Bali and from other sources. Resolving the number of Australians unaccounted for remains a key priority at this time, obviously.

DFAT, Defence and the Australian Federal Police are working hard to establish a proper process for the difficult task of identifying, preserving and repatriating to Australia the remains of Australian victims. As the Prime Minister indicated, an additional 22 Australian disaster identification specialists from Australian police forces are either in Bali or on their way to Bali as we speak. Australians are advised to defer all travel to Bali until further notice and to defer all non-essential travel to other parts of Indonesia. Australians in all other parts of Indonesia should exercise a high level of caution, defer all non-essential travel within Indonesia and avoid public places where possible—particularly areas known to be frequented by expatriates such as clubs, restaurants, bars, places of worship, schools or outdoor recreation events. The Department of Foreign Affairs and Trade will obviously, on a continuing basis, upgrade the travel advisory.

**Indonesia: Terrorist Attacks**

Mr STEPHEN SMITH (2.19 p.m.)—My question is to the Minister for Ageing representing the Minister for Health and Ageing. Can the minister advise the House of what steps are being taken by the government to ensure that appropriate and timely medical care is being received by Australians injured in the Bali terrorist action when being transported home and when they arrive home? Can the minister also advise the House of the support and cooperation being provided by the relevant state and territory government health services in this regard?

Mr ANDREWS—I thank the honourable member for Perth for his question. I indicate to the House in response that the Australian government has been closely involved in the provision of emergency treatment and medical evacuation services for the people injured in this terrorist attack in Bali. The Department of Health and Ageing is working closely with Emergency Management Australia, with the Department of Defence, with the Department of Foreign Affairs and Trade and with territory and state governments and their health departments to ensure that critically injured Australians who have been airlifted to Darwin can be safely transferred to major hospitals. So far, as has been indicated in earlier answers, there has been an evacuation of the seriously injured from Bali, the provision of a quantity of medical supplies to Bali and the dispatch of four Medivac teams to Darwin to help those admitted as victims of burns, trauma, fractures and amputation.

To relieve pressure on the staff and the resources of the Royal Darwin Hospital, transfers have been undertaken to other states and territories and are expected to be completed in the next two days. I should indicate to the House that many of the staff members of the Royal Darwin Hospital have been working virtually without rest for the last 48 hours. Aircraft have been operated by the Royal Australian Air Force, by state governments and by the Royal Flying Doctor Service. Many patients—including 15 who are suffering from critical burn injuries—have been moved from Darwin to hospitals in Perth, Sydney, Adelaide, Brisbane and Melbourne, and there are other Australian hospitals on stand-by should they be required. I also mention the fact that there are Australians in Bali, including doctors and nurses there on vacation, who have lent their assistance to those who have been the victims of that terrible incident. These are examples—there, in Darwin and elsewhere around Australia—of people working together in very tragic times.

**Indonesia: Terrorist Attacks**

Ms JULIE BISHOP (2.22 p.m.)—My question is addressed to the Attorney-General. Attorney, what security measures has the government taken to protect Australians from the increased threat of terrorism?

Mr WILLIAMS—I thank the member for Curtin for her question. The terrorist attacks on the United States last year marked a fundamental shift in the international security environment, and the recent events in Bali have brought that reality, in the most horrific possible way, directly to our doorstep. No longer can we sit back and assume...
that we are safe from such devastating events. The Prime Minister has announced reviews of our security arrangements and domestic security laws, and those reviews are under way.

The Protective Security Coordination Centre in my department, as the primary agency responsible for coordinating and managing the Commonwealth’s protective security and counter-terrorism arrangements, is on 24-hour activation. The PSCC’s watch office plays a central role in the coordination of Commonwealth responses to threats or incidents of terrorism, and forms a vital part of the crisis management arrangements under the National Anti-Terrorist Plan. My department has coordinated a Special Incident Task Force—SITF, as they are known—and guarding and security arrangements are being increased as required. SITF is a committee made up of appropriate Commonwealth departments and agencies that are responsible for the coordination of the Commonwealth’s response to a terrorist or national security incident within Australia. It is called by the PSCC coordinator in consultation with or at the request of relevant Commonwealth authorities, and it includes representatives from the Attorney-General’s Department, ASIO, AFP, Defence, DFAT, Emergency Management Australia, the Department of Transport and Regional Services, PM&C and other Commonwealth agencies as required. The Office of National Assessments, ONA, has also established a watch office which is operating on a 24-hour basis. Emergency Management Australia, at the request of DFAT, has been coordinating the movement of injured people from Darwin to other states, and casualties have been transported by a combination of civilian and Defence aircraft. Forty additional APS staff are providing additional static security in Canberra, Melbourne, Sydney and Perth, and 40 additional AFP close personal protection personnel have been deployed.

Australia needs to be able to protect itself from the inexplicable and horrifying violence of terrorists. The government moved swiftly last year to strengthen our counter-terrorism arrangements. In the budget, the government committed an extra $1.3 billion over five years to upgrade security. In my portfolio, an additional $426.6 million was earmarked specifically to bolster our counter-terrorism abilities. Following the high-level review of Australia’s security and counter-terrorism arrangements instigated by the government, the government has introduced a series of measures designed to strengthen Australia’s counter-terrorism legislative framework. As I said, in the wake of the events in Bali, the government has announced a review of both our domestic terrorist legislation and our counter-terrorism capacity. While both were recently reviewed, the terrorist attack in Bali makes another such review a matter of responsibility to all Australians. As the Prime Minister indicated, it could be necessary to further strengthen our domestic security laws in the light of the Bali terrorist incident, but until that review is complete it is not appropriate to speculate on outcomes.

We are doing everything we can to ensure we catch and prosecute those responsible under our tough anti-terrorism laws. In developing our new laws, the government has consistently argued that we need strong laws to both deter and prevent terrorism as well as to punish those who plan or carry out terrorist acts. It would be irresponsible of the government not to do everything within its power to ensure the safety and security of its citizens. We must make sure that we are in the best possible position to identify, stop and punish those responsible for terrorist acts and those planning terrorist acts, and the government is committed to doing just that.

DISTINGUISHED VISITORS

The SPEAKER (2.27 p.m.)—I inform the House that we have present in the gallery this afternoon members of a parliamentary delegation from the National Assembly of Vietnam. Before our guests leave us for the Senate gallery, on behalf of all members of the House I extend to them a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Indonesia: Terrorist Attacks

Mr WILKIE (2.27 p.m.)—My question is addressed to the Minister representing the Minister for Communications, Information Technology and the Arts. Minister, has the government had discussions with Telstra to
see if any special arrangements need to be put in place to help those Australians in Bali or those Australians with friends and family in Bali in order to assist them in contacting one another? If so, can the minister advise the nature of those special arrangements?

Mr McGauran—I thank the honourable member for his question. No such matter has been drawn to my attention. It may well be that Telstra is responding sympathetically and speedily to any such requests. I will make inquiries to the extent that the government can also involve itself in assisting people to make contact, either those in Bali wishing to call Australia or Australians wishing to call family members or friends in Bali. We will facilitate that.

Indonesia: Terrorist Attacks

Mr Tollner (2.28 p.m.)—My question is to the Attorney-General. How is the government coordinating with the states and territories under the National Anti-Terrorist Plan in light of the changed security environment in the last year?

Mr Williams—I thank the member for Solomon for his question. Australia has world practice nationwide counter-terrorism arrangements in place to respond to any security related incident. The national counter-terrorism plan clearly sets out arrangements for how Australia responds to terrorism. These are in line with our federal system of government. The Commonwealth acts in cooperation with the states and territories through longstanding arrangements between security, defence, law enforcement, intelligence and emergency services. Under the plan, the federal government and the states have agreed that the states and their police forces retain responsibility for protecting themselves from terrorist attack but, where it is required and where it is appropriate, the federal government will make available a wide range of assistance to the states. These measures were reviewed and strengthened following the 11 September 2001 terrorist attacks. Australia’s determination to win the war against terrorism has galvanised our state and federal leaders into united action.

In April this year, the Prime Minister convened a leaders summit to consider the challenges of the new security environment and to ensure the right arrangements were in place to deal with a terrorist attack. The leaders summit was a landmark event and marked a new beginning in cooperation between governments in the fight against terrorism. For the first time, state and territory leaders publicly recognised that certain types of terrorist incidents needed to be strategically managed at the national level. Leaders reached agreement on a clear mechanism in which the government takes charge of the strategic coordination of Commonwealth, state and territory resources in a national terrorist situation. They also reached agreement on a number of other antiterrorist related measures. Leaders agreed to a reference of power to the Commonwealth in relation to terrorism. Legislation to implement this agreement is well progressed at both the state and federal levels and is on target for early enactment. Leaders agreed to take any action necessary to ensure that terrorists can be prosecuted under criminal law. The leaders also agreed to reconstitute the Standing Advisory Committee for Commonwealth/State Co-operation for Protection Against Violence—the so-called SAC-PAV—as the national counter-terrorism committee, with a broader mandate to cover prevention and consequence management issues. Leaders also agreed to work towards better processes for gathering and sharing intelligence and to improve the effectiveness of our efforts to combat organised crime by transforming the National Crime Authority into a new body known as the Australian Crime Commission.

Following the summit, the Commonwealth, state and territory governments are developing an intergovernmental agreement in relation to Australia’s counter-terrorism arrangements. This will include an annual report to the Council of Australian Governments on national counter-terrorism preparedness, including emergency response and recovery measures. The leaders summit was an important milestone in the history of Australia’s national security. The outcomes were groundbreaking and they reflect a commitment at all levels of government to work together to ensure that we have an appropriate framework in place to deal with any terrorist threat. Following the Bali ter-
terrorist attacks, it is vitally important that we continue to implement the outcomes of the leaders summit as swiftly as possible.

**Indonesia: Terrorist Attacks**

Mr SNOWDON (2.32 p.m.)—My question is to the Minister representing the Minister for Health and Ageing. Minister, what steps are the Commonwealth, state and territory governments taking to offer trauma counselling both here and in Bali to those Australians affected by the terrorist attacks in Bali?

Mr ANDREWS—I thank the honourable member for his question. I am not aware of the precise details in relation to trauma counselling, except that all steps that are necessary and reasonable to be taken in the circumstances will be taken. There is a degree of cooperation between federal, state and territory governments in relation to this. Personnel have been flown to Bali and, as the honourable member would know, to the Royal Darwin Hospital and elsewhere around the country. The government will ensure that whatever is reasonable and necessary in these circumstances is done.

**Indonesia: Terrorist Attacks**

Mr NEVILLE (2.33 p.m.)—My question is addressed to the Minister for Small Business and Tourism. Would the minister inform the House of the steps that the airlines have taken in response to the bombings in Bali? Are there measures to assist people in adapting to changed and pressing circumstances?

Mr HOCKEY—I thank the member for Hinkler for his question. The airlines, particularly Qantas, have responded quickly to the circumstances in Bali. I can inform the House that Qantas has scheduled additional flights from Bali to return as many Australians as quickly as possible. It has sent two of its own doctors and three nurses to Denpasar. It has transported 16 medical specialists from Emergency Management Australia to provide medical attention to passengers in need. Qantas has also waived all conditions on tickets to Australia from Bali. That means that, if you get a flight to Sydney but have a ticket to Perth, you can use that same ticket to complete your trip. Qantas has also advised us that it is also carrying all airline customers from other carriers with tickets from Denpasar to Australia at no additional cost; that for those without a valid ticket a reduced price ticket is available; that a special compassionate return ticket is available for families; and that Qantas will return the deceased to Australia at no charge to families.

As a result of the travel warning issued in relation to Bali and Indonesia, in many circumstances Australians will receive refunds for holidays cancelled or postponed. Qantas and Singapore Airlines are offering full refunds for air fares and package deals, with no penalties. Customers can transfer to other flights at a later date at no additional cost until the end of October. Garuda Airlines are making a similar offer until 27 October. Many travellers who have booked their travel through licensed operators should be able to cancel for some refund for the month of October, defer their travel or transfer their booking to alternative destinations. People with any concerns about cancelling their travel should contact their travel agent. I should also advise the House that Air Paradise International, a new Bali based airline that was to have begun operation next month, has suspended all services until further notice. There will be full refunds on all tickets.

**Fuel: Ethanol Content**

Mr KATTER (2.36 p.m.)—My question is to the Minister for Trade. Is the minister aware that the sugar industry ethanol initiative requested the imposition of a full excise regime on ethanol and an environmental rebate, less than the tax raised from an E-10 ethanol industry, be given back to grain and sugar farmers? Could the minister advise the House whether this proposal is WTO compliant; whether his department considers the E-10 proposal as revenue neutral; and, if so, whether the E-10 blend on the United States legislative model would receive his in-principle support? Could the minister further advise what percentage of Australian motor vehicle fuel comes from the possibly at-risk sources, the Middle East and Indonesia?

Mr VAILE—I thank the honourable member for Kennedy for his question. I cer-
tainly recognise the concerns of the sugar industry, particularly the cane growers in his electorate and in the electorates of other members from North Queensland.

In considering its decision with regard to the production subsidy, obviously the government analysed the WTO legality of the subsidy and of so-called green rebates. I can inform the member that green rebates are not WTO compliant, whereas the production subsidy is, as is the excise that has been applied and the balancing production subsidy.

With regard to standards, the member for Kennedy would be aware that the government is currently conducting a review of fuel standards with regard to biofuels. I understand that the Minister for the Environment and Heritage will receive that report later in the year.

As far as the capacity of imports is concerned—I think that was the other part of the question—obviously this country imports and exports oil of different standards. From memory, the level of imports of oil from Indonesia is probably in excess of $1 billion, as is the case for oil from the Middle East. We will look at maintaining a stable flow as far as that energy source is concerned to maintain stability in the Australian economy.

Certainly we are concerned about the status of the sugar industry. We want to ensure its sustainability. The ethanol industry as proposed is not going to be a silver bullet. It is part of the answer. It is an issue that the government continues to work through.

Indonesia: Terrorist Attacks

Mr DANBY (2.39 p.m.)—My question is addressed to the Minister representing the Minister for Family and Community Services. In relation to the Bali bombing, could the minister detail what, if any, financial assistance may be available to victims and their families, particularly those who have had to travel to or remain in Bali to search for or identify loved ones? Could the minister also advise the House whether the government has given consideration to extending the one-off disaster relief payment to victims of the bombing?

Mr ANTHONY—I thank the member for his question. As the Prime Minister mentioned, travel arrangements to Bali, particularly for those who need to go for identification purposes, have been put in place by the government. As far as Centrelink’s role is concerned, Centrelink is a bit unsure of the full scale of this disaster. Indeed, it will be some time before the government or Centrelink can assess the impact and make any consideration. In the past, Centrelink has always stood ready in periods of crisis and I am sure there will be no exception in this case.

Indonesia: Terrorist Attacks

Mr CREAN (2.40 p.m.)—My question is to the Prime Minister. I refer to my proposal yesterday to hold a regional summit on the elimination of terrorism that would involve the governments of Indonesia, Malaysia, Singapore, Thailand and the Philippines as well as Australia and New Zealand. Can the Prime Minister indicate whether he sees merit in such a proposal in order to develop stronger institutional linkages in the region for fighting terrorism?

Mr HOWARD—The government is willing to consider that proposal. I do not dismiss it out of hand, but I do not automatically embrace it. I will consider it. When something on the scale of what has occurred happens, you have to be ready to look at a number of responses, but you have to do so in a measured, considered way. We will seriously consider what the opposition has put forward. If we think there is merit in it, we will go down that path.

Of course, we recognise, as I am sure the Leader of the Opposition recognises, that building an alliance against terrorism is something that has to occur both locally and internationally. Terrorism knows no particular geographical, provincial or regional restraint. There is little doubt in my mind that, in one form or another, al-Qaeda is either a major player or an inspiration for terrorist behaviour that is taking place in different parts of the world—as distant as Chechnya and Indonesia. In those circumstances, what is very much needed is a world alliance against terrorism as well as a consideration of regional gatherings. We will give it serious consideration, but along with a number of other things that we need to consider.
Indonesia: Terrorist Attacks

Mr QUICK (2.42 p.m.)—My question is to the Prime Minister. Can the Prime Minister provide an update of the number of Indonesians and other foreign nationals injured in Saturday’s terrorist attack in Bali? What assistance is the government providing to the local health authorities in Bali to handle this crisis?

Mr HOWARD—I cannot give the member exact numbers of foreign nationals except to say this: there are significant numbers of people from a variety of countries as well as a significant number of Balinese people and other nationals of Indonesia. It is clear that those countries whose citizens have died include the United States, the United Kingdom, Ireland, Sweden, Switzerland and Singapore. I am afraid I am not in a position to say more at this stage, for reasons I hope the House will understand—not through indifference to the suffering of others but because, as Prime Minister of Australia, my priority, my preoccupation, has been to establish Australian fatalities and Australian injuries.

I do recognise that the atrocity has gone beyond what has affected Australia and Australians. In Bali today, the Minister for Foreign Affairs announced some emergency assistance to Indonesia’s health services, which remain under very heavy pressure. We will provide a cash grant of $200,000 to the Indonesian Red Cross to assist in the replenishment of emergency supplies and to support its work in Bali. In addition, Australia is urgently procuring medical consumables from Australia, including bandages and medicines, for immediate dispatch to Bali, at an estimated cost of $100,000.

The Australian Defence Force has provided urgently needed medical teams and air evacuation of the injured from Bali to Darwin. I might indicate that some of the people medically evacuated were nationals of other countries. This morning, amongst the many calls I have received from world leaders, I received a call from Jean Chretien, the Prime Minister of Canada. As well as conveying the sympathy of the Canadian government and the Canadian people, he thanked me for the way in which we had assisted Canadian nationals who had been caught up. We have, of course, a longstanding reciprocal consular arrangement with a number of countries, and Canada is one of those that we have a very close consular relationship with.

If there are other ways in which we can help the local Indonesian people of Bali we will. I do think that one of the things this country could do when—how shall I put it?—the immediate emergency has been responded to is to consider a more substantial recognition of the shared suffering and grief and also to mark in some way the warmth that Australians who have been to Bali in happier times feel towards the people of that island. It is quite a deep bond, and we will never feel the same about it again, unfortunately. But it is not the fault of the Balinese people; it is the fault of others. I think, as well as the things that have already been announced, something additional would be entirely appropriate.

Ms JACKSON (2.46 p.m.)—My question is to the Minister for Employment and Workplace Relations. Minister, is the government aware of people injured in the Bali bombings whose injuries would prevent them from returning to work before their leave entitlements are exhausted? Have you considered whether steps may be necessary to preserve the continuity of employment of these people and to assist their return to work when they have recovered from their injuries?

Mr ABBOTT—I thank the member for Hasluck for her question. I have not specifically considered that question, but I should inform the member that I have asked my department to consider all possible workplace relations ramifications of the Bali tragedy. Certainly I am aware that there is currently a conference in Melbourne of heads of the various workers compensation jurisdictions and, at the instigation of the Commonwealth government, that has gone onto the agenda of the workers compensation systems.

Mr Howard—Mr Speaker, I ask that further questions be placed on the Notice Paper.
AUDITOR-GENERAL'S REPORTS
Reports Nos 9, 10 and 11 of 2002-03

The SPEAKER—I present the Auditor-General’s audit reports Nos 9, 10 and 11 of 2002-03 entitled No. 9—Centrelink’s Balanced Scorecard, No. 10—Management of international financial commitments—Department of the Treasury, and No. 11—Medicare customer service delivery—Health Insurance Commission.

Ordered that the reports be printed.

PAPERS

Mr ABBOTT (Warringah—Leader of the House) (2.48 p.m.)—Papers are tabled as listed in the schedule circulated to honourable members. Details of the papers will be recorded in the Votes and Proceedings and I move:

That the House take note of the following papers:


Aboriginal and Torres Strait Islander Commission—Torres Strait Regional Authority-Annual Report 2001-2002-section 144ZB of the Aboriginal and Torres Strait Islander Commission Act 1989. (23 September 2002/23 September 2002)


Australian Customs Service—Conduct of Customs officers under subsection 233(3A) required to be tabled in the Parliament pursuant to the Customs Act 1901-Report by the Minister for Justice and Customs-section 233(3A) of the Customs Act 1901. (30 September 2002/2 October 2002)


Treaties:

Bilateral treaty action with National Interest Analysis and Regulation Impact Statement


Bilateral treaty actions with National Interest Analysis

Multilateral treaty action with National Interest Analysis


Debate (on motion by Mr Swan) adjourned.

INDONESIA: TERRORIST ATTACKS

Mr ABBOTT (Warringah—Leader of the House) (2.49 p.m.)—Mr Speaker, to enable further debate to take place in the Main Committee on the motion moved yesterday by the Prime Minister relating to the terrorist attacks in Bali, I present a copy of the motion which was agreed to by the House yesterday.

The motion read as follows—
That this House:
(1) expresses its outrage and condemnation at the barbaric terrorist bombings which took place in Bali on 12 October 2002;
(2) extends its deepest and heartfelt sympathy to the families and loved ones of those Australians killed, missing or injured in this brutal and despicable attack;
(3) offers its condolences to the families and friends of the Indonesians and citizens of other countries who have been killed or injured;
(4) condemns those who employ terror and indiscriminate violence against innocent people;
(5) commits the Australian government to work with the Indonesian government and others to bring those who are guilty of this horrendous crime, and all those who harbour and support them, to justice; and
(6) reaffirms Australia’s commitment to continue the war against terrorism in our region and in the rest of the world.

Mr ABBOTT—I move:
That the House take note of the paper.

Debate (on motion by Mr Swan) adjourned.

MAIN COMMITTEE

Indonesia: Terrorist Attacks
Reference

Mr ABBOTT (Warringah—Leader of the House) (2.50 p.m.)—I move:
That the copy of the Prime Minister’s motion relating to the terrorist attacks in Bali—Motion to take note of paper: Resumption of debate, be referred to the Main Committee for debate.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Indonesia: Terrorist Attacks

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

The central importance of a unified national response to the needs of those affected by the terrorist attack in Bali, to bring to justice those responsible and to eliminate terrorism from our region.

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 RUDD (Griffith) (2.51 p.m.)—Mr Speaker, 12 October has scarred the nation’s mind. It will scar the nation’s memory, and it will sear the nation’s soul. We have all seen the television images in these last few days, but the awful truth is that we have been shielded from the worst of those images—for the awful truth is that they are too awful to show. But those in Bali have seen it all and, even if they have suffered no injury, their lives are forever changed. So too is the life of this nation. Individual lives have been destroyed. Families once whole are now left bleeding. Communities once robust are now broken. The sporting clubs that form the backbone of those communities were, but a few days ago, in celebration and are now in mourning. For all of these, there is still the yawning chasm of the great unknown: my loved ones, my friends, my family—where are they? And then there is the nation itself,
as I said before: its mind, its memory and its soul.

Mr Speaker, 11 September tempered us. Exactly one year, one month and one day later, 12 October has seared us and it will in time steel us. Because if we Australians have had one view of ourselves in the past it is this: we are a fun-loving people; we are a gregarious people. We enjoy the cultures of other peoples because we are an island and we enjoy those things which lie beyond our island. We mean no ill to any person, only good, because we want a fair go for all people. So we ask: how could anyone hate us, or hate the culture and civilisation of which we are in the main a part, and do this appalling act? Make no mistake: this is hatred on a grand scale, just as it is murder on a grand scale.

The Prime Minister was right yesterday: 'terrorism' is too clinical a term. It is as if it is an arcane subbranch of international relations theory. Let us be plain: terrorism is nothing more than premeditated mass murder. It is the brutal application of force for political ends, and it must therefore be dealt with with brutal force. There is no alternative. The question which no-one knows the answer to, and which may not be fully known for a generation, is: how will these events forever change our country, our view of ourselves and our place in the region and in the world?

Our leaders, the Prime Minister and the Leader of the Opposition, spoke well yesterday of the emergency relief effort which has gone in on the ground in Bali. On behalf of us all they expressed the thanks of a grateful nation for the work that has gone in. So much has been done by the relief workers, both Indonesian and Australian. We think of those first at the scene and the unofficial emergency workers: mates helping mates, strangers helping strangers, Balinese helping Australians. Australians helping Brits, one nationality helping another. We think of their scarred memories from that. We think of those who have had to identify the remains of friends and of family. We think of their scarred memories. We think of the family member of the member for Watson, who asked a question in this place today, and of the experience which that member of his family went through in identifying the bodies of seven of his team-mates from a football team in Sydney.

We think of the experiences which have been passed to us in this place from constituents from each of our seats around this country: Western Australia, South Australia and Queensland. This is a tragedy on a national scale affecting individuals, communities and families in every corner of our country. We in this place have heard only a small part of this national tragedy. We think also of the local medical authorities and the demands on them to cope, with the facilities effectively of an outpatient clinic, and in having to deal with the equivalent of a full-scale national disaster as in wartime.

We think also of our consular officials in Bali who deserve our thanks for trying to bring order out of chaos, of our ADF personnel for doing their duty in the most difficult of circumstances and of the Department of Foreign Affairs and Trade, which staffed and had operational an 1800 call centre within hours of the first news of this event in Bali. Despite the overloaded nature of that system and some of the delays, departmental staff and volunteers put in a massive effort to cope with the more than 15,000 calls to that centre in a short period of time.

There is also the enormous contribution of the states and territories, which has been partially mentioned in this place today. We have seen the full and immediate deployment of the resources of the Darwin Hospital, the dispatch of three medical teams from the Royal Adelaide Hospital and in Sydney the activation of Concord, Royal North Shore and Westmead Children’s hospitals as part of a national burns network. In Perth there has been the immediate cancellation of elective surgery in that city’s three major public hospitals. In Queensland, there has been the dispatch of doctors and nurses from PA hospital to Darwin and two aircraft from the Royal Flying Doctor Service to Darwin as well. Similarly, we have seen a national effort of monumental proportions from the Royal Prince Alfred Hospital in Melbourne and hospitals in Hobart, Canberra and across this nation. They lie in our collective debt.
We acknowledge also the airlines Qantas and Garuda. We recognise the countless acts of generosity from Australians everywhere, from those who are millionaires and from those who are not. They have helped their fellow Australians in need. In past times, we have associated this with bushfires, flood or drought. We have associated this with times of war and the image of Anzac. What has happened on this score was best captured by a cartoon in the papers of this country today, which honourable members may have seen. It had Simpson and his donkey working their way through the charred wreckage of that street in Kuta. Eighty-seven years later, we have Simpson and his donkey walking again among the dead and the wounded.

Let us also think of the people of Bali. They are a beautiful people. Their first qualities are kindness and gentleness. Their lives and the lives of many nationalities have been shattered by this. From many reports, we have had Indonesians in the streets in Denpasar and Jakarta stopping Australians and expressing their sorrow. For Bali, this has been paradise lost.

I said before that as a nation we had been seared by Bali, but as a nation we have been equally steeled by it. There is but one response to terrorism, and that is to confront it—not to cower from it, not to hide from it, not to be dictated to by it—defeat it and destroy it. That is why this House has been as one in its parliamentary resolve to eliminate terrorism from the face of our planet. Certainly we must deal with the causes of terrorism, but terrorism is fed by an array of political, economic and social circumstances. This of itself will not eliminate terrorism from our region; terrorism must also be dealt with by force. We are deluding ourselves if we think that dialogue and development represent the only panaceas, for they do not. We must begin this task by tracking down those responsible for 12 October, bringing them to trial and bringing them to justice. There is little in this place that can be done by words alone. But, as this is the parliament of this country, we can act. We can act as the country now expects us to act, and that is to act together.

If tracking down the perpetrators of 12 October requires extra resources then this parliament will give those extra resources. If the government needs the cooperation of other governments across our region to bring those responsible for these acts to heel then this parliament, to the extent that its cooperation is necessary, will provide it. If the government needs new intergovernmental arrangements with regional counterparts that are necessary to track down these terrorists, and these require the authority of this parliament, then this parliament will give it. For in the business on which we are about to embark—that is, to bring to justice those who have murdered—we in this place are as one. We are not Labor, we are not Liberal, we are not National, we are not Independents; we are Australians. We face here a common challenge, which we will embark upon together.

We support the government’s efforts to put in place a joint mechanism with Indonesia to conduct this investigation, and we would support the expansion of that mechanism if it proves to be operationally necessary. I visited the headquarters of the Indonesian National Police in Jakarta. I have seen first-hand the cooperative relationships which currently exist between the AFP and the Indonesian National Police, and they are good. They need to be expanded by a quantum, given the challenge which now lies ahead. As the Prime Minister and the Attorney-General have indicated today, the challenge of terrorism is not just a national one; it is a regional one and it is a global one. It is one which, therefore, must be dealt with at all those levels. The Prime Minister has indicated the review of our national security arrangements and our counter-terrorism capabilities, and that is good.

Beyond Australia, there is a further challenge to review the effectiveness of our existing bilateral arrangements for intelligence exchange with the republic of Indonesia. The government has in place an MOU for that purpose. It provides the necessary institutional architecture for intelligence exchange to occur. At the heart of that machinery lies the ministry for political and security coordination in Jakarta, under His Excellency
Bambang Yudhoyono. One of the most important developments of the last 48 hours has been when His Excellency made a clear statement to the Indonesian public and media that this act in Bali was a terrorist act. This has been a matter of dispute within Indonesian politics for some time; whether radical Islamic organisations within that country could be categorised in any way as terrorists.

The statement by the minister concerned represents a large step forward in that nation’s resolve to deal with the challenge which lies ahead of it and which lies ahead of us.

There are three fundamentalist terrorist organisations at work within Indonesia. They are mentioned much in the public media: Jemaah Islamiah, Laksj Jihad and the so-called IDF. The Prime Minister has indicated today that he will be seeking to have listed as an annexure to the formal international convention on terrorism the organisation JI. We support his actions in doing so, and we wish the government well in securing the necessary diplomatic support from other members of the P5 and other members of the United Nations to achieve that objective. Let us be under no illusion: this organisation, JI, Jemaah Islamiah, is a threat to Australian security, a threat to Indonesian security and a threat to regional security.

We therefore, in dealing with this threat, must deal with it at multiple levels in our relationship with Jakarta and by using the machinery which exists. It will also depend on the political will on the part of the Indonesian government. The third part of that equation is this: the strength of our political relationship with the government in Jakarta. A relationship works to the extent that you can give life and breath to the formal institutional arrangements which exist underneath that relationship. Therefore, we have in this place a combined interest in that relationship being alive and well and prospering in the future so that this work can be done.

Beyond the Indonesian relationship itself, the task ahead of us is the elimination of terrorism across the region. We have before us an arc of instability. It has been much debated in public in the last several years. It is not just confined to the Indonesian archipelago; it goes beyond that as well. We look to West Papua, we look to problems within Papua New Guinea, we look to difficulties on the security front within the Solomons and we look to emerging security difficulties within Vanuatu. Our own immediate region is in a state of some duress. We therefore, as a country, plainly have global responsibilities—that is true—through the United Nations and through our alliance with the United States. But our immediate region, which lies on our doorstep, is also under security duress, and that must be where our efforts are equally directed and—dare I say it—more so directed in the period ahead of us.

The challenge we therefore face in dealing with these regional arrangements is to look at new machinery which is capable of handling them, such as that advanced by the Leader of the Opposition yesterday but also the existing arrangements we have, and to put in a greater effort. Our challenge lies on our doorstep. That is where our security challenge lies, first and foremost, and we must attend to it as a nation. We face unprecedented challenges: those which relate to dealing with the dead and their families, and those who have been injured and their families. We must steel ourselves with national resolve to work with Jakarta, and beyond that with the region, to find those who are the perpetrators of this act and to ensure that we eliminate terrorism from our part of the world. (Time expired)

Mr WILLIAMS (Tangney—Attorney-General) (3.06 p.m.)—This matter of public importance is on an important subject. Saturday, 12 October in Bali saw a terrible tragedy for Australia, for Indonesia and for at least 17 other countries whose sons and daughters have been killed or seriously injured or are still missing. All most of them wanted was a carefree holiday in a destination that has become a favourite with Australian tourists in particular. That is what they were entitled to expect.

Australia is horrified. We are sad and angry at this terrible waste of young lives. The attack shows that no-one in the world—no-one anywhere—is safe from terrorists. The member for Griffith mentioned the effect that the attack has had on Australians both in Bali
and in Australia. We are seeing mateship arising on the ground in Bali. We have the example of the Kingsley Football Club from Western Australia who, rather than return home safely, stayed to help look for their mates, to identify them among the dead and to thereby save the families and friends from that awful task. That is an example of what is going on in Bali. The member for Griffith also mentioned the work being done in Australia and the postponement of elective surgery in the major teaching hospitals in Perth. The Minister for Trade mentioned the staff of Royal Darwin Hospital.

We must remain strong in our commitment to the fight against terrorism. We cannot stand back and let evil organisations wreak havoc around the world and not do everything possible to stop them. Let there be no mistake: sticking our heads in the sand and refusing to speak out or take part in the war against terrorism will not get us off the list of potential targets. These people do not respect human life. They do not care who they kill. They do not care how many innocent people lose their lives. These terrorist organisations want to destroy democratic freedom. They want to destroy Western freedoms and our way of life and they want to destroy the global economy.

People ask whether Australians were a particular target in Bali. We have to acknowledge that we are a higher level target for terrorists than we were prior to 11 September last year. That is because Australia is a freedom-loving, democratic country that is engaged in the world economy. We are a high-profile partner in the war against terrorism, but we are not a particular target in any greater sense than that. Those who perpetrated this barbarous act on Saturday night must have been aware that many people from Western countries, in particular Australia, were in the nightclubs that were targeted. It was because of the way of life, the system of government and their economic participation that the Western countries were targeted. Australians were not alone there. There were many tourists from many different countries, including Sweden, the United States, Britain, Singapore, New Zealand, South Africa and Canada. We should not at any time overlook in our grief the fact that Indonesians were also killed and that this was their home.

We intend to hunt down those responsible, but we must not act rashly. Our response must be strong and measured, but our first priority has been looking after the victims: the Australians in Bali and their families and loved ones at home. At this stage, the death toll is estimated to be in excess of 180. As we know, Australians are likely to be the highest in number among the casualties. It is a horrific time for all of these families and it is horrific for those who still do not know where their loved ones are.

The government shares the horror felt by all Australians at this cowardly attack and has moved immediately to assist those caught up in it. The Department of Foreign Affairs and Trade has 20 consular staff providing assistance in Indonesia and the government has flown 113 people with injuries back to Australia. As the Prime Minister said during question time, everyone who was in hospital in Bali has now been repatriated to Australia. As the Minister for Trade mentioned, DFAT has answered more than 17,500 calls. We have mobilised the Defence Force. Four Australian Defence Force C130 Hercules aircraft with medical teams have evacuated Australians from Bali to Darwin in recent days and from there they have been transferred to hospitals in Perth, Adelaide, Melbourne, Brisbane and Sydney. Most of them are suffering burns and are being treated for those burns.

A number of other Australians who are able are returning home on Qantas and Garuda flights. The airlines are to be commended for the effort they have put in in moving people—not only Australians—from Bali at no further expense. Australian experts have been sent to support the operation of the morgue facilities in Bali. Having done that and having looked to the needs of the victims of the attack, we can turn our attention to hunting down those responsible. As I mentioned in question time, we have sent the Minister for Foreign Affairs and the Minister for Justice and Customs, in the company of the Director-General of ASIO, the Director-General of ASIS and the Commissioner of
the Australian Federal Police, first to Bali and then to Jakarta. They have the benefit of there being a memorandum of understanding between Australia and Indonesia which was recently signed by the Prime Minister and President Megawati and which forms the framework for their discussions. Those discussions will deal with a range of matters relating to terrorism for investigation of the particular attack and for the future. Cooperation between the Australian and Indonesian governments in the investigation of these attacks is essential.

The skills of the AFP and the Western Australian and Queensland police who have been sent to Bali are of particular relevance. It was disappointing to see that the Indonesian police did not immediately secure the bomb site for the purpose of enabling a proper investigation to be conducted and for the dead and injured at that time to be dealt with properly. At one stage, when the general of police visited the site, the site was secured, but then it lapsed again. When the President of Indonesia, Ms Megawati, visited, the site was secured again but then it lapsed. With Australians on the ground assisting the Indonesian National Police, I am confident that every step will be taken to ensure that the site is secured and that the experts in crime scene examination will be able to do what is required.

