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Tuesday, 25 March 2003

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

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.01 p.m.)—I inform the House that the Minister for Ageing will be absent from question time today and tomorrow. The minister is travelling to Alice Springs to attend the inaugural National Aboriginal and Torres Strait Islander Aged Care Providers Conference. The Minister for Education, Science and Training will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Foreign Affairs: Travel Advice

Mr RUDD (2.01 p.m.)—My question is to the Minister for Foreign Affairs. Minister, do you recall statements in the media on 20 March, the day after the 48-hour ultimatum to Iraq was issued by President Bush, by the chairman of the terrorist organisation the Islamic Defenders Front in Indonesia, Habib Rizieq, who said:

When the attack against Iraq happens the allies will face thousands of new Osama bin Ladens who will destroy US interests around the world ... Every citizen who directly supports the US is considered kafir harbi ...

‘Kafir harbi’ when translated means ‘Westerners who deserve to die’. How can the minister credibly claim that there is no heightened terrorist threat to Australians in Indonesia when the head of this extremist terrorist organisation in Indonesia himself threatens violence against those who support the US in Iraq—namely, Australia? Why are the British and American leaders being honest with their citizens in Indonesia, while your government continues to deny any heightened threat to the 8,000 Australians in Indonesia because of Iraq?

Mr DOWNER—The short answer to that question is that we have had travel advisories out on Indonesia for quite some time, which have a high level of warning in them. I remind the House of what the travel advisory says. It says:

We continue to advise Australians to defer non-essential travel to Indonesia, including Bali. Threats against Australians and Australian interests in Indonesia remain high given possible terrorist action and civil disorder. Our advice also remains that Australians in Indonesia who are concerned about their security should consider departure.

Let me go on, because it is an opportunity to remind people what our travel advisory for Indonesia does say:

Australians in Indonesia should continue to exercise extreme caution in commercial and public places frequented by foreigners, such as clubs, restaurants, bars, hotels, schools, outdoor recreation events and tourist areas including resorts outside major cities and historical and cultural locations including Borobodur. We are continuing to receive reports that places of worship, office buildings, international fast food outlets, upmarket entertainment areas, shopping centres and luxury hotels may also be targeted. These reports often focus on locations in central Jakarta.

As the House knows, we referred in the travel advisories in relation to Indonesia to a specific threat—

Mr Rudd—Mr Speaker, I rise on a point of order. On relevance, the question is: why is there no reference to Iraq?

The SPEAKER—The member for Griffith will resume his seat. The minister’s answer is entirely relevant to the question.

Mr DOWNER—There has been some discussion about the issue of travel advisories. Not every member of the House has had the opportunity to read the travel advisories. Let me remind the House further that it goes on to say:

Australians are advised to avoid travel to Surabaya, west Timor, Maluku and North Maluku, Aceh—and various other places; I will not go through them all—

... and defer non-essential travel to other parts of Indonesia.

Then there is another list of places that Australians should avoid. We then go on to say:

We continue to caution Australians about ‘sweeping’ operations ...

‘Sweeping operations’ is not an expression we are all familiar with but it essentially means raids. It means people going into bars,
clubs and the like and looking for foreigners in particular and trying to ensure that those foreigners are pushed out of the bars and the clubs. So the travel advisory says:

We continue to caution Australians about 'sweeping' operations (raids) by militant Islamic groups against bars, nightclubs and other public places. These groups may seek to specifically identify Australians in their 'sweeping' activities.

Finally, and this is relevant as well:

Following the listing on 26 October by the United Nations of Jemaah Islamiyah as a terrorist organisation and the detention of Abu Bakar Ba'asyir, Australians are urged to exercise special caution, particularly in Central Java.

As far as I know, other countries have—

Mr Rudd—Mr Speaker, I rise on a point of order.

The SPEAKER—I indicate to the member for Griffith that I believe that the minister is being entirely relevant to the question so, if the matter is relevance, I do not believe he has a point of order.