The subject of this MPI refers to the need for a unified national response. That seems to be agreed on all fronts in respect of dealing with the needs of the victims, bringing those responsible to justice and the further subject of eliminating terrorism as such. In connection with the last subject—eliminating terrorism—to suggest that terrorism can be eliminated is a tall order. We are likely to be living with terrorism for the foreseeable future and we are likely to be dealing with terrorist organisations that seek to destroy the Western and democratic way of life for the foreseeable future.

We have in place memorandums of understanding with other countries in the region; I mentioned Indonesia but we also have them with Malaysia and Thailand. These provide a framework, developed at the highest level, to facilitate cooperation between Australia’s security agencies and their counterparts in the region. They provide a powerful and effective commitment to fight terrorism and they provide a framework for practical cooperation between Australia and those other countries to prevent and suppress international terrorism. In particular, they provide for cooperation between security, law enforcement, intelligence, defence and emergency services agencies.

There are many other things that can be done to combat terrorism. Border security is an important subject. In this respect, we have significantly enhanced the protection of Australia’s borders. There are increased Customs controls in restricted areas of airports. There is increased Customs access to information about people working in restricted areas of airports. We have the ability to control goods in transit through Australia. There has been the introduction of a requirement to report mail and we have mandatory electronic reporting of passengers and crew of ships and aircraft.

Following the money trail is another tool in fighting major crime and tax evasion both in Australia and overseas and is an extremely important tool in combating terrorism. Much of the international effort to combat terrorism has focused on tracing and closing down the financing of terrorist activities. Cutting the terrorists’ money supply makes it harder for them to plan and carry out their attacks. The Australian Transaction Reports and Analysis Centre—AUSTRAC—is Australia’s anti money laundering and specialist financial intelligence unit. Since 11 September last year it has been playing a critical role in tracking down terrorists. It has also played a critical role in the Asian region in assisting other countries to develop similar systems for tracking the movement of finance.

Another way to deprive terrorists and criminals of their finance is to crack down on money laundering. Terrorist groups employ a wide range of sophisticated schemes to legitimise and bank the proceeds of their illegal actions. Money laundering enables them to disguise the source of their funds and also enables them to hide what the money is being used for. Since 11 September last year countries around the world have joined to-
together in a concerted effort to identify and close down money-laundering schemes.

The member for Griffith had a particular focus on eliminating terrorism from the region. The starting point for Australia in this respect is to ensure that we have robust counter-terrorism laws in force in Australia. In this respect, our track record has been very positive. We have improved our counter-terrorism arrangements as well as our legislation. With the exception of the bill to increase ASIO’s powers, which remains to be debated in the Senate, legislation has been passed.

The review of counter-terrorism arrangements that was put in place at the end of last year, and which itself is in the process of being reviewed, put in place a number of new arrangements and made arrangements for new resources to a number of agencies. There was an immediate increase in resources for ASIO, the Protective Security Coordination Centre and the Australian Federal Police to meet the new threat level. Each of them has to meet much greater operational demands than before. There were recommendations made in that review to consolidate some activities to achieve a better coordinated government response. As a result, the Australian Protective Service, which provides guarding facilities within Australia, was merged with the AFP, and Emergency Management Australia was transferred from Defence to the Attorney-General’s Department. (Time expired)

Mr Edwards (Cowan) (3.21 p.m.)—I rise to speak on this matter of public importance regarding the need for a unified response to the terrorist attack in Bali. The attack in Bali must give us grave concern for the security of this region and, indeed, for the security of this nation. I think that has been confirmed by what has been said in here over the past couple of days. Indeed, just before he sat down, the Attorney-General said that we in Australia will be living with terrorism for the foreseeable future. In answer to a question in question time today—a question put to him by the member for Curtin, asking him to comment on the increased terrorism threat to the nation—the Attorney-General said, ‘Indeed, we now have a terrorist threat on our doorstep.’ I think that that is true; that is obvious. For that reason, I was very pleased yesterday when the Prime Minister said that we as a nation would have a review of our security capacity and our counter-terrorism capacity. In the face of those threats and in the face of what has just occurred in Bali, that is entirely appropriate. That review must be an in-depth review, because obviously the threat has changed and our response must be in line with that threat.

One of the things that does concern me—and I hope that this will be dealt with as part of the review—relates to the fact that one of our most potent weapons in the armoury of counter-terrorism is the SAS. The Special Air Services regiment, based in Western Australia, is made up of three squadrons and a support squadron. One of those squadrons is based, as part of a rotation, in Afghanistan. It is the third rotation that has gone through. The government has much more information at its fingertips than I do about threats and intelligence but I would hope that, in committing itself to this review, the government will immediately look to see whether or not the deployment of the SAS in Afghanistan is now its most appropriate use. As part of that review, I hope that the government will assess whether or not that SAS squadron should be returned earlier to Perth. I am not saying it should, because I do not have the intelligence or the information that is available to the government to enable me to make that call, but I am saying that it must be a very important part of the review. There is no doubt that the threat is at our doorstep, and there is no doubt that we face an increased threat in Australia. If we do face that increased threat, our response must be strengthened. Part of that strengthened response will include the SAS.

I am also very keen to support the initiative that was put forward by Simon Crean yesterday in calling for a regional summit to bring together the heads of state in this region who must unite and work together in a hard and effective response to the threat which faces this region. I will remind the House of what Simon Crean had to say yesterday:
Given the gravity of what we have seen over the last 24 hours, could we suggest in a bipartisan spirit that you initiate a regional summit on the elimination of terrorism in South-East Asia. In our view, it would be appropriate that such a summit be convened at a heads of government level in the region itself. It should include the governments of Indonesia, Malaysia, Thailand, the Philippines and Singapore. Its first brief should be to establish how our governments can work together to identify and bring to justice those responsible for the most recent barbaric act, in Bali. Beyond that immediate task, a second function of such a summit should be to establish the regional institutional machinery necessary for the ongoing campaign against terrorism in our region. It will not be done with a single meeting; it will not be done as a consequence of any single statement of regional leaders. But it will be done if in the immediate period ahead our governments are prepared to work together with absolute determination, united in the aftermath of the events in Bali. A regional summit on terrorism could help to bring to justice those responsible in Bali and could develop a strategy for our region to combat terrorism as well.

I think that is a very positive and necessary suggestion that Simon Crean has put forward, and I compliment him for his initiative.

It is also interesting to note that during question time today, when asked if he could give an assessment of reports of injuries to Indonesians and Balinese, the Prime Minister said—and I am not critical of him at all—‘You would understand that my focus has been on the impact on Australia.’ But, in the same breath, he talked about the need for there to be a world response to terrorism. I do not disagree with that. But, just as he has had a focus on the impact on Australians in Bali, so too must he have a greater impact on the security and defence of Australia and this region. I think it is imperative that he at least have a good hard look at that suggestion that has been made by Simon Crean.

It is now imperative that we work closely together to address the issues of security that confront Australia, because, if we do not, we will let down those who have been traumatised, injured or killed by this planned, premeditated mass killing and raw violence against the innocent. The difficulty is in finding the perpetrators and in striking back against a known and identified target. In the absence of that target, our response must be a tightening of the bonds that unite us, both in our own country and in the region of which we are a part—the region in which we now must act to defend our own. Above all, in the shorter term, we must all work together to support those who have been hurt and those parents who must now undergo the agony of waiting for the identification of their missing loved ones.

Kingsley Football Club is in my electorate, and it has been one of the hardest hit of all the sporting groups that were in Bali at the time. It is receiving strong support from the state government, from the state Liberal member, Cheryl Edwardes, and from the community—and that is very much the way it should be. I know that Premier Geoff Gallop has spoken to the club president and offered all help. My heart goes out to those parents who are still looking for their loved ones, and I know how distraught they are. They are in for a difficult wait, and they must be given every support during the traumatic weeks that lie ahead of them.

I know that every member in this place will feel a sense of responsibility for those in their electorates who suffer as a result of the attack in Bali. I know I tossed up as to whether I should even come to Canberra this week or stay in my electorate office and endeavour to help out where and when I could. I guess we have a responsibility to be here, and obviously I felt that was an important responsibility. But those of us who travel a long way from our electorates have our hearts in our electorates, and our hearts are with those who are suffering the most at the moment. I must admit to being a bit angry on Sunday when I was trying to get through to someone to get some information. I had been contacted by people and I wanted to be able to feed information back to them. Without being critical of any of the staff, because I know they must have really been under the pump, I just could not get through to the emergency numbers, nor could a number of people. There just has to be a number which members of parliament can access so that, in their representative duties in their electorates, they can go to that number and try to
get crucial information that needs to be passed on to their constituents. I had the opportunity to talk to Simon Crean about that on Sunday evening and I want to publicly thank Simon for organising for a very senior person within the Department of Foreign Affairs and Trade to now be available to members of parliament so that we can get that crucial information. In the very short time still available to me I want to congratulate Defence, DFAT and all the agencies—civilian and military—who have responded in such a magnificent way to this incredible act of terrorism. We as a nation should congratulate them for their response. (Time expired)

Mr JULL (Fadden) (3.31 p.m.)—Someone once described this place as a microcosm of Australia, and I think that analysis is probably very true. I think the sombre nature of this House and the attitude that has been taken over the last couple of days are very much a reflection of what is going on in the broader Australian community at the moment, because never before have Australians confronted a situation such as we have following the bombing and devastation in Bali. I join with others who have spoken on this matter of public importance today in expressing my thanks to the Department of Foreign Affairs and Trade, to all the defence forces, to the state agencies, to the voluntary agencies and to the individuals who have given of their time and service and have rallied together to provide that great Australian spirit and that great Australian help which we have always prided ourselves on in the past but which have now probably become more vital and important than ever before.

Australia has changed, as we have heard this afternoon. It has changed dramatically as a result of September 11—yet there has been a progression of our change and our responsibilities over the last several years. As one who was privy to some of what went on, I think that at the end of the Olympic Games we all prided ourselves on what a terrific show we gave to the world, but we quietly prided ourselves on the success of the games in a security sense. The Olympic Games in Sydney was a major challenge to Australia’s security agencies. I think it would be fair to say that if something had gone wrong in Sydney that would probably have been the end of the Olympics as we know them. There was tremendous international cooperation between Australian agencies and agencies overseas to make sure that we had the best possible security services available and the best possible checks and balances in our system to ensure that the Olympic Games were trouble free. While there were some minor incidents, nothing of any great drama happened, and we congratulated ourselves and people like the SAS and the ready response units who were there in case there were any terrorism problems during the Olympics.

Then we had September 11. I remember this place and the debate that went on here, and the shock and the horror that this House displayed about those dreadful events in New York. We made a commitment because we knew then that the world had changed and that we all have a tremendous responsibility to make sure we have the security of our own people at heart and that we do our best to provide the best possible protection within Australia for the Australian population. We as a government and we as a parliament have no greater responsibility than protecting the sovereignty and security of the nation. It always has been, and it always must be, our first priority. I think that as a nation we met that challenge quite well. Certainly there have been a lot of activities that have gone on, there have been lots of changes made to our legislation and there have been lots of changes made to our security organisations to ensure that we provide to the people of Australia the best possible protection from the threat of terrorism.

That these difficulties developed in Bali I suppose makes the situation even more difficult. The attacks happened on foreign soil, but it was principally Australians who were the victims. I agree with the member for Cowan that we must remember that there were other people there. There are Swedes, Brits, Americans, people from Portugal—people from countries all over the world and the region—as well as Balinese and other Indonesians who are suffering at this time. But those suffering in Australia are probably
going to be the greatest in number. I think it brings home not only to us but to all those countries that are affected that this fight against terrorism must be a worldwide effort. While I do not disagree with the matter of public importance that has been put to the House today, the world community has a tremendous responsibility to make sure that this scourge is ultimately eliminated. But, as President George Bush has said, it is not going to happen overnight; it is going to be a very long and an arduous process. It is going to be a difficult process before the scourge of terrorism is eliminated.

It is true that quite a bit has been done since September 11 to try to coordinate our approaches and to try to get an attitude towards the elimination of terrorism well established within our region. We have heard mention today of the MOU that has been established with the Indonesian government. It was signed earlier this year to make sure that cooperation between Australia and Indonesia was stepped up. Perhaps it is worth spelling out the details of that MOU, because it called for heightened law enforcement cooperation that particularly focused on strengthening police to police links. It also called for strengthened intelligence and security cooperation and for increased legal cooperation. My understanding is that we have made some progress in that respect. As for the fact that we have sent the heads of our security agencies and specialist police from the AFP and our state forces to Indonesia, I doubt whether that could have happened if it had not been for this initiative earlier this year. Obviously, that has a long way to go, and there has been criticism of the Indonesian government in terms of their response and reaction to what has gone on.

We must help and cooperate as much as we can with Indonesia as well as the other countries of the area. I think that that sense of cooperation has probably already come through to us, to a degree, in terms of the information that was provided by the Singaporean and Malaysian governments in recent times. Let us not forget that, in a sense of regional cooperation, if we look beyond our immediate boundaries there are some opportunities for us to promote the concept of the elimination of terrorism. The Shanghai APEC leaders summit last year looked at regional cooperation on counter-terrorism. That particular cooperation will be a major focus of the 2002 APEC meeting in Mexico later this month. Yes, it may be a little late for Bali, but the reality is that none of us could have picked Bali. Now we must make sure that we do not let up in our commitment and cooperation to eliminate terrorism.

Australia has participated quite actively in four ASEAN regional forum meetings and workshops that were focused on combating terrorism—in Honolulu, Bangkok, Tokyo and most recently the ARF ministerial meeting in Brunei. Another meeting is scheduled in Wellington on 22 November. Obviously, counter-terrorism measures must be high on the list there for joint cooperation. I understand that the meeting in Wellington is going to look at what we can do in terms of combating and effectively treating chemical and biological weapons. We have taken the lead in making sure that counter-terrorism provisions are there for the Pacific island states. We did a lot of work at the recent Pacific Islands Forum meeting in March. While things have been happening, we do have a long, long way to go. It is only going to be by cooperation, both at a regional and international level, that we will counter terrorism. The one thing that we must do as a parliament and as a government is to give this government—and, I hope, give support to the other governments of the region—the tools with which to deal with international terrorism. It is going to take commitment. It is going to take money. It is going to take a great effort. As I said earlier, if we have one responsibility as members of parliament, it is for the sovereignty and security of the nation. We have come so far; we have a long way to go, and we must make sure that we never shirk in this responsibility. This House extends its deepest sympathies to all the victims, the hundreds of victims in our electorates and beyond, who have suffered as a result of last Saturday’s blast. (Time expired)

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! The discussion has concluded.
ASSENT

Messages from the Governor-General reported informing the House of assent to the following bills:
- Health Legislation Amendment (Private Health Industry Measures) Bill 2002
- Marriage Amendment Bill 2002
- Higher Education Legislation Amendment Bill (No. 2) 2002
- Import Processing Charges (Amendment and Repeal) Bill 2002
- Plant Health Australia (Plant Industries) Funding Bill 2002
- Commonwealth Electoral Amendment Bill (No. 1) 2002
- Customs Legislation Amendment Bill (No. 1) 2002
- ACIS Administration Amendment Bill 2002
- Dairy Industry Legislation Amendment Bill 2002
- Proceeds of Crime Bill 2002
- Proceeds of Crime (Consequential Amendments and Transitional Provisions) Bill 2002

COMMITTEES

Selection Committee

Report

The DEPUTY SPEAKER (Hon. I.R. Causley) (3.42 p.m.)—I present the report of the Selection Committee relating to the consideration of committee and delegation reports and private Members’ business on Monday, 21 October 2002. The report will be printed in today’s Hansard and the items accorded priority for debate will be published in the Notice Paper for the next sitting.

The report read as follows—

Report relating to the consideration of committee and delegation reports and private Members’ business on Monday, 21 October 2002

Pursuant to standing order 331, the Selection Committee has determined the order of precedence and times to be allotted for consideration of committee and delegation reports and private Members’ business on Monday, 21 October 2002. The order of precedence and the allotments of time determined by the Committee are as follows:

COMMITTEE AND DELEGATION REPORTS

Presentation and statements

1 Foreign Affairs, Defence and Trade—Joint Standing Committee: Enterprising Australia—Planning, preparing and profiting from trade and investment.

The Committee determined that statements on the report may be made—all statements to conclude by 12.40 p.m.

Speech time limits—

Each Member—5 minutes.

[Proposed Members speaking = 2 x 5 mins]

2 Education and Training—Standing Committee: Boys—Getting it right: The education of boys.

The Committee determined that statements on the report may be made—all statements to conclude by 1.10 p.m.

Speech time limits—

First 2 Members speaking—10 minutes each.

Other Members—5 minutes each.

[Proposed Members speaking = 2 x 10 mins, 2 x 5 mins]

3 Foreign Affairs, Defence and Trade—Joint Standing Committee: Visit to Australian Forces deployed to the International Coalition Against Terrorism.

The Committee determined that statements on the report may be made—all statements to conclude by 1.35 p.m.

Speech time limits—

Each Member—5 minutes.

[Proposed Members speaking = 5 x 5 mins]


The Committee determined that statements on the report may be made—all statements to be made within the time remaining prior to 1.45 p.m.

Speech time limits—

Each Member—5 minutes.
PRIVATE MEMBERS’ BUSINESS

Order of precedence

Notices

1 Mr McClelland: To present a Bill for an Act to amend the Workplace Relations Act 1996, and for related purposes. (Workplace Relations Amendment (Emergency Services) Bill 2002—Notice given 23 September 2002.)

Presenter may speak for a period not exceeding 5 minutes—pursuant to standing order 104A.

2 Mr ANDREN: To present a Bill for an Act to provide for the assessment and collection of a levy on the use of plastic bags at retail points of sale. (Plastic Bag Levy (Assessment and Collection) Bill 2002—Notice given 14 October 2002.)

Presenter may speak for a period not exceeding 5 minutes—pursuant to standing order 104A.

3 Mr ANDREN: To present a Bill for an Act relating to the establishment of a fund for the purpose of education about plastic bag damage to the environment, and for related purposes. (Plastic Bag (Minimisation of Usage) Education Fund Bill 2002—Notice given 14 October 2002.)

Presenter may speak for a period not exceeding 5 minutes—pursuant to standing order 104A.

4 Mr KATTER: To present a Bill for an Act to amend the Fuel Quality Standards Act 2000 to regulate the amount of renewable fuel in motor vehicle fuel, and for related purposes. (Fuel Quality Standards (Renewable Content of Motor Vehicle Fuel) Amendment Bill 2002—Notice given 14 October 2002.)

Presenter may speak for a period not exceeding 5 minutes—pursuant to standing order 104A.

5 Mr BAIRD to move:

That this House:

(1) condemns the sentencing of Amina Lawal to death by stoning by Shari’ah Courts in the Katsina province of Nigeria, for allegedly committing adultery and bearing a child out of wedlock;

(2) registers its strong opposition to all similar extreme sentences that discriminate against women; and

(3) calls on the Government of Nigeria to do everything within its power to protect the basic human rights of Amina Lawal and all its citizens. (Notice given 16 September 2002; amended 9 October 2002.)

Time allotted—remaining private Members’ business time.

Speech time limits—

Mover of motion—5 minutes.

First Opposition Member speaking—5 minutes.

Other Members—5 minutes each.

[Proposed Members speaking = 8 x 5 mins]

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

Family and Community Affairs Committee

Membership

The DEPUTY SPEAKER (Hon. I.R. Causley)—I have received advice from the Chief Opposition Whip nominating a member to be a member of the Standing Committee on Family and Community Affairs.

Mr WILLIAMS (Tangney—Attorney-General) (3.42 p.m.)—by leave—I move:

That Mr Quick be appointed a member of the Standing Committee on Family and Community Affairs.

Question agreed to.

BILLS REFERRED TO MAIN COMMITTEE

Mr LLOYD (Robertson) (3.43 p.m.)—by leave—I move:

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

Excise Laws Amendment Bill (No. 1) 2002
Excise Tariff Amendment Bill (No. 2) 2002
Aboriginal Land Rights (Northern Territory) Amendment Bill 2002
New Business Tax System (Consolidation and Other Measures) Bill (No. 1) 2002
New Business Tax System (Franking Deficit Tax) Amendment Bill 2002
BROADCASTING SERVICES AMENDMENT (MEDIA OWNERSHIP) BILL 2002

Second Reading

Debate resumed from 26 September, on motion by Mr McGauran:

That this bill be now read a second time.

Ms KING (Ballarat) (3.44 p.m.)—I want to continue my comments against the Broadcasting Services Amendment (Media Ownership) Bill 2002 by focusing on its impact on regional Australia and in particular on my electorate of Ballarat. In Ballarat, we are incredibly fortunate to have a diversity of media present: the Ballarat Courier newspaper, which is owned by Rural Press; 3BA and Power FM, which are owned by Grant Broadcasters; and WIN TV; with Prime also having a presence. ABC Regional Radio is due to set up in Ballarat at the start of next year, and we already have access to the Bendigo based ABC. We also have a strong community radio presence in Voice FM. In other parts of the electorate, the Leader Newspaper Group operates, and there are numerous privately owned, small community newspapers.

When the government first attempted to get this bill through its party room, the bill allowed common ownership of TV, radio and newspapers in metropolitan and regional areas. The government has now attempted to soften the opposition from its regional members by allowing only two of the three major media types—television, radio and newspapers—to be covered by the cross-media ownership exemption in regional areas. The government’s amendments are in fact an admission that there is a problem with its bill in that its laws will have a significant impact on media diversity. Relaxing the media ownership laws in regional Australia through the two out of three limit will still allow for substantial domination by only a handful of media owners.

The diversity of media ownership in my community means that people in my electorate have access to a wide range of news, information and opinion—not just about local issues; local media ensures that state, national and international events are reported with a local element. The diversity of media ownership in my electorate is part of its strength and is why my community is so well informed and passionate about issues of public concern. The government, in weakening the media ownership laws as they apply to regional Australia, will undermine this.

The media outlets in my electorate are major generators of jobs growth in my electorate. With daily news services from all three major types of media in Ballarat city, we have in effect become a training ground for some of the major metropolitan media outlets. I come across journalists—many in the press gallery here—who started their careers with the Courier, WIN TV and 3BA. Our local media contribute significantly to community events through sponsorship, community service announcements, promotions, fundraising and participation in local community organisations. Concentration of local media ownership could see a constriction in the employment offered through local media jobs and a reduction in the spread of community support activity undertaken. Regional media companies will be the first to disappear should this bill be passed.

The submission to the Senate inquiry by Grant Broadcasters, an independent broadcaster that owns my local radio station, 3BA, could not have been stronger in its opposition to this bill. It stated:

We are vehemently opposed to the Broadcasting Services Amendment (Media Ownership) Bill 2002 for the following reasons:-

1. There is no demonstrated public benefit in the amendments.
2. There will be a decrease in competition for advertising.
3. There are unlikely to be any independent broadcasters left as they will be at a competitive disadvantage.
4. The long-term effect is that Australian media is likely to be owned and controlled by foreign companies.

5. There is currently insufficient diversity in ownership in Australia.

6. Local news and service to the community in regional Australia will decrease further and there could be a general lessening in the provision of all services.

7. It is doubtful the Australian Broadcasting Authority will be able to effectively police the amendments.

Grant Broadcasters specifically cited their experience in Wollongong, where grandfathering of the current cross-media ownership laws sees the WAVE FM station, owned by Grant Broadcasters, up against the jointly owned WIN TV and i98. With the TV and radio stations commonly owned—exactly the circumstances the government is proposing in this legislation—Grant Broadcasters state that competing in this environment for limited advertising revenue is extremely difficult. Grant Broadcasters are concerned that the media concentration allowed by this bill will lead to larger media companies having more control over advertising rates and placement, leading to decreased competition and the loss of smaller local independent operators such as themselves. The government amendments do not address this issue. In fact, they exacerbate it.

The bill does contain provisions for minimal regional news and information coverage. Whilst I recognise the government’s attempt to maintain local news services in regional areas, I am concerned that this sets the bar at the lowest common denominator. This part of the bill also pre-empts an ABA inquiry into regional news services. If the government were so concerned about the access of people in my constituency to local news, they would not seek to link the issue of cross-media ownership to that but would treat it as an entirely separate issue that needs a separate solution—one that understands the nature of regional media and the specific problems they face in competing with metropolitan operators.

This bill, even in its amended form, does not address concerns of concentration of ownership or loss of diversity of news, opinion and information through regional media, nor does it address the concerns of small, independent, regional media operators. This bill is not good news for regional Australia, and regional MPs who are supporting it are kidding themselves and their electorates if they think it is.

The objective of any reform of our media laws must be to ensure media diversity. This bill does exactly the opposite. It will allow the concentration of media ownership into the hands of a few large operators; it will squash independent operators such as Grant Broadcasters. With this bill, the government is basically writing off small and independent media companies in regional areas, who already struggle to compete against the market power of major media networks. The Senate inquiry into this bill saw the vast majority of witnesses criticise the bill. The amendments go no way towards addressing the fundamental concerns they raised. The only people to benefit from this bill will be the big media companies, and not the companies that have invested in regional Australia. I continue to oppose this bill. It will damage media diversity, it will see the demise of small media owners and it will be bad for the promotion of democracy in my electorate.

Mr BARRESI (Deakin) (3.51 p.m.)—It is quite strange to get up to speak today on government business after what has taken place in the last two days in this House. Nevertheless, I have been waiting about three weeks to give this speech and I know that my contribution is eagerly anticipated by some in my electorate. I support the Broadcasting Services Amendment (Media Ownership) Bill 2002. The bill seeks to update the existing Broadcasting Services Act 1992 by repealing the current restrictions on foreign ownership and control of Australian commercial television and pay television licences. It is also worth noting that this bill delivers on one of the government’s election commitments: to simultaneously reform foreign ownership and cross-media ownership restrictions. The bill brings anachronistic laws relating to the control of the Australian media up to date in what is a very dynamic industry.
The reforms proposed stem from a lengthy and thorough investigation into broadcasting in Australia conducted by the Productivity Commission. This was brought about through the Competition Principles Agreement to review legislation that restricts competition. Through this agreement we are slowly witnessing the freeing up of legislative restrictions to competition, which in turn has had substantial pay-offs for the consumer. We cannot demand free and open competition in one sector of Australian industry and turn a blind eye to other areas. The broadcasting services sector is no sacred site immune from open competition. The Productivity Commission’s report was released in April 2000 and detailed a number of areas in need of attention in the broadcasting sector.

The Australian media has come on in leaps and bounds in recent times, but the time has come for us to update our legislative framework and keep the laws relating to ownership of Australian media and foreign investment contemporary. Under current legislation, restrictions are in place which impede commercial flexibility, access to investment capital and content or production investment. This bill centres around the licensing of the television and print media. Commercial radio licences, as we know, have no restrictions in terms of foreign ownership.

Given the size of this bill—it is quite daunting to go through the entire bill—I intend in the time I have to primarily focus on the impact on the television sector of the Australian media. Currently there are relatively tight restrictions on foreign ownership and control of commercial, free-to-air and pay television broadcasters. The current act clearly prohibits a foreign person exercising control over a commercial television licence. The act also restricts to 20 per cent the company interest that foreigners can have in a commercial television licence. It further stipulates that no more than 20 per cent of directors of each commercial television licence may be foreign persons. The Productivity Commission has evaluated these restrictions and, given the current climate of change in the media, it came to the conclusion that the restrictions need updating.

The cross-media laws were introduced in 1987 in a vastly different media setting than the one we have today. We should reflect on what has happened in the last 15 years and how this familiar setting has changed so dramatically. Australians are consuming media much differently. We have the advent of pay TV, multichannelling, broadbanding and the Internet. The lines are becoming blurred across these various forms of media broadcasting. Convergence of technology could leave our legislative response in its wake unless we act now. When the cross-media laws were first introduced pay television was not available to household consumers, the Internet was still in its primitive form and was not available as a popular means of accessing news and information, SBS was not available in regional Australia, there were considerably fewer radio licences and there were nowhere near as many magazines and other publications on the market. The introduction of digital technology into the Australian media has revolutionised the way in which news and information are produced and viewed.

Recently I had the opportunity to visit the new headquarters of HSV7 at Docklands in Melbourne with my good friend and colleague the member for Dunkley. We were amazed by the technology being used in this new production house. They are able to centralise the production of news and current affairs programs for the entire nation in this one location, but still have the ability to slot in, as appropriate, local news content from the various stations across our nation. A few weeks ago we had various demonstrations of digital television in Australia in the Great Hall. This gradual shift is seen as being perhaps the biggest change in television since its introduction, yet many Australians are upset by the current price of digital television—although I note that the price has come down in recent times.

It is expected that, through this bill, we will have a more open market in which domestic production houses will have the capacity and resources to develop new and exciting media, thereby creating a more com-
petitive climate and possibly leading to reduced costs for the consumer. These dramatic shifts in the way that news and information are obtained is important in the context of this legislation, and it is appropriate for us to reflect and to acknowledge the change that has taken place in the way news and information are gathered, produced and broadcast back out into the various regional locations and major cities across Australia. Just as we had no idea of the scope of the change that digital would bring about 15 years ago, we must think about what broadcasting will be like in another 15 years. If we are not at the forefront of change and broadcasting developments it will be very easy for Australia to fall behind.

The reform proposed in this bill is basically two-pronged. One aims to increase competition while at the same time improving services. If we were to lift restrictions to foreign ownership on their own, as some have suggested, we would be likely to create a situation where Australian companies are forced to compete against companies with many more resources. Australian companies would inevitably lose out to massive global media conglomerates. We cannot simply open up the market to foreign ownership without addressing the issue of cross-media ownership at the same time. By lifting the cross-media ownership foreign investment restrictions at the same time, Australian business will have the opportunity to diversify their interests in other media. It will encourage the delivery of new services to Australian audiences.

The Australian media needs investment support from abroad if it is to remain innovative and competitive on a global scale. The removal of restrictions on foreign ownership, as they stand at the moment, without changing cross-media restrictions, would basically make the reforms pointless. Foreign investors will be discouraged from investing in the Australian media sector if they are going to be told where to invest. Due to the changing nature of media and its forms, companies need capital to remain up with the times. If Australian broadcasters are denied access to foreign capital because of stringent foreign investment laws, our domestic broadcasters will struggle to gain any advantage at all.

Contrary to the claims of the opposition and other detractors, this bill is not an attempt by the government to sidle up to the world’s media moguls, particularly Murdoch and his News Ltd group. Similarly, companies like Packer’s PBL are not given the go-ahead to buy up Australian media outlets. Quite apart from the restrictions imposed by this legislation, foreign media moguls will still have to run the gauntlet of the Foreign Investment Review Board, which has as the final arbiter the Commonwealth Treasurer. The Treasurer will retain the power to accept or reject foreign investment proposals in relation to their impact on our national interests. The removal of the current restrictions will not wave the white flag to every media mogul in the world to come to Australia to invest.

Diversity in ownership is not required to guarantee diversity in opinion and information in the Australian media. This bill has a number of measures contained in it to help prevent the content of news and information being affected by commercial bias, and I will address some of these measures a little later. The reforms lay the foundation for a freeing up of the media sector in Australia to enhance the services on offer with a reduced level of control. Furthermore, competition will still be closely monitored under the Trade Practices Act 1974. Through the various instruments contained in that act, investments and acquisitions that affect competition will still be closely scrutinised by the consumer watchdog, the ACCC. Furthermore, the bill provides for the administering of cross-media ownership certificates to be issued by the Australian Broadcasting Authority, which will keep a record of all organisations seeking cross-media ownership. However, benefits from opening up the media market are not limited to the consumer; obviously media organisations will also benefit. Consumers win because of increased quality of services and choice; organisations win because of increased resources—and, through that, we trust there will be a win for the employment market, with job seekers being able to enter the
growing media organisations and take up the opportunities that are provided as a result.

Opponents of this legislation would say that, by increasing foreign investment, the government would allow news content and broadcasted information to be affected with the emergence of a market dominated by the Murdochs and Packers of this world. This argument has no foundation, as the bill prescribes that no broadcast outlet will be allowed to reduce existing levels of local news and information or exert influence over it. As I have outlined, the bill does not create a series of monopolies, as it retains regulation over the structure of media organisations. Regulations such as the number of licences able to be controlled by an individual organisation and the percentage of audience share able to be controlled by a person or single entity are very much in place. These regulations will be preserved. This bill is about allowing greater foreign activity in the local media market, with the media players remaining subject to ownership laws. As will remain the case, no single person can own more than one television station or more than two commercial radio stations in a market.

Those talking down the legislation may say that we will end up with narrow views and editorial opinions being broadcast. I know that my colleagues in regional Australia are adamant that local regional news services should be independent of big city control. A close look at the bill shows that there is a series of tests that organisations applying for cross-media ownership must take. These tests include ensuring the media organisation has separate editorial policies for each group, appropriate organisational charts, and separate editorial departments dealing with news management, news compilation and interpretation. Moreover, this bill includes a new section which combats the issue of editorial separation. This refers specifically to the structure of organisations running two or more editorial departments. Section 61F in the legislation clearly outlines that editorial decision making, interpretation and presentation are controlled as separate entities independent of each other. Organisations engaged in cross-media ownership will need to prepare organisational charts illustrating the separation. This delineation creates an unambiguous emphasis on transparent and wholly independent views being presented.

In his contribution, the member for Calare made note of his experience in the media and of the editorial interference that he witnessed under current legislation. I ask the member for Calare to make himself fully aware of the provisions in section 61F, as should other members who are concerned about any editorial interference that they fear will take place. I know that some of these tests have been challenged, while other people maintain it is too easy for tests to be circumvented; however, there is currently a statutory limit to the number of news services which radio and television stations must broadcast. These are set at a minimum of five per week. Any station currently below the limit under this bill will have six months to come up to scratch. Similarly, the community service announcement quota will be maintained and the responsibility of media outlets in relation to emergency warning broadcasts is preserved. I once again make reference to the advancements that are happening in broadcasting and also to my visit to the Channel 7 studios in Melbourne which show that, with the emergence of high technology and digital technology, the ability to slot in local news, whilst still being produced from a central location, is very much part of the mainstream ability of these broadcasters. We are not dealing with old technology; we are dealing with new, state-of-the-art technology which has that flexibility.

Through this bill, there will be greater emphasis on matters of local significance. Radio stations will be required to provide bulletins that reflect this change. Ultimately any radio station with a cross-media ownership exemption will not be able to use a networked news service. This emphasises the intention of the bill to enhance the services available to the community. I refer the member for Ballarat to these provisions in the legislation, as I know that she is also concerned about the effect on local radio stations.

Australia’s movement in this direction is on the same wavelength as countries like the
United Kingdom. Only recently the United Kingdom announced an agenda of reform that will substantially open up current media ownership systems in place throughout that country. The notion of diversity of voice will also play a part in the Australian media. As is the case in the UK, despite an increase in entrants into the market, there will always be at least three commercial, local or regional voices across newspapers, television and radio. The controls under the Broadcasting Services Act 1992 will uphold this rule in Australia.

I note that Canada does not have any cross-media ownership limits. Its system is aligned to the model proposed in this bill in that the certificates of cross-media ownership are granted by a government agency. This ensures that the government maintains some control over competition.

The authority of the ABA has been previously tried and tested. There are no substantial fines for organisations breaching any of the prescribed regulations. This bill does not alter any of the existing powers of the ABA. In fact, the powers are enhanced. The ABA will have the ability to sanction both the licensee and the controller of the licence. If the controller breaches any of the conditions that accompany the exemption certificate, they are subject to penalties of up to $2.2 million. The ABA can also require the organisation to break up from its original form.

There are a number of mechanisms within this bill that open up the media market in Australia whilst protecting the interests of consumers. The bill provides choice while encouraging innovation. It places more emphasis on the quality of service available to consumers. And, importantly, a more competitive, better resourced marketplace will assist the industry as a whole. I commend the bill to the House.

Mr LATHAM (Werriwa) (4.09 p.m.)—I support media diversity—not just diversity in ownership, but, most importantly, diversity in media opinion. The Broadcasting Services Amendment (Media Ownership) Bill 2002 should be opposed for the way in which it would stifle diversity in Australia’s media. It would put more power in the hands of the big media holdings and lead to a narrowing of media opinion across the country.

Indeed, this is a bill for the insiders—those who already hold power and influence in the Australian media. What we need is a government that is willing to empower the outsiders, to break down the centres of power in our society and democratise all aspects of our national life—in politics, in public culture, in the economy and in the media. This is the key test for the laws governing Australia’s media ownership.