Mr Rudd—If I could make the point of order, Mr Speaker.

The SPEAKER—No. If it is relevance, I cannot hear it.

Mr Rudd—Mr Speaker, under the relevant standing order on relevance—

The SPEAKER—The member for Griffith will resume his seat or I will deal with him. Let the House note that the member for Griffith was allowed a great deal of leniency in the way in which the question was framed. The minister has been entirely relevant and I recognise him.

Mr Downer—the final point that I want to make relates to the gradation of the travel advisory. It is the judgment of my department, which as the minister responsible I share and have allowed, that an upgrade of the travel advice is not warranted by specific threat information. That is not to say we have not referred to the threats of terrorism, the particular places where there could be terrorist attacks and the particular types of locations where terrorists could attack. It is extremely important that people read these travel advisories carefully and take all that into account. But we have not increased the gradation of the travel advice.

The United States reissued, but did not upgrade, its travel warning for Indonesia on 22 March. The United States advice recommends that US citizens defer all travel to Indonesia and consider departing. That is the same level of warning that the United States has maintained since 19 October 2002. In the case of the United Kingdom, it reissued its travel advice over the weekend and maintained its warning. It did not increase the gradation of its warning but maintained its warning of the deferral of non-essential travel. That is the same level of warning as ours. Of course, the different countries use different language. We do not all have one writer of travel advisories and sometimes our travel advisories are not the same. Some of the travel advisories about the Middle East have been a little different from time to time. But, as it happens, in the case of Indonesia, the travel advisories have pretty much the same level of warning in all of them.

Iraq

Mr HARTSUYKER (2.09 p.m.)—My question is addressed to the Prime Minister. Would the Prime Minister inform the House of progress of military operations in Iraq and, to the extent possible, the part played by Australian forces?

Mr Howard—I thank the member for Cowper. I inform the House that the government is very satisfied with the progress being made by the coalition forces in the military operation in Iraq. The coalition forces, as I think most members would be aware from media reporting, have already made very rapid progress. Operations against Iraq have now been under way for only five days but already in that time the southern oilfields have been secured. This very significant achievement has averted the major ecological and economic disaster that would have ensued had Iraqi forces been able to carry out the regime’s plans for the destruction of those oilfields. That, of course, would have been to the immense cost of the Iraqi people. I take the opportunity to reaffirm our view, which we have held consistently—and I know it is a view expressed and held by President Bush and by the British Prime Minister—that the oil assets in question belong to the Iraqi people. That ownership and
that trusteeship of those assets will be fully supported and fully respected by the Australian government and I am sure by the Australian people.

Coalition forces are operating successfully throughout Iraq on the ground and in the air. A wide range of Iraqi military targets have been successfully engaged and significant Iraqi forces have surrendered or otherwise been rendered ineffective. The coalition nations stand ready to deliver massive humanitarian assistance—food, water and medicines—to the Iraqi people in the next few days as the security situation, particularly in the south, stabilizes. It is worth pointing out in this context that our own maritime forces are making an important contribution to clearing waterways at the north of the Persian Gulf so that this can take place.

Coalition forces have started to engage Iraqi forces defending Baghdad. There should be no cause for complacency. Many difficult and challenging days for the coalition forces lie ahead. There are pockets of resistance to coalition forces and our coalition partners have sadly suffered a number of casualties in recent days. I know that all Australians will join me in expressing our sympathy to the families of those who have been killed or injured. We have never accepted that this task would be achieved easily or without casualties and loss. The next phase of operations against Iraq’s Republican Guard forces deployed outside Baghdad will be very intense and extremely difficult, and nobody should underestimate the intensity of the exchanges or the challenges that lie ahead of the coalition forces.