I believe it is possible to identify two distinctive political cultures in this country. The powerful centre of our society, concentrated in the international heart of the major cities, talks a different language from suburban communities; in lifestyle and political values, they are poles apart. At the social centre, people tend to take a tourist’s view of the world. They travel extensively; they eat out; they buy in domestic help. This abstract lifestyle has produced an abstract style of politics and media commentary. Symbolic and ideological campaigns are given top priority. In the suburbs, by contrast, the value set is more pragmatic. People lack the power and resources to distance themselves from neighbourhood problems. This has given them a resident’s view of society. Questions of social responsibility and service delivery are all important. What matters is what works.

Unfortunately, the Australian media are dominated by insiders, and this applies to both the Left and the Right of politics—the old and the new establishments. Let me give one example. Australia’s best known, and perhaps longest standing, left-wing newspaper columnist is Phillip Adams. One of Australia’s most prominent right-wing columnists is Piers Akerman. At face value, one might regard them as poles apart. But in fact they are soul brothers. They are both political insiders living in the inner city enclave of Paddington. As such, they have very little experience with suburban life and suburban values. They both practise an abstract and symbolic style of journalism; they are both out of touch.

Whether it is the Left or the Right in Australian media opinion, it is an insider’s job. We do not have people who live and write
from the great suburbs of this nation. We have a lack of media diversity. We have a lack of diverse media opinion. And this bill would make it much worse. It is bad enough as it is at the moment. This bill would make the problem even worse. We do have a lack of diversity in the Australian media, and it applies to most media outlets. We have a paucity of outsiders. The suburbs are badly underrepresented, both in the journalistic profession and among those who call themselves opinion leaders in the newspaper columns.

I can refer to my own experience. During my time on the backbench, I wrote a newspaper column for the Daily Telegraph between 1998 and 2001. That newspaper, to their credit, knew that they were hopelessly underrepresented by columnists and journalists from Western Sydney. To their credit, they tried to do something about this embarrassment. They were always promising to do something about it but they were never able to achieve a higher level of representation from Western Sydney.

When I came on board in 1998, they had Miranda Devine. She reckons she knows something about Western Sydney, but she is from the lower North Shore. They had Piers Akerman, who lives in Paddington and has a holiday house in Pittwater, a long way from the western suburbs that he purports to write for. And they had Michael Duffy from the eastern suburbs. Then there was me. I was from Campbelltown. I was the only Tele columnist who lived west of Annandale. With my departure, I must sadly report, they do not have anyone who lives west of Annandale writing for that paper and its Western Sydney audience. It is a paper of insiders trying to appeal to outsiders. That is one of the reasons why in recent times they have been struggling with their circulation.

This problem of narrow media opinion is reflected in news reporting and priorities. I recall the situation a few months ago when the Vinson report on school education threatened to close down selective high schools in Western Sydney, the very best of our educational institutions. Unhappily, it was seen by the Daily Telegraph as a non-issue. What did they put on their front page the day after this threatening Vinson report? The front page of the Telegraph was dominated by the theft of Hector the parrot. Of course, you need to ask where Hector came from. Was Hector a parrot from Blacktown, Liverpool, Bankstown or Fairfield?

Mr Pyne interjecting—

Mr Latham—No. There were three or four pages of coverage about Hector. Hector was from Ryde on the lower North Shore. Hector came from the Prime Minister’s electorate. Sadly enough, in the narrowness of media opinion in this country, even the parrots are insiders. Even the parrots are insiders in the extensive coverage in the Daily Telegraph.

There is a lack of diversity in media opinion. I know my colleague opposite, the member for Sturt, would have reservations about this legislation. I think he was indicating some to the House by way of interjection, and I am sure that, along with other small ‘i’ liberals, he would be opposing this bill in his heart, but he might not be able to bring himself to oppose it in a vote in the House. So we do have a problem, and the member for Sturt knows the problem full well. We have the same insiders and opinions that are recycled—

Mr Pyne—Mr Deputy Speaker, I raise a point of order. The member for Werriwa should get a wig and a gown if he is going to start verballing other members of the chamber in this way.

The Deputy Speaker (Hon. I.R. Causley)—Order! There is no point of order.

Mr Latham—As you know, Mr Deputy Speaker, members who break the standing orders and interject do so at their own peril. I thought that is what he said, but if not I stand corrected. But we still have this problem in the Australian media: the same insiders, the same opinions recycled week after week. This problem is particularly acute on the conservative side. The same opinions are repeated endlessly.

I would suggest to the House that the best way to understand this phenomenon is to read a revealing new book by David Brock called Blinded by the Right. It lifts the lid on the corrupted networks and fraud of the neo-
conservative project in the United States media. The similarities with Australian columnists such as Piers Akerman are quite stunning. David Brock was one of the heavy hitters of the American media during the Clinton period. He led the attack on Anita Hill, he broke the Troopergate story and he discovered the notorious Paula Jones. He was a darling of the Republican Right. But behind the scenes the story was quite different. Over time, Brock came to see the futility and fraud of neoconservative journalism. This is the story he tells in *Blinded by the Right*. As a young man he got into politics and journalism as an act of rebellion against his family. He writes about this, and I quote extensively:

I had begun my career by suppressing my liberal social values to get ahead in the conservative movement; I then abandoned the conservative traditions of restraint and civility for Gingrich ends-justify-the-means radicalism. As a closeted gay man, I did the work of the right-wing lawyers of the Federalist Society, the Christian Coalition, and the worst bigots from Arkansas—racist, homophobic Clinton-haters. Through it all—the destructive partnership, the careerism, the personal aggrandisement—in my mind I managed to rationalise each of my actions.

He then goes on to write:

All the attacks, the hateful rhetoric, the dark alliances and strange conspiracies ... it all led right here: I lost my soul.

That is the story of David Brock in the United States, and the comparisons with Piers Akerman are indeed quite remarkable. Paddington Piers comes from a traditional left wing family with a deep concern for refugees and multiculturalism. His brother Kim is one of Australia’s leading experts in Aboriginal culture, history and social justice. As a young man, Piers Akerman was a Maoist who signed up to the Association for International Cooperation and Disarmament and denounced the Vietnam War as ‘one of the most obscene crimes of the 20th century’. Today, of course, he is the ultimate chicken-hawk: someone who did not want to go to war himself but now urges war for young Australians in Iraq.

Akerman then turned on his family, his own flesh and blood, to seek the embrace and encouragement of the other side of politics. He wanted to prove himself by winning the support of those who are least likely to approve of someone called Akerman. In effect, however, this meant leading a double life. In his book, David Brock writes of the double standards of neoconservative journalists, preaching morality and family values in public yet leading a life of decadence and hypocrisy in private. So too with Akerman. I note the comments of my colleague the member for Wills in October 1997 in this place, when he said:

I too have been aware for some years of reliable reports that Piers Akerman was a cocaine user—and much more recently than the 1970s. The copy kids who worked at News Ltd in Sydney in the mid-1980s could hear him in the toilet at 9 p.m. snorting cocaine while he was working on the *Australian* and he used to reminisce at the local pub about his drug-hazed days in the US.

This makes an important point; it is a telling point. But I think we can be too harsh; indeed, I would congratulate News Ltd for giving a drug addict a second chance in life. It is not easy. We should all appreciate the lesson that is involved, but I would also urge Mr Akerman to give others the same second chance: to give minorities, the dispossessed, the disadvantaged and the poor in our society the same second chance in life, just as News Ltd have given him a chance to write columns for their newspaper.

The comparisons continue. In his book, David Brock describes neoconservative journalists as ‘an army of (political) operatives posing as commentators’. It is a very useful quote. That is the problem we have in Australia. It is the narrowness of media opinion; it is the insider’s job that would be made much worse by this particular legislation passing through the parliament. In Akerman’s case, I am indebted to my colleague the member for Griffith, who has provided some statistics about the narrowness of Akerman’s opinion—indeed, the political bias that is involved. I quote from the member for Griffith’s article in the *Daily Telegraph* on 9 September. He states that his office looked at:

... the 150 or so articles—
that Akerman had written—
since the beginning of last year ...
The member for Griffith goes on to state:
The score card goes something like this: on 88 occasions, you’ve directly attacked Labor for its various crimes against humanity.

On 31 occasions, you’ve told us what a fine bunch of chaps the Liberals are. And guess how many times you’ve had something nice to say about Labor?

Just for respectability’s sake, I thought maybe you could have risen to the occasion once or twice by saying something positive. But no, the answer is a big, fat zero.

A telling piece of research that confirms the problem; it confirms the problem of the narrowness of media opinion in this country—a problem that would be made worse by this legislation. In fact, Akerman is not a commentator; he is a de facto press secretary for the Howard government. This problem is confirmed in Brock’s book, where he talks not only of political bias but the wilful invention of stories to suit political purposes.

At page 159, he writes of how he wrote articles that were:
... a mix of circumstantial observation and rumour—and no-one would ever be able to tell which parts of it may have been accurate and which parts were not.

So too with Piers Akerman. When I challenged him recently about one of his journalistic inventions, he responded that it is defensible for comments to be ‘wrong, even grossly exaggerated, based on prejudice or obstinacy’.

Piers must be really proud of himself today. His column in the Daily Telegraph starts as follows:

October 14, 2002 was Australia’s 9/11.

On Sunday, he referred to an Indonesian terrorist organisation called ‘FI’. Enough said—accuracy and Akerman are obviously foreign worlds. Indeed, it is measure of the man’s sickness that his column today uses the tragedy in Bali as an excuse to attack his fellow Australians, to continue his obsession with the ALP and to revive his prejudice against Muslim Australians. Why anyone would want to blame Australians who had absolutely no involvement in the Bali bombing is beyond belief. Akerman indeed is Australia’s answer to David Brock. At one level, it is surprising that a prominent and professional media group like News Ltd would maintain such a partisan and incompetent fool but, as I mentioned earlier, their Second-chance Drug Rehabilitation program is to be commended. They are a socially responsible organisation. Other organisations are also quite tolerant. In his book, David Brock exposes the role on the congressional aides and right wing think tanks—

Mr Pyne—Mr Deputy Speaker, I raise a point of order. I am loath to interrupt the member for Werriwa, but I ask you to point out to him that he is supposed to be discussing the media ownership bill, not launching personal and vindictive attacks on particular journalists.

The DEPUTY SPEAKER—The member for Werriwa has been tying in his comments to the media ownership bill. He has been keeping his comments very smartly to the bill.

Mr LATHAM—We have a problem of narrowness of media opinion in this country. As the Brock book exposes, in the United States it is fed by congressional aides and right wing think tanks in the United States, confirming what Hillary Clinton described as ‘a vast right-wing conspiracy’. In Sydney, the Centre for Independent Studies hosts a monthly lunch in Balmain of all places, where it coordinates the neoconservative approach to the culture war, feeding gossip and attack lines to journalists and other commentators. In Akerman’s case, most of his material comes directly from the Prime Minister’s press secretary, Tony O’Leary. Paddington Piers, for instance, was an integral part of the government’s slur campaign against Justice Michael Kirby. He was constantly briefed about the Heffernan bucket-job and the Prime Minister’s intentions, until the matter was exposed as a fraud and an embarrassment to the government.

As the Attorney-General would appreciate, none of this is good for the health of our democracy. The media should be impartial rather than partisan. It should commentate on the political process rather than participate in it. It should not be a freak show for neoconservative politics and its pursuit of the culture war. Traditional conservatives understand the point, as I am sure the members
opposite would agree. In the United States, Republican strategist Lee Atwater ridiculed hard-core conservatives as ‘the extra chromosome crowd’. Towards the end of his book, David Brock laments how he had become a dancing bear for the far Right. In Australia, of course, we have this problem of media narrowness and, on the neoconservative side, they have a troupe of dancing bears. There is Akerman, Andrew Bolt and Janet Albrechtsen—Cokey, Nancy and Filthy—dancing the same step to Tony O’Leary’s drum. I can understand why News Ltd employs Akerman—it is a socially responsible corporation—but does it really need three dancing bears when one would suffice?

In the last sitting week, I explained to the House how Bolt does not practise journalism but paranoia. Bolt was engaged in an act of journalistic fraud, emailing my office on 29 August with the false claim that he had ‘a very funny confrontation with Stephen Roach’ and that he wanted to write ‘a very funny little item’, even though he intended to do the opposite. It is difficult to understand how News Ltd can continue to employ someone who is regarded, even by his colleagues, as a fraudster. I have an email which further demonstrated this approach. It is an email that Andrew Bolt sent on 30 August to the aforementioned Stephen Roach. He wrote as follows:

Sorry Steve but I forgot the other questions. Did Latham have anything to do with your decision to approach me on Wednesday? Did he urge on you or ask you to go over to me? Can you tell me what connections you have with him?

Recently, Mr Bolt made himself notorious for saying that women should not be in the Australian parliament because they are irrational. How irrational is this? This is not journalism; it is paranoia. It is the work of an irrational and paranoid mind. In his recent comments, Mr Bolt said that we should not have more women in the Australian parliament because women are more likely than men to practise witchcraft. I suggest that what he calls journalism is a lot closer to witchcraft than any of utterances that you might hear from women around country.

In Albrechtsen’s case it is even worse. She has a history of inaccurate and malicious journalism, having been found guilty in several defamation cases. In one of her pro-USA columns in February this year, she fabricated words by General Norman Schwarzkopf. Earlier this month, in her desperation to attack the union movement, she failed to disclose her personal financial interest in the collapse of Ansett. Then in a notorious exchange, Mediawatch exposed her attacks on the Muslim community in this country as being based on plagiarism and journalistic fraud. She is David Brock in a dress. Albrechtsen has not even attempted to refute these claims, preferring instead to launch a distinctly uncivil attack on Mediawatch itself. If an academic, a politician or any other public figure had such an appalling record of inaccuracy, fraud and incompetence, they would be sacked—no questions asked, just sacked. Albrechtsen’s survival is a very bad reflection on the professional ethics and standards at News Ltd.

So we have these three dancing bears for the neoconservative cause in this country. It is a sign of the narrowness of media opinion. I am very concerned about these developments at News Ltd: not only have they not recruited journalists and columnists from Western Sydney to replace me; they have narrowed their base to the dancing bears and to neoconservative political partisanship on the pages of their newspapers. This bill, of course, would worsen the problem. This is a bill to narrow the ownership of Australian media. As you narrow ownership, inevitably you narrow opinion, you reduce the media in its standards and you reduce its diversity of coverage. You reduce its gene pool: the number of journalists it can call on to produce reporting and opinion for the nation. The bill should be rejected.

As I said at the beginning, we need a government that helps outsiders, a government that empowers people in the great suburbs and towns of this nation, to play a bigger role in the economy, in our society, in the political system and, most importantly, in the media. This is legislation for the insiders. It would give extra power to those who already have influence and a big say in the pages, the
screens and the sounds of the Australian me-
da. We do not need legislation for the insid-
ers. We do not need a narrowing of own-
ership and opinion; we need a very different
approach to this bill, which should be com-
prehensively rejected by the House.

Mr PYNE (Sturt) (4.29 p.m.)—Before I
touch on particular aspects of the Broad-
casting Services Amendment (Media Owner-
ship) Bill 2002, I make the point that the
member for Werriwa should wear a wig and
a gown the next time he comes into the
chamber and tries to verbal other members.
He adds to the most negative stereotype of
politicians who come into this House and use
the privileges that the House extends to slan-
der other members of the Australian com-

munity who do not have the opportunity to
come into the House and defend themselves.
His attacks on Piers Akerman, Janet Al-
brechtsen and Andrew Bolt are all of a piece
with someone who believes that the law does
not apply to them. He can come into this
House and slander these people with the pal-
try evidence that he put to the House and
they have no capacity to sue him. (Quorum
formed)

I thank the member for Werriwa for en-
suring that the speech I am giving is even
more relevant. Before the call came for the
forming of a quorum, I was commenting on
the speech made by the member for Werriwa,
who claimed that he wanted to broaden the
media base—he complained that the media
ownership bill would continue to narrow the
base—but he then spent the remainder of his
contribution, almost his entire speech, trying
to eliminate one particular source of opinion
in the press—namely, that of conservative
writers like Andrew Bolt, Janet Albrechtsen
and Akerman. On the one hand, he claims
that this bill will narrow the base, which he
is opposed to; on the other hand, he uses his
speech to try and eliminate a sector of opin-
ion that he does not agree with. (Quorum
formed)

In all seriousness, while the member for
Werriwa appears to think it is terribly amus-
ing to keep 35 members of the government
from their work, I would remind him that
these members are probably trying to help
those who may be trying to find loved ones
and those who are involved in looking after
the injured in Darwin and bringing people
back from Bali. By being so flippant and
trivial about this debate, he is keeping them
from other work that they could be doing for
their constituents.

The member for Werriwa has unfortu-
nately developed a Hillary Clinton syn-
drome: he is so convinced of the conspiracy
theories and paranoia regarding the so-called
neoconservative right that he is now using
the debate on the media ownership bill to
expound such views. I think he should take
his lead from those in the White House who
started to push Hillary Clinton away from the
centre of power in the Clinton years. His
speech was a terrible attack and slander on
people who cannot come in here and defend
themselves—Piers Akerman, Andrew Bolt
and Janet Albrechtsen. The only one he left
out was Paddy McGuinness. He has been
rowing with Paddy McGuinness for the last
month. I am surprised and shocked that he
did not use his speech as an opportunity to
row with Paddy McGuinness, who is a very
decent commentator on political happenings
in this country. The member for Werriwa and
Paddy McGuinness are locked in yet another
row, and the member for Werriwa is yet
again trying to narrow the base of media
opinion in this country by eliminating from
the media all those people who do not share
the views of the ALP.

I will give the member for Werriwa a cou-
ples of examples. We do not usually get a
good run out of Phillip Adams. Philip Ad-
ams does not usually give us a good run in the
Australian. Kenneth Davidson does not
usually give the coalition a good run in the
Age. But you do not hear us running to the
press corps saying, ‘Get rid of these people;
eliminate this opinion.’ Goodness, for 13
years and most of the last eight we have put
up with the fact that the press gallery largely
does not support the Liberal Party. But you
do not see us complaining about it; we just
get on with the job. This bill is about trying
to give people greater opportunities to ex-
press opinions.

In any discussion about media policy, we
need to define the role we expect the media
to play in contemporary Australia. I believe
that the media has a critical role to play in the proper functioning of our democracy and in our economy. Without an informed public, democracy is compromised, so it is in everyone’s interests that all Australians have access to objective and informative coverage of local, national and world news. That network of news coverage includes the publication or broadcast of opinion pieces and investigative reporting. The delivery of these services lends itself to a more aware electorate who are better placed to make important decisions at the ballot box. Likewise, consumers and producers have a right to product information, service reviews and financial analysis. An absence of this sort of detail works against the long-term interests of both consumers and producers. Without full and open access by markets to business news, our capital markets cannot reach their full potential. The current restrictions on media ownership are anachronistic and represent a restraint of trade.

Mr Pearce interjecting—

Mr PYNE—As the member for Aston has pointed out, the member for Werriwa has been broken by my withering attack on him and has scurried from the chamber to lick his wounds. He may well return for another bout down the track. The member for Werriwa would agree that the current media laws are anachronistic. They were introduced by the Hawke-Keating government and they are a restraint of trade. The member for Werriwa is one of those Labor members who—like the shadow minister at the dispatch box, the honourable member for Hunter—would agree that restraint of trade is a bad practice in a country like Australia, and I am shocked that the Labor Party would not support the lifting of this current restraint of trade. This is another example of the two-facedness of the Labor Party. The member for Werriwa has licked his wounds and has returned. He has bandaged himself and returned to the chamber, and I welcome him back.

Mr Hardgrave—He’s limping!

Mr PYNE—That is exactly right. As the minister has pointed out, he has limped back into the chamber. The rules limiting ownership have the effect of inhibiting quality journalism and the provision of better and more innovative services. If we continue down this path of substantially restricting media ownership, which was begun by the Hawke-Keating government, we run a real risk of dumbing down our media for consumers. We cannot grow our media and its news-gathering capacity if we continue to confine media to traditional roles and functions.

The media now operates in a highly competitive global environment. The advent of the Internet has made traditional boundaries more porous and has paved the way for new niche markets, and niche markets are a media growth industry. Media consumers are proving to have a voracious appetite for news, information and entertainment that is customised to their specific needs and tastes. This fragmentation of media sources has brought about a revolution in how we search, access and compare news and information. The emergence of pay TV and its various channels that cater to particular tastes, whether it be comedy, music, cartoons, movies, news or sport, are testament to that fact. With three players in the market at the moment and a reach of just under 25 per cent, pay TV is a major player in the Australian media market. As this media becomes digital, the explosion of new content available to Australian subscribers will be truly extraordinary. The demand for market specialisation in the media industry will continue to grow as services such as pay TV and the Internet become more mainstream.

In their August 2002 survey, Nielsen/NetRatings estimate that the total universe of Internet users in Australia is now 12.4 million. There were 7.9 million active users during that month, and they each visited an average of 44 Internet sites and read approximately 600 pages. The introduction of GPRS and the forthcoming developments in 3G are about to herald a new wave of information accessibility for Australians as news, information and entertainment become truly wire-less—available any time, anywhere. This fragmentation has far-reaching effects on the media landscape which cannot be ignored. The proliferation of media, channels and content providers available today in Australia provides a diversity not
imagined in this parliament when the current legislation was enacted.

As media fragment, it is becoming clear that the link between content and ownership is decreasing rapidly. Many of the paths to market for digital media carry content created by emerging niche specialists, while the same content may be delivered over multiple media. This is a critical development not only because fragmented media consumption requires fragmented media delivery but also because fragmented specialist content has to be paid for. For content providers to regain their costs, they must be able to deliver their service to the widest possible audience over as many media as possible.

The world has changed. To simplify that description, our newspapers are getting thicker, our Internet connections are getting fatter, and our TV remotes need more buttons. It is time to remove the barriers to the increased growth and diversity of media content. To succeed in this marketplace, media companies must acquire, produce and provide a greater array of content. It is this new media paradigm that provided the conditions for the recent AOL-Time Warner merger, and it is providing fertile ground for the expansion of Bell Canada and CanWest across conventional media markets. But the current media ownership regime prevents traditional media from pursuing these broader markets and opportunities.

If Australia does not modernise its media ownership rules, then these companies will stagnate and eventually fold. If they are to remain competitive, they will inevitably have to embark on round after round of cost cutting until the enterprise is no longer economically viable. The media does not operate in a financial vacuum. Without new investment and the opportunities it presents, media producers cannot grow and develop more specialised and innovative services that are at the cutting edge of technology. Consumers—all Australians—will be the inevitable losers.

The current media ownership rules effectively put a ceiling on investment and new growth opportunities in areas of technical advancement. The arguments to retain the current rules regarding media ownership structure no longer stack up. The only public interest argument for restricting ownership is to ensure diversity of news content and comment. If it can be shown that this is no longer a legitimate concern, then there is an onus on all of us as legislators to remove the burdens of overregulation of our media. The historical reason for restricting media ownership is a perceived concern that, if there are too few owners in the media market, news and media commentary will become increasingly one dimensional. Those who subscribe to that argument also maintain that foreign media owners are unfamiliar with the local political and cultural environments of the Australian media market.

From a cultural perspective, opponents to changing media ownership rules claim that foreign owners are predisposed to broadcasting foreign content. The fact is that Australian media owners are no more sympathetic to hosting Australian content on their stations than their foreign counterparts. Media owners are in the business of making a profit and providing jobs. To achieve those aims they must actively attempt to cater to the widest possible market by broadcasting programs that rate, irrespective of where those programs were produced. Australian free-to-air stations are obliged to broadcast a certain level of Australian produced programs by content regulations.

In its crudest form, the primary argument against liberalising media ownership rules is that foreign media owners will abuse editorial power. It is an argument that contradicts the evidence. Conrad Black’s well-publicised stoushes with the Canadian government are a case in point. In an article that appeared earlier this year in the Australian, the author, Andre Stein, made the observation:

… there are no restrictions on foreign ownership of Australian radio and no one of any note, including Labor and the Democrats, has yet complained about any pernicious effect the British-owned Daily Mail Group, which controls a large number of Australian radio stations, is having on our national interest.

If this is a genuine concern, then we can still preserve the fit and proper person test to ensure that media owners are of reputable character—although the feared media mogul
seems to be dying out. A quick inspection of the share registries of Fairfax, West Australian Newspapers, Channel 10 and most major commercial radio networks indicates that there is no single dominant proprietor. Indeed, since the advent of the Internet, with an infinite number of channels, the diversity of opinion has never been greater.

It is also an argument that fails to recognise that successful media organisations have built their high ratings on the back of diversity of opinion. There is little doubt that, if Channels 9 and 7 or the Ten Network made a conscious decision to promote blatant political propaganda, their ratings would fall rapidly. Indeed, keen observers of news and current affairs programs in the domestic media would notice that the trend in these fora is to present both sides of the debate, because that is what rates.

Those arguing to maintain the status quo also contend that the present rules regarding ownership structure protect our domestic media industry. Yet, under the present system, television news bulletins in regional and rural Australia are being cancelled, and there is no evidence to suggest that these programs are likely to return under the current ownership regime. Instead, the proliferation of syndicated programs, particularly in radio, has become a more dominant feature of the media landscape. In the course of this debate, it must also be remembered that prior to 1987 there were no cross-media ownership rules. More importantly, this did not prevent media consumers from obtaining their news from a wide variety of sources. There is scope for enormous and much needed change to our media ownership laws. The provisions of this bill grasp that opportunity.

Australia is not on its own in working towards relaxing the rigid framework of media regulations that are in place. Countries such as Britain and the United States are also looking to liberalise their media ownership rules. Australia needs to remove regulations that are an obstacle to domestic and foreign investment in this critical part of our information economy. Our media ownership rules need to be at the very least brought into line with our generally liberalised foreign investment rules. There is no longer any compelling argument to single out media as an exception to a more liberalised regime. (Time expired)

Ms CORCORAN (Isaacs) (4.48 p.m.)—I rise to put on record my deep concern at the changes proposed in the Broadcasting Services Amendment (Media Ownership) Bill 2002 to the regulation of media ownership in Australia. This bill proposes two major areas of change to the regulation of media ownership. Firstly, it seeks to provide an exemption mechanism from current controls preventing cross-media ownership of more than one form of media in any one broadcast licence area; that is, the bill proposes to relax the present laws that prevent one proprietor owning more than one newspaper, radio or TV station in one broadcast area. An exemption certificate would be granted if certain criteria regarding editorial separation of its different media outlets were met by the proprietor. Additional criteria specifying minimum levels of local news and weather content would also apply to regional media markets. Secondly, this bill seeks to repeal current specific restrictions on foreign ownership of television networks. Instead, reliance will be placed on the Foreign Acquisitions and Takeovers Act and the Trade Practices Act.

In making these changes, the government is effectively saying that it does not matter who owns the media in Australia so long as each media outlet has its own editorial decision making processes. In fact, who owns the media in this country does matter, and it is vital. Mass media has a significant impact on us every day of our lives. This applies to television, radio, newspapers and increasingly the Internet as well. The media—or the so-called fourth estate—also plays a crucial role in the very health and wellbeing of our democracy. We all rely almost exclusively on the media for information about what is happening around us: the local paper tells us about things happening in our local communities; the daily papers, radio and TV tell us about the rest of Australia and the rest of the world. We also get our information from the Internet, magazines and journals.

The media is a source of entertainment as well as information and education for all age
groups. How many of us have watched Sesame Street and Play School with our kids and noted how well what is presented is absorbed; it is wonderful and a bit frightening. This uncritical acceptance of what is presented to us through the media continues in adult life. I am struck again and again by the sameness of the experiences many have when they are represented in the media. Typically, the person concerned will tell me that the report was not quite accurate or sometimes quite inaccurate. Sometimes they are quite cross about this. Nevertheless, when questioned, they almost always admit that they accept everything else they read or see as gospel truth, despite their first-hand experience. This uncritical acceptance underlines the responsibilities media owners and those working in the media have to society. It is crucial to our wellbeing and to the health of our democracy that the media recognise and accept their responsibilities and act accordingly.

Our media should reflect our values, our culture, our needs, our priorities and our opinions. It is important for all Australians to be able to see themselves and their communities reflected accurately on the TV screen and in the pages of the newspapers. We get to know about our leaders and the issues in our society in government, business and the community. We hear and read the different points of view of Australians reported by journalists, analysed and distilled by columnists and given vent by the readership through letters to the editor and occasional articles.

Australia is not the only country in the world to regulate the ownership and operation of its media. The power of mass media is well recognised and seemingly still on the increase. To allow concentration of ownership is to concentrate that power in the hands of a few. That, in essence, is the threat to our democracy. The stated objective of the current media ownership rules is:

(c) to encourage diversity in control of the more influential broadcasting services ...

Logic dictates, therefore, that to do away with such rules will discourage diversity and allow for concentration of ownership and control. Australia’s current cross-media ownership laws ensure that there is some diversity in media across television, newspapers and radio by mandating that no single player shall own any more than one of those three media in any single market. The proposed amendments effectively scrap these provisions and allow any player in a metropolitan area to own all three—a newspaper, a television station and a radio station—in the same market. In regional areas the proposed rules will allow ownership of any two of the three types of media outlet.

Under the proposed changes, proprietors will be required to ‘maintain separate editorial decision-making responsibilities’ in each media outlet. They will be required to provide evidence that separate editorial policies are maintained; organisational charts outlining editorial decision-making processes; and evidence that news gathering, compilation, interpretation and management, and editorial decision-making processes are separate for each media outlet. These proposed safeguards would not protect the Australian public from the effects of excessive concentration of media ownership.

Firstly, power to issue exemption from cross-media ownership controls would be vested in the Australian Broadcasting Authority. The ABA chief, Professor David Flint, has recently stated publicly that the cross-media laws should be dispensed with altogether. Given his belief that everyone should be exempted, his judgment on who should be granted an exemption could hardly be regarded as objective. Secondly, the proposed criteria governing exemption from cross-ownership rules entail an extraordinary degree of government interference in the activities of media organisations. Do we really want to set up a situation whereby media managers and editors have to run back to the ABA for updated approvals every time decisions on staffing or operations change the basis on which they have gained cross-ownership exemption? Once in place, these obligations on media owners provide a powerful weapon for a vengeful government to use against a particular media organisation.

The Australian Press Council has condemned the proposals as a direct threat to freedom of the press, and there are other op-
ponents. The Australian Consumers Association, the Communications Law Centre and the journalists union, the Media, Entertainment and Arts Alliance, do not support this bill.

The government might believe that ownership is not an important factor in determining news and opinion in media operations, but the Productivity Commission’s inquiry into broadcasting in 2000 found:

... the likelihood a proprietor’s business and editorial interests will influence the content and opinion of their media outlets is of major importance ... This is particularly important given the wide business interests of some media proprietors.

This bill, by allowing a substantial concentration of media ownership in Australia, will be detrimental to the diversity of news, information and opinion in our media. It will be detrimental to our democracy and to our right to know what is going on and to be exposed to a range of opinions. The effect of the bill would be to create three huge media conglomerates based around our three commercial television networks. Under existing laws, we have around six major commercial media players. This is much healthier for our democracy.

The government claims it is possible to relax our cross-media ownership laws as new media, such as the Internet and pay TV, are providing further sources of news and information. However, only a small minority of people utilise these sources and there are serious question marks over what diversity they do offer. Recent research by the Australian Broadcasting Authority shows that 88 per cent of Australians use TV as a news and current affairs source, 76 per cent use radio, 76 per cent use newspapers, 10 per cent use pay TV and 11 per cent use the Internet. Just 21 per cent of homes have pay TV subscriptions, while 3.7 million households are Internet subscribers. However, the news sources available on the Internet and pay TV are controlled by traditional media in any case.

Australia’s more popular Internet sites providing genuine news such as ninemsn and F2 are operated by existing media players such as Publishing and Broadcasting Ltd and Fairfax. The emergence of any serious competition to our existing print, radio and television media is still very much in its infancy. The only new pay TV news is Sky News Australia. This is owned by the Nine and Seven networks in conjunction with British Sky TV—again, 40 per cent of which is owned by News Corporation.

The government has stated that its preferred position is that media acquisitions be governed by the Trade Practices Act and the Foreign Acquisitions and Takeovers Act and not under specific media legislation as is currently the case. The government obviously sees ownership of media outlets as equivalent to a retail chain or other business investment. This is not the case. The power of the media and the role it plays in our society set it apart. The power of the media demands special and careful legislation to protect it. A reasonable spread of media ownership is crucial to the wellbeing of our democracy.

This government’s proposal to slash regulation of cross-media ownership of our media comes on the heels of a long campaign to strangle the capacity of the ABC to provide diverse and independent news and current affairs coverage. The ABC has been constantly undermined by this government, from the blatant political appointments to the corporation board to successive dramatic cuts to its budget in successive years. The range and depths of concerns about these attacks on the ABC were identified clearly by a newly established branch of the Friends of the ABC during a recent visit by the shadow minister for communications to my electorate of Isaacs. I was told by members of the new branch that in their view the government sees the ABC as the enemy. During the meeting, they pointed out that the BBC receives four times the funding per head of population than the ABC. Yet, due to the vastness of Australia and the dispersed population, the ABC maintains an enormous regional network as well as Radio National, metropolitan stations, Triple J for young people and fine music FM. It is no wonder that the ABC struggles to maintain the quality news and current affairs output and the well-received entertainment programs it produces.
The massive budget cuts in the late 1990s have cut deeply into the ABC’s capacity to provide broad and independent coverage of all facets of Australian life. The Friends of the ABC pointed out the vicious circle affecting the ABC. Reduced funding leads to program cuts which then leads to reduced audiences. This allows an unsympathetic government to justify cutting funds even further. There is the fear that funding problems put pressure on the ABC to succumb to creeping commercialisation and the loss of independence. The government claims to have increased the budget in recent years but these increases go nowhere near restoring funding to previous levels.

The group expressed a deep-seated concern about the process of appointing new members to the board of the ABC. In their view there should be public accountability in the process of appointing new members—a view I wholeheartedly support. There needs to be an open process with clearly set out criteria upon which to assess potential new members. The group also made the point that the board should be given its independence and allowed to make its own decisions and, indeed, its own mistakes.

On every front, this government’s approach to the media—both print and electronic—undermines diversity and independence in the media services available to Australians. Any reforms to our media laws should ensure that media diversity remains the central objective, and this bill fails completely in this regard. I oppose this bill; Labor opposes this bill. This bill is bad for democracy, it is bad for media diversity and it is bad for Australia. This bill should be defeated.

Mr NEVILLE (Hinkler) (5.00 p.m.)—In speaking to the Broadcasting Services Amendment (Media Ownership) Bill 2002, it should not come as a surprise to honourable members that I have some very firm ideas about cross-media ownership. This is driven by the fundamental principles of freedom and diversity of the press—or in a more contemporary sense, the freedom and diversity of the media. I have always been attracted to Thomas Jefferson’s oft repeated dictum to John Jay of 1786, which is no less relevant today. I quote:

… our liberty, which cannot be guarded but by the freedom of the press, nor that be limited without danger of losing it.

Except in extreme circumstances of war, Australians have never tolerated—or should they ever tolerate—any interference with freedom of the press. It is a fundamental ‘given’ of our society. But there are two aspects of guaranteeing freedom of the press. The first is that we never tolerate any overt interference in the conduct of editorial freedom. The other is more subtle: it involves the constriction of opinion where, through ownership interests and/or the merging of news delivery services, opinion becomes one-dimensional. In its worst form, it uses its powerful influence, political favouritism and the promotion of commercial interest. This is something we should never tolerate.

With regard to the amendment bill itself, schedule 1 contains amendments to the Broadcasting Services Act to remove restrictions on foreign ownership on subscription and free-to-air television licences. Item 1 repeals one of the objectives of the original act. Item 3 removes limits on foreign company interests and directorships. Item 10 removes limits on subscription television licences. Schedule 2, item 4 provides exemptions to cross-media rules.