For our part, Australian forces continue to make a very vital contribution. The Chief of the Army, General Leahy, reported this morning that our special forces continue to conduct highly successful strategic reconnaissance and direct action operations deep behind enemy lines destroying enemy facilities and denying freedom of movement to Iraqi forces. I have noticed in some media outlets perhaps a sense of exasperation about there not being more detail available in relation to the activities of Australian forces. Let me reiterate the longstanding and very prudent practice of all governments that have special forces deployed that details beyond general descriptions are never made available for very good reason. This government and the military in Australia have no intention of departing from that approach in relation to our special forces. I could point out that the extensive and detailed reporting through embedded journalists and the like in relation to the British and American forces has not extended to the activities of the American and British special forces that are also deployed in the operation. The same attitude is taken by the United States administration and the British government and the military in both of those countries towards the particular role of special forces.

Our Navy clearance diving team is operating in the southern Iraqi port city of Um Qasar, where it will be working to clear the port and approaches—vital to allowing humanitarian and military supplies to flow. Our ships remain on interception operations in the Persian Gulf, and of course in recent days they have provided naval cover for the activities of British Royal Marines in that area.

Air operations continue over Iraq. The Australian national commander, Brigadier McMahon, has reported that Australian FA18s have been involved with other coalition aircraft in strikes against Iraqi tanks, defensive positions and a barracks. The C130s are providing vital intra-theatre airlift and our P3s are supporting coalition maritime forces.

As I speak to the House I am pleased to report that all Australian personnel and troops on Operation Falcon are safe and well. I know that all Australians are anxious about their welfare as they contribute to this very difficult and dangerous operation to disarm Iraq and to alleviate the suffering of the people of Iraq. I know I speak again for all Australians in conveying to them our very warm good wishes and expressions of hope for their safe return.

Mr CREAN (2.16 p.m.)—My question is to the Prime Minister and it follows in part the answer he has just given in terms of humanitarian relief. Can the Prime Minister
confirm that 60 per cent of Iraqi households are dependent on the UN food for oil program for all basic food needs? Can the Prime Minister also confirm that this program was suspended last week? Prime Minister, what are the current food requirements for civilians in the southern cities of Basra and Um Qasar and what plans are currently in place to provide emergency food aid to civilians in these cities?

Mr HOWARD—I thank the Leader of the Opposition for his question. I would have to get particular advice to certify that it was 60 per cent, but obviously the food program bulks quite large and whether it is 60 per cent or some other percentage I do not think essentially alters the thrust of the Leader of the Opposition’s question.

A number of things have already been done, and in particular by Australia. You may be aware that last week the Minister for Foreign Affairs announced that the Australian government would be acquiring 100,000 tonnes of wheat. That represented two shipments that were bound for Iraq but because of the hostilities could not enter. The idea was that we would acquire it and as a gift to the Iraqi people and in cooperation with the United States we would make this food available. I think from recollection that at the time we took the decision there was something like eight weeks supply, or necessary supplies of wheat in Iraq at the time were eight weeks. So the view was taken that if we and the Americans and others acquired this wheat we would be able to support the emergency food needs of the Iraqi people through that provision.

The Americans and the British have large amounts of humanitarian assistance available to be provided to the Iraqi people, subject, of course, to obtaining access to places such as Basra. One of the reasons why that is not immediately available is that the area has been very heavily mined by the Iraqi forces, and through our minesweepers we are making a contribution to the clearing of those mines, which will enable the immediate facilitation of humanitarian aid. I want to assure the House that we see our role not only in enforcing the disarmament of Saddam Hussein but also in making a contribution to the alleviation of the suffering of the Iraqi people.

I might also take the opportunity, because the Leader of the Opposition mentioned the oil for food program, of reminding him and the parliament that the United Nations sanctions would never have been necessary if Iraq had agreed to the requirements of disarmament imposed way back in 1991. I might also say that the oil for food program has been immorally and shamefully rorted by Saddam Hussein, who has used the proceeds of it to acquire his weapons capacity and support it. It has to be said—and the Australian public should be reminded—that we had these economic sanctions because Iraq did not disarm. They were imposed by the United Nations because Iraq did not disarm. If Iraq had disarmed, those sanctions would never have been necessary. Worse still, having through his policies made those sanctions necessary, the Iraqi leader has compounded the sins inflicted upon his own people by rorting the very oil for food program which was designed to in some way mitigate the impact of the economic sanctions. So he is doubly guilty of betraying his obligations towards the Iraqi people.