New provisions, including section 61C, provide that a person who has an exemption from cross-media ownership rules must meet certain conditions. Section 61D allows the ABA to issue a cross-media exemption certificate to a person whose application contains a set of conditions to which the certificate is subject, an undertaking to satisfy these conditions, and organisational charts illustrating editorial decision making responsibilities. Section 61E requires the ABA to give cross-media exemption certificates if it believes that the application is sufficiently detailed and provides a means of continuously meeting the objectives of editorial separation. Section 61F essentially defines what editorial separation is all about; namely, separate editorial policies, editorial charts outlining editorial decision making and, importantly, separate news management, news
compilation processes, news-gathering and news interpretative capabilities. Section 61P reinforces this while section 61N requires a register of cross-media ownership certificates.

New sections 61Q, 61R and 61Y talk about minimum news requirements, community service announcements and emergency warnings, and these are reinforced by sections 61U, 61V and 61W. The Minister for Citizenship and Multicultural Affairs, who is at the table, would remember when we worked together on the Local Voices report—as would you, Mr Deputy Speaker Mossfield, as another member of that group—that we found some extraordinary restrictions of local news, community announcements and emergency service warnings, which were in a deplorable state. The bill seeks to address that.

My main area of interest is the three government amendments to the amendment bill. These include the requirement that cross-media holders disclose the fact that they have a cross-media relationship. I am not going to go into the gory detail of that, except to say that there are a number of provisions in the bill requiring—when cross-media liberties are taken—that organisations must declare their relationship with another interest if that organisation broadcasts or publishes a particular story that has a relationship to one of their other interests. The method of disclosure has been made simple, whether or not it is television or press on the one hand or radio on the other. It only allows a cross-media holder in a regional market to own two out of three of a newspaper, a radio station and a free-to-air television station in the same market. And it prohibits commercial radio contracts or arrangements which restrict formats of such radio services, thereby restricting the diversity in such markets—and I will deal with that in some detail further on.

I take some comfort in the on record statements of the national media organisations in their acceptance of editorial separation. But some aspects of hubbing, networking and potentially pagination give me cause for concern. One communication from three media organisations to Senator Alston, of which I was sent a copy, put a cold chill down my spine. What was implicit in this was, if not a merging, then some form of coalescence of news services. I found it strange that in the lead-up to such a fundamental act three major provincial media players could have such a poor opinion of separation. Members might understand, then, why I favour the two out of three rule in that regional market provision. It stops some local demagogue controlling all three—newspaper, radio station and television station.

Returning to the Broadcasting Services Amendment (Media Ownership) Bill 2002 itself as distinct from these amendments we have just touched on, news services must be independent in their sourcing, compiling and presentation. For that reason I have a strong and abiding desire to see that editorial independence, diversity and choice are salient features of the landscape of the Australian media. But, having said that, there has certainly been a mood change in Australian media circles on the issue of cross-media ownership since we last visited this subject.

The Fairfax organisation argues that without critical mass diversity and quality cannot be guaranteed. It believes that critical mass allows for the delivery of quality, which in turn assures diversity. It believes that a country of our size can maintain competition with four major media organisations. It also says that synergies of content and branding can reinforce quality. PBL believes that the constriction of the Australian media market through excessive regulation reduces an Australian company’s ability to compete globally. The Seven Network calls for controls through competition law to ensure that diversity is delivered both in ownership and opinion. It is probably worthy to note there that, even with the removal of some of these cross-media ownership laws, the requirements of the Trade Practices Act and the regulations and authorities attaching to the ACCC will still exist in this bill. So it would seem that at least one aspect of the Seven Network’s concerns will certainly be met.

The Ten Network argues that new media laws will lead to greater efficiency, allowing for a range of capital and non-editorial skills to be merged. It claims duplication can be achieved without the loss of editorial inde-
pendence. It argues, too, that protection of the quality of the Australian media in a global market and the ability to compete in the international environment would be assured by media bodies being of a larger scale. A small operation, Southern Cross Broadcasting, argues for cost containment and viability.

In short, a common theme through the range of submissions to the Senate inquiry into the Broadcasting Services Amendment (Media Ownership) Bill 2002 is simply quality, and that quality is central to diversity on the one hand and the ability to compete in larger markets on the other. Another theme, and one which revolves around fairness and the ability to compete in a deregulated market, is that Australian companies should not be put at a disadvantage by overseas companies which are not similarly constrained. In other words, if we are to allow foreign ownership, it must be on the basis that permits Australian media companies to expand and meet that challenge. The overriding consideration is that there be a mechanism in all this—mergers, takeovers, buyouts, synergies and whatever—and that is that genuine diversity be transparently clear and that in matters of news, comment and current affairs there be editorial separation. This seemed to be well understood by the larger metropolitan players in their submissions to the Senate inquiry but not so vigorously embraced, might I say, by some of the regional players.

At times, we need to take a step back and ask: are there undue influences—covert or overt—or even just matters of default that have led to a concentration of opinion? While some of these influences may not break existing laws or codes of practice, they can narrow opinion making or restrict so-called diversity to narrow parameters. I have felt for some time that there has been a Sydney-centric influence, especially in the electronic media. In radio, we see prime ABC current affairs programs like *AM*, *PM* and *The World At Noon*, the commercials with four leading shock jocks and hub news services all coming out of Sydney. In provincial TV, country people will note that after the local news service—and generally that is only on the pre-aggregation station—and the 5.00 p.m., 6.00 p.m. and 7.00 p.m. state based news programs, whether they be ABC or commercial, all major news bulletins and current affairs programs come out of Sydney. The only exceptions are short news breaks, the ABC’s Friday *Stateline* and WIN’s late regional news. This is not said with any criticism of the individual programs or the individual presenters; it is not said with any criticism of the quality; it is not suggested that there should be limitations. It is merely said to emphasise the point of how easily opinion can be concentrated and how susceptible opinion can become to the prevailing environment in which it operates.

Therefore, when we allow for cross-media exemptions to be granted, it is essential that concentration not occur. For that reason I strongly support editorial separation, which will be a condition of receiving an exemption. The bill requires separate editorial policies, organisational charts, separate editorial management, separate news compilation processes, separate news gathering and a separate capability to interpret that news.

The record of two regional television companies in closing news services does not give one a lot of faith in the capacity of similar organisations to deliver vibrant news services in a cross-media environment. If they were not capable of delivering services in a vertical, in-house mode—that is, when they had a vertical control of what they were doing—what confidence could the government have that they would deliver them in a cross-media horizontal mode?

On that point, I would like to talk for a short time about the third of the amendments to the amendment bill itself. That deals with the limitation of program formats in commercial radio stations. I take some pride in having had some influence in this matter. I am not convinced that the spirit of diversity, competition and localism is abroad in the local radio industry, especially not in provincial areas. This amendment to the bill will prohibit contracts and arrangements which restrict program formats of commercial stations. It will highlight those situations where a person seeks to restrict the diversity of broad appeal programs available within a licence area by limiting one or other of the
program formats. This could occur at the time of the issuing of a new licence or the acquisition of a licence. The government is deadly earnest about this matter, and fines of up to $275,000 are envisaged for bodies corporate who undertake such activities.

Those of us who have grown up in country Australia will know that all stations used to have an AM radio licence. When FM became the new technology, stations were granted a section 39 licence in combination with that AM licence—that is, an FM and AM licence together—and the second licence generally had hot rock or similar populist type of programming. FM was suitable for that medium. In more recent times, we have allowed a second FM licence, thus creating three licences in a market. Organisations are now buying the AM licence and the section 39 FM licence. The mechanism they are using is a section 67 waiver, which is allowed under the Broadcasting Services Act and which permits them to hold the three licences on a temporary basis. The AM licence is then hived off to a less competitive entity or, in some cases, is sold or leased to a TAB station. The effect of that is not more choice, not more competition and not more diversity; and, in most cases—because many of the networks are using a hub—it does not carry with it localism.

The government seeks with this amendment to say that it created new licences specifically to give people choice, diversity, competition and, wherever possible, localism and did not intend that the Broadcasting Services Act would become a plaything for the constriction of those licences or for the removal of competition, choice and diversity in country markets.

A further indication of the seriousness with which the government views this matter is that the minister has made it clear that he is prepared to make provisions which will allow him to issue a ministerial directive allowing the ABA to re-evaluate a licence area and, where it considers it appropriate, to issue another licence. There can be no greater sanction on a radio station or a network than to have an extra licence put into its area if it is not delivering the diversity, the choice and the competition that was originally intended by this government and the previous Labor government. In other words, a company moving into a market to remove diversity by restricting one licence so as to enhance others is not doing so in the spirit of competition, diversity and localism; it is the exact opposite. The ultimate sanction that can be invoked in that instance and the one that would cause the most pain to someone doing that sort of work is the issuing of another licence. I do have some reservations about some aspects of this bill, but I have researched it thoroughly and I believe, on balance, that it should be supported.

Mr BRENDAN O’CONNOR (Burke) (5.20 p.m.)—The first requirement of any piece of legislation should be that it provides a public benefit. That should be outlined, as well as the means by which that public benefit is carried out. Unfortunately, the Broadcasting Services Amendment (Media Ownership) Bill 2002 addresses no such public benefit. It is a crude attempt to allow existing media proprietors greater access than they already enjoy to media markets, fulfilling the long held ambitions of certain holders of media licences. If passed, this bill will also allow the purchase of media outlets by foreign interests and will allow those foreign interests the opportunity to open up the Australian media to more foreign syndicated products, therefore potentially facilitating the decline of foreign content restrictions. This is in spite of government assurances that such measures would enhance rather than harm diversity of opinion on Australian airwaves.

Let me first deal, however, with the proposed government amendments to this bill. The government seeks only to allow a cross-media exemption in regional areas to apply to two of the three media types—that is, television, radio and newspapers—covered by the cross-media rules. The government would still allow for cross-media ownership of all three media types in metropolitan Australia. It should be recognised that this more liberalised form of cross-media ownership in regional ownership outlines the continued need for cross-media laws.

We on this side of the House continue to assert that such laws are required in metropolitan areas. Otherwise, the abuse alluded to
A further change by the government to the original bill would require media businesses holding cross-media exemption certificates to disclose cross-media holdings in certain circumstances. Although this amendment is well intended, it will be ineffective in achieving its aim. Against the growing concentration of media ownership, this proposal will merely pay lip-service to the notion of protecting media diversity and local content.

Labor are not entirely opposed to relaxing the restrictive foreign ownership rules, but we are fully against opening our broadcasting services to overseas interests carte blanche. We are opposed to no protection and we oppose the way this bill discriminates against local proprietors. It is now possible for a foreign proprietor to take over an Australian media outlet and not be stopped from incorporating the local editorial service into their overseas operations. Under this bill, this would not occur with local owners. A local proprietor taking over another local media outlet would be compelled to apply the proposed editorial separation test alluded to by the member for Hinkler. The government’s decision to favour foreign owners over local proprietors in this area is bad policy and contrary to the government’s supposed aims.

Overall, these belated and token changes do not alter the fact that this bill will diminish local content, place greater media control in fewer hands and set back media laws in this country. A prominent Australian once said that the question was whether to allow ‘the most intimate form of propaganda known to modern science’ to be in the hands of ‘people who did not belong to this country’. That prominent Australian was the founder of the Liberal Party, Prime Minister Robert Menzies, speaking in 1956, the year of television’s debut in Australia.

Looking at the Liberal Party’s current attitude to the ownership of the media in Australia provides a stark contrast. Coalition policy going into the last election was to provide wider access to an array of broadcasting services. We are entitled to ask: wider access for whom? Certainly not the public. This means access for current media moguls to expand their interests in a wider market. Again, where is the public interest in this? The government’s policy further intends to bring about, as it says: ... a media ownership regime which enables Australia’s media sector to flourish while protecting its diversity.

This really means allowing business interests to flourish with no special provisions to protect diversity. The legislation now in place has a clear description of what it considers to be a public benefit to protect diversity of opinion in Australian media. It describes a means to bring this about—namely, constrain ownership. However, as the Productivity Commission has pointed out, there is no necessary connection between the diversity of ownership and diversity of opinion. Different licensees, for example, could broadcast the same network or syndicated content, as is often occurring now on the Internet where the more popular news sites carry content sourced from the traditional media such as PBL, News Corp, Fairfax or the ABC.

It is important to acknowledge that the new media access is expanding, but a close scrutiny of news sources available on the Internet and pay TV reveals that they are controlled in the main by traditional media owners. Could one licensee therefore have different newsrooms? The government think so. They would implement an editorial separation test, which of course would only apply to local companies, requiring that cross-media owned companies must meet these separation standards. It is not difficult to see that there would be substantial commercial pressure on licensees to share resources between newsrooms leading to the eventual merging of resources between them. Commercial realities would eventually dictate it.

There is also a very questionable aspect to the editorial separation test mentioned earlier in the debate by the member for Melbourne. It would facilitate direct government interference in media operations for the first time in Australian history. The test is to be overseen by the Australian Broadcasting Authority, who can inquire into organisational, editorial and news making processes of cross-media owned companies. This potentially is a dangerous precedent. It has been criticised
already by the Press Council as an outrageous interference by government in the independence of the media.

We have already seen how prepared this government has been to undermine the principle of media independence with its preparedness to stack the ABC board with its own. Its most notable example is one Michael Kroger, who has never been backward in his willingness to make partisan political statements while a member of a nominally independent, taxpayer funded body. Professor David Flint, currently head of the Australian Broadcasting Authority, is a fully paid up member of the Howard fan club and has been prepared to say in public that the current laws should be scrapped. This is an alarming insight into the kind of independence that the ABA might show.

Does diversity of ownership ensure diversity of views? It does not. However, we cannot legislate for diversity of views, and diversity of views is subjective anyway. For proof of this, one need only examine the continued accusations of political bias on the ABC, despite repeated findings by the government’s own Mansfield inquiry—I understand Mr Bob Mansfield is also a good friend of the PM—that no evidence of bias exists. Do fewer owners affect editorial content? Yes, according to both the Productivity Commission inquiry into broadcasting and the ABA’s report of so-called sources of news and current affairs. The ABA report found that ownership influences the producers of news and that knowledge of the proprietors’ views inclines editors to self censorship. The Productivity Commission found that:

The likelihood that a proprietor’s business and editorial interests will influence the content and opinion of their media outlets is of major significance. The public interest in ensuring diversity of information and opinion and in encouraging freedom of expression in Australian media, leads to a strong preference for more media proprietors rather than fewer. This is particularly important given the wide business interests of some media proprietors.

The proposed legislation would be detrimental to the interests of regional areas, like my own semi-rural electorate of Burke. There has already been a loss of diversity of local content after the aggregation of the late 1980s. This was the process of creating larger, more viable regional television markets by combining existing licence areas so that they could be served by three commercial services; namely, Prime, WIN and Southern Cross. In 1989, the annual report of the Australian Broadcasting Tribunal stated that ‘the amount of local programming on regional services’, which the policy of aggregation intended to encourage, ‘appears to be under considerable commercial pressure’.

Since then, several developments in regional broadcasting have conspired to increase the pressure on local content. The ABC have announced an expansion of regional radio services—a welcomed development, but one which has the effect of permitting commercial television broadcasters to further reduce local programming, since the Broadcasting Services Act 1992 licence condition refers to local content requirements over all broadcasting services, not just radio. Last year’s report by the House of Representatives Standing Committee on Communications, Transport and the Arts drew attention to the decline in local radio programming, an increase in networking and a consolidation of ownership in the commercial radio industry. Commonwealth assistance to regional television licensees for the introduction of digital broadcasting has also coincided with reductions in local news services. Clearly, there has been an overall reduction in local input, particularly in regional areas. As for the press, across my own electorate of Burke there are now only two independent local publishers. One newspaper, The Star, has been owned by four generations of the Thomas family, through a company called South East News. The Midland Express and the Macedon Ranges Guardian are owned by Elliott Midland Newspapers. All other newspapers are owned by either Murdoch or Fairfax and they carry syndicated content.

Turning to the coalition’s policy statements of 2001, two statements stand out and would offend the eye of those who purport to argue for the opening up of media broadcasting. The first of those statements says:

The Coalition will retain the current Australian Content Standards, which play a crucial role in
portraying and reflecting Australia’s unique cultural identity.

We in the opposition could not agree more that the content standards play a critical role in ensuring an authentic Australian voice is heard on our airwaves. It is a pity that this bill would ensure that there would be a decline in that important measure towards protecting the Australian cultural voice in our media. Furthermore, the first statement is completely incompatible with the second, which says:

Foreign ownership restrictions stifle diversity and competition in the Australian media sector operating in an increasingly global environment.

Unfortunately, this statement is at the heart of the coalition plan to reform media ownership laws in this country, whereas the first statement is just hot air. The media is not like other markets, and a government cannot simply apply the same regulations that exist for the importation of cars, biscuits or breakfast cereals. The member for Sturt indicated earlier that his main concern was that there were restraints on trade and called upon those opposite to support his views on the basis that not opening up broadcasting laws would be a restraint on trade. I think those references show how little the government understands the difference between media laws and laws that go to, for example, the importation of products and goods and services.

Diversity of opinion across the media is so central to our democracy that it requires special laws to guarantee a minimum number of media players. Further concentration of media ownership would corrupt democracy. Other OECD countries do not tolerate the same level of concentration as currently exists in Australia—let alone what will occur as a result of this bill becoming law. A sobering example is that, in 1923, when Australia had a population of only 5.6 million, there were 26 national and capital city newspapers in Australia and there were 21 separate owners; in 2002 there are 12 national and capital city papers, with a mere three owners. Therefore, media ownership restrictions are now required more than ever, despite the coalition’s cries that such restrictions are an anachronism.

A free, independent and diverse media is the lifeblood of a genuine, functioning, modern democracy. Along with the basic tenets of modern democracy, such as universal suffrage, democratic elections, rights to free assembly and freedom of speech, the independence and diversity of media are critical. Conversely, concentration of media control will lead to a weakening of this country’s democratic traditions. It is incumbent upon the government of the day to protect its citizens from this concentration and centralisation by standing up against vested interests. Alas, in supporting this bill, the Howard government has failed its duty in this regard. I urge those Independents and minor parties in the Senate to oppose the passage of this bill.

Mr HATTON (Blaxland) (5.36 p.m.)—The Broadcasting Services Amendment (Media Ownership) Bill 2002 has been a long time coming to this House. It is a bill that the government has looked forward to passing for a considerable period. Indeed, when those opposite came to government in March 1996, this kind of legislation was on their minds. In October 1996, it was on the minds of the now Prime Minister and Minister for Communications, Information Technology and the Arts. They indicated their determination to break the existing media ownership rules and to put in their place an entirely different regime.

This bill and its provisions are a wonderful example of the diversity of opinion in the Australian parliament between the government and the opposition. We can have different points of view, seen by both sides as being valid. We can argue those out; we can put them to this House and to the Senate. Proposed legislation can either be voted through or voted down. In the past, the government’s attempts to put these kinds of measures through have been voted down. We expect that when this bill goes to the Senate this time, after considerable debate, it will be voted down again. We also expect that the government will be able to wander along to the media operators and say, ‘Well, we tried. We tried to open things up. We tried to create more room for you to move.’
At the very beginning of the debate on this particular bill—though this debate effectively started many years ago—the Labor Party, in terms of broader principles, announced that it would not support the legislation. One can understand the government’s approach, the philosophical underpinnings of that approach and the arguments they have put forward. I will go in some detail to some of the arguments that have been put forward, particularly those of the member for Curtin. That was an interesting set of arguments, and it has a philosophical underpinning. You can readily understand the purchase that has not only on the member for Curtin but also on other members of the coalition—that it seems as though a breaking of the current provisions would incline people to have a greater freedom of expression, a greater general freedom. That is the general argument put forward not only by the member for Curtin but also by others on the government side.

I would also like to go to the fact that this has been looked at over a broad period. If we encompass the entire history of Australia—not only the history of the Commonwealth of Australia over more than 100 years but the entire history of Australia since colonisation in 1788—there has not been a great deal of media diversity around the place. There has not been a great deal of media diversity in Sydney, the biggest market in Australia. We have not had that many newspapers, gazettes or journals offering different approaches.

Let me look at one of the problems of the current period. As the technological capacity for greater diversification becomes readily more apparent, more open and cheaper to operate, we should have a greater diversity not only of ownership but also of opinion. But all we need do is look at the news from 5 o’clock to 7 o’clock on any weekday. We will see the editorial decision making in terms of which bits of news footage—largely from overseas, but also from continental Australia—to run. There is an absolute underlying conformity. It does not matter whether it is Channel 2, 7, 9, 10 or SBS, though SBS is a little different from the others because of its market approach. The editorial tendency is to fashion one product and make the market homogeneous. That is a strange and anomalous thing. The capacity is there to put out differing opinions and take entirely different approaches, and that capacity is much greater than it has been in the past. With the new technologies that are available through the Internet, having a say and being able to disseminate information should allow for a much greater openness and a much greater freedom of expression. Yet there is a sameness about what is done. There is a greater sameness in part because the coalition is in power.

Since 1996, I have noted that, by and large, the journalists in Australia have become timorous in regard to criticising the government. We know from debate earlier today on this bill and from observation that some people have wanted to give a kick to conservative or neoconservative commentators. There is a legion of conservative commentators who have made it their life’s work to support the coalition, both in government and in opposition. We should not be surprised about this, because media companies and media ownership in Australia have largely been held through a conservative enclave and a conservative entity—from the *Age* in Melbourne to the *Sydney Morning Herald*, the *Telegraph* and the *Australian* in all their guises. There are those who have and those who have controlled because in the past they owned the dominant forms of print media—both the Packer and Murdoch empires as they have been built up and as they had extended themselves into the television area.

It is not surprising that people with enormous clout because they own newspapers, television stations and, in the past, things like the Macquarie network, have an enormous capacity, through the power of their ownership and through the power of their money, to influence the way society is constructed and to put forward demands to this parliament as to how media ownership should operate. It is not surprising that they would adopt a conservative approach. And they have, time and time again, in the history of this country. They are not for an opening up and diversification of ownership. It is in their
economic interests to keep it tight and keep it running as it is.

This runs into a broader area. It is a great problem for the future of Australia with the government hell-bent on selling the last 51 per cent of Telstra. Looking at what has happened over the past number of years, particularly the last three years, I think, with the different management style that Telstra have undertaken after the sell-off firstly of a third and then the next 16 and two-thirds per cent, we have seen the entrepreneurship in buying up pretty dud properties in Singapore and elsewhere, taking on debt where they were looking for equity and great gains. There have been bad decisions and bad acquisitions that have been to the cost not only of the specific shareholders of the 49 per cent that is in private ownership but also of everybody else—the almost 20 million people who still own 51 per cent of that entity. It is an area where there should be great concern because Telstra basically have said that they would like to buy the Nine Network—effectively, they would like to buy up PBL. They would like to aggregate ownership in the general content area and also in the broadcast area and create the situation where they are still an effective monopoly within the communications area but they can add to that in the broadcasting area as well.

One would not have to think too hard to actually think that there is a proposition here. Maybe it is like when Alan Bond wandered onto the scene and offered Kerry Packer a deal that he could not refuse. He sold the Nine Network to Alan Bond and then bought it back later at a considerable profit—smart business on Mr Packer’s part and dumb business on Mr Bond’s. We may have a situation here where, if the company that is in effect in a monopoly situation in communications is allowed to buy its way into the broadcasting area, it may in fact be setting itself up to be owned by Mr Murdoch and Mr Packer. We have already seen a series of arrangements across the pay TV media, through the broadcast area and the telecommunications area where what should be the main competitors are actually acting in concert time and time again, and doing so in relation to both Optus and Telstra as well.

If the people who are running Telstra now have their way and buy into the Nine Network, buy into the media in that way, it may well be that Mr Packer—no doubt in conjunction with Mr Murdoch, because they are used to doing these sorts of deals—ends up effectively having a monopoly of the most significant Australian media, not only the old broadcast media but the new media that promises so much. That new media is nascent; it is only just emerging and being born. That new media has the possibility of having a vast range of ownership, a vast range of people with the capacity to put forward different ideas, to run different debates and to see things possibly differently, and the possibility of not being entirely homogenised by the process of either community expectation or the process of the editorial demands of the Murdoch and Packer empires, or those people who run SBS and the ABC who want to run with the pack and not be too far outside what the private broadcasters are putting forward.

So Labor is opposed to this bill which seeks to entirely deconstruct and dismantle the current restrictions on media ownership in Australia. We think it is a bad thing to allow proprietors to own not only the major newspapers but also the major radio sources and the television in a city like Sydney, and also in the future to own the new technology rights in a city of five million or so people. That is not a bad thing for Packer or Murdoch, or anyone else who has current economic power because they have the dough and the profits in their pockets. But they are also the ones who have market dominance through the work that they have done to build up their companies. They have a right to compete in the market, but they should not own the whole thing and they should not monopolise it.

The government has put forward arguments. The member for Curtin has argued that a liberal democracy has as its foundation particular freedoms and that one of those fundamental freedoms is free expression. She hopes that this bill will actually advance that. The poor old ALP, in her view, is chained to a pledge that subjugates individual expression to group goals. Well, my
word, what a terrible thing! I am actually allowed to get up and make my own speeches but those speeches are within the framework of our party policy position. They are within the framework that we have determined collectively as a group. I will plead guilty to that. She thinks, though, that that has actually distorted social democratic politics in this country for over a century. Oh, isn’t that terrible!

I suppose it did distort politics in this country for a century, because before the Labor Party came along there were not any full parties—the Whig like or Tory like groups—within Australia. They were basically divided up between Victoria and New South Wales, between the Victorian manufacturing protectionists and the free-trading agricultural groups in New South Wales. But under the threat of one group of people, the Labor Party, working out their policy and voting together as a group, giving the pledge and having a concerted policy position that they would agree to on all things and by arguing forcefully for that within the parliament, these people actually got themselves together and formed the first fusion or Liberal Party in, I think, about 1907. The Liberals, in fact, have followed us in that, but what they have kept is the idea that they have free expression and that they do not actually line up and have a policy position that everybody has to be aligned to. I think they are actually a bit smarter than the Democrats, who, if they have seven or more people in the Senate, end up with 42 different policies—

Mr Tanner—Is that all?

Mr HATTON—At the current count—while they are still there and while the progressive centre has not moved off to form its own entity and take away party rights from those in the Democrats. But they have a total licence in that regard.

I have seen very few examples of government members coming in, bill after bill, to vote against the government. By and large those members are cowered—as are a lot of people in the press gallery in Canberra—by the fact that there is a conservative government in power. They are cowered not only by the people who run the major media organisations but also by the people who control most of the content or the output of this place. They are very reluctant to get in and put the boot into the government. There are some who professionally do that because they have marked themselves out in that way. But that reluctance was not there during the 13 years of Labor being in office, when it was a case of ‘one in, all in’ and the stronger the steel capping on the toes to boot the government with, the better.

When Labor was in government, people did not seem to mind too much when it got a real belting from media entities, but the whole tone has lowered since this lot came into office. There may be a reason for that. However it happens, psychologically journalists are shackled to the fact that they should not kick the government too much as it will bite their heads off if they do. They did not have that problem with us. It is something that Labor should reconsider when in government and should take a different approach to that which was taken in the past. By and large, the sameness of editorial approach from this press gallery is the sameness the government would inflict on us if this bill is passed.

This is not a bill for openness, diversity and freedom of expression. It is not a bill, as the member for Curtin thought, which should be guaranteed by a free society. She identified ‘the broader apparatus’ of a free society as the right to property, to self-defence, to democratic and parliamentary institutions and the right of freedom of movement, particularly immigration. If she has not caught up with it, the current government is not particularly happy about freedom of movement, particularly of immigration—people deciding of their own free will and free expression to bring themselves to Australia.

The member for Curtin alluded to the idea of an open society and the fact that a free press can guarantee the rights of people. She argued that the key intermediaries between this parliament and the rest of our society are members of the press, both here and more broadly, and I think she is right. This bill would condemn the freedom that is currently there. The previous government had the courage to put some restrictions on owner-
ship, to regulate to try to ensure that there was a bit of diversity not only in ownership but also in opinion in regional Australia.

The great waves of movement that we have had right across Australia in government institutions, departments and Australian companies reflect the same rationalisation. The cutting back of the people employed and the infrastructure of private companies and public entities has had the effect of homogenising not only companies and governments but also media ownership and control within country areas. This bill, while throwing up a patina of concern about how things should be managed in regional Australia to try to keep the current controls there, actually lays open the wastage of diversity that we have seen for more than a decade in regional Australia. Members who come from regional Australia understand how important it is to regulate and legislate for some controls so that regional Australia receives the coverage that the rest of Australia enjoys. This also ensures that one family, one set of interests, does not control the joint, as the National Party used to do in Northern New South Wales. When Doug Anthony was Deputy Prime Minister, his mob controlled the local news. (Time expired)

Mr KATTER (Kennedy) (5.57 p.m.)—I praise the previous speaker, the member for Blaxland, for his important and much needed comments. I praise the opposition, which is something I very seldom do; they are deserving of praise. I deeply regret that the last time the Broadcasting Services Amendment (Media Ownership) Bill 2002 was debated a small number of people went to the Prime Minister—this should be put on the public record—and told him that they would be crossing the floor. They were kind enough to mention my name and said that two or three National Party members would be crossing the floor, and told him that they would be crossing the floor. They were kind enough to mention my name and said that two or three National Party members would be crossing the floor with me and that the legislation would not go through. Therefore, it would be best not to embarrass the government by putting the legislation forward. One of the people who was most prominent amongst them is now in the ministry—so, Joe, a question mark hangs over your head. I am not going to disclose who it was, so we will leave it there.

It was an act of very great courage, as taking on a Rupert Murdoch or a Kerry Packer in Australia would mean signing your own political death warrant. In the case of Mr Packer, the two men that I most admire in recent Australian history have told me that Mr Packer was a very decent person. I have seen that wonderful movie Gallipoli—which should be compulsory viewing for all of our children—and there is no way that Rupert Murdoch was not making a point for his country. We pay him great tribute for doing that.

In the last week or two, with the farmhand initiative, for the first time in recent Australian history there was a spiritual centre for Australia. We saw a country suddenly gathering its will to move forward in a direction that is far more necessary now, in light of the terrible events in Bali. These men were saying that God gave us wonderful resources in this country and that we should be properly using them. If we do not, year after year this country will stagger under the terrible burden of droughts. Droughts take a terrible toll on our environment, which many people in the environmental movement do not give much thought to. So I pay very great tribute to these men.

I think we all are sometimes tempted to say that wise and patriotic men and those who have done very well in business should be running the country. But that would be a very dangerous sentiment indeed. People change. Absolute power can corrupt absolutely. The person who is in that position now could die and somebody who is not very nice could take their place, and I think that would make for the worst possible type of democracy.

I found the case of Theophanous very interesting—and at that time I was also fighting a battle in a defamation case. In that case the High Court decided—and, if my memory serves me correctly, unanimously—that there is an implied clause in the Australian Constitution of ‘freedom of information through the media’. That was the ratio decidendi of that case. There the leading jurists in our nation made a very important determination that democracy cannot function unless there is a free flow of information to the people.
Here the government can do whatever it will with this legislation. But, when this legislation is contested in the courts of the land, I would say there is a very good chance of it being overthrown. Previously there were people in the government who were courageous enough to put their political careers on the line, coming forward and saying that they would cross the floor against what they knew was a very wrong thing for our country, and I am greatly disappointed and regretful that there are not those people in the government now.

A businessman, no matter how good he is, has a responsibility to his company, to his shareholders—you might argue, to his employees—and to his own family to make money. I for one am no socialist, I can assure you, Madam Deputy Speaker, and I love people to make money. But, in an endeavour to make money, businessmen must do things that are not good for the people of Australia as a whole and that may be very bad for small pockets of people in Australia. We have that situation with Telstra. You can see vividly in the case of Telstra that, once partially privatised, Mr Zwitkowski—a man of outstanding talents and ability and, I think, a very decent and patriotic Australian—has had a responsibility to his shareholders to maximise profits. That is what he is employed to do—not to look after the people of Australia or be Santa Claus, but to maximise profit. And it is the duty of people in this place to set up machinery so that, by maximising their profits, a businessman will produce a benefit for the people of Australia. That is our duty in this place.

But what is being done today is the creating of a machine that will achieve an objective which is the complete opposite of that. In fact, you will have the situation here where, in an endeavours to maximise money, it will be natural for all of those people to withdraw media services from regional Australia and also from small pockets of the Australian population. They may live in particular suburbs in Sydney, they may be working class or some other class of people, or they may be some ethnic minority group. But some other group will be out of the picture as far as the media is concerned. To be out of the picture is to be out of the consciousness of the political decision makers. If 30 years in politics has taught me one thing it is that, if your issue is out of the media, it is out of people’s consciousness and out of the game. I am choking on my words, I feel so strongly about the issues involved here.

Madam Deputy Speaker, let me give you a classic example. The sugar industry is one of the biggest industries in this country. It is the fourth biggest export-earning agricultural industry in this country. It is the 10th biggest export industry in Australia. It is an industry of enormous significance. Travelling by aeroplane from the Clarence River all the way up to north of Cairns, except for about 400 kilometres around Rockhampton, you will see sugarcane. Almost the entire east coast of Australia is covered in this one commodity. But 90 per cent of its production flows from Bundaberg north—North Queensland, if you like, but most certainly from the north end of Australia. Of course, under the media rules which were introduced—I cannot remember the technical name used for the delivery—we ended up with all the television stations in Australia being owned by four people; there were just four networks. I am oversimplifying slightly, but effectively we were in a situation where we had networking.

With such networking, what happens is that Townsville, which may be considered to be the capital city of Queensland, is where all the media is based, if it is to be based anywhere. We have no journalists now with Channel 7—and I am not criticising them in any way. I think they give outstanding and splendid service to Australia and have done their best, within financial constraints, to provide some sort of service in North Queensland—but they have gone. Channel 10 has gone. Channel 9 has partially gone. The ABC has partially gone. The journalists and television cameras have gone from Mount Isa—and not only have they gone but also the connector that Telstra had provided in Mount Isa has gone. Such a connector meant that you could be in Mount Isa doing an interview with someone in Brisbane, but all those connectors were closed down as well. Unless you live in one of the big coastal cit-
ies, you now simply cannot do any kind of television interview—unless you have some way of getting the film all the way from Mount Isa to Brisbane or from Charleville to Brisbane. So we are out of sight and out of mind—and, in a modern-day democracy, that is a very serious thing to happen.

When we have the fourth largest agricultural export industry in Australia—the 10th largest export industry—reeling on the ropes and about to be closed down; towns that have registered three suicides in the last 15 months; towns that have 20 or 30 businesses in their main streets closed; foreclosures happening almost on a daily basis; terror stalking the land and the complete annihilation of one of the mainstays of the economy of Queensland and, arguably, even Australia, why has the message not got across? The answer is there. It is not only because the Australian media is citycentric but also because it is owned by a number of people that can be counted on the fingers of one hand. We have not only citycentric newspaper interests but also citycentric newspaper ownership. Consequently, the message—it is a simple message and the answers are very simple—is not getting out there.

Any government which has been put under proper pressure should have acted long ago to introduce an adequate levy and support an ethanol industry; yet the government has not done that because we have not been able to get the message across, and we have not been able to get the message across because the media have vanished. In fact, in Townsville we are down to only one television channel that is in full-time operation. We thank Channel 7 and the ABC very much for the efforts they are making, but those people are responsible to somebody else on a money basis and they cannot provide the service.

Both sides of this parliament have been very committed to a policy which we know in this country as economic rationalism. They believe that there should be a free and open economy. I do not wish to disparage the minister I was listening to last night who was saying that we have now achieved an open economy in Australia, but I do not find it too open; we are not allowed to open a television station. We had a lot of competition in the food market in Australia. The biggest food seller in Australia had only 15 per cent of the market before this policy was introduced by Mr Keating and carried on by the current government. Now we have only two companies in Australia that we can buy food off and only two companies that we can sell food to—bringing very evil and dark days for Australia’s food producers, and bringing extremely dark days for Australian consumers.

I will give two examples. In the dairy industry, deregulation was heavily supported and pushed by the Australian media, just as the media is now pushing deregulation in the sugar industry. Within 18 months of deregulation, the dairymen had lost 30 per cent of their income, people were paying 20c a litre more for their milk, and the giant retail chains such as Woolworths and Coles had earned an extra $700 million a year in profit. That is an awful lot of extra profit, but those are the sorts of economic imperatives that are driving everybody towards accepting that these things are good for Australia. The figures are much worse in the deregulation of the egg industry, where there has been an extra $400 million of profit. I should say that those profits did not go exclusively to those two companies but, since they have 80 per cent of the marketplace, the vast bulk of the profit would have gone to them. There was $400 million a year extra profit for those companies as a result of the reduced amount of money going to the egg farmers and the increased amount of money paid by the consumers.

These are dreadful outcomes for the people of Australia, for the hardworking Australian farmers, and for the Australian economy, because ultimately those products will come in from overseas. We cannot continue to survive against the massive onslaught of the subsidies from the OECD countries, nor can we survive against the slave labour wage levels of the non-OECD countries. So ultimately these products will come in from overseas, but already they have delivered massive increases in profit—$1.1 million a year effectively divided up between two cor-
porations who are the biggest advertisers and to whom the media people are beholden.

One of the most important people in media in Australia gave a talk to the National Party when I was a member of that party. That person said that, if the cross-media ownership rules go through, 80 per cent of everything you hear, read and see will be controlled by two people. Does any single intelligent person in this country seriously believe that that is a good outcome? And does anyone doubt for a moment that that is what is going to happen? The answer is no. Because of the unpleasant relationship between this House and powerful people, we have an outcome which is enormously damaging to the very fabric of democracy in our country—and for my authority I quote no less an institution than the High Court of Australia.

If this legislation is to go through, and if the government is to be in any way fair dinkum, then we in North Queensland should be allowed to open a television station. This is a closed industry. It is a monopoly owned by four people. The chances of our being given a licence in North Queensland are nil. I do not want to embarrass the person by mentioning their name without permission, but I am again quoting probably the most important and experienced person in television media in Australia when I say that the chances of our taking up a licence are nil.

So we have a closed industry—and what we believe here is that the closed industry should be owned by two people! These are the same people who come to us preaching a free market. Where is the free market here? We are suffering great oppression as a result of there being no free market. In one town in my electorate there have been three suicides in the last 15 months. That is the tip of a massive iceberg of dreadful unhappiness and crushing oppression. It does not have to be so, but one reason why it is so is that in this country we do not have the free flow of information needed for a democracy to work properly, which the High Court of Australia said in the Theophanous case is part of our Constitution.

In making these points to the House, I do not wish to criticise some of the major players. I do not hesitate to say that I have heard on many occasions, from people who know them well, that they are very decent people. But providing a mechanism by which there would be the concentration of ownership that would occur here does not make a person decent and does not necessarily make for a decent society. We have to ask ourselves why, in the 200-year history of our great country—our modern history as one nation—there has never been any endeavour to allow the concentration of ownership that is being proposed in this bill. I truly believe that this is one of the most important bills to be presented in my time in the federal parliament and also arguably the very worst, because it cuts at the very heart of the right to perform and have your say in a democracy. When you take that away, democracy is also taken away, and we go into the sort of ugly situation that exists in so many other countries on earth. *(Time expired)*

Mr McGURAN (Gippsland—Minister for Science) *(6.17 p.m.)*—in reply—In summing up, I wish to again make the point that diversity of ownership is not a precondition for diversity of opinion. The Broadcasting Services Amendment (Media Ownership) Bill 2002 ensures that co-owned media entities will retain the capacity to serve their audiences and retain their own voices through the requirement for separate editorial processes. After all, media proprietors who are not responsive to their audiences and their interests and values risk losing them to competitors who are.

We have seen the emergence of new sources of news and information such as pay television and the Internet. The freeing up of foreign investment rules will allow for new entrants and further diversity. Diversity of opinion, in any event, is also protected by existing provisions in the Broadcasting Services Act relating to limitations on the number of licences controlled by an individual or organisation and on the percentage of audience reach controlled by a person or organisation. No-one can own more than one commercial television licence or two commercial radio licences in the same licence area.
The government is committed to simultaneously reforming the restrictions on foreign investment and cross-media ownership. Reform of the foreign investment restrictions alone would create an uneven playing field and disadvantage Australian companies whose existing holdings would restrict their options in competing with other companies. It would also deny local companies the ability to benefit from scale and scope advantages that merging media assets could offer, preventing them from expanding their operations into foreign markets.

At the same time, the bill requires that regional broadcasters operating under a cross-media exemption certificate meet prescribed minimum levels of local news and information services or retain existing levels of local news and information where these are higher. The local news obligations imposed by this bill are linked to cross-media exemption certificates. The government is predisposed to implementing a broader local news requirement. Consideration of the implementation of a broader requirement will occur once the Australian Broadcasting Authority has made its final determinations in relation to its recent investigation into the adequacy of local news and information services on commercial television.

In conclusion, the government is committed to reforming Australia’s media ownership, as outlined at the last election. It is a commitment that the government has honoured with the introduction of the Broadcasting Services Amendment (Media Ownership) Bill 2002. The government made this commitment because it recognised that the world has changed significantly since the introduction of the cross-media ownership rules and foreign ownership restrictions. The bill responds to the changes that have occurred by putting in place a new regulatory framework for media ownership that encourages competition and innovation and at the same time ensures that consumers will continue to have access to a diverse range of media services, particularly in regional areas. Accordingly, I commend the bill to the House.

Question put:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr McGauran (Gippsland—Minister for Science) (6.31 p.m.)—by leave—I present a supplementary explanatory memorandum to the bill. I move government amendments (1) to (9):

(1) Schedule 1, page 4 (after line 8), at the end of the Schedule, add:

16 Paragraph 10(1)(c) of Schedule 2
Repeal the paragraph.

(2) Schedule 2, page 5 (after line 8), after item 1, insert:

1A After section 49
Insert:

49A Prohibition of contracts or arrangements restricting the program format of commercial radio broadcasting services

Contracts or arrangements for transfer of licences

(1) A person must not enter into a contract or arrangement for the transfer of a commercial radio broadcasting licence to a person (the transferee) if:

(a) under the contract or arrangement, the transferee is subject to any limitation or restriction in relation to the program format of the commercial radio broadcasting service; or

(b) an effect or likely effect of the contract or arrangement is that the transferee will be subject to any limitation or restriction in relation to the program format of the commercial radio broadcasting service.

(2) Subsection (1) does not apply to a contract or arrangement of a kind declared by the regulations to be exempt from subsection (1).

Contracts or arrangements for transfer of control of licences

(3) A person must not enter into a contract or arrangement for the transfer of control of a commercial radio broadcasting licence if:

(a) under the contract or arrangement, the licensee is subject to any limitation or restriction in relation to the program format of the commercial radio broadcasting service; or

(b) an effect or likely effect of the contract or arrangement is that the licensee will be subject to any limitation or restriction in relation to the program format of the commercial radio broadcasting service.

(4) For the purposes of subsection (3), a contract or arrangement is for the transfer of control of a commercial radio broadcasting licence if, and only if, under the contract or arrangement, a person who was not in a position to exercise control of the licence becomes in a position to exercise control of the licence.

(5) Subsection (3) does not apply to a contract or arrangement of a kind declared by the regulations to be exempt from subsection (3).

Other contracts or arrangements

(6) A person must not enter into a contract or arrangement if:

(a) an effect or likely effect of the contract or arrangement is that a commercial radio broadcasting licensee will be subject to any limitation or restriction in relation to the program format of the commercial radio broadcasting service; and

(b) either:
(i) a purpose of the contract or arrangement is to give a commercial advantage or benefit to another commercial radio broadcasting licensee whose licence has the same licence area as the licence of the first-mentioned licensee; or

(ii) an effect or likely effect of the contract or arrangement is to give a commercial advantage or benefit to another commercial radio broadcasting licensee whose licence has the same licence area as the licence of the first-mentioned licensee.

(7) Subsection (6) does not apply to a contract or arrangement if:

(a) the contract or arrangement is covered by subsection (1) or (3); or

(b) the contract or arrangement is of a kind declared by the regulations to be exempt from subsection (6); or

(c) the contract or arrangement is exempt from subsection (6) because of an order under subsection (8).

(8) The ABA may make a written order that, in the event that a particular proposed contract or arrangement is entered into, the contract or arrangement is exempt from subsection (6).

(9) In deciding whether to make an order under subsection (8), the ABA must have regard to:

(a) such matters (if any) as are specified in the regulations; and

(b) such other matters as the ABA considers relevant.

Overlapping licence areas

(10) If:

(a) more than 30% of the licence area population of a licence area is attributable to an overlap area; or

(b) a licence area is entirely within another licence area;

paragraph (6)(b) applies to the 2 licence areas, but not between those licence areas and other licence areas, as if the 2 licence areas were one.

Prohibited contract or arrangement is void

(11) A contract or arrangement entered into in contravention of subsection (1), (3) or (6) is void.

Civil penalties

(12) If the Federal Court is satisfied that a person has contravened subsection (1), (3) or (6), the Court may order the person to pay to the Commonwealth such pecuniary penalty, in respect of each contravention, as the Court determines to be appropriate.

(13) In determining the pecuniary penalty, the Court must have regard to all relevant matters, including:

(a) the nature and extent of the contravention; and

(b) the nature and extent of any loss or damage suffered as a result of the contravention; and

(c) the circumstances in which the contravention took place; and

(d) whether the person has previously been found by the Court in proceedings under this Act to have engaged in any similar conduct.

(14) The pecuniary penalty payable under subsection (12) by a body corporate is not to exceed $275,000 for each contravention.

(15) The pecuniary penalty payable under subsection (12) by a person other than a body corporate is not to exceed $55,000 for each contravention.

(16) The ABA may institute a proceeding in the Federal Court for recovery on behalf of the Commonwealth of a pecuniary penalty referred to in subsection (12).

(17) A proceeding under subsection (16) may be commenced within 6 years after the contravention.

(3) Schedule 2, item 4, page 6 (after line 17), after the definition of community service announcement, insert:

constitutional corporation means a corporation to which paragraph 51(xx) of the Constitution applies.

(4) Schedule 2, item 4, page 7 (line 33), before “licence area”, insert “metropolitan”.

(5) Schedule 2, item 4, page 8 (after line 12), after subparagraph (ii), insert:
(iiia) the holder of the certificate is an associate of the person;

(6) Schedule 2, item 4, page 14 (after line 33), after section 61P, insert:
Subdivision BA—Disclosure of cross-media relationships

61PA Disclosure of cross-media relationship by commercial television broadcasting licensee

Scope

(1) This section applies if:
(a) one or more cross-media exemption certificates are active in relation to a set of media operations; and
(b) a commercial television broadcasting licence is included in the set; and
(c) the licensee broadcasts matter that is wholly or partly about:
(i) the business affairs of a commercial radio broadcasting licensee whose licence is included in the set; or
(ii) the business affairs of the publisher of a newspaper that is included in the set.

Note: For business affairs, see section 61PG.

Requirement to disclose

(2) If subparagraph (1)(c)(i) applies, the commercial television broadcasting licensee must also broadcast a statement describing (whether in summary form or otherwise) the relationship between the commercial television broadcasting licensee and the commercial radio broadcasting licensee. For this purpose, it is sufficient if the statement is to the effect that there is a cross-media relationship between the commercial television broadcasting licensee and the commercial radio broadcasting licensee.

(3) If subparagraph (1)(c)(ii) applies, the commercial television broadcasting licensee must also broadcast a statement describing (whether in summary form or otherwise) the relationship between the commercial television broadcasting licensee and the publisher of the newspaper. For this purpose, it is sufficient if the statement is to the effect that there is a cross-media relationship between the commercial television broadcasting licensee and the publisher of the newspaper.

How statement is to be broadcast

(4) A statement under subsection (2) or (3) must be broadcast in a way that will adequately bring it to the attention of a reasonable person who may have viewed the broadcast mentioned in paragraph (1)(c).

(5) The regulations may provide that subsection (4) is taken to have been complied with if the statement is broadcast in the manner, and at the time, specified in, or ascertained in accordance with, the regulations.

Period of grace

(6) Subsections (2) and (3) do not apply during the 14-day period beginning:
(a) if there is only one cross-media exemption certificate—when the certificate becomes active in relation to the commercial television broadcasting licence; or
(b) if there are 2 or more cross-media exemption certificates—at the earliest time when any of those certificates became active in relation to the commercial television broadcasting licence.

Note: For enforcement of this section, see the licence condition set out in paragraph 7(1)(pa) of Schedule 2.

61PB Choice of disclosure method—commercial radio broadcasting licensee

Notice of choice may be given to the ABA

(1) A commercial radio broadcasting licensee may give the ABA a written notice making a choice that section 61PD apply to the licensee with effect from a Sunday specified in the notice.

Note: If a notice is not given, section 61PC applies to the licensee.

When notice must be given

(2) A notice under subsection (1) must be given at least 5 business days before the Sunday specified in the notice.

Duration of notice

(3) A notice under subsection (1):
(a) comes into force at the beginning of the Sunday specified in the notice; and
(b) unless sooner revoked, remains in force indefinitely.

Revocation of notice

(4) If a notice under subsection (1) is in force in relation to a commercial radio broadcasting licensee, the licensee may, by written notice given to the ABA, revoke the subsection (1) notice with effect from the end of a Saturday specified in the revocation notice.

(5) A notice under subsection (4) must be given at least 5 business days before the Saturday specified in the notice.

Notices to be available on the Internet

(6) If a notice is in force under subsection (1), the ABA must make a copy of the notice available on the Internet.

Definition

(7) In this section:

business day means a day that is not a Saturday, a Sunday or a public holiday in the place concerned.

61PC Disclosure of cross-media relationship by commercial radio broadcasting licensee—business affairs disclosure method

Scope

(1) This section applies if:

(a) one or more cross-media exemption certificates are active in relation to a set of media operations; and

(b) a commercial radio broadcasting licence is included in the set; and

(c) the licensee broadcasts matter that is wholly or partly about:

(i) the business affairs of a commercial television broadcasting licensee whose licence is included in the set; or

(ii) the business affairs of the publisher of a newspaper that is included in the set; and

(d) a notice under subsection 61PB(1) is not in force in relation to the commercial radio broadcasting licensee.

Note: For business affairs, see section 61PG

Requirement to disclose

(2) If subparagraph (1)(c)(i) applies, the commercial radio broadcasting licensee must also broadcast a statement describing (whether in summary form or otherwise) the relationship between the commercial radio broadcasting licensee and the commercial television broadcasting licensee. For this purpose, it is sufficient if the statement is to the effect that there is a cross-media relationship between the commercial radio broadcasting licensee and the commercial television broadcasting licensee.

(3) If subparagraph (1)(c)(ii) applies, the commercial radio broadcasting licensee must also broadcast a statement describing (whether in summary form or otherwise) the relationship between the commercial radio broadcasting licensee and the publisher of the newspaper. For this purpose, it is sufficient if the statement is to the effect that there is a cross-media relationship between the commercial radio broadcasting licensee and the publisher of the newspaper.

How statement is to be broadcast

(4) A statement under subsection (2) or (3) must be broadcast in a way that will adequately bring it to the attention of a reasonable person who may have listened to the broadcast mentioned in paragraph (1)(c).

(5) The regulations may provide that subsection (4) is taken to have been complied with if the statement is broadcast in the manner, and at the time, specified in, or ascertained in accordance with, the regulations.

Period of grace

(6) Subsections (2) and (3) do not apply during the 14-day period beginning:

(a) if there is only one cross-media exemption certificate—when the certificate becomes active in relation to the commercial radio broadcasting licence; or

(b) if there are 2 or more cross-media exemption certificates—at the earliest time when any of those certificates became active in relation to the commercial radio broadcasting licence.

Note: For enforcement of this section, see the licence condition set out in paragraph 8(1)(ia) of Schedule 2.

61PD Disclosure of cross-media relationship by commercial radio broadcasting licensee—regular disclosure method

Scope

(1) This section applies if:
(a) one or more cross-media exemption certificates are active in relation to a set of media operations; and
(b) a commercial radio broadcasting licence is included in the set; and
(c) a notice under subsection 61PB(1) is in force in relation to the commercial radio broadcasting licensee.

Requirement to disclose cross-media relationship

(2) If a commercial television broadcasting licence is included in the set, the commercial radio broadcasting licensee must regularly broadcast a statement describing (whether in summary form or otherwise) the relationship between the commercial radio broadcasting licensee and the commercial television broadcasting licensee. For this purpose, it is sufficient if the statement is to the effect that there is a cross-media relationship between the commercial radio broadcasting licensee and the commercial television broadcasting licensee.

(3) If a newspaper is included in the set, the commercial radio broadcasting licensee must regularly broadcast a statement describing (whether in summary form or otherwise) the relationship between the commercial radio broadcasting licensee and the publisher of the newspaper. For this purpose, it is sufficient if the statement is to the effect that there is a cross-media relationship between the commercial radio broadcasting licensee and the publisher of the newspaper.

How statement is to be broadcast

(4) Statements under subsection (2) or (3) are to be broadcast in a way, and with a frequency, that is reasonably likely to ensure that the audience of the commercial radio broadcasting service during prime-time hours is aware that:

(a) in the case of statements under subsection (2)—there is a relationship between the commercial radio broadcasting licensee and the commercial television broadcasting licensee; or

(b) in the case of statements under subsection (3)—there is a relationship between the commercial radio broadcasting licensee and the publisher of the newspaper.

(5) A commercial radio broadcasting licensee is taken to have complied with subsection (4) if:

(a) the statement is broadcast at least once each day during prime-time hours; and

(b) the statement is broadcast in a way that will adequately bring it to the attention of a reasonable person who may have listened to the broadcast of the statement.

(6) The regulations may provide that a commercial radio broadcasting licensee is taken to have complied with subsection (4) if the statement is broadcast in the manner, and at the times, ascertained in accordance with the regulations.

Period of grace

(7) Subsections (2) and (3) do not apply during the 14-day period beginning:

(a) if there is only one cross-media exemption certificate—when the certificate becomes active in relation to the commercial radio broadcasting licence; or

(b) if there are 2 or more cross-media exemption certificates—at the earliest time when any of those certificates became active in relation to the commercial radio broadcasting licence.

Note: For enforcement of this section, see the licence condition set out in paragraph 8(1)(ia) of Schedule 2.

61PE Disclosure of cross-media relationship by publisher of newspaper

Scope

(1) This section applies if:

(a) one or more cross-media exemption certificates are active in relation to a set of media operations; and

(b) a newspaper is included in the set; and

(c) the newspaper is published by a constitutional corporation; and

(d) material published in a particular edition of the newspaper is wholly or partly about:

(i) the business affairs of a commercial television broadcasting licen-
see whose licence is included in the set; or
(ii) the business affairs of a commercial radio broadcasting licensee whose licence is included in the set.

Note: For business affairs, see section 61PG.

Requirement to disclose
(2) If subparagraph (1)(d)(i) applies, the publisher of the newspaper must cause to be published in the same edition of the newspaper a statement describing (whether in summary form or otherwise) the relationship between the publisher and the commercial television broadcasting licensee. For this purpose, it is sufficient if the statement is to the effect that there is a cross-media relationship between the publisher and the commercial television broadcasting licensee.

(3) If subparagraph (1)(d)(ii) applies, the publisher of the newspaper must cause to be published in the same edition of the newspaper a statement describing (whether in summary form or otherwise) the relationship between the publisher and the commercial radio broadcasting licensee. For this purpose, it is sufficient if the statement is to the effect that there is a cross-media relationship between the publisher and the commercial radio broadcasting licensee.

How statement is to be published
(4) A statement under subsection (2) or (3) must be published in a way that will adequately bring it to the attention of a reasonable person who may have read the material mentioned in paragraph (1)(d).

(5) The regulations may provide that subsection (4) is taken to have been complied with if the statement is published in the manner specified in, or ascertained in accordance with, the regulations.

Period of grace
(6) Subsections (2) and (3) do not apply during the 14-day period beginning:
(a) if there is only one cross-media exemption certificate—when the certificate becomes active in relation to the newspaper; or
(b) if there are 2 or more cross-media exemption certificates—at the earliest time when any of those certificates became active in relation to the newspaper.

Offence
(7) A person is guilty of an offence if:
(a) the person is subject to a requirement under this section; and
(b) the person omits to do an act; and
(c) the omission breaches the requirement.

Penalty for a contravention of this subsection:
2,000 penalty units.

61PF Exception—political communication
Sections 61PA, 61PC, 61PD and 61PE do not apply to the extent (if any) that they would infringe any constitutional doctrine of implied freedom of political communication.

61PG Matter or material about the business affairs of a broadcasting licensee or newspaper publisher
Matter or material about business affairs—what is included and excluded
(1) A reference in this Subdivision to matter or material that is wholly or partly about the business affairs of a commercial television broadcasting licensee, a commercial radio broadcasting licensee or a newspaper publisher:
(a) includes a reference to matter or material, where, having regard to:
(i) the nature of the matter or material; and
(ii) the way in which the matter or material is presented;
it would be reasonable to conclude that the object, or one of the objects, of the broadcast of the matter or the publication of the material, as the case may be, was to:
(iii) promote; or
(iv) otherwise influence members of the public, of a section of the public, to view, to listen to, or to read;
matter broadcast, or to be broadcast, by the licensee, or material pub-
lished, or to be published, in the newspaper, as the case may be; and

(b) does not include a reference to:

(i) a journalistic acknowledgment of a program or article as being the source of particular information;

(ii) advertising matter or advertising material, where a reasonable person would be able to distinguish the advertising matter or advertising material from other matter or material;

(iii) a comment in a live broadcast, where the comment could not reasonably have been anticipated; or

(iv) a program guide (see subsection (2)); or

(v) exempt matter or exempt material (see subsection (4)).

Program guide

(2) For the purposes of this section, a program guide is matter or material that consists of no more than:

(a) a schedule of:

(i) the television programs provided by 2 or more television broadcasting services; or

(ii) the radio programs provided by 2 or more radio broadcasting services; or

(b) a combination of:

(i) a schedule covered by paragraph (a); and

(ii) items of factual information, and/or items of comment, about some or all of the programs in the schedule, where each item is brief;

where the matter or material does not single out one of those services for special promotion.

(3) For the purposes of subsection (2):

(a) a television broadcasting service is:

(i) a commercial broadcasting service that provides television programs; or

(ii) a national broadcasting service that provides television programs; and

(b) a radio broadcasting service is:

(i) a commercial broadcasting service that provides radio programs; or

(ii) a national broadcasting service that provides radio programs.

Exempt matter or exempt material

(4) The Minister may, by writing, determine that:

(a) matter included in a specified class of matter is exempt matter for the purposes of this section; and

(b) material included in a specified class of material is exempt material for the purposes of this section.

(5) A determination under subsection (4) has effect accordingly.

(6) A determination under subsection (4) is a disallowable instrument for the purposes of section 46A of the Acts Interpretation Act 1901.

Advertising matter

(7) This section does not, by implication, affect the meaning of the expression advertising when used in any other provision of this Act.

(7) Schedule 2, page 23 (after line 26), after item 8, insert:

8A  Section 204 (after table item relating to subsection 43(1))

Insert:

Refusal to make an order in relation to a proposed contract or arrangement

Subsection 49A(8) A person who proposes to enter into the contract arrangement or arrangement

(8) Schedule 2, item 12, page 24 (before line 11), before paragraph (q), insert:

(pa) the licensee will comply with a requirement that is applicable to the licensee under section 61PA;

(9) Schedule 2, item 15, page 24 (before line 23), before paragraph (j), insert:

(ia) the licensee will comply with a requirement that is applicable to the licensee under section 61PC or 61PD;

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr McGAURAN (Gippsland—Minister for Science) (6.32 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

Sitting suspended from 6.33 p.m. to 8.00 p.m.

MAIN COMMITTEE

The DEPUTY SPEAKER (Hon. L.R.S. Price) (8.00 p.m.)—I advise the House that the Deputy Speaker has fixed Wednesday, 16 October 2002, at 9.40 a.m., as the time for the next meeting of the Main Committee, unless an alternative day or hour is fixed.

BILLS RETURNED FROM THE SENATE

The following bills were returned from the Senate without amendment or request:
- Criminal Code Amendment (Espionage and Related Matters) Bill 2002
- States Grants (Primary and Secondary Education Assistance) Amendment Bill (No. 2) 2002
- Vocational Education and Training Funding Amendment Bill 2002

Second Reading

Debate resumed from 5 June, on motion by Dr Nelson:

That this bill be now read a second time.

Mr ALBANESE (Grayndler) (8.00 p.m.)—The Vocational Education and Training Funding Amendment Bill 2002 provides funding to be distributed by the Australian National Training Authority to the states and territories for capital and recurrent purposes and for national projects. It provides expenditure of $952 million in 2001 and $956 million in 2002.

I wish to use this opportunity to make some comments about the government’s failure to provide appropriate vocational education and training. For six years this government has commissioned reports, set up task forces, established expert groups and reference groups, and hosted consultations—breakfasts, lunches and teas. It has had round tables, square tables and even green tables. It has had teleconferences and videoconferences, forums, focus groups, think tanks and even possibly float tanks. But what the government has not done is provide an appropriate coordinating role at the national level.

Despite the frenzy of activity, it is an appearance of activity. The government have managed to actually do very little in the way of responding to the reams of recommendations that all these committees and activities have produced. But this is pretty consistent with the attitude of the Howard government because no matter which area you look at—whether it is age care, child care, the environment et cetera—it is all the same. There is a standard routine: set up a working group, get them to produce a report but then do nothing with the findings of the report. The Minister for Children and Youth Affairs, the member for Richmond, made the understatement of the year a few weeks ago at a child-care reference group meeting on 23 September when he said:

One of the hallmark traits of the coalition government is that we do not just leap into decisions lightly.

Too right they don’t leap into action! And that is the problem in the area of vocational education and training, because there has not been even so much as a muscle twitching when it comes to acting on any of the reports that they themselves have commissioned.

Sadly, this happens even when they have a report that graphically describes a tragedy that is unfolding right on their doorstep. The report I refer to here is Footprints to the Future. This is a report that the government commissioned nearly three years ago. The government said that they commissioned the report to see how government agencies, communities, state governments, businesses and schools could better work together to secure successful transition from school to post-school life for young people and to make school more relevant to young people—the 70 per cent of students who are not seeking an academic career when they leave school.

The report only saw the light of day because Labor had the good sense to table a leaked copy in this parliament. The government had not wanted the report released because it provided proof that many young people were finding it more and more difficult to make that transition from school to
work. The report found that there were over 200,000 young Australians who were marginalised—marginalised from education, training and employment. The report also found that some of the government’s policies were providing little assistance to young people and, in some cases, it was actually having a negative impact on their self-esteem. Finally, the report found that Job Network was ‘harsh, rigid and complex to navigate’ and operates in isolation from those support services and community groups that assist young people in crisis.

This harsh finding is consistent with the Productivity Commission report tabled in this parliament last month and also with the government’s own DEWR report into the Job Network. Whenever the Job Network is looked at, it is found to be inadequate. The Productivity Commission report has found that the third round of the Job Network has done little to fix the structural problems that are there in the Job Network system. Finally, this report said that some government policies were depriving young people of their income and of training opportunities of which the consequences had been, in some cases, homelessness.

I can certainly understand why the government was ashamed of the report and wanted to hide it, but I believe it is an absolute disgrace that it has not done anything about it. The state and territory training ministers estimate that there are 11,000 more people at risk now than in 2001. It is clear that serious action needs to be undertaken. This government must take up its responsibility so as to ensure that young people are able to make that successful transition between school and employment. The key to developing strong pathways is having a strong and vibrant TAFE sector. TAFE colleges and other providers of vocational education and training need to be funded effectively so that they are able to attract young people to their courses and support them.

The government must make sure that the TAFE colleges and other providers of vocational education and training are able to play a major role in supporting young people between school and eventual work. This is critical for all young people but it is particularly crucial for young people who have low levels of education and poor language, literacy and numeracy skills and who have to battle with issues such as food, shelter, family relationships, child care, transport and health. I believe that you judge a government not by how it looks after those people who will get on in life due to the opportunities that they have, due to the income and wealth that their parents have and due to the affluent schools that they are able to go to, but on how government gives a hand up to the vulnerable young people in our community. And this government fails that test.

It is not surprising that it is these very vulnerable young people who are finding it the most difficult to make that transition from school to further education and training and eventually to a job—not just any job but a career enhancing job; a job that gives them the opportunity to aspire to a better life not just for themselves but eventually for their own children. It is these young people who are most affected by the government’s changes to youth allowance. It is these young people who are in increasing numbers going to TAFE to have their learning needs met. So in order to achieve good outcomes in TAFE and in other vocational education and training systems these young people require extra support from staff with specialist skills in areas such as counselling and case management. It is the federal government’s responsibility—a core responsibility of government—to ensure that these institutions are able to support these young people so they stay connected, so they stay involved and so they eventually are able to find meaningful employment in the community.

For these reasons, I wish to move an amendment, and the Deputy Leader of the Opposition has come into the chamber to second the amendment I am moving here tonight. I move:

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

“whilst not seeking to deny the Bill a second reading, the House condemns the Government for:

(1) failing to develop comprehensive transition strategies to assist young people, thereby abandoning at least 205,300 15 to 19 years
 olds, placing them at risk of not making a successful transition from school and work;

(2) failing to keep its election promise to young people to provide a comprehensive response in the 2002 budget to the Youth Pathways Report;

(3) failing to address youth unemployment, which is on the rise;

(4) refusing to acknowledge the substantial adverse impact that the Government’s Welfare Reform initiatives are having on TAFE;

(5) failing to take a holistic approach to the needs of indigenous Australians resulting in a decline in participation in courses leading to a qualification;

(6) the Minister’s double standards in espousing concern for the welfare of young Australians but failing to take any meaningful action to invest in their training needs; and

the House further notes that State and Territory Labor Governments have made significant achievements in the implementation of VET in schools while the Commonwealth has refused to provide growth funding, making the Labor States and Territories the leaders in this field”.

We have moved this amendment because we believe it is important that these issues are addressed as a core function of government. Young Australians need a government with a vision which can articulate a policy continuum for their education and training and their eventual employment. The Howard government over the past six years has proved that it cannot and will not do that.

This bill on which I speak tonight is one of the many examples of that. This bill does nothing to address the massive funding cuts that the vocational education and training sector was hit with in the Howard-Costello budgets of 1996 and again in 1997. The bill does nothing to address the lack of leadership the Commonwealth has shown in shaping and driving national priorities when it comes to vocational education and training. The funds flowing from the passage of this bill will not enable one more person to be reached out to by a TAFE teacher and to be supported while trying to pull their life together and get some skills that would eventually lead them to meaningful employment.

The lack of appropriate funding comes at a time when more and more people are participating in vocational education and training. Participation has increased from 1,459,000 students in 1997 to 1,757,000 in 2001. There is also a high level of unmet demand, with the number of people not being able to secure a place rising from 35,000 in 1998 to over 40,000 in the year 2000. Here we have a system that the government has on the one hand driven more and more people into—and more people with higher support needs—yet it is the same system that the Commonwealth under this government wants to spend less money on. No-one thinks that this is a good idea: not the teachers, not the students and certainly not the future employers, who need people with quality skills and education.

As I said earlier, increasingly young people are being redirected to TAFE to have their learning needs met, either from schools or via community agencies. In New South Wales, for example, the hours of training for 16- and 17-year-olds doing general education in TAFE have increased by 92 per cent from 1998 to the year 2001. This increase has largely been due to the government’s changes to the youth allowance. These changes have meant that all under-18-year-olds who do not have year 12 or equivalent qualifications are generally required to undertake full-time education and training. This in itself is a worthy aspiration and something that Labor does not object to. Everyone knows that people do much better in all aspects of life when they have a good education. However, such aspirations need to be funded properly. They must reflect the special needs of the many young people who participate in these programs and they must reflect the fact that many of these students do not have the basic skills to learn through traditional systems.

The government may think they are saving money. But what is the cost of having more young people experiencing alienation from mainstream society and experiencing homelessness, of the increase in drug and alcohol abuse, or of young people coming into contact with the juvenile justice system? That is exactly what happens when young people experience dissociation from education and training opportunities. That is ex-
actly what happens when you take resources away from services that keep young people engaged in education and training. Those resources are needed to create a flexible, supportive environment so that different needs can be catered for. We will all, as a society, pay a much higher price in the end for neglect of this sector—not only a much higher social cost but also a much higher economic cost.

We are already paying a high price for the government’s New Apprenticeships scheme. The government list this scheme as one of their greatest success stories. Yet in many cases, when we examine the details of this scheme, we see nothing more than corporate subsidies. A report by Jobwatch, a community legal centre in Victoria, provides evidence that employers are increasingly exploiting the Howard government’s New Apprenticeships scheme as a source of cheap labour rather than as an opportunity to skill up the unemployed. This is occurring to the detriment of those undertaking traineeships as well as the future growth of the Australian economy. The report highlighted the case of Stephanie, who lost her full-time job after her employer found out she had already undertaken a traineeship in a fish and chips shop back in high school in order to get some extra pocket money and would not be entitled to any wage subsidy from the government. Therefore, Stephanie missed out on a real opportunity for real training and real employment. That is a real example; other examples are there.

Under the government’s New Apprenticeships scheme, we have the absurd situation where completing a traineeship can hinder rather than improve a young person’s chances of getting a job. The report by Jobwatch came on top of recent media reports which we have raised questions in this House about. One example we used, which was shown on the SBS program *Insight*, was that of Hungry Jack’s. Hungry Jack’s opened a new outlet in Hornsby in the northern suburbs of Sydney where every single one of its 50 new employees was employed as a trainee. Many of these young kids were simply looking for a little bit of extra pocket money. You have to ask yourself a pretty commonsense question: if Hungry Jack’s at Hornsby has 50 employees and every single one of them is a trainee, who is doing the training? The truth is there is not any.

The pious minister, the member for Bradfield, lectures us day in and day out about values. He says, ‘The growth in the New Apprenticeships scheme is all in hospitality and it’s in these new industries.’ When I had my departmental briefing upon being given this shadow ministry, I raised it with the department or with the minister and said, ‘Actually, I don’t think there’s much training and skill up involved in many of these jobs; I think it’s just a rort to give people an excuse to be paid less, and I think young people know it and that’s why they are objecting to it, and that’s why their parents are objecting to them being exploited as well.’ The response from this pious minister was, ‘You’re just being snobby; you’re saying that somehow there is a false distinction between someone who works at McDonald’s or Hungry Jack’s and doesn’t get any training and someone who might have a four-year apprenticeship in one of the traditional trades of carpentry, plumbing et cetera.’

It was interesting when I met with the department, who ran the minister’s line. I said to them, ‘I actually worked at McDonald’s.’ I doubt that many of the spivs who went to those elite category 1 private schools had to work at McDonald’s or had to do paper runs to work their way through school. I doubt they had any experience of that, but I did. I know exactly how much training I got at a place like McDonald’s. I am not critical of them employing young people. I think young Australians get very useful life skills from earning their own wage. The discipline of turning up to work and the discipline of engaging with people at the workplace can be very useful. I am not critical of McDonald’s, but I am critical of a system which says that somehow that is real and appropriate training when there is no real training component there.

I am critical of a government that boasts about growth in apprenticeships when it knows there are shortages. At the same time that it boasts about this, when you talk to people in the industry, they tell you about the
shortages. They will tell you, for example, that the average age in Australia for aviation engineers is 49 years. It takes seven years of training. Surely we do not want people who have been through one of these shonky traineeship schemes, where they get to flip a burger, fixing aircraft. This is serious; seven years of serious training. Yet the industry is saying that there will be a massive shortage in that industry. People from the pharmaceutical industry have met with me and have spoken about the shortage of skilled chemical engineers. Industry after industry will tell you about the shortages.

This is not just about education, training and employment as if they were separate from the economy. This is about the type of economy we will have and the type of society we will have. What we need are high-skilled jobs. The government has a role in determining demand. If it just leaves the market to determine where the demand is, you will find often that it will go the low road. One of the core policies the Hawke and Keating governments were about was creating a high road for the Australian economy and creating an opportunity for people, regardless of their background, income and the families they were born into, to get a better life for themselves and to get the fulfilment of a well paid job. We cannot compete in our region unless we go the high-skill road.

According to the Australian Industry Group’s Heather Ridout, the growth in the New Apprenticeships scheme also disguises an ‘alarming fall in technical and engineering apprenticeships’. For example, engineering enrolments in New South Wales TAFE colleges alone have been down 35 per cent over the past eight years—a drastic decline. A further indication of the scheme’s failure is the consistently high non-completion rate amongst trainees. Almost 50 per cent of participants in the scheme do not complete their training course.