Iraq

Mr TICEHURST (2.20 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on the current degree of support in the international community for the coalition to disarm Iraq?

Mr DOWNER—I thank the honourable member for Dobell for his question and for his interest. The United States, the United Kingdom and Australia have been joined by many other countries in the coalition of the willing to disarm Iraq. Over 50 countries have now publicly supported the military coalition. This includes countries which have provided or offered to provide military forces, and I would be happy to provide the list to anyone who is seriously interested in the level of support for the coalition. Importantly, in terms of our own part of the world, I would note that several countries from our region are part of the coalition of the willing in different ways. Japan has been very supportive of the United States policy on Iraq,
and some members of the House will be aware that Prime Minister Koizumi made a very strong statement, which I understand he wrote himself, in support of the American position. South Korea has been very supportive, and I also mention Singapore and the Philippines. So there is significant support for the coalition of the willing in our own region.

The coalition, though, is notable for its diversity and its breadth, and it is significant that many European countries that have experienced totalitarian regimes in the past, and in the not very distant past, have joined the coalition and have been particularly supportive of the coalition. That is quite understandable given the abhorrence they have of totalitarianism, and that abhorrence has been all the sharper bearing in mind their own recent experiences.

Contributions from members of the coalition include the provision of troops, basing and overtight rights, logistical and intelligence support, specialised chemical, biological response teams as well as humanitarian and reconstruction aid. All of these things are very important in their own different ways. Additional countries over and above members of the coalition are providing support and have not been publicly associated with the coalition. As I told the House last week—and it is very important to understand this—military action to disarm the regime of Saddam Hussein would not be possible without the assistance or agreement of a range of countries in the Middle East and that, of course, is specifically referring to a number of Iraq’s Arab neighbours.

I said earlier that there are countries in our own region that have been associated with the coalition of the willing, and I referred to Singapore. Let me remind the House that Singapore’s Prime Minister Goh recently confirmed that Singapore was part of the coalition because it believed it was necessary to address the threat of weapons of mass destruction getting into the hands of terrorists. Singapore has committed financial support for humanitarian aid. I also remind the House that the Korean National Assembly is apparently going to consider the Korean government’s plan—

Opposition members interjecting—

Mr DOWNER—Yes, exactly; it will consider the Korean government’s plan to send several hundred engineering troops to Iraq, so there will be a vote in the Korean National Assembly on that in the next day or so. In conclusion, the breadth of the coalition is there and the depth of the coalition is there. It is hardly surprising because an overwhelming number of countries around the world believe that it is fundamentally important to disarm the totalitarian and barbarous regime of President Saddam Hussein.

Foreign Affairs: Indonesia

Mr CREAN (2.24 p.m.)—My question is to the Prime Minister. I refer the Prime Minister to the statement of the chairman of the terrorist organisation Islamic Defenders Front in Indonesia on 20 March that ‘everyone who supports the US action in Iraq will face a terrorist response’. I refer also to the travel warnings issued by DFAT on 22 March about threats to Australians in Surabaya. Prime Minister, given the gravity of these threats, what conversations have you had with the President of Indonesia since the outbreak of the war about the protection of Australian citizens and what steps have you taken to address these threats?

Mr HOWARD—I thank the Leader of the Opposition for his question. I had quite a number of conversations with the President of Indonesia before military operations. One of the reasons I quite deliberately went to Jakarta to see President Megawati after I had seen President Bush and Mr Blair was to put into context the policy of the Australian government regarding Iraq, to explain that the action was not in any way anti-Islamic. President Megawati explicitly accepted this explanation and, in fact, it has been reflected in statements made by her; so the proper background has been established. Contact between Australia and Indonesia since has quite properly been between our security agencies—between our police and other security agencies. One of the things
that has been very successfully done since
the Bali attack is the development of an ex-
tensive network of contacts between the Aus-
tralian Federal Police, their counterparts in
Indonesia and their counterparts in other
parts of the region.