The government says it is proud of the Vocational Education and Training Funding Amendment Bill 2002. In his speech on the bill, the minister attempted to claim the high moral ground for marginally increasing the funds available next year. But the truth is that the Commonwealth contribution to vocational education and training operating revenue fell by $112 million between 1997 and 2000. Yet the Howard government has had to be dragged kicking and Screaming to the table to even agree to make that small increase from last year’s funds and to make a decision to invest in Australia’s future and in our greatest resource—our young people.

Tonight we are talking about investing in our future and making decisions to invest in our young people, to support them in their pursuit of a different pathway to high skills in further education, training and employment. But this government would prefer to give more money to elite private schools than to schools with high needs. This government must take up the responsibility to put pathways in place. It must work hard to be always developing better pathways which do not have gaping holes in them, so that our young people can have a good future ahead of them and do not have it cut short at 15.

Young Australians fear that they will not make it through the maze, that they will not eventually get a job which will enable them to have a fulfilling life that includes a car, a house, family and friends, and a better future, indeed, for their children. Young people know that the government is choosing not to invest in them. They know that there has been a massive increase in funding to the elite private schools. They know that there have been massive rises in HECS and an attempt to price ordinary Australians out of universities and into ‘quiet ponds’. They know that they have no time to study and enjoy university because they are working record hours to pay the rent and buy food. They know that there is a GST on everything from going to the movies to travelling on public transport.

Young Australians know that the government’s New Apprenticeships scheme has developed into a dodgy subsidy for shonky employers. They know that the youth job market is getting tougher and life is much more uncertain. They know that this government believes in driving down youth wages. From the time that John Howard was Treasurer, he advocated that in a very public campaign. They know that there are record levels of youth homelessness. If they live in
Sydney, Brisbane or Melbourne, they must just shake their heads at the possibility that they will ever own their own home. They know that they are being ripped off by this government.

This government wants to believe that our young people can somehow be Americanised and believe in the rights of the individual. We see that young people want to belong to a community. Young people want to belong to Australia’s history. Look at the resurgence of the ANZAC tradition. Every year more and more young Australians are making the pilgrimage to Gallipoli, not to celebrate war or nationalism, but those values of mateship that make us better and define us as a nation. These traditions have been passed down from generation to generation. I have a great deal of faith that the current generation of young people will be at least as wise as their predecessors. I know that young people are watching this parliament and what we do that affects their future directly. They will hold us to account.

Today in the Illawarra, we saw the Deputy Leader of the Opposition, along with the candidate for Cunningham, Sharon Bird, launch an investment program which Labor would undertake as an apprenticeship pilot for Illawarra’s youth. If you look at the regional dimensions of youth unemployment, there are great disparities.

In conclusion, I return to how I began my contribution tonight. Governments should be judged not by how they look after those people who do not need a hand up because, due to the families they were born into and the opportunities they have, those people will do okay. This bill is about the issue of vocational education and training and giving all individuals an opportunity. It is not about leaving people behind because they go to Marrickville High School rather than Newington, a category 1 school. It is about giving all young people an opportunity for fulfilling employment. It is about more than the individuals and a relationship between employers and individual young people. It is also about the type of economy we have. We have no choice but to go down the high-skill road and invest in the education and training of our young people. I commend the amendment which has been circulated in my name and ask that it be supported by this House.

The DEPUTY SPEAKER (Hon. L.R.S. Price)—Is the amendment seconded?

Ms Macklin—I second the amendment.

Mr RANDALL (Canning) (8.30 p.m.)—This evening I will outline the purpose of the Vocational Education and Training Funding Amendment Bill 2002. I will then talk to the funding elements of the bill and speak particularly about the New Apprenticeships element of the bill. I also wish to speak about one particular Indigenous program which is part of vocational education and training in Western Australia which the House may well be interested in.

This bill amends the Vocational Education and Training Funding Act 1992 in the following ways. Firstly, it supplements the funding appropriated in 2001 for vocational education and training, VET, provided to the Australian National Training Authority, ANTA, for distribution to the states and territories in 2002, in line with real price movements and the Commonwealth’s commitment under the 2001-03 ANTA agreement to maintain its level of base funding in real terms. Secondly, it appropriates base funds for VET to be provided to ANTA for distribution to states and territories for 2003 and funds for the Australians Working Together policy and the VET related elements of the Recognising and Improving the Capacity of People with a Disability initiative. Thirdly, it increases the amount of growth funding appropriated for 2002 to allow for indexation. Finally, it appropriates an initial amount of growth funding for 2003 within the limit agreed to in the 2001-03 ANTA agreement.

Basically, the national vocational education and training system cooperative arrangements are between the Commonwealth and state governments and industry training advisory bodies, private and public training providers and stakeholders. While TAFE, which is administered and funded by state and territory training authorities, is the single largest provider in the overall training market, the VET market is increasingly supporting a range of private providers. Ap-
proximately one-third of funding on VET comes from the Commonwealth government. I reiterate: the main funding source for vocational education and training comes from the states; however, one third of this funding comes from the federal government, and I will outline how that is growing.

Current Commonwealth expenditure on VET totals approximately $1.9 billion per annum. There is a number of ways in which the Commonwealth funds VET. Since its introduction in 1992, appropriations have been made under the Vocational Education and Training Funding Act 1992. These constitute a substantial proportion of Commonwealth expenditure on vocational education and training: around $1 billion of the approximately $1.9 billion which the Commonwealth currently spends on VET. This appropriation is for Commonwealth grants to states and territories for the provision and support of vocational education and training. But the Commonwealth does not directly fund TAFE or other training providers. These funds are passed on to the Australian National Training Authority, ANTA, for allocation among the states and territories. The allocations are made under the terms of the ANTA agreement.

Other Commonwealth VET appropriations are made to fund specific Commonwealth VET programs, including the Jobs Pathway program—a program which helps school leavers at risk successfully move from school to work; the New Apprenticeships system, which provides a combination of employer incentives, personal benefits, infrastructure targeted initiatives and support services to promote the delivery of relevant skills and learning outcomes; literacy and numeracy testing for the unemployed; English language and literacy training in the workplace; the Job Placement Employment and Training program, JPET, which helps young people at risk to overcome the barriers they face in maintaining stable accommodation, finding work, accessing training or re-entering educational systems; and the Enterprise and Career Education Foundation, ECEF.

As I have already said, Commonwealth VET appropriations fund the New Apprenticeships system. It needs to be put on the record that the New Apprenticeships training system is highly successful when compared with what was on offer before the Howard government came to power in 1996. Until then, the level of apprenticeships in this country was just over 105,000—it varies depending on which basis you are talking about—and it was neglected under the Labor Party because it had other priorities.

One of the most indictable things about the Labor Party walking away from genuine apprenticeship schemes in this country is that, as a result, the skilling of our work force in this country during the Hawke-Keating years dropped enormously and, because of that, we are now suffering skill shortages in major trades and industries in this country. This flies in the face of the Labor Party’s often touted interest in the so-called working-class man. The Labor Party is not really interested in the working-class man; it is more interested in the elites—the elites within the Labor Party.

It is an indictment of the Labor Party that it failed to provide the basic skills for the basic industries of this country—plumbing, timber, machining, engineering—and that the skilling of our work force was allowed to run down due to a lack of funding. This flies in the face of the opposition spokesman on this portfolio who accused the government of allowing funding to run down. It is quite the converse, and bodies such as the Australian Chamber of Commerce and Industry have said that these programs not only are being funded at record levels but also are highly successful and supported in the community.

The National Centre for Vocational Education Research indicates that there were 334,370 new apprenticeships as at 31 March this year. This compares with the record of Labor when they left office of just over 100,000 apprenticeships in place in the Australian work force. That is a very sad indictment of the way that the Labor Party treated the so-called blue-collar workers of the industry that they wish to claim some sort of patronage from.

The figure of 334,370 new apprenticeships as at 31 March this year represents a 10 per cent increase, or almost 30,000 people,
undertaking new apprenticeships since 31 March last year. Not only has the number grown since the Howard government took office; it is growing on a yearly basis, and quite substantially. You would have to say that a 10 per cent increase in one calendar year is quite substantial.

As I said, apprentices who were in training in September were at record low levels. The significant increases in new apprenticeships has added to the industry skill base by Australian workers being trained to industry standards. So much for the mickey mouse training schemes that the shadow spokesman on this matter was talking about. He is full of rhetoric; he has no substance when it comes to this issue.

In 2001, a report by the National Centre for Vocational Education Research, entitled Apprenticeships: facts, fiction and future, noted that the Australian system of New Apprenticeships is among the best in the world. I repeat that: it noted that the Australian system of New Apprenticeships is among the best in the world. In fact, it was listed as fourth in the OECD figures in terms of proportional coverage of the work force: 45 per cent of all teenagers in full-time employment were in New Apprenticeships places. That is a truly big tick for the government. They have addressed this withering on the vine of apprenticeships in the work force left by the Labor Party, sadly, in its last few days.

I wish to further address some of the figures on New Apprenticeships. We know that 2002-03 funding will total $1.9 billion, an increase of 5.5 per cent over the previous year’s figure. So much for a reduction in funding. This includes $1.1 billion to the states and territories through the Australian National Training Authority. The budget this year committed to additional funds to encourage high-tech employees to take on new apprentices. It also supported those employers who take on young people while they are still at school—an admirable program, but in some places a little flawed, as I will discuss later.

The Innovation New Apprenticeships measures mean that employers taking on new apprentices in information technology or other emerging high-skill occupations will be eligible for an additional—not base, but additional—$1,100 incentive payment. So much for the often heard cry that it is not worth taking on an apprentice. Yes, certainly, as I will also prove soon, it is a very expensive exercise to have an apprentice attached to your business, but the government is endeavouring to continue to provide additional funding, which is recognised by the previous bodies I mentioned.

Employers who take on a new apprentice while the young person is still at school will be eligible for an incentive payment of $750. They will also be eligible for a further $750 if they continue to employ the young person as a new apprentice within six months of their completing year 12. These two measures together are worth more than $54 million over four years. Again, there is not only a moral and policy commitment but a financial commitment to these programs.

I rang a local industry training group in Perth today to find out how they perceived the New Apprenticeships system working and how it applied to them. They are a large group who take on education in a range of industries—people such as gasfitters and brickies, basically in the traditional industries. They said they were happy—they thought it was a growing system and they were very pleased with the way it was growing. They commented on the legislation and the policy as they have developed under our New Apprenticeships system. The intention was to build in greater flexibility for the employer. Those who come from the dinosaur days of apprenticeships still want to follow along.

The Minister for Regional Services, Territories and Local Government, who is at the table, will know that in the racing industry, for example, an apprentice jockey still follows a very traditional route. It is a five-year apprenticeship. You are indentured to a trainer for a long time. Over that five-year period, you get paid very little. I should qualify that by mentioning the fact that, even though jockeys get paid little, successful ones do quite well out of slings and other little side arrangements on the way. It is a problem if you are a trainer and you are not in on the little program that the apprentice
might be running with someone else. As a former horse trainer myself, I understand some of the nuances of apprenticeships—

The DEPUTY SPEAKER (Hon. L.R.S. Price)—Is this a personal explanation?

Mr RANDALL—No, I am just a victim of some interesting apprentices in the industry where I trained the odd horse.

This greater flexibility does not apply in Western Australia. Why is that? It is because in Western Australia they are still operating under the Industrial Relations Act 1979. Let us be fair, the Gallop government has only been in government for a couple of years, so the previous government might have had an opportunity to do something about the lack of flexibility in the apprenticeship system.

I want to address some of the problems caused by the lack of flexibility in the system. The training organisation that I spoke with today said that, as a result of Western Australia’s Industrial Relations Act 1979, apprentices, for example, have to be supervised once they are competent; whereas in the rest of Australia they are able to work unsupervised when they get to a level of competency. So in the early years when much of the training is done there is not much input into the business to which they are attached. In the years when they could actually be quite useful out on their own, for example, as I said, a young bricklayer doing roughies on a site or a young plumber doing basic drainage work et cetera, they are not legally entitled to be doing that—they have to be supervised. This takes away the intention of this act to allow flexibility once an apprentice gets to a certain level and can be quite useful to their employer. You could say, ‘So what? These people are getting a few dollars for having apprentices and, too bad, they can put up with the fact that they are a bit expensive to the organisation.’

The training industry organisation today quoted me a figure for an apprentice plumber. Over the four-year period during which the apprentice is indentured to a plumber, on average it costs the employer $178,000. This is a pretty outlandish figure but it comes from the peak organisation. What do they get in terms of assistance over that period? They get $4,400. So when you say, ‘Isn’t this marvellous. The employer is getting funded to take on apprentices,’ I can tell you that it is not all a bed of roses. The incentives, as I have already indicated, and the financial support are increasing, and so they should, but it is certainly not at the level that business would like.

Where is the growth in apprenticeships? The growth is largely in the IT sector and in the hospitality industry. We had the juvenile fraternity performance from the opposition spokesman on this matter and it was all the class warfare stuff about elite schools. In Western Australia, there is only one elite school and it is a tiny Japanese school in the northern suburbs. They tell us they now support the GST and they have walked away from any opposition—which he rabbited on about for some time. He talked about young people knowing how terribly they have been treated. Mr Deputy Speaker, these young people that were referred to certainly know who supports them. They know that the government supports them into employment and gives them the opportunity of having a job; unlike the Labor Party under the Hawke-Keating leadership, when unemployment blew out to more than 11 per cent and youth unemployment was in the 30s and 40s. I can readily say, from the figures in my electorate, that youth unemployment is coming down.

The best thing you can do for a person is to give them a job. This is not what the Labor Party is offering, because their track record in this area is abysmal. The greatest thing that you can do for a young person is to not treat them like expendable goods but to make sure that they get skilled and that they head towards meaningful jobs into the future. Let us compare this to the programs that operated under the Labor Party. Remember the ads with Bill Hunter, Working Nation, Job Ready and all that sort of stuff? What did they provide? SkillShare centres. There was no real decent training. They were not providing apprenticeships. They were producing brickies after three months instead of providing a decent apprenticeship. Forklift drivers burgeoned throughout the community because they were easy to train. The absolute irony about training a forklift driver is that
you only become a forklift driver in a business if you have gravitated to the top of that factory or that yard. To produce that enormous amount of forklift drivers was just bizarre. When those people found they were without a job, they were sent back to the SkillShare centre. What were they given? They were given another course in forklift driving. We are providing real apprenticeships. We are providing real funding for meaningful training for jobs. (Time expired)

Ms MACKLIN (Jagajaga) (8.50 p.m.)—I am very pleased to be able to speak on the Vocational Education and Training Funding Amendment Bill 2002, which is a very important piece of legislation. As far as Labor is concerned, education and training are right at the heart of generating the high-wage, high-skill jobs that will lead to a decent standard of living for as many Australians as possible. We know that Australians actually want to be able to work smarter and to have more time with their families. I think the previous speaker, the member for Canning, should have a look at the recent Productivity Commission report, Skills and Australia’s productivity surge. That report found that Australia’s growth in skills has dropped under the Howard government and is low compared to other countries. The figures in that report actually show that skills accounted for over 28 per cent of productivity growth in the late eighties and early nineties but only 2.9 per cent in the late nineties—a massive drop in the contribution that skills were making to our productivity growth.

We should not kid ourselves; this lack of skills growth will mean that Australians will have to slog it out, working harder and longer to earn a decent standard of living. If we want to improve our way of life, skills growth has to accelerate and make a greater contribution to our productivity growth, not suffer the massive decline which we have seen recently. Of similar concern is another report released by the Productivity Commission. The report also found that Australian investment in higher education had gone backwards under the Howard government, dropping us from third to fifth place among the developed countries that were surveyed by the Productivity Commission. This decline began with the Howard-Costello budgets of 1996 and 1997. I will not go into what happened to university funding; I will concentrate my remarks tonight on what happened to Commonwealth funding for training.

In those two budgets, we saw the government under the Howard-Costello leadership renge on the Commonwealth’s commitment, which was in the original ANTA agreement signed by the Labor government, and which had seen growth funding go into training. In the 1996 and 1997 budgets, this government reneged on that commitment. Instead, we saw a cumulative reduction of over $200 million in Commonwealth funding of vocational education and training in those years and a related massive cut to labour market programs. Just concentrating on the vocational education and training sector, these big cuts to the ANTA agreement had a very big impact on our TAFE systems, as the big public providers of vocational education and training.

By 1998, when the Commonwealth and the states were renegotiating the new ANTA agreement, we saw the end of the Commonwealth’s commitment to growth funding. Through the then minister David Kemp, the Commonwealth insisted on the concept of ‘growth through efficiencies’—one of the many examples of what can only be described as Orwellian newspeak if ever we heard it. In return for this growth through efficiencies, the Commonwealth was going to maintain funding in real terms. The result was that between 1997 and 2000 the Commonwealth’s contribution to the vocational education and training operating revenue actually fell by $112 million. This pretty much neutralised the $150 million increase that was put into vocational education and training by the states and territories over the same period. Let us not muck around with the figures: a very significant cut happened.

We have seen some independent research on this issue by Louise Watson, the Director of the Lifelong Learning Network at the University of Canberra. She has reported that the cumulative reduction in Commonwealth revenue for vocational education and training over the period 1997 to 2000 was $386 mil-
lion. It is no wonder that this sector is experiencing such enormous pressure. Unless urgent action is taken—and we are certainly not seeing it in this bill—we will continue to spiral further downwards and become a low-skill, low-wage economy and, as a result, our standard of living will go down.

We know that we have serious problems with shortages of skilled apprenticeships. We know that Australian businesses desperately want more skilled workers. We also know that the government’s New Apprenticeships program focuses on the low-pay, low-skilled end, instead of the high-growth, high-pay, high-demand skilled workers that so many industries are crying out for. We are hearing repeatedly from industry groups that the government’s program has produced a severe skills shortage in the high-skill, technical areas such as medical services, engineering and mechanical and electrical trades.

Just last week, I went to the Toyota plant at Altona in Melbourne, where enormous investment is being put into a new engine plant. Skilled workers and engineers have had to be brought to Australia from overseas because there are not enough in Australia. That is an absolute indictment of this government’s incapacity to deliver the numbers of skilled workers that our industry needs and to provide the work opportunities that so many young people want. Instead of helping our young apprentices into the high-paid, high-demand jobs, the government is forcing them down to the other end of the spectrum. Government speakers do not have to take my word for it; if they were reading the Australian Financial Review recently, they would have read the following:

There is no room for complacency, yet this point seems to be lost on Brendan Nelson ... Asked about a recent report showing very low rates of high-skill job creation, Dr Nelson dismissed this as a macro-economic issue to be addressed by the ministers for employment and industry.

Instead of dismissing his responsibilities, the minister for education and training should be directing his efforts at making sure that we have near full participation in education and training by young people. He should see it as his responsibility to make sure that the skills and training being offered in our VET and TAFE sectors are going to provide opportunities at the high-skill, high-wage end and not push people down the low-wage end. We on this side of the Parliament do not agree with the view of the minister for education that people who cannot make it in education should just go off to a quiet pond. It will be a very stagnant pond if they do not get a decent education. All of this requires the development of policies that remove the significant barriers that exist in education and training for young people. These are significant barriers between schools and TAFEs in particular. It will require an enormous amount of effort from the Commonwealth, the states and the institutions.

We know that our vocational education and training sector caters for a very large number of people, most of whom are enrolled in our TAFE system. Over 1¾ million students are enrolled in Australia’s vocational education and training system, which is a huge contribution being made by that sector. Through our TAFE system, one in every 10 Australians is acquiring education and skills and laying the foundations for lifelong learning. But, as the recent Productivity Commission report shows, this is not enough; we are not contributing enough to our productivity growth through skill development.

What is particularly troubling is the government’s indifference to the vocational education and training needs of young people in this country, particularly those who are at risk of being marginalised from education and training, and employment. We know from the latest report of the Dusseldorf Skills Forum, entitled How young people are faring, that the number of young people aged between 15 and 19 who are in neither any form of education and training nor full-time work is growing. Over 200,000—about 15 per cent—of all young people in that age group are not in the sort of education or employment that will lead to a decent job in the future. The report indicated that more than 40 per cent of young people who left school before year 12 were in ‘at risk’ activities within six months of leaving school. Of course, those sorts of ‘at risk’ activities are
drug taking and other illegal activities. The best thing that we can do for those young people is to engage them in education and training, engage them in opportunities for employment, to make sure that they do not get involved in these sorts of risky activities.

In contrast to the government’s inaction, particularly for this very significant group of young people who are at risk, today I was in the Illawarra where I announced Labor’s commitment to addressing the urgent education, training and employment needs of young people in that region. We know that unemployment in that region, particularly for young people—as exists right across the country—is very high. I announced in Wollongong today that a Crean Labor government will support the proposal of a local committee, the Illawarra Apprenticeship and Traineeship Committee, to pilot a special apprenticeship scheme in the region for young people who are in danger of unemployment. So we have committed ourselves to the committee’s proposal by committing $6 million for the creation of 220 apprenticeships to pilot this scheme. It is aimed at ensuring that young people are provided with training and job placement over a number of years to give them the skills and experience that are in demand in the region. Obviously that is a very important point, because we want to make sure that they will get jobs at the end of that scheme. The pilot will target young people who are at risk of unemployment and will make sure that we get them into apprenticeships in those industries in that region that are suffering serious skill shortages. I want to place on record my congratulations to all those who have been involved in this project and for bringing this proposal to our attention, and I am very pleased to be able to indicate our strong support for it.

Nationally and additionally, we have to direct our policy effort at improving not only the level of funding but also the funding arrangements to enable students to move more easily between schools, VET providers—whether TAFE or private providers—and universities. We do need to work with the state and territory governments in building those more flexible arrangements, but we do not see anything from this government in that regard. We want to make sure that there is much greater flexibility in delivery across those institutions. This will mean changes to assessment, certification and funding systems that will actually support students rather than hinder them in undertaking courses that will improve their skills. We do not want to see secondary schools that are offering VET in schools programs struggling to meet the workplace learning requirements; we do not want to see universities refusing to provide proper credit transfer. These areas require urgent policy attention, and we are certainly not seeing that from the current government.

I know that there has been some movement by the Australian Vice Chancellors Committee. It has recently announced a system of minimum credit transfer between TAFE and participating universities. Of course this is welcome but it is not sufficient. We really do need to see some national leadership from the government to push this issue along. Just last week I met with some of the state and territory education ministers; all eight of those ministers and I put out a statement last week recognising explicitly the need to develop clear and consistent procedures for the recognition of prior learning, particularly between vocational education and training and higher education. We on this side of the parliament know that this is a priority area and we certainly will be working cooperatively with the state and territory governments and the institutions to make sure that we address this policy disaster.

There is also the effect of different rates and sources of funding. It is not the case, as the previous speaker, the member for Canning, said, that TAFE is funded only by the states. TAFE and vocational education are funded by both the Commonwealth and the states. Schools are also funded by the Commonwealth and the states but in completely different ways from the vocational education providers. Students who want to undertake vocational education courses while at school have different funding arrangements from those who might want to do them at a TAFE. Some students want to stay at school and do TAFE courses, but at the moment the fund-
ing arrangements do not facilitate that. In many cases they make it very difficult for the students, for the schools and for the TAFEs. So our job at the national level is to work with the states and territories and to work with the institutions to sort this mess out. There are practical barriers to doing this—and, at the moment, nobody is seeking to fix them.

We know that these problems are not being addressed in the minister’s current review of higher education. He seems to think that the problem with TAFE is that it is just a backdoor entry into university, as he says, ‘on the cheap’. These comments have been resoundingly denounced by many TAFE directors, including the Victorian TAFE Association. They point out that, far from rorting the system, such students demonstrate the benefits of a publicly funded tertiary education system that promotes lifelong learning. The association were also very critical of the minister’s view that universities convey knowledge while TAFE education is purely about teaching and developing skills. I must say that the association did not hold back their criticism of the minister. They stated, ‘The regrettable part of such specious and, when viewed in isolation, fallacious rhetoric is that it invariably becomes the stuff of education policy.’ The failure of the minister to understand the role played by TAFE in the tertiary education system is certainly alarming to those who are right in the middle of it. It seems to us and to the TAFE sector that the minister is more interested in finding ways to make students and their families pay more for education than he is in building the system needed for a high-wage, high-skill economy.

We know that the answer to getting more students into TAFE, more students into vocational education, does not involve charging students and their families more, which certainly seems to be the only approach in the higher education review. We know we need the investment in this area. We know we need to facilitate students moving between schools, TAFE and universities to give them the best opportunity to get the education that best suits them if we are to become the high-wage, high-skill economy that will see our standard of living improve.

Mr PEARCE (Aston) (9.10 p.m.)—Before I begin my remarks on the Vocational Education and Training Funding Amendment Bill 2002, I have to say that it never ceases to amaze me that every time we have a positive initiative before this House, the opposition just cannot seem to embrace it. This bill is about increased investment in education and training. That is what this bill does. It increases the investment in Australians—in their education, their learning and their training—and I would have thought that was a positive initiative. However, it is one of those things that we do have to put up with and be challenged with each and every day.

I would like to make another comment. We just heard from the member for Jagajaga about her visit today to the Illawarra region. She talked about her trip down there and the fact that, while she was down there, she made Labor’s commitment to a particular program. I really do doubt the use of those two words, ‘Labor’ and ‘commitment’ in the one sentence. That is somewhat of an oxymoron, I think.

As the debate over the future of Australia’s education system continues, it is important to consider the role of vocational education and training in this broad subject. Vocational education and training plays an integral part in the skilling of Australia. Through its focus on the development and recognition of skills directly related to the workplace, vocational education and training—or VET, as it is known—has two key benefits for the community: benefits to individuals and benefits to business.
By developing skills through the vocational education and training system, individuals are able to achieve their potential. VET provides opportunities to a diverse range of people, from school leavers not undertaking higher education to older people re-entering the work force, retraining for a new job or upgrading their skills for their existing job. Vocational education and training is particularly suited to young people who choose a career that does not involve university study. To support those young people, the government is committed to building effective pathways to employment through vocational education and training. These pathways begin in our schools and, in fact, around 90 per cent of Australian schools now offer vocational education and training options to their students. As a result, in 2001 an estimated 170,000 Australian students undertook vocational education and training in their schools. This legislation builds on that success by including funding of $20 million each year, which has been extended to include the school years 2002 to 2004 for the highly successful program, Vocational Education and Training in Schools.

As I mentioned, VET also provides important opportunities for older Australian workers. With the ageing of the population, the contribution of older Australians to workplaces across the nation is likely to become increasingly important—and I will discuss this more a little later in my remarks. Australia is already leading the world in participation levels for older workers in vocational education and training. In fact, the National Centre for Vocational Education Research found that Australia ranks first among the 29 OECD countries in the participation of those aged 40 years and over in education and training.

The government is committed to helping Australians with a disability reach their potential and engage in employment in the community, thereby providing them with a positive environment rather than one which requires longer term dependence on income support. Labor continues to oppose the government’s reforms to the disability support pension, as you know, Mr Deputy Speaker, focus positively on people’s abilities. Vocational education and training plays a very important role, and the Commonwealth assists the states and territories in providing vocational education and training places for people with a disability under the Australians Working Together program.

Vocational education and training is also an area where the coalition is demonstrating its commitment to ensuring that quality educational services are delivered to Australians living in rural and remote communities. Statistics from the National Centre for Vocational Education Research show that under the coalition in 2001 almost 600,000 people living in rural and remote parts of Australia participated in VET programs. Results achieved per participant from rural and remote communities were on par with or better than the average in terms of pass rates and employment outcomes.

The second benefit is to Australian business. By developing the skills base of the local work force, VET provides industry with greater access to the important resource of skilled people that it needs. This does and will help increase the productivity, innovation and competitiveness of Australian industry both in this region of the world and in the global marketplace. With this consideration in mind, the coalition has recognised the importance of industry involvement in the VET system. In partnership, government and industry have developed a national training system that the Australian Chamber of Commerce and Industry CEO, Mr Peter Hendy, recently described as ‘thriving’. As well as committing resources to the continual improvement and reform of training, industry is now leading the way by setting the competency standards in the training packages used to skill people for jobs. The end result is an environment of opportunity, where training packages are available for over 75 per cent of the Australian workforce. In 13 years of government, Labor was never able to build a strong partnership with business like this because its union masters would not allow it to.

Under this government, Australians are increasingly embracing the benefits of vocational education and training. In fact in 2001 over 1.7 million people, which represents...
over 13 per cent of Australia’s working age population, participated in formal vocational education and training programs. The record of this government and that of Labor, its predecessor, stand in stark contrast on this issue. In Labor’s last two years of office, apprenticeships and traineeships as a proportion of the working age population declined to the lowest level for at least two decades—20 years. Under the coalition, new apprenticeships and traineeships, which include both apprenticeships and traineeships, have more than doubled since Labor was in office. The latest figures from the National Centre for Vocational Education Research show that there are now a record 334,000 new apprentices in training. This compares to just 135,000 in 1995 under Labor. That is 135,000 in 1995 under Labor and 334,000 now under the coalition.

This legislation builds on the federal government’s achievements in providing opportunities for Australians, young and old, to further develop their skills. The bill does this by making three key appropriations for the provision of vocational education and training across Australia. Firstly, the bill increases VET funding for 2002 by over $24 million, in line with normal price adjustments. This meets the government’s commitment to maintaining base funding in real terms under the Australian National Training Authority Agreement 2001-03. Secondly, the bill appropriates over $992 million in base funding for vocational education and training throughout Australia in 2003. Finally, the bill provides growth funding of $76.7 million in 2002 and $101.7 million in 2003 for those states that satisfy the provisions set out in the Australian National Training Authority Agreement.

In discussing vocational education and training, it is important to also look to the future. I would like to address the three key challenges that lie ahead, as I see them. The first is the ongoing development of the role of VET in the overall education of Australians and how it is integrated, particularly with the higher education offered by our universities. This matter was discussed in the recent issues paper Varieties of learning: the interface between higher education and vocational education and training, which was part of the Commonwealth government’s overall review of higher education.

Although the higher education and VET sectors are quite separate in missions, structures and funding, there are increasing links between the two. This is perhaps not surprising, given the focus on lifelong learning and the continual and ongoing development of skills. Department of Education, Science and Training statistics show that a rising number of Australian students are entering higher education on the basis of prior VET learning. To maximise the benefit of these two sectors, it is important to look at ways that they can work together not only for their mutual benefit but, most importantly, for the benefit of all Australians.

The final two challenges that I would like to highlight were identified by Mr Chris Robinson, the Managing Director of the National Centre for Vocational Education Research, in a presentation he made to China’s Central Institute of Vocational and Technical Education in August 2000. They are the changing nature of work, particularly in the light of technological change, and the ageing of Australia’s population.

The changing nature of employment has implications for both the way that vocational education and training is delivered as well as the content of the programs delivered. Technological change continues to have a significant impact. Studies by the National Centre for Vocational Education Research suggest that new modes of employment, such as project workers, are rapidly emerging which tend to provide reduced access to employer-provided training. It also found that technical skills have an increasingly shorter shelf life, with many of the skills that will be needed in 20 years time not yet in existence. It found that technical skills will not be enough, that workers will need to have a strong and diverse skills base which includes interpersonal, analytical and interpretive skills and that higher levels of IT literacy will be necessary in a much wider range of industries than in the past. As a result of these developments, it is important that VET programs are continually reviewed to maximise accessibility and to maximise their value for participants by matching the skills taught with
the challenges and the opportunities faced by those wishing to learn.

The ageing of Australia’s population will also have an increasing impact on the workplace over time. Currently, post-school education and training still tend to be largely geared towards providing entry-level training for people beginning their career, but the source of new skills will need to be increasingly developed amongst older and often already employed people. To make it more accessible to Australian workers, vocational education and training is already being delivered in modules rather than as full qualifications. Providing diversity in the vocational education and training system will become increasingly important in delivering the right training to both school leavers and more experienced workers.

This bill represents more good news for vocational education and training in Australia. As a result of this bill, Commonwealth funding for vocational education and training in 2003 will reach almost $1.1 billion—the highest level ever—compared to Commonwealth funding of $778 million in 1995 under Labor. This record level of funding is important because it means that more Australians have access to vocational education and training and, thanks to the coalition’s partnership with industry, access to training which better helps them meet the challenges they confront in their daily life and in the workplace.

Vocational education and training in Australia is important to our prosperity as a nation. When I began my remarks, I expressed the disappointment I felt about Labor’s response to what is a positive initiative. The key points in the explanatory memorandum sum up what this bill does: it supplements funding, it appropriates general vocational and education training for 2003 and it provides additional growth funding in 2003 for those states and territories that satisfy the provisions set out in the agreement. We can all disagree on one thing or another, but this is a positive initiative—this is a bill that increases investment in vocational education and training in our country. It is a positive initiative and something that should be supported.

I also have to say that I thought that one of the key roles of opposition was to provide an alternative approach. When putting my remarks together on this particular bill, I searched high and low for a Labor policy on vocational education and training. I can report to you, Mr Deputy Speaker, that I was unable to find one because, as you know, outside of their position on Telstra, the opposition do not have a policy on anything. We are still waiting. As a matter of fact, shortly—on 10 November—it will be one year since the coalition were returned to government, and we are still waiting to see a range of policies.

It is important for the opposition to put forward suggestions or potential improvements, but normally you would expect those improvements to be put forward in some context, some policy, some position, some alternative ideas. Obviously, that would also provide people with the opportunity to study those alternative ideas and to consider them. Unfortunately, we are not able to study the Labor Party’s position in relation to this topic because, essentially, they do not have one.

In concluding, can I say that this bill is a positive initiative that does increase the investment in vocational education and training. While people can disagree on various issues, it is important to increase that investment to provide even more opportunities for Australians. With the government’s focus on providing real and meaningful opportunities in partnership with industry, more Australians will be able to take advantage of the benefits of vocational education and training. That is the key point: this initiative will enable more Australians to take advantage of the benefits of vocational education and training. That is a good thing, that is a positive thing. I ask the opposition to support the government’s efforts in allowing people to take advantage of the benefits of vocational education and training. I commend the bill to the House.

Ms ROXON (Gellibrand) (9.30 p.m.)—I must say, if ever there was an argument for not having set times for speeches in this parliament, it was the member for Aston’s contribution. He was really struggling to fill in those last five minutes, and I was hoping he
would put us all out of our misery and sit down early—he obviously did not have anything extra to say. The member for Aston is slightly newer to this parliament than I, but he has been here long enough to know that bills do not come before this parliament in a vacuum. If this Vocational Education and Training Funding Amendment Bill 2002 was a bill simply to increase funding for vocational training, it would be something that everybody would be entirely happy with. But the reality is that we do need to look at this bill in the context of what the government has or has not done in supporting young people within the area of vocational training, and in a large number of other areas as well.

It is not as simple as the member for Aston would like to make out. He should be aware—but he obviously has not really listened to other speakers—that we are supporting this bill. The member for Grayndler moved and the Deputy Leader of the Opposition seconded a second reading amendment because of our concern about a range of issues that this bill does not address that it should address. We have been concerned for a number of years over some downgrading we have seen in the vocational educational area and the problems that is causing for many young people.

I want to use this opportunity to comment on the government’s inability to adequately address a number of the issues that are facing young Australians, particularly those trying to make the transition from compulsory schooling to work. I, along with my colleagues who have already addressed this bill from the perspective of job search, training assistance and educational investment required, am passionately concerned about the lack of commitment to serious assistance being provided to young Australians. For an example of this I do not have to look any further than my own region—the western suburbs of Melbourne.

Last year a comprehensive report was done on the state of play of apprenticeships and training in the west of Melbourne. This report was commissioned by the Australian National Training Authority and painted a very bleak picture of the government’s new apprenticeships scheme and its success—or, in this case, lack of success—in my region. It stated that the population growth in the area would exceed the rate of job creation by five to one and identified that this statistic meant something fairly obvious—that young Australians living in my part of Melbourne must fully utilise their training and learning opportunities in order to even hope to achieve their potential. This is becoming increasingly difficult because, as shown in the bill before the House, no serious investment is being made in the vocational training sector. Not enough is being done; not enough planning, not enough funding is being provided and not even enough serious interest is being shown in this issue.

The system is not adequately providing training to young people in the west. The report showed that secondary school students were not sure what apprenticeships and training were and was very critical of the lack of staffing, resources and information. The report also indicated that there were concerns that some of the teachers had not been informed of the role of apprenticeships and training either. In particular, students at government schools showed a high level of disenchantment and lack of engagement with schooling and further education. There was also a serious lack of understanding of apprenticeships identified amongst businesses in the area.