The Leader of the Opposition will recall
some discussions that he and I had when we
were in Bali together. We both agreed, per-
haps approaching the matter in slightly dif-
f erent ways but nonetheless having the same
objective, that we needed to develop closer
relations between the security agencies of
Australia and the security agencies not only
of Indonesia but also of the region, and we
have done that. In fact—and I am sure I am
not disclosing anything I shouldn’t—the ma-
terial in relation to the concern about Sura-
baya was communicated very rapidly and
directly. I know it has been the subject of
quite a number of discussions between our
agencies and the relevant agencies in Indo-
nesia.

If the point of the Leader of the Opposi-
tion’s question is to elicit from me an assur-
ance that there has been extensive contact at
the appropriate level between Australia and
Indonesia about the Surabaya warning then I
can assure him that there has. As far as the
general question of heightened terrorist alerts
the reality is that, as I said yesterday, as the
Attorney-General has said, as the foreign
minister has said, we have been on height-
ened terrorist alert in this country since 11
September 2001. There was the general
warning issued last year in November. On
top of that, of course, there have been very
specific warnings given in relation to Austra-
lian citizens in Indonesia. The foreign minis-
ter has gone over that. Different countries
express things in different ways.

If the Leader of the Opposition is assert-
ing that we have not given appropriate warn-
ings to Australians in Indonesia based on the
information that we have, he is wrong. We
have gone further than that; we have laid the
basis of practical deterrence and practical
assistance. That is, to engage the Australian
Federal Police and their counterparts in In-
donesia, and the state of cooperation between
those agencies could not have been better.
The testament and the evidence of that is the
way in which they cooperated to track down
those who were involved in the Bali attack. I
think it is fair to say that the security rela-
tionship between the two countries in par-
ticular could not be stronger. We have ex-
plained our position on warnings. There is
really nothing more I can add without being
repetitious, which I know is against the
standing orders.

National Security: Terrorism

Mr PROSSER (2.30 p.m.)—My question
is to the Attorney-General. Would the Attor-
ney inform the House what advice our secu-
rity agencies have provided about the status
of the current terrorist threat to Australia?
What has the government done in response
to that advice?

Mr WILLIAMS—I thank the member
for Forrest for the question. There has been
some suggestion that we should raise our
threat levels in response to the war on Iraq.
As the Prime Minister explained to the
House yesterday and again just now, Austra-
lia has been on a heightened security alert
since the September 11 and we issued a spe-
cial alert on 19 November last year that re-
mains current. During this unprecedented
period of heightened alert against a possible
terrorist attack, the government has taken
significant steps to strengthen our security
arrangements and the capabilities to protect
the Australian community. The advice from
our security agencies, such as the Australian
Security Intelligence Organisation, remains
that, since the predeployment of Australian
forces in Iraq was announced in January, no
intelligence has been received to warrant
raising the overall threat in Australia. These
are the experts with access to the relevant
intelligence. Their job is to advise the gov-
ernment on threat levels and the threat envi-
ronment. The government is acting in accor-
dance with that expert advice and it would be
irresponsible of us to do otherwise.

It is important to remember that this ad-
vice is given after taking into account the
fact that we are already on a heightened se-
curity alert and that our Commonwealth and
state and territory agencies are already oper-
ating on that basis. We are already operating
on the basis that there is a general increased
threat of terrorism. We have taken steps to
respond to that threat, and there is no new information that would warrant raising the general threat level at this time. Critics of the fact that we have not raised the threat level seem to overlook the fact that it is already heightened. We are not saying that there is no threat, and neither are our agencies. The government has been quite open with the Australian people since September 11 in sharing, so far as it can, information relevant to public safety. The government has done this even when information is generalised and non-specific—the alert of 19 November is a case in point.

As the Prime Minister said yesterday, in the event of a terrorist attack in the coming weeks, wherever it happened, we could assume that the perpetrators would use Iraq as a part of their attempt to justify it. But any such attack would have been in planning for some considerable time, long before the war in Iraq became certain. The government has been open and honest about the terrorist threat to Australia. As a Western country, Australia has been a terrorist target since at least 11 September. As demonstrated by Bali, that threat is not restricted to Australia itself but extends to Australians and Australian interests overseas. Let us not make the mistake of thinking that the threat environment is static.

As the Prime Minister advised the House yesterday, over the weekend the government was advised of credible information of a terrorist threat in Surabaya, which led to DFAT issuing the warnings about Surabaya on Saturday. New threat information could come in at any time that may warrant a change to Australia’s overall threat level. But what the government has consistently stated is that it takes advice from its agencies on the matter of threat levels, and that advice is currently that there is no information that would warrant a change to the threat level. Our intelligence agencies continue to monitor trends and activity. Should there be any indication of an increased threat to Australia, relevant agencies and the government will respond appropriately.

The government takes its responsibility to inform the public about the threat environment very seriously and, should the government be advised by its agencies about information requiring a change to the current threat levels, the public will be advised. The government cannot and will not raise threat levels simply because it would look good or because it seems like a good idea in the coffee room. As I said earlier, it would be irresponsible not to act in accordance with advice from those with access to the relevant intelligence. To do otherwise would undermine the credibility of the system and ultimately the safety of the Australian community. The government takes the safety of the Australian community far too seriously to play games with threat levels.

DISTINGUISHED VISITORS

The SPEAKER (2.34 p.m.)—I inform the House that we have present in the gallery this afternoon members of a parliamentary delegation from the People’s Republic of Bangladesh. I know there are members of the House who have had the opportunity to meet with the group over lunch. The President of the Senate and I, and other members, were pleased to offer them hospitality yesterday evening. To all of them we extend a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

National Security: Terrorism

Mr CREAN (2.35 p.m.)—My question is to the Prime Minister. Is the Prime Minister aware of comments made yesterday by Dr Rod Lyon, the former head of the strategic branch of the Office of National Assessments, that in arguing that Australia is not under increased terrorist threat as a result of military Iraq, the Prime Minister is ‘using a narrow definition of what constitutes increased risks’? Prime Minister, why do you disagree with the weight of expert opinion such as Dr Lyon’s, who said that:

We will see some prospect of increased terrorist activity against those countries engaged in the battlefield in Iraq...

Mr HOWARD—I am not specifically aware of the comments to which the Leader of the Opposition has referred, but I am aware of a range of views on this issue. As I have said on a couple of occasions, the relevance of terrorist threats to this country is
part of the debate as to whether or not we should have committed to the military operation in Iraq. The government argues that in the medium to longer term, by disarming Iraq of its weapons of mass destruction and thereby not only denying Iraq the capacity to either deliberately or otherwise pass those weapons to terrorist groups, we do not give encouragement for other rogue states to acquire such weapons, thereby increasing the likelihood, as a matter of sheer logic, of terrorist groups getting hold of such weapons. Can I refer the Leader of the Opposition to the several answers I have given. I have given my answers based on information that we have received. I repeat that we have not received any specific intelligence warranting a heightening of the terrorist alert in this country. The Leader of the Opposition, I know, is searching for something. But I can only repeat the information we have. When we get information about a particular threat, we pass it on.

Iraq

Mr JOHNSON (2.37 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of what we know about Iraqi troops that will be engaged around Baghdad in coming days?