As a member whose electorate is in this region, I was greatly alarmed by these findings and, as the shadow minister for children and youth, I know that they are not isolated to young people in my region. Many of these issues were addressed in last year’s Youth Pathways report. The report specifically recommended:

… promoting innovative education training and employment opportunities which respond to the needs of the local community …

This clearly would be of great benefit in the western suburbs of Melbourne and regions with similar issues across Australia. But despite the bill before us tonight, the government has not responded to the Youth Pathways report and continues to keep its head in the sand or, at best, tinker at the edges of the system that is failing so many young people.
One great example of an innovative program that is being conducted in my electorate is the trades orientation program that is provided at Williamstown High School in partnership with Victoria University and thanks to financial contributions from the Electrical Trades Union. This program enables students to get a taste of various trades as well as enabling them to undertake studies in maths, English and job search. While this program provides a great service to the students who participate in it, it has the potential to be even better if the federal government decides to assist with funding. In fact, despite the program’s success, it is at risk of closing due to a lack of funds. This is exactly the sort of initiative that the federal government could have picked up on and supported much more broadly had it paid any serious attention to the recommendations of the Youth Pathways report.

Members present in the House would be able to recall that the Prime Minister commissioned this Youth Pathways Action Plan Taskforce in September 1999—over three years ago. The task force had very serious responsibilities and was charged with providing a plan aimed at improving support for young people and their families during young people’s transition to independence and strengthening pathways for those young people who do not, or are not likely to, go straight from school to further education and training or full-time employment, and those who are not fully engaged with their community.

The government has failed to act on this report and its recommendations. It delayed its release by over a year, reluctantly making public the report, which made heavy criticism of the government. We must remember that this report made 24 recommendations addressing vital policy areas such as school retention, the development of skills for employment through learning pathways, the administration of employment services for young people and services for ‘at risk’ young people—just to name a few of its key areas. It dealt exactly with the issues that I would have thought the government would be keen to take up and respond to. The delay in releasing the report was detrimental enough, but has been compounded by virtually no action since.

Let us look at young Australians today and see why there needs to be further action from this government. The situation is changing fast and young people face many challenges in today’s world. People who were young 10 or 15 years ago—people who are perhaps my age or the age of the member for Dunkley, who has joined us in the House—did not face the same challenges that young people are facing now. In 1980, 50 per cent of people aged 16 to 24 had full-time jobs; now that figure is at just 35 per cent. This corresponds to an increase in lower paid part-time and casual employment from nine per cent in 1980 to 24 per cent in 1998. Real wages have declined by 12 per cent for young females and by 18 per cent for young males between 1976 and 1996. The estimated disposable income of unemployed 16- to 20-year-olds has dropped by $14 a week since the introduction of the youth allowance in 1996.

I use these figures because they highlight just some of the economic pressures that are facing young people today and demonstrate the need for a greater emphasis on providing meaningful training, real jobs and adequate support to the future of our nation. We must also remember that Australians aged between 15 and 24 account for 14 per cent of our entire population while those over 65 account for only 13 per cent. I think these are figures that you would not expect, given the lack of priority given to young Australians by this government.

The 2002-03 budget did provide some funding for the Mentor Marketplace program and the transition to independent living allowance, both schemes which appear on the surface to be useful instruments in supporting young people in need. Both stemmed from recommendations in the report from the Youth Pathways report. However, both of these measures were actually announced in previous budgets, and members should bear in mind that access to the transition to independent living allowance is not even scheduled to begin until March 2003.

Added to this is that the Minister for Education, Science and Training keeps telling us
that the members of the Australian public resent having to fund university education for other Australians. If the minister thinks that other sectors of the Australian society should be prioritised ahead of university students, surely the place any education minister would start would be with young Australians who are finding it hard to make the transition from school to work—the exact brief of the Footprints to the Future report. Surely providing guidance to young Australians who are seeking training through TAFE or through VET schemes in schools would be appropriate. But it seems the minister is not just against providing adequate funding to universities; he is not willing to adequately fund any type of education, and this part of the spectrum misses out as well.

In fact, this government is not even willing to honour its election promises to our young Australians. Young people were told at the last federal election, in the coalition’s future action plan for young Australians, that they would be provided with a comprehensive response to the report in the 2002 budget. Whilst many other Australians, including me, might be used to these so-called non-core promises contained in the coalition’s election documents, many young, first-time voters would have taken—and would have been entitled to take—this election document at face value. But we have still seen no comprehensive response to this very important report. That is why in our amendment, which was moved by the member for Grayndler, we specifically included paragraph 2, which condemns the government for failing to keep its election promise to young people to provide a comprehensive response in the 2002 budget to the Youth Pathways report. This is something that seriously matters to young people. This is not just a broken promise that we are raising because we want to say, ‘We’ve caught you out again for breaking a promise.’ This is important because it makes a difference to whether or not these young people are going to have a fair chance to get a decent go in life.

Recently Labor asked the following questions of the Department of Family and Community Services during the budget estimates process following a change of portfolio, if you like, for the Youth Bureau. The Youth Bureau has moved from the Department of Education, Science and Training to the Department of Family and Community Services. The Department of Family and Community Services was asked:

What new initiatives have been announced as a result of the Youth Pathways Footprints to the Future report in the 2002 budget?

The answer came back:

None, Senator.

The next question was:

Has the department been instructed to investigate the introduction of any other new programs as a result of this report?

The answer came back:

No, Senator.

So over two full years have passed between when the Youth Pathways Action Plan Taskforce was to provide its initial report and today, and we still have seen almost no action from the government on this report. This is why we do not support this bill without wanting to make some comments on and criticisms of what the government has failed to do elsewhere. This bill does not appear in a vacuum; it appears as part of the government’s overall neglect in the way it has handled young people.

The only other action that the government seems to have taken in this area that has an impact on young people—and many young people at risk—was to close down the 24 Rural Youth Information Service centres that provided employment, education and other advice to young Australians living in rural and regional areas. In the minister’s letter to the providers of the Rural Youth Information Service, he states:

One of the recommendations of the Report of the Prime Minister’s Youth Pathways Action Plan Taskforce, Footprints to the Future, was to better integrate service provision for young people. This is the minister’s justification for cutting the Rural Youth Information Service. What a complete lie. What a fabrication. This report clearly did not say that it would be a great idea for the Commonwealth to reduce services to young Australians living in rural and regional areas. The report did not say that this would be a way to deliver better em-
ployment and education services to young people in rural areas. The irony of having a National Party youth minister close down services for young people living outside metropolitan cities is palpable. How the minister can claim that he represents either country Australia or the needs of young Australians by cutting this service is totally beyond me. And to pretend that it was a recommendation of this report it absolutely outrageous.

As recently as April this year the minister was praising the activities of one of the providers of the Rural Youth Information Service, saying:

It is an excellent example of what can be achieved when government and community groups work together.

Then, just three months later, he tells the service he is closing it down. Is it any wonder that the National Party vote has dropped for 18- to 24-year-olds to less than two per cent, according to the most recently published opinion polls?

So the minister, I believe, has tried to con regional Australia, because he has told the providers of the Rural Youth Information Service that they can apply for funding under the Job Placement, Employment and Training program—the JPET program. What he failed to tell the providers at the same time is that there has been no announced increase in the funding for the JPET program. This means—by some pretty clever or dexterous deductive reasoning on my part—that either the Rural Youth Information Service providers are going to miss out on funding or the JPET programs are going to get less money or are going to be expected to do more with the same amount of money.

I do not think it is going to be that hard for these service providers to work that out. I guess the minister might be hoping they will stay quiet until they find out whether they receive this JPET funding. But, sooner or later, people will know that they have been done over. Perhaps the minister does not understand that, unlike the co-located Rural Youth Information Service and Job Placement, Employment and Training service in his electorate, many others are not co-located. Young people wanting to access these services in other parts of regional Australia will have to travel hundreds of kilometres to get any assistance, especially in places like St George, Jabiru or Tom Price. The bill before the House, according to the government, is supposed to provide extra funding and support for young people wanting to participate in apprenticeships and vocational training. But, if young people in areas like those serviced by these youth information services cannot even find information about the government’s programs, how do they have a chance of participating in this system? It is quite outrageous to think that the government would put forward this bill and believe that it solves the problems of a large number of young people in Australia.

We still have no idea for most of the other recommendations in the Youth Pathways report which are going to be picked up by the government and which will not be. I will look at a couple of examples. Contained in recommendation 16 is the following:

The Taskforce recommends that:
- every school develop its capacity to recognise, at the earliest possible time, behaviour issues which indicate that young people are at risk of becoming disconnected from their peers, family, school and community.

I know in my electorate it would be incredibly useful to have some extra support. I know in Frankston, in the member for Dunkley’s electorate, having some extra support to identify those young people who are at risk would be incredibly useful. Does the government make a commitment to this statement or not? Nobody knows. Contained in recommendation 13 is the following:

The Taskforce recommends that:
- the Department of Employment, Workplace Relations and Small Business (DEWRSB), the Department of Family and Community Services (FaCS) and Centrelink develop and implement strategies to ... investigate the circumstances under which young people are breached on the recommendation of Job Network providers, with a view to implementing guidelines that take account of an individual young person’s circumstances.

Does the government have a commitment to taking those steps? No-one knows. It is two years on, and no-one knows. Contained in recommendation 9 is the following:

The Taskforce recommends that:
- all policies and programmes designed to address the needs of Indigenous young peo-
ple and their communities must ... be designed in partnership with Indigenous peoples.

Does the government have a commitment to that statement? No-one knows. Perhaps the minister, who is not here at the moment, has lost this report. I am beginning to think that perhaps the whole government has lost this report. We on the Labor side consider it a vital step in addressing the difficulties that young people face. It was a comprehensive report that should be taken seriously. Perhaps I should seek leave to table the report and make sure the government can still find the details in it.

These are vital issues. They are vital issues for our young people; they are vital issues for the community. The difference is between independence and adulthood, between a future of hope and challenge and one of far bleaker options. This is not a game. These issues matter fundamentally to our young people, who need to access this training and who need support to make life choices which will help them in the future. Young people cannot be ignored any longer. They need action, assistance and investment now. The government can give it to them—if only it wanted to.

Mr BILLSON (Dunkley) (9.49 p.m.)—It is my pleasure to follow the member for Gellibrand and, I guess, to encourage her to reflect on some of her comments in the last five or so minutes. The strategy she speaks of in the Youth Pathways report has been advanced; there are elements of it in the budget we finished debating in this parliament a few months ago. From her examples, one very clear issue comes through: the Commonwealth alone cannot implement some of those recommendations. There is a need for cooperation. There is a need for the states and territories to play a role, whether it is the early identification of kids at risk—which I am sure is an issue in her community as it is in mine—and providing appropriate support in the school environment. In the state of Victoria, if a federal minister is to visit a school, you have to get the green light of the state Labor government—so constraining and constricting are they on this school territory, this government school area. They are happy to take ever-increasing funds from the Commonwealth but will not even facilitate access to the venues unless you get the big tick.

I think the member for Gellibrand’s comments are worth reflecting upon by not just this side of the House but her side of the House. Some encouragement to her state Labor colleagues to not obfuscate and to not be recalcitrant in their conduct towards anything involving cooperation with the Commonwealth might be a good start. That would be a good start for the Federation and a better start for many of those people. Let me give you one example. Under pressure by government school principals and advocates of VET in Schools, Lynne Kosky in the Melbourne *Age* Education supplement of 9 October comes out with the most remarkable piece of nonsense you have ever heard. She is talking about it being quite appropriate for the state government to delay paying funds to schools and that this delay in VET funding was due to the state government sending in information late. She continues:

Also, the Federal Government’s contribution (which the state distributes) was late.

What utter nonsense. It was not late. ANTA have assured me—they have guaranteed—that they have made no late payments to any state and territory where all the payment conditions have been met. There is an example of the inherent difficulty the Commonwealth has with working with states and territories in this area. They will say and do just about anything to cover their backsides but do nothing to work in a collaborative manner to advance some of the agendas that we discuss in this House.

Tonight we are talking about additional funding. That is what tonight is about: providing additional funding to the states and territories, which they then distribute through their networks to secondary schools. Tonight is about making sure that the record level of funding the Commonwealth provides via ANTA for distribution to VET in Schools programs is provided for entirely in a manner consistent with the new 2001-03 agreement. The Labor Party are not saying they are opposing the bill, but they have wiped out almost all of the bill to substitute political points in an area of policy that their own
people said after the 1996 election was a political blind spot for them. When you talked about any kind of higher education, vocational education, it was like you were talking to the Labor Party in some foreign language because all roads led to a university. Under the Labor Party’s vision for education and building capacity amongst our young people, in commentary after the 1996 election, all roads led to a university—ask their own people.

For the community I represent, three-quarters of our students do not go on to university. Under the Labor Party’s assessment of their capacity, they are not able to fully participate in our community, because they are not going on to a university. At last, the member for Gellibrand has come in with some new enthusiasm. To her credit, she is actually engaging in a discussion about a young person’s future other than going to university. This is novel. This is new. This is uncharted territory for the Labor Party. She is happy to rabbit on about JPET programs that the Howard government has expanded, and to talk about school to work transition programs: ‘We really should do this; we really should do that.’ It was an idea the Labor Party had never come across until they spent cuddly years in opposition—and may they stay there as long as this nation wants to go forward.

This whole idea about an alternate pathway to a career for a young person, other than via a university, is a new idea. Perhaps that is why the Labor Party is struggling with it. This is about encouraging and supporting those young people who have skills and abilities. They may not have a purely academic objective for their career development. They may want to engage in some vocational education and training. Why not do that? I hope the member for Gellibrand reflects on these comments as she leaves the parliament. I thank her for her enthusiasm and encouragement for my remarks.

This is about looking at the funding that is made available so that students can commence vocational education and training while they are still in the school environment. At the school I went to, Monterey Secondary College, academic life was not everybody’s cup of tea. Some individuals who did not find academic life stimulating and at times struggled to find the relevance and the connections between what they were studying and their future career opportunities left school and pursued other options. That was their choice. This package provides an opportunity for those people to pursue a vocational education and training pathway while they are still at school.

Why is this important? I have highlighted the fact that many people’s skills and capacities are not always geared to academic success. That does not mean that those people are less able and less deserving of support for their career pathways. If you look through the statistics in the state of Victoria since 1999, the number of students enrolled for VET programs in government and non-government schools has risen from 14,876 to 27,073. In this education feature article published in the *Age* on 9 October, it is worth noting that there is a handful of secondary colleges represented in the account of what is going on in vocational education and training in schools. I am pleased to say that a number of them are from Dunkley. There is a reason for that.

PVET, the Peninsula Vocational Education Training cluster, which operates out of my electorate, is a remarkably successful collaborator and facilitator for VET in Schools opportunities for the students I represent. We have about 20 secondary colleges involved in that PVET umbrella—government schools and nongovernment schools bringing people in that might otherwise be at risk of leaving school early and also some high achievers looking to round off and broaden their education.

One of the great challenges facing PVET is that it has growing pains. We are seeing continuing increases in the number of students from nongovernment and government schools in our community trying to include vocational education and training in their schooling. That is why this bill tonight becomes so important. Not only is the government implementing the 2001-03 agreement which committed the Commonwealth to maintaining the funding base of the VET in Schools program but also to providing
growth funding to accommodate this important area of educational opportunity. So the Commonwealth is maintaining its funding base and that is indexed as well. On top of that, it is providing additional growth funding.

Those figures that I mentioned in the state of Victoria—surely, also of interest to you, Mr Deputy Speaker Barresi—underline how we are seeing this growth in participation coming through our schools. There is a debate about whether this funding is sufficient and there always will be. In this education feature in the *Age*, that is very much at the heart of the debate. There are some examples of how students can choose particular VET programs, where the costs are not entirely covered by the available funding. In this article, the question is: where is that additional funding coming from? In the schools that I talk with, this is an issue because many of them commence their engagement with VET in Schools where the TAFE system operated effectively as a loss leader. The TAFE undertook to provide these programs to participating schools and students at a 50 and 60 per cent capped rate of cost. TAFE saw it as a loss leading exercise that, by engaging more students in VET, they would then have an increased stream of students going to TAFE once they finished their secondary schooling. That was an important business decision by TAFE and an important discounting of the costs of providing VET that underpinned its early years.

We are seeing a change in that attitude, where 80 per cent is pretty much the norm. This is an example where there is pressure on costs coming out of this decision by the TAFE sector to recover 80 per cent of what it believes to be its whole cost of providing these programs and pressure within the TAFE system to move to a 100 per cent cost recovery rate. That is happening in the TAFE sector, which is again controlled by the state governments in this country.

At the same time, there is a growth in participation in the state of Victoria from 14,876 in 1999, through to 2002 where there are 27,000 plus students participating and more are expected—more expected by the people on the ground and the secondary school principals in my community who are referred to in this article. According to the state minister, this demand is supposed to plateau. I do not know how she arrives at that conclusion. I do not know anybody who believes that. The state minister in Victoria is saying that the demand has plateaued.

So you have the TAFE system recovering more of what it believes its costs are and you have the TAFE system’s advocate, Mr King, who is the spokesperson for the TAFE association, actually confessing that the TAFE sector is committed to schools but they have some funny funding and cost arrangements. He is quoted in this article in the *Age* as saying:

And TAFEs have a range of administrative and service costs that make the delivery of VET in Schools relatively expensive.

What is the remedy? Some say the remedy is to simply give all this growth funding straight to the TAFE. But years ago we recognised that the costs of providing VET programs across the state vary greatly.

*Mr Latham interjecting—*

Mr BILLSON—The member for Werriwa has come in, and it is good to see him making a contribution. He was quite useful in this area, highlighting the blind spot of the Labor Party to any career pathway for young people other than into university. I agree with him on that point. He was singularly unsuccessful in bringing about change on his side, whereas we have been successful in bringing about constructive changes for young people.

Here you have the state of Victoria haggling with itself and its own TAFE system about where the funding should go. You have the TAFE sector saying, ‘Send all the money to the TAFE institute,’ but that undermines one of the great drivers of VET in Schools, where the schools receive the money, they collaborate amongst themselves in these kinds of clusters, like PVET, and they purchase these services. They decide amongst themselves how to structure the range of activities covered by vocational education programs—whether it be agriculture, automotive technology, business administration, community services, clothing design and
production, engineering, horse studies, IT, music industry skills or retail operations—and how best to access those training programs. By having the funding going to the schools, they can actually consider some options themselves.

The Mount Eliza Secondary College is looking at expanding its excellence in performance art and the supporting technologies to see whether that is a VET program that could be provided, hosted at its campus for the 20 schools within the region. Mornington Secondary College was fortunate to attract some funding to create an IT skills centre. So students from around the greater Mornington area can actually go to the secondary college, get their VET in Schools, get their Certificate II and III qualifications and get the bonus in terms of their entry scores and the like. They can do all that in the school environment where the school can use its infrastructure, its teaching staff, its tools and its technology to provide VET in Schools on site rather than bus the kids off to the TAFE institute. In the Frankston area, the VET programs are run on Wednesday afternoons, and there is an understanding amongst the schools that that is VET time—so there is a chance to again manage the costs, notwithstanding the additional challenges of coordinating timetables and also some of the transporting issues.

This bill is actually about providing more money for a crucial area of student opportunity—a crucial area, as I have outlined before, that has been a blind spot for the Labor Party for many years and appears to still be so, going by its objections that have been articulated today. But there is more that we can do, and there is a commitment by the Howard government to do more. We still have the skills centre program, and I am advocating that Monterey Secondary College should be the location of an automotive skills centre because that is a particular area of interest for the students. There are about 60 students at that school currently participating in that program. It also responds to the available job market opportunities. The beauty of the PVET program is that it is so responsive to genuine labour market opportunities in our region, whether it be in hospitality, retail, in some of the building trades or, in this case, in the automotive skills area.

But, again, this issue of affordability is central, and the issue of affordability is being addressed head-on by the bill before the House tonight. But, as I have illustrated, we cannot do it on our own; the states and territories have a role to play—beyond the spoiling and the apologist conduct that you see in this House by the Labor Party representatives or in Minister Kosky’s replies to her so-called critics where she is going around saying:

VET in Schools is a new program and some schools are still seeing it as an add-on.
So she is blaming the schools. She goes on to say:
They’re costing it differently (to other VCE subjects) ...
This is quoting the Victorian minister. In her eyes, it is actually the schools’ problem; it is the schools that are at fault. She says:
They’re costing it differently .... even though they get the full amount of money for students. When they run VET classes, they don’t factor that against the money they’re saving on other classes. They need to look at the total funding.
This is the Victorian minister. She is blaming the schools. She is blaming the schools at a time when her TAFE sector is wanting to recover more money off the parents and the schools and at a time when the Commonwealth is not only maintaining funding but also putting in growth funding. There are opportunities all over the shop, and we need some state Labor governments to wake up and actually make a contribution in these areas, but there seems to be an issue here.

Minister Kosky is talking about a plateauing of enrolments. No-one believes that; no-one can see it, and the data conspires against her own defence of what is going on in Victoria. She also talks about how some schools will run a physics class even if there are only five students and, in her words:
... not claim it is costing more to run. They accept this and manage their budgets around it.
So that is Minister Kosky’s view—it is all the schools’ fault. Minister Kosky needs to get out of her office. She needs to get out of the branch meetings, where this might sub-
stitute for argument, and actually go to some of the schools and find out what they are doing to drive this money further and what could be done if only the states and territories would step up and provide some of the growth funding, at least even remotely resembling what the Commonwealth is providing through this bill before the House tonight.

There are opportunities all over the place, and it is worth looking at why we need to continue with this program. The Howard government has given new hope to young people. Gone are the days where under the former government the only pathway to success was through the front of the ivory gates of a university. People are talented and they have abilities and capacities and, through an integrated area of programs, we are making sure that those people have some pathways to pursue. Work has been put in place to remove the disadvantage some students face from poor basic skills. There are programs tackling literacy and programs tackling numeracy. So we have those basic building blocks in place for people to learn and engage in our community and pursue some opportunities. We have more students in university than at any time in history. Universities have more cash available to them than at any time in history. We have opportunities for people to invest in their future. For those who want to take that pathway, there are opportunities abounding. We have growth in the area of New Apprenticeships programs, which cater for people with talents, skills and capacities not necessarily academically minded. It has picked up from the woeful legacy that was left to us by the Labor Party, where ‘apprenticeship’ seemed to be a dirty word and where being involved in that kind of vocational career pathway seemed to be an admission of failure. It is not; there are important career opportunities around for those people.

There is one more thing we can do. It is a decade since Eric Mayer talked about his key competencies. I have talked about this issue in this place a number of times, and I will continue to pursue it. What we need to do is advantage our kids. They are moving into a world where they are likely to have four or five different careers and 15 to 20 different jobs. What we need to do is tool up these young people for the mobility and employment challenges that they face. Eric Mayer talked about that in 1992 and got a monumental yawn from the former Labor government.

Through the Enterprise and Career Education Foundation we have put in place the infrastructure to pursue some of these ideas. That must be our next step. We must look at what we can do to advantage our kids. I feel Eric Mayer’s key competencies hold the idea that will advantage those people. We are talking about transportable skills, competencies that will help people on whatever pathway they choose to take in their life. We are giving people the tools to be more mobile, more engaging and more cognisant of their need to constantly develop, reflect on their skills and pursue opportunities in a changing labour market.

That has got to be the next frontier. We have tackled disadvantage. We have resourced schools to levels they have never seen before. We have pathways out of school into work that have never been in place before. We have vocational education pathways for the kids that do not go on to university—in my electorate, three-quarters of them—like we have never had before. What we need now is to tool people up with the capacity to deal with the dynamic nature of the labour market so that they are there, able to move confidently and comfortably between career opportunities and take the very best out of the delicious opportunities the next 20 years will provide.

In 1992 Eric Mayer identified what to do. Those transportable competencies—those seven competencies—around collecting, analysing and organising information, communicating ideas and managing time are part of that. (Time expired)

Mr TANNER (Melbourne) (10.09 p.m.)—The Vocational Education and Training Funding Amendment Bill 2002 deals with issues that are fundamental to Australia’s economic future and to tackling some of the widespread social problems that bedevil our society, particularly those associated with the alienation of young men. The
bill reminds us of the enormous challenges which are facing our society in both restructuring and revitalising our education and training systems. It is unfortunate that current debates in education tend to focus very much on the crisis in our universities—and there is a crisis in our universities—with insufficient attention being paid to the many problems that we need to address in the provision of vocational education and training and the delivery of skills education to young people who will not attend university.

Vocational education and training has been very much the poor relation of the education sector, but it is fundamental to our nation’s future that we assume a national responsibility for ensuring that all Australians are able to acquire useful skills, gain access to good job opportunities and have the potential to play a useful role in our society. As a result, I believe we need to completely rethink the Commonwealth’s role and responsibilities in the areas of training and skills development.

The mounting crisis in higher education, the continuing drift to private education, the decline in school retention rates and the emerging strategy of the Howard government present serious challenges for our society in the education sphere. Some bold thinking and risk taking are required if we are to move beyond simply defending existing arrangements and address the serious problems in education and training in a way which reaffirms core Australian values.

The regressive policies of the Howard government are only one part of the education and training challenge. Reversing these policies and increasing education and training funding will help tackle the problems in the sector, but more lateral approaches are also required. The challenges in education and training are driven by very important structural factors such as changes in the production process, which have massively increased the demand for skills and therefore the need for greater investment in education and training; acceleration of the speed of change in the production process, increasing the need for skills to be regularly renewed and upgraded; increased costs associated with the use of technology in education and training; consequential changes in education needs as a result of structural economic change, such as a greater need for remedial teaching; rising community affluence, placing the cost of private education within the reach of a larger number of families; globalisation of economic activity, reducing the viability of many low-wage, low-skill jobs in wealthy countries and increasing the importance of education and training as a means of delivering economic opportunity and social inclusion; and, finally, the declining importance of commodities in world trade, therefore increasing the need for skill and knowledge based production to maintain Australia’s relative position in the world economy.

The significance of all of these trends is often underestimated in the education and training debate. They help to explain, for example, the recent increased emphasis on vocational education at the expense of general education, which has angered many in the academic community. As the increase in demand in higher education is essentially vocationally driven, it is hardly surprising that it has led to a greater vocational emphasis in higher education. The massive increase in demand for education is also a key element in what is popularly described as the fiscal crisis of the state.

Contrary to popular belief, the primary driver of public sector cutbacks in Western nations over the past two decades has not actually been taxpayer revolt. The most powerful factor has been the explosion in costs in areas like health, education and aged care, where provision has typically been public sector dominated. This cost explosion has been driven by a combination of demand, demography and technological change. It serves as a reminder to us all that reversing the cuts in education and training spending that the Howard government has made is at best only part of the solution.

Between 1970 and 2000, the percentage of the Australian population in higher education grew from 1.6 per cent to 3.1 per cent, and the number of students grew from 193,000 to 600,000. In 1970, higher education absorbed 2.1 per cent of the Commonwealth budget. This grew to 4.9 per cent in 1975 and was at 3.3 per cent in 1995, the last year of Labor in
government. By the year 2000, it had fallen to 2.4 per cent, heading back towards where it was in 1970.

In effect, most of the rising demand and the cost implicit in that rising demand have been met from private sources. Federal government expenditure on higher education as a percentage of GDP in 2000 was very similar to the 1970 level. Therefore, with need continuing to rise as the process of economic restructuring continues, renewed increases in Commonwealth education funding will not be enough merely to address the mounting problems in higher education. Similar dynamics are at play in the vocational education and training sector, where the states have a much larger role.

The school systems in the various states are also suffering increasing funding pressure. There is greater demand for resources and greater reliance on private contributions. We are all aware of the stories of the experiences of parents in our public school system having to find more and more ingenious ways of raising money, supposedly voluntarily, in order to sustain many of the important programs that are part of any decent education in our contemporary society.

Confusion of jurisdictional responsibilities also plays a significant part in many of the problems that have bedevilled our education and training systems in recent years. No single part of our education and training system is exclusively controlled by one level of government. Problems are easier to avoid or to ignore if the blame can be diverted to others. Responsibility for contributing is easier to avoid if the lines of responsibility are blurred. Increasing private sector involvement, particularly in higher education, has further complicated the issues of funding and accountability.

There is a broader social context which I believe should give enormous impetus to the urgency for reform in our education and training sectors and for the need for a very thorough rethink about the approach which our society takes to delivering skills, training and aptitudes to our young people. That broader social context is the crisis of alienation of younger men in our society, and in particular younger men and boys who are less academically oriented. We can see in many trends in recent decades the evidence all around us of a mounting and very serious social problem with boys and young men. The pattern of retention rates in schools, which have been dropping in recent years but in particular have been dropping significantly faster for boys than for girls, is one example. There is a gender gap in retention rates and that gap is widening.

The Australian Council for Education Research has found that the literacy levels of boys are inferior to those of girls and, again, that gap is widening. If you look at the statistics for suicide by people under the age of 40 over recent decades, you will see that the already significant disparity between men and women has increased significantly. All around us, in a more general sense, we can see the examples of rage, alienation, disaffection and disconnection from our society that is evident in many younger men. Ultimately, this manifests itself in a range of antisocial behaviours, including violence, drug abuse and a variety of other social pathologies.

There is an underlying cause to all of this which is not widely acknowledged; that is, that there have been absolutely dramatic changes in the production process in developed nations in the past three decades. These changes have brought a wave of social change which is still insufficiently acknowledged. In effect, the male role in our society is being restructured. Throughout the history of the human race until recently, the overwhelmingly predominant role of men in our society was to deliver a manual input into the process of production—to be the beaters of metal, the diggers of tunnels, the builders of buildings and all of the other manifold physical work that was required in a modern society and a modern economy. A very substantial proportion of that work was either unskilled or at best semiskilled.

Through that process of contribution to the economy, that very important and ultimately fundamental contribution to our economy, men in our society had status, a sense of recognition and a sense of dignity. That was manifest in a variety of institutions, for example, the trade union movement.
There has always been a minority of brain workers or intellectual workers in our society, some of them male and some of them female, but until recently the overwhelmingly dominant mode of production was physical.

Within a generation that has been turned on its head. Technological change has inverted the ratio and the proportion of labour input into the production process which is physical or manual is now dramatically lower than it was when I was at school, for example. Mental skills, relational or personal skills have become much more prominent in the production process and, as a result, those for whom physical input or manual work is their primary offering have been disadvantaged. The foundations for male dominance in our society, which have been built on the production process and as the protectors of women and children, have been undermined substantially.

I do not make these observations in any sense to condemn or to criticise these changes but simply to observe the realities that we have to deal with as a result of these changes. In effect, there is a gigantic devaluation occurring for many younger men in our society that is associated with the loss of status that used to adhere to having a manual role in the production process—being male and having the implicit dominance that in earlier days was associated with being male. That loss of status is not necessarily a bad thing, but we cannot avoid dealing with the issues that arise from the changes that are occurring and are continuing to occur. I think the core response to dealing with these problems associated with male alienation and the problems of younger men lies in our systems of education and training. We need to ensure that all citizens, male and female, have a productive and useful role to play in our society, that everybody has the capacity to participate in society and has the opportunity to gain the skills and the education that will afford them a valuable role in our society.

We have allowed our society to become too focused on academic achievement and too focused on a narrow agenda—which, in some respects, Labor’s Knowledge Nation reflected in the past election. For example, the strategy of merging technical schools and high schools in my state has proved to be a mistake, although it was well motivated. There is a need to substantially increase the commitment that we make to vocational education and training to develop clearer lines of responsibility in government, to get rid of the blame game and competing jurisdictions and to ensure that we have more funding and more accountability.

In order to rebuild our education and training system, we need to develop a new institutional framework, which provides greater accountability, fairer and stronger access, more robust financing and much greater Commonwealth responsibility for vocational training and skills. We should build that on the following principles. The states should cede control of vocational training to the Commonwealth, including what is roughly a $4 billion annual state spend, and also formal regulatory and legal control of higher education, which is an anachronism that still rests with the states even though the Commonwealth is the de facto funder and controller of higher education. In return, the Commonwealth could cede effective full control of primary and secondary education to the states. Current Commonwealth funding, which is about $6 billion a year, could effectively be untied to allow the states to determine how it is distributed within the school systems in those states.

The Commonwealth could provide additional payments to the states, linked to the achievement of standard national performance benchmarks in school education, as a program of national incentives for improved performance. It would also have a significant role in the delivery of vocational education through schools as part of an enhanced training responsibility. I would like to see the HECS system made fairer and less financially onerous on students, with similar opportunities opened up for income contingent assistance with respect to students who are undertaking vocational education and training.

I believe public-private partnerships could be utilised as a means of delivering new
capital infrastructure in higher education and postsecondary vocational education, including multipurpose use of facilities. There have been some interesting initial experiments being pursued by one or two of the state Labor governments in this regard. We need greater broadband access for education institutions and a much faster transition to e-learning and all of the opportunities that that will open up. The states should be encouraged to enable schools to develop more specialised focuses—the Carr government in New South Wales is certainly heading down this path—and should allow the re-emergence of schools with particular focuses, including those schools which may seek to develop a more technical and vocational orientation.

A substantial proportion of the cost of expanding our national education and training effort should be borne by Australian companies, who will benefit directly from the creation of a more skilled and educated workforce. This could be through a more sophisticated version of the Hawke government’s training guarantee scheme—for example, some kind of arrangement which encourages companies to enter into direct agreements with education and training institutions and to contribute substantially to the cost of training their future workers.

I believe that the federal government should assume full responsibility for ensuring that everyone in our society has the opportunity to develop skills which will enable them to find employment and to participate fully in our society. It should offer Australians a ‘skills guarantee’. The government should assume responsibility for maximising each individual’s chances of finding a job. Although some of the thoughts that I have put forward tonight obviously require a great deal of consideration, agreement with the states and a range of matters to be dealt with, if there is goodwill on all sides, some of the problems of duplication, overlap, ill-defined responsibilities, lack of accountability and inefficiency can be solved. With greater effort, we can develop a more focused, a more efficient and a larger education and training system which will benefit all. Our overall goal must be to ensure that every job enhances the skills of the person doing it. They should always leave the job with greater skills and capacity to participate in the labour market than when they commenced. We need to ensure that every worker is more skilled and employable when they leave a job than when they commenced.

These changes would enable each level of government to take full responsibility for a discrete stage of education and training and to substantially reduce the level of duplication, overlap and blurring of responsibilities; allow the individual states to determine their own priorities in education funding for schools; oblige business to take a more direct and substantial role in supporting the education and training processes, which are central to their prospects; and provide the base for a vital broadening of our education and training effort—in particular, the capacity to elevate the importance, the funding and the priority of vocational education and training to ensure that all of our citizens, particularly our younger people, have genuine potential to participate in our society.

Australia is falling behind in our education and training effort. Large numbers of Australians are threatened with economic irrelevance unless we substantially increase our commitment to education and training. This will require a greater commitment, both from governments and private companies, and a willingness on the part of governments—be they of conservative or of Labor persuasion—to rationalise their responsibilities and their contribution to ensure stronger accountability and better outcomes. Ultimately, the outcomes that we are pursuing are for genuine opportunities—good life and good employment opportunities—for all Australians, particularly those who will not necessarily be fortunate enough to participate in higher education and will need all of the assistance, through our vocational education and training systems, that we as a society are capable of providing.

**ADJOURNMENT**

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

That the House do now adjourn.
Veterans’ Affairs: Commemorative Service

Mr MOSSFIELD (Greenway) (10.29 p.m.)—I rise tonight to inform the House of a commemorative service that took place on Thursday, 3 October, at HMAS Creswell at Jervis Bay. This commemoration marked 50 years to the day since the first atomic weapon was detonated on Australian soil at Monte Bello Islands, off the coast of Western Australia. Members would be aware that I have spoken a number of times on behalf of a constituent of mine, Keith Harrison, who was a sailor aboard the HMAS Hawkesbury, which was anchored only a mile or so from the blast site. Keith and other atomic veterans are still seeking appropriate recognition for their service and the ceremony at HMAS Creswell went part of the way to achieving that.

I was privileged to march with the National Servicemen’s Association which, along with the atomic veterans groups, RSL subbranches, the Army Band and Navy and Air Force cadets, formed the bulk of the parade. There was a large turnout of friends, families and supporters who shared in the occasion. Captain Andrew Cawley RAN, Commanding Officer of HMAS Creswell, welcomed the parade participants and guests; Chaplain Alan Asplin of the Royal Australian Naval Reserves presided over the prayers; and Captain B.J. Kafer RAN gave an address to those gathered in which he outlined the experiences and horrors of the atomic testing program. In the opening paragraph of his address, Captain Kafer said:

"We congregate here today to commemorate events that are little-known by the Australian public yet have left an indelible mark on the people who participated in them. Many of those people lost their lives, not in battle but due to illnesses. The illnesses did not strike rapidly, and I am sure many of the ex-servicemen here today are suffering from debilitating health problems as a consequence of those events."

A minute’s silence was then observed to commemorate those veterans who have since died from the various diseases they contracted at the tests that took place at Monte Bello Islands, Emu Plains and Maralinga. After the ceremony, a number of veterans and dignitaries boarded the minehunter HMAS Huon under the command of Lieutenant Commander Barry Jones and proceeded about two miles out of the Heads. There was then another, smaller ceremony followed by a wreath laying, where many of the represented organisations and individuals threw wreaths into the sea as a mark of their respect for the fallen—to remember old friends and comrades. I would like to read a small part of the prayer offered up by the chaplain which goes part of the way to explain why 3 October 1952 should be a date that all Australians know and recognise. It reads:

We remember those who served sacrificially in the atomic weapons program on the Monte Bello Islands and in the deserts of Australia, and those who served in the occupational forces in Japan after World War Two, those who served for the most part with little recognition or thanks, those whose health suffered and those who died a premature death. We remember them and give thanks.

There are few survivors left from HMAS Hawkesbury and all are suffering debilitating diseases as a result of their services on 3 October 1952. The number of Maralinga and Emu Plains veterans is diminishing also. I call them ‘veterans’ very deliberately, even though they are not recognised as such by the Department of Defence or the Department of Veterans’ Affairs. To both these departments they are simply ex-servicemen. The distinction is an important one because it affects access to medical treatment. Not being recognised as veterans, they are not entitled to a gold card. That card would give them not only access to the medical treatment they need when they need it but also peace of mind. At present they have to justify each new ailment and link it to their service in the shadow of the mushroom cloud—as though it is not obvious that that is the reason they are sick.

The government is worried about compensation, but the veterans I have spoken to do not want compensation; they simply want to have their illnesses treated and to be treated with dignity and respect themselves. These Australians have suffered terribly as a result of their service to this country, and we need to recognise this. The commemorative service at HMAS Creswell with 50 flags
marking 50 years on 3 October was an acknowledgment of the service and sacrifice that was made all those years ago. I wish to thank all those people within both the defence forces and the voluntary organisations who made it possible. (Time expired)

Dunkley Electorate: Scoresby Freeway

Mr BILLSON (Dunkley) (10.34 p.m.)—
A million and a half Melburnians in the communities of Melbourne’s north-east, eastern and south-eastern suburbs were dealt another cruel blow by the Bracks government late last week in relation to the Scoresby transport corridor. The Victorian government published its report on capital expenditure on public infrastructure for the next three years and not a zack for the Scoresby corridor was included in that statement. For those optimists and the million and a half residents and the many motorists looking for the Scoresby corridor to provide renewed opportunity and improved transport modes in this area of Melbourne, which is larger than the city of Adelaide, that statement dealt another cruel blow and it reveals what the pessimists have been saying all along: the Bracks government simply is not for real on the Scoresby corridor.

Those in this House who have heard me speak about this subject before may recall that the Bracks Labor government campaigned in the election that it won and secured government on against the Scoresby transport corridor, arguing that it was unnecessary and that a potchpotch of road improvements in the region would be satisfactory. Clearly the change of public spin has not gone through to a change in heart, and what we are seeing is the true agenda of the Bracks government. It is simply not for real. Efforts to disguise cost blowouts, construction delays and a lack of commitment to the Scoresby freeway are the recipe that dashes the hopes for an early start to construction work.

I call on Labor MPs and councils to step up and pressure the Bracks government to get started on building the freeway—and that includes the Labor members in this place, who purport to represent their communities and do precisely zip to bring about an outcome on the Scoresby corridor. It is outrageous that they are still running ads on Melbourne television proclaiming the virtue of the Scoresby corridor, flying over a piece of freeway. Those ads have nothing to do with the Scoresby corridor, because all we have are some bore holes in the ground, the Bracks government commenting about ‘a great injection to economic activity in the eastern and south-eastern suburbs’ and talking about industrial precincts south of Dandenong and someone saying, ‘Won’t it be great with the Scoresby freeway with reduced transport times.’ But there is not a zack for it in the three-year forecasts of capital expenditure on public infrastructure that were released by the Bracks government late last week.

There is no single endeavour that will enhance the viability, the vitality and the living standards of the region I represent as much as this project will, and it is time for all of our elected representatives, particularly the ALP representatives, to step up—even if they have just been bystanders until now or if they have actually put in a bit of effort—and get to work to support Scoresby. Let’s get started on Scoresby and finish the entire project, particularly the southern section to the Dunkley interchange at Frankston, so that our community can begin to gain the benefits.

Ms Burke interjecting—

Mr BILLSON—As a community we must keep on pressing the Bracks government to complete the best value section of the freeway, between the Princes Highway and Frankston, and not allow the apparent fixation at the northern end to overshadow the needs of our region. The section that I mentioned is the highest return section of the whole project, yet we had a recent announcement that the Bracks government is going to bundle the Scoresby freeway into an even bigger project, including the Eastern Freeway extension, and it has set the start date on Scoresby back until at least the middle of 2004—or, if you believe the capital expenditure on public infrastructure, even longer. So what do we have? We have a re-packing of the project by the Bracks government to mask huge cost blowouts and a
lack of state government financial commitment to the project.

Ms Burke interjecting—

The SPEAKER—Is the member for Chisholm trying to seek the call or deliver her entire speech during the member for Dunkley’s speech?

Mr BILLSON—I hope the member for Chisholm eventually says something and does something in support of this project, because she is a fraud to her constituents on this project. And what do we get from Minister Batchelor? Minister Batchelor says that half a billion dollars is not a cost blowout, it is an estimate understatement. It is not a cost blowout; they have just understated and undervalued the estimate of the project. With this repackaging we have seen incompetence to date with this project, an inability to fund it and an inability to attract private investors. What is the solution? Make the project bigger, make it more complicated, make it more expensive, and then hopefully it all will come true. It is a fraud on the motorists in the eastern and south-eastern areas of Melbourne. The Bracks government has no commitment to this project. Every action it takes validates the pessimists’ view that the Bracks Labor government will never build the Scoresby Freeway. That is an outrage. It is damaging the prospects of a million and a half Melburnians and their communities, and it is time for the Bracks government to fess up and say that it is not for real or actually do something.

On the issue of no tolls, the government has been all over the place. Is it hankering for that European-style annual pass? We do not know. You cannot get a direct answer out of the Bracks government. I have written to the transport minister and all I have got back is, ‘No, it’s not a cost blowout; it is an underestimate of the project cost.’ This is nonsense. (Time expired)

Health: Pharmaceutical Benefits Scheme

Mr MURPHY (Lowe) (10.39 p.m.)—Tonight I wish to bring to the attention of the House the cynical manner in which the Prime Minister recently claimed to be extending the availability of the life saving drug Glivec to sufferers of chronic myeloid leukemia, or CML, when in fact the government has been restricting its supply and abandoning victims of this disease, only adding to their distress at the worst possible time in their fight. A report by Julie Robotham in the Sydney Morning Herald on 26 September 2002 states:

Hundreds of leukaemia patients who pinned their hopes on the life saving drug will miss out because the Federal Government has imposed rules that mean many sufferers will not qualify for subsidised access.

In an act of incredibly cruel cynicism, the government has celebrated the announcement of its decision to extend the Pharmaceutical Benefits Scheme, PBS, subsidies for the new drug Glivec while simultaneously imposing arbitrary rules so that the patients will in fact miss out.

The Prime Minister was quoted as saying that the extension of PBS subsidies to cover this drug is ‘a wonderful life saver’ when in fact newly diagnosed CML patients will not automatically receive supplies of this new drug. Instead many patients will inevitably suffer a prolonged period of pain and discomfort while having no choice but to endure inferior treatments using older, less effective drugs such as Interferon. Professor Tim Hughes, President of the Haematology Society of Australia and New Zealand, has said that patients would probably be bedridden from the side effects of Interferon before they qualify for a government subsidised supply of Glivec. One patient who had been taking these older drugs said that the Interferon she was on made her miserable and caused hair loss, depression and insomnia. After she started taking Glivec she said she was in complete remission and that the effect of the drug was ‘a fairytale story’. Why does the government allow CML patients to suffer in the most cruel manner and progress inevitably to serious ill health before they qualify to have this urgent treatment subsidised?

Adding insult to injury, the Prime Minister recently referred to extended PBS subsidies for Glivec as ‘a wonderful life saver’ whilst knowing that the fine print will not allow Australians reasonable cheaper access to this life saver. Is this an example of government
spin gone mad? Glivec is not an antibiotic in that it does not cure the illness once and for all; it has to be taken daily for perhaps the rest of a patient’s life, which may now be for many years. About 300 patients, at an average age of 55, are diagnosed with CML in Australia each year and, while younger patients may receive bone marrow transplants and be cured, 80 per cent require long-term drug treatment. With CML patients on the older Interferon treatment, only about 40 per cent will have their lives extended for more than two years. The other 60 per cent, who would have otherwise died, now have a chance of a better life, thanks to the new drug.

Glivec is not a cure for CML. Rather, it inhibits the growth of cancerous white blood cells by blocking a faulty intercellular signalling system that has been damaged by a chromosomal defect in CML patients. Like insulin, the drug has to be taken every day. While not denying that the cost of large-scale production of a complex molecule like Glivec can be significant, $136 for a daily dose of 400 milligrams of Glivec seems rather excessive, especially when one considers that the discovery of the drug was almost accidental.

There is no doubt that the cost of these new drugs, as charged by the pharmaceutical companies, is a serious problem, with the price of an annual supply of Glivec being in the order of $50,000, or about $136 a day. We know drug companies charge whatever the market will bear. The documented development of Glivec substantiates this claim, and I believe that the government has to pressure Novartis, the manufacturer of Glivec, to reduce its prices. Once a drug company has made a reasonable return and costs have been covered, life saving drugs such as Glivec should be provided at the lowest possible price. It should not be necessary to wait for years until the drug’s patent has expired.

Finally, the government’s first responsibility is to patients and not to the shareholders of drug companies. Unfortunately, this is one of a growing number of health issues the government is too indolent to address. I urge the government to immediately free up the supply of Glivec for the patients who desperately need this ‘life saving’ drug.

**Ryan Electorate: St Lucia Bowling Club**

Mr JOHNSON (Ryan) (10.44 p.m.)—Local sporting clubs provide a vital service to every local community in our nation. They provide a much needed recreational alternative and often survive on the back of many dedicated volunteers. Tonight it is my great privilege to speak in the federal parliament on one such community club in the electorate of Ryan, the St Lucia Bowling Club. The St Lucia Bowling Club is one of many clubs in my community that provide a service to the people of Ryan, such as the Taringa Soccer Club, the Kenmore Bears Rugby Club and the Toowong Cricket Club. I speak in particular of the St Lucia Bowling Club because I had the great pleasure of visiting the club recently to present them with an Australian flag, which they were very thrilled and indeed very honoured to receive to fly on their premises.

The St Lucia Bowling Club is a very valuable asset in my electorate. It is an organisation that provides great pleasure to many of the people in Ryan, the elderly in particular, but it is also an historically important landmark in the area’s local landscape. The St Lucia Bowling Club was formed in 1947 and is the third largest bowling club in Brisbane, with some 152 members. The ladies bowling club was formed later, in 1950, and has a membership of around 50. St Lucia is one of the traditional clubs, where bowling and social fraternisation are the priorities. It is interesting to note that, when gambling machines became legal in Queensland, the St Lucia Bowling Club was in fact one of the clubs that declined to take up gambling machines as a source of revenue. Rather, it decided to stick to the objectives in its original charter to provide pleasure, exercise and social activity at a low cost to its members.

The club is also very successful in competition. This year it fielded four sides in the Brisbane District Pennant Competition, committing 48 places to competitive place for 10 Saturdays. The seniors side plays in the top division of pennants and has been at that level for over three decades. The club is active in both the Royal Queensland Bowls...
Association and the Brisbane District Bowls Association, having also provided presidents for each. The club has won the District Achievers Award twice in the last 10 years. On the greens, the club has won the RQBA Metropolitan First Division twice, and it has won the Westbowl Trophy on seven occasions.

This bowling club in the electorate of Ryan is an organisation with which I am very proud to be associated. The president is Professor Ross Humphreys, who was recently elected. He does a wonderful job for the club. He is only new to the game of bowls and yet, within a short period of time, he has taken up the stewardship of the club and is providing terrific leadership for its members. I also want to compliment Mr Jack Rowell, who is a very active member of the St Lucia Bowling Club. Jack in particular is one member who has continued the tradition of maintaining old-fashioned courtesies, good manners and good sportsmanship at the club. It is a model from which many members of this parliament could learn a lesson or two.

I had the opportunity, as I said, to visit the club recently to present an Australian flag. I also had the opportunity of taking up their kind offer to use their facilities to host my Ryan members business advisory committee, and the hospitality and warmth that the club members showed to the members of the committee and to me was very welcome and very much appreciated. So I take this opportunity in the federal parliament to acknowledge the wonderful people of the St Lucia Bowling Club who contribute in their own way to our community and to the spirit in the electorate of Ryan.

I think it is important that members of this parliament acknowledge the clubs and community organisations in their electorates, because these organisations provide the spirit that makes our country great. I take this opportunity to wish the club the very best in its upcoming competitions and to say to them very clearly that they can count on my continued support. I will certainly do all that I can to promote their activities throughout the electorate of Ryan. Again, I congratulate Professor Ross Humphreys on recently assuming the presidency of the St Lucia Bowling Club and I wish him and his new committee well in all the endeavours that lie ahead of them.

Indonesia: Terrorist Attacks

Ms BURKE (Chisholm) (10.49 p.m.)—It is only days since Australia changed forever, the day our innocence was shattered. Before most Australians woke on Sunday, terrorist activity was something that affected, in horrible distressing ways, people in other lands on the other side of the world. But terrorist activity has now come to Australia. While it is not on our shores, thousands of Australians have been directly affected by the terrorist attack in Bali.

The scale of the impact on Australia can be counted in the number of calls to the DFAT hotline, the impact on those Australians who are returning from Bali—and their families—and, most tragically and distressingly, by considering our fellow Australians who have lost their lives. These tragic events have horrified all Australians. My heart goes out to the families who have lost a loved one and I cannot even begin to image the trauma faced by those who do not know the fate of their son, daughter, mother or father—family members. Bali is a destination for the young, a place to enjoy the sun, a place where the worst intrusion on your freedom is the constant infringement on your personal space over the purchase of a fake watch or a massage. That was before Saturday, when an indiscriminate act of terror took away the innocence of Bali and our region.

Australia is a country that has not felt the direct effects of terrorist events on the same scale as some other nations have. We have been fortunate indeed. Many nations have felt the tragedy of terrorist actions—actions in locations as diverse as Afghanistan and Zimbabwe—but we have, until recently, been largely immune. The nature of the attack on Australians and others in Bali is different to any conflict that Australia has faced in the past. It has caused us, as a nation, to be looking over our shoulder. We no longer have a level of comfort in our own security; that comfort was shattered on Sunday morning. This change in our national outlook is due to the nature of the attack, the indiscriminate nature of it. Lenin infamously said:
The purpose of terrorism is to terrorise. That is what has happened, and if we allow ourselves to be terrorised then the terrorists have succeeded.

We have, in previous international conflicts, lost thousands and thousands of Australians. But those losses were part of military conflicts and, in a number of cases, declared wars. The difference is that the level of danger for those who were in harm’s way in those conflicts could be expected or sadly predicted. Now Australians going about their daily business have concerns about their safety, concerns that they did not have only days ago. I do not believe this is the way that we wish to live our lives. We all want to be free to go about our business and, indeed, our entire lives here and abroad with the kinds of feelings of personal security that we have felt in the past. We watched the TV and saw the death and destruction and wondered why and how. What is the point? We need a reason and a rationale and we do not have one. It is appropriate that the government is currently focused on the direct consequences of the recent attack.

I want to thank all those involved in the support of the victims: the medical teams who have flown into Bali, those people on holiday who went to help out their fellow Australians, Qantas Airways, and the countless others who have supported the victims and continue to help. But once the dust settles, so to speak, our principal efforts must be in ensuring the security of the Australian community and in ensuring that we can all have confidence in our security. Toward this, I believe that it is critical that we determine the causes of the type of activity that has cost Australian lives. We need to determine the causes, then eliminate them. This is the only way that a feeling of security can be restored to our community.

And when I speak of causes, I am not talking of individuals or even organisations. I am speaking of the motivation to cause these people to undertake such barbaric acts. We must find and prosecute those who have undertaken the bombings on 12 October, but beyond that our best hope of restoring security to our nation is by eliminating the motivations that cause terrorism, so that the terrorist attacks against the international legal order, democracy, freedom and the most fundamental of all human rights—the right to life—need not happen again.

Terrorist attacks against humanity and human dignity must be unconditionally condemned. These criminal acts, the aim of which I can only suppose is to indiscriminately kill, maim and terrorise, cannot be justified in any way. Tragically, however, terrorism is an increasing phenomenon that transcends borders, wreaking havoc and suffering on individuals, communities and countries alike. We need to work to ensure that actions such as this do not happen again. We need to find the causes and eliminate them. We need, as a country, a society and a world, to find out why people are driven towards these senseless barbaric actions and eradicate them.

Racing Industry: J.J. Miller and the Thurston Case

Mr RANDALL (Canning) (10.54 p.m.)—I rise this evening to speak on an issue related to the fact that Melbourne Cup day is not far away—in fact, only a few weeks away. I raise the issue of former Melbourne Cup winning jockey Johnny Miller—known to many as J.J. Miller—and what has been called the J.J. Miller-Thurston case. At the outset I wish to put on the record that I am a friend of Johnny Miller and his family and I am a friend of the owners of the horse. In doing so, I wish to raise some grave concerns regarding the disqualification of Thurston from the 2001 Perth Cup, where he ran second. I also wish to put on record that I believe the current chairman of stewards, Mr John Zucal, is not in any way complicit in this farce. In fact, he was overseas as a steward when this was going on and the matter was handled by the deputy steward, a Mr Brad Lewis.

To put this in perspective, Thurston ran second in the Perth Cup in 2001. He was disqualified on the basis that he returned a positive swab to a drug used to treat ulcers called cimetidine. Cimetidine is not a performance enhancing drug at all. That has been established by all creditable chemists.
This case was thrown out by the Western Australian Racing Penalties Appeal Tribunal on a 3-0 majority, and the six-month suspension that Mr Miller received has now been waived. I raise this also because the evidence by Western Australian chemist John Cochrane over the legitimacy of the finding of cimetidine in Thurston’s swab is the point at question. He is a highly regarded chemist in this area, he has 26 years experience in organic chemistry, biochemistry, drug screening, toxicology and pharmacology and he was described by the tribunal as a most impressive and credible witness.

The fact of the matter is that Brad Lewis, who conducted this inquiry, allowed it to run for 18 months and allowed it to be adjourned 18 times. Tribunal members were dumbfounded as to why the stewards did not more closely pursue the evidence being put before them by witnesses. There was a denial of justice in the fact that Mr Miller was denied the right to call expert witnesses and he was also denied an adjournment to get legal advice. I am very concerned that the turf club now is talking about taking Supreme Court action when they next meet to overturn this case.

The SPEAKER—I interrupt the member for Canning at this point. I had been listening to the member for Canning, assuming the case that he is dealing with was a turf inquiry. We now run the risk of prejudicing a court outcome, which is quite outside the standing orders. I would remind the member for Canning of his obligations under the standing orders to say nothing that would prejudice the outcome of any court case.

Mr RANDALL—I will not prejudice any outcome—other than by talking about what is already on the record.

The SPEAKER—I will listen closely to what the member for Canning is saying.

Mr RANDALL—I claim that the steward involved, as described in the article by Robert Edwards in the *West Australian* newspaper on 25 September, displayed gross incompetence, showed a dereliction of duty and had suspect motives. The Miller family are no angels in the racing industry and they certainly have a reputation of playing it hard, but there is no doubt in the world that Mr Miller’s allegation that the sample was got at in the Sydney racing laboratory is true and, as a result, this has been a bogus claim against Mr Miller. It has quite rightly been thrown out by the tribunal in Western Australia, and I think this whole business is a shame.

The SPEAKER—The member for Canning will refrain from any reference to the court, because I fear his comments could be seen to be prejudicial to any court outcome.

Mr RANDALL—The tribunal has thrown this case out, and I admonish the Western Australian Turf Club not to waste any more money on this issue. The members of the turf club and the racing industry deserve better governance than to allow a sham of an inquiry to go on as it has gone on up to now. (Time expired)

Question agreed to.

House adjourned at 10.59 p.m.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Medicare: Bulk-billing

Mr ANDREWS (Menzies—Minister for Ageing)—On 29 August 2002 (Hansard page 6172) Mr Stephen Smith asked the following question without notice:

Finally, can you confirm that in the run-up to this year’s budget the government rejected a proposal by the minister for health to provide an incentive payment of $10,000 to GPs who continue to bulk-bill pensioners?

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

I can not comment on what was or was not covered in Budget discussions.

NOTICES

The following notices were given:

Mr Costello to present a Bill for an Act to amend the Corporations Act 2001, and for related purposes.

Dr Nelson to present a Bill for an Act to amend the Higher Education Funding Act 1988, and for related purposes.

Mr Hardgrave to present a Bill for an Act to amend the Migration Act 1958, and for related purposes.
Mrs Moylan to move

That this House:

(1) notes:
   (a) the alarming rise in the number of people with Type 2 Diabetes estimated to be 1 million, with half of those people currently undiagnosed;
   (b) according to a recent landmark study by Diab Cost Australia, Type 2 diabetes is costing Australians a staggering $3 billion a year with the bill for each person averaging nearly $11,000 in expenditure and benefits;
   (c) according to the study, as the complications of diabetes increase the costs per person are estimated to escalate from $4,020 to $9,625 when there are both microvascular and macrovascular problems;
   (d) early detection through screening programs and action to slow or prevent the onset of complications will see reductions in health costs and improve and maintain quality of life for individuals with Type 2 Diabetes; and
   (e) the contribution this landmark study conducted by Associate Professor Stephen Colagruia of Daib Cost Australia will make to better informing Government and the public of a significant public health problem;

(2) congratulates the Federal Government for the emphasis it has placed on public awareness programs in relation to Type 2 Diabetes; and

(3) urges the Government to:
   (a) continue programs to raise public awareness of the high risk of undiagnosed and untreated cases of Type 2 Diabetes and ensure access to appropriate screening;
   (b) support access to new medications for the treatment of Type 2 Diabetes while ensuring that Australian taxpayers get value for money through appropriate pricing arrangements;
   (c) continue to encourage people diagnosed with Diabetes to undergo regular medical testing including eye testing so as to prevent complications;
   (d) ensure adequate funding for further research into prevention and treatment of Type 2 Diabetes; and
   (e) develop a strong education program encouraging appropriate diet and exercise regimes to minimize the risk of Type 2 Diabetes. (Notice given 15 October 2002)
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Aviation: Sydney (Kingsford Smith) Airport
(Question No. 2)

Mr Murphy asked the Prime Minister, upon notice, on 13 February 2002:
(1) What is the primary policy consideration in competition policy with respect to Sydney Airport.
(2) Is Cabinet’s paramount policy consideration directing the sale of Sydney Airport (a) benefits from competition or (b) cost.
(3) What are the foreseeable impacts on regional aircraft consumers from the recent proposed amendments to the Sydney Airport Demand Management Amendment Act.
(4) What compensation to regional airline consumers and airline competitors has been appropriated for the anticipated sale of Sydney Airport.

Mr Howard—The answer to the honourable member’s question is as follows:
(1) and (2) Ensuring the sale of Sydney Airport was consistent with relevant legislative, regulatory and policy requirements (including competition policy) formed part of the Government’s objectives for the sale of Sydney Airport. In this regard, the Airports Act 1996 contains specific provisions to ensure effective competition by limiting the extent of possible airline ownership in Sydney Airport as well as restricting the level of cross ownership between Sydney Airport and Brisbane, Melbourne or Perth Airports.

The Government is confident that the sale of Sydney Airport has complemented and built on the successes of the previous airport sale processes. These sale processes provided an excellent return to the Australian taxpayer, and introduced new management skills and investment into Australia’s airports which has seen a significant upgrade of facilities for the Australian travelling public. The Sydney Airport sale is in line with government initiatives to create a more competitive business environment generating greater efficiency, better service, lower prices and improved customer focus.

(3) I am advised that the Sydney Airport Demand Management Amendment Act 2001 was a necessary prerequisite to the amendment of the Sydney Airport Slot Management Scheme so as to further guarantee regional access to Sydney Airport by expanding the number of regional service slots that are permanent. I am also advised that all regional service slots allocated and used in the northern summer and northern winter 2001 scheduling seasons are to be Permanent Regional Service Slots. These slots can only be swapped within interstate and international services that are within 30 minutes before or after the time when the slots became permanent. They are also reserved for regional services unless they are not used for that purpose for two consecutive equivalent scheduling seasons.

The Slot Management Scheme is an instrument made under the Sydney Airport Demand Management Act 1997, and as such can be amended by the Government but cannot be amended by the airport lessee or the airlines. The amendments to the Scheme are subject to Parliamentary disallowance.

(4) The benefits to regional airlines and their passengers arising from the Sydney Airport Demand Management Amendment Act 2001 make the issue of compensation irrelevant. The proceeds of the sale of Sydney Airport have been used to retire Government debt, with consequent savings in public debt interest payments.

Commonwealth Funded Programs
(Question No. 733)

Ms Burke asked the Prime Minister, upon notice, on 19 August 2002:
(1) Does the Minister administer any Commonwealth funded programs for which community organisations or businesses can apply for funding.
(2) If so, what are these programs.
(3) Does the Minister’s Department advertise these funding opportunities.
(4) In the electoral divisions of (a) Chisholm, (b) Aston, (c) Deakin, (d) Latrobe and (e) Casey in (i) 1996-97, (ii) 1997-98, (iii) 1998-99, (iv) 1999-2000, (v) 2000-2001 and (vi) 2001-2002, for each of the programs listed in part (2), (A) what was the name and postal address of each organisation that sought funding from the Commonwealth, (B) what was the purpose of the funding sought in each case and (C) for successful applications, what was the level of funding provided.

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

(1) Yes.

(2) The Office of the Status of Women (OSW) administers the Partnerships Against Domestic Violence National Indigenous Family Violence Grants Programme, to support grassroots indigenous organisations to develop their own solutions to family violence and the Women’s Development Programme which funds two categories of projects undertaken by national non-government women’s groups, being:

(a) Projects which aim to make women’s organisations more efficient and effective so that they can better represent their constituents and women across Australia; and

(b) Projects which effectively contribute to women’s public policy and that can demonstrate significant benefits for women.

(3) Yes.

(4) I am not prepared to authorise the expenditure of resources and effort that would be involved in breaking down the information sought into the electoral divisions requested.

**Defence: Knowledge Staff**

(Question No. 847)

Mr Beazley asked the Minister representing the Minister for Defence, upon notice, on 22 August 2002:

(1) What is the task of the Knowledge Staff and the Chief Knowledge Officer in the Minister’s Department.

(2) What Directorates have been established within the Knowledge Staff and what are their tasks and functions.

(3) How many members of the Australian Defence Force (ADF) and the public service are employed within this Staff.

(4) What contribution has been made by the Staff to decisions of the Minister’s Department, the ADF and government on acquisitions of technologies and the creation of doctrine for the operations of the ADF.

(5) What is the relationship of the Staff with the Defence Science and Technology Organisation.

(6) What is the relationship of the Staff with the different sections of the Minister’s Department and the ADF responsible for devising policy on the Revolution in Military Affairs.

Mrs Vale—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) In April 2001, the Chief Knowledge Officer was redesignated Head Knowledge Systems (a division). At that time, a new Chief Information Officer was created with the primary role of strategic direction for and governance of the Defence Information Environment, with Head Knowledge Systems focusing on capability development for command and control, communications, computing, intelligence, surveillance, reconnaissance, and electronic warfare (C4ISR) systems. It also involves a ‘sponsorship’ role – that is monitoring projects during their acquisition phase by the Defence Materiel Organisation against the approved program scope, budget and schedule. Under new arrangements that took effect on 2 September 2002, the Chief Information Officer’s Office and the Knowledge Staff were integrated, with Head Knowledge Systems taking on the role of Deputy Chief Information Officer. The Chief Information Officer works directly to the Secretary and Chief of the Defence Force and is a member of the Defence Committee. It is anticipated the functions previously undertaken by the Knowledge Staff will be carried out by the Chief Information Officer’s Office and within the Capability Systems Division under the Vice Chief of the Defence Force.
The Knowledge Staff has six ‘product’ directorates and four ‘planning’ directorates, plus the Defence Simulation Office and a Scientific Adviser from the Defence Science and Technology Organisation.

The tasks and functions of the six product directorates are as follows.

• Communications and Computing Networks – for a Defence integrated communications network providing for the exchange of information in and between the fixed, long-range and mobile environments.
• Management Decision Support – for management information systems
• Intelligence, Surveillance, and Reconnaissance – for a national integrated intelligence, surveillance, and reconnaissance system
• Information Operations and Electronic Warfare – for information operations, information assurance and electronic warfare capabilities.
• Defence Space Engagement - maintains an overview of Defence space related activities and develops Defence space policy.

The four planning directorates coordinate inputs to the Defence Capability Plan, develop future concepts for the battle- and business space, plan and coordinate national and multilateral C4 interoperability activities, and deliver business support to the staff.

The Australian Defence Simulation Office provides policy direction, collaboration, and coordination for simulation activities across Defence. And the Scientific Adviser assists the staff in formulating policy for science and technology research relevant to C4ISREW and management information systems.

The Knowledge Staff comprises 37 Australian Public Service officers and 39 ADF members.

The Knowledge Staff contribution to decisions on the acquisition of technologies is demonstrated by the wide spectrum of C4ISREW capability included in the Defence Capability Plan. The staff brings together substantial intellectual capital and operational experience to develop investment proposals. They have been instrumental in acquiring intelligence, satellite communications and command support systems, to support recent ADF operations.

The staff makes a valuable contribution to ADF doctrine – most recently, in articulating a concept for Network Enabled Operations. As the lead authority for communications and information systems, they have developed a broad range of policies and procedures, most recently to promote greater coherency in the development and operation of tactical data links.

The Knowledge Staff shapes the strategic direction of the Defence Science Technology Organisation’s Joint Warfare Force Research Area, including through chairmanship of the annual Joint Research and Development Requirements prioritisation process. In close collaboration with the Defence Science Technology Organisation, the staff sponsors:

• A broad range of research tasks, relating to Information Systems and Networks, Intelligence and Surveillance Systems, Interoperability and Network Enabling concept; and
• Significant coalition interoperability initiatives such as the Joint Warrior Interoperability Demonstration Program, the Combined Wide Area Network, and the Combined Federated Battlespace Laboratory Network.

The Knowledge Staff is a key player in identifying broad organisational objectives as outlined in the Defence publication Force 2020. This will involve a shift in focus from weapon platforms to linked, or networked, forces and capabilities, on which military operations will be increasingly reliant, so as to enable the timely and precise application of military effect.

The staff engages closely with the Policy Guidance and Analysis Division and the future warfare planning staff of the single Service Headquarters responsible for articulating the overall concepts, through an evolving framework of concept development and experimentation.

As noted earlier, the staff works closely with the Defence Science and Technology Organisation. The staff is also an active participant in joint and single Service experimentation programs.
Employment: General Employee and Redundancy Scheme
(Question No. 882)

Mr Murphy asked the Minister for Employment and Workplace Relations, upon notice, on
29 August 2002:

(1) Further to the answer to part (3) of question No. 472 (Hansard, 19 August 2002, page 4970), how many of the former Internova employees have been assessed as being (a) eligible and (b) ineligible for entitlements under the General Employee and Redundancy Scheme (GEERS).

(2) What sum of money is available in aggregate.

(3) Further to the answer to part (4) of question No. 472, is he able to say which Minister has portfolio responsibility for the subject matter of the question.

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

(1) My department has received a total of 568 claim forms. Of the claims received by 10 September 2002, (a) 564 have been assessed as eligible; and (b) four claims have been determined to be ineligible.

(2) As at 10 September 2002, my department had advanced $6,522,580.99 in GEERS funds in respect of 559 eligible claimants formerly employed by Internova Travel Pty Ltd. GEERS funds will be advanced for the remaining five eligible employees when my department receives verified employee entitlement data from the insolvency practitioner managing Internova Travel Pty Ltd.

(3) The Treasurer has portfolio responsibility.

Justice and Customs: Staffing
(Question No. 892)

Mr Melham asked the Minister representing the Minister for Justice and Customs, upon
notice, on 29 August 2002:

(1) As at 30 June of each year from 1996 to 2002, how many personnel were employed in the (a) Telecommunications Interception Division of the Australian Federal Police (AFP) and (b) Telecommunications Interception Section of the National Crime Authority (NCA).

(2) What work has been undertaken to develop a joint AFP and NCA Telecommunications Interception Facility.

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

(1) The number of personnel employed in the Telecommunications Interception Division of the Australian Federal Police (AFP) as at 30 June of each year from 1996 to 2002 was as follows:

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<td>1998</td>
<td>32*</td>
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<td>38*</td>
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<td>2000</td>
<td>42*</td>
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<td>2001</td>
<td>43</td>
</tr>
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<td>2002</td>
<td>46</td>
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* The figures provided have been extracted from a number of databases in use prior to the current, and more accurate, personnel reporting system. There may be some variations to the figures due to organisational changes.

The number of personnel employed in the Telecommunications Interception Section of the National Crime Authority (NCA) as at 30 June of each year from 1996 to 2002 was as follows:

<table>
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<th>Year</th>
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<td>1996</td>
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<td>2002</td>
<td>34</td>
</tr>
</tbody>
</table>
These persons are involved in monitoring telecommunications, technical work, evidence preparation and warrant administration and oversight functions.

These figures do not include contracted translators who are employed to translate foreign language telephone calls and prepare evidence. Contract translators are employed on a needs basis, dependent on particular operational requirements.

(2) Since mid-2000, the NCA and the AFP have worked together to replace their ageing and different Telephone Interception (TI) systems with a common system. The NCA and AFP have enhanced their TI systems in order to meet new telecommunications technologies and facilitate inter-agency sharing of TI expertise and resources. Following the implementation of the common TI system, the NCA and the AFP agreed to co-operate in the development of procedures to maintain commonality of TI support tools and to facilitate inter-agency communication of newly identified TI support tools and procedures. The agencies have also agreed to co-operate in order to facilitate inter-agency TI knowledge transfer and the development of a joint agency TI support procedures manual.

In July 2000, the NCA and the AFP established a joint Telecommunications Interception and Electronic Surveillance Board (the Board) to oversee the implementation of the common TI system. The Board is chaired by Mr James Bennett, a member of the NCA. The Board established a Project Office with day to day responsibility for the administration and management of the project. Early in the project, technical and legal personnel from both agencies collaborated to develop common user requirements, which were endorsed by the Board as representing the requirements of both agencies.

The agencies agreed that the supplier of the new system should provide a cost-effective solution suited to the Australian telecommunications environment, and that the system should be in use by at least one other Australian agency. The agencies considered two configuration options, namely a single system shared by both agencies and dual systems that are as identical as possible. The agencies selected the latter option on cost and technical grounds.

Each agency maintains its own TI system and each system is operated autonomously. The AFP site in Canberra was commissioned for operational use in February 2002, and the NCA site in Sydney was commissioned in April 2002. A test system, which is jointly owned by the agencies, is located at the AFP site. Each site has sufficient operating capacity to meet the individual agency’s normal operating requirements. Each site is also capable of temporarily supplementing the other agency’s operating requirements and providing limited redundancy in the event of a system failure within one of the agencies. In addition, the agencies have set in place a Business Continuity Plan (BCP) that allows each agency to temporarily supplement the other’s operating requirements at times of need.