Mr DOWNER—I suppose we are now five days into the military action to disarm the regime of Saddam Hussein. It is noteworthy that coalition troops are now not far from Baghdad. Obviously the next stage of this campaign will be not only crucial but difficult. We expect that Baghdad will be defended by the so-called special republican guard and a variety of other trusted security forces, including an organisation called Fedayeen Saddam and the special security organisation. Honourable members may be interested to know that Saddam Hussein does not trust his regular troops even to enter the city of Baghdad. One of the main roles of the trusted security forces will be to defend against an uprising by the people of Baghdad, who overwhelmingly are part of the oppressed Shiah sect of Islam.

The Fedayeen Saddam, which has been in operation in other parts of Iraq as well in recent days, is a paramilitary group which is headed by Saddam Hussein’s son Qusay. According to reputable sources, it was formed to quash internal dissent and disturbances after Iraq’s defeat in 1991, with a particular focus on the Shiahs. It numbers between around 30,000 and 40,000, is based in Baghdad and includes a special unit known as the death squadron, whose members perform executions. It operates completely outside of the law. There are reports that the Fedayeen was responsible for public beheadings of women in a series of sweeps through Baghdad in June 2000 to May 2001 under the guise of cleaning up prostitution. It also puts down protests and assassinates dissidents and opponents of the regime. Its soldiers are trained in urban fighting and suicide tactics. They are widely reported to be using deception tactics, such as wearing civilian clothes, basing themselves in civilian facilities and faking surrenders to draw coalition forces into ambushes. It is apparently attempting to prevent Iraqi troops from surrendering, by giving them the choice of fighting or being shot in the back if they surrender.

The special republican guard is responsible for protecting Saddam Hussein and providing a military response to any attempt for a rebellion or a coup. It is an elite paramilitary unit, with recruits drawn from Saddam’s hometown—which is the city of Tikrit—an area south and west of Mosel and also around Baghdad. These are areas and clans noted for their loyalty to Saddam’s person and regime. It is believed that it numbers somewhere in the vicinity of 25,000 men. The third organisation I refer to is the special security organisation and is also controlled by Saddam’s son Qusay. It is another loyalist force, a much smaller one. It is a force of somewhere between 2,000 and 5,000 men, also recruited from the loyalist tribes. It plays a major role in keeping a range of other security forces in line, and is Iraq’s most powerful security agency. It is the organisation which guards Saddam Hussein’s weapons of mass destruction. In a phrase, it is Saddam Hussein’s SS. There is no doubt that over the next few days fighting will intensify, when the coalition comes into contact with these groups. We have no doubt that these groups will fight to the end to ensure the regime’s survival, as they know that they
have no role in a democratic Iraq without the protection of Saddam Hussein.

**National Security: Terrorism**

Mr **BEVIS** (2.42 p.m.)—My question without notice is to the Prime Minister. Is the Prime Minister aware of these comments made yesterday by the former Chief of the Air Force Air Marshall Ray Funnell:

The fact that we have been so closely aligned with the Americans in this operation ... will increase the risks of us coming under attack from terrorists. I don’t think there’s any doubt about that...

Prime Minister, why do you continue to disagree with the weight of expert opinion, such as that of the highly respected Air Marshall Ray Funnell?

Mr **HOWARD**—I do respect Air Marshall Ray Funnell; I know him well. I have not specifically seen that comment to which the honourable member for Brisbane refers, but I have seen a number of other comments that he has made about our involvement in Iraq. He has been critical of the decision, as have others. It is part of the democratic tradition of this country that we debate these things, and he is contributing to the debate. I could draw the honourable gentleman’s attention to remarks made by Dr David Wright-Neville, who is a lecturer in Monash University’s Global Terrorism Research Unit. I think he was a former officer of the ONA. I think in fact that he commented very favourably on the character of Mr Andrew Wilkie, who in turn has been critical of the government. There is a mix of different views. The reason I refer to Dr Wright-Neville is that he said he did not think the war would really radically change the threat that we might face here at home. They were the comments that he made this morning. That is just another view.

We have to react to assessments made by the people charged with responsibility at the time. The present head of the Australian Security Intelligence Organisation is a person who I have great confidence in. He is a person who very closely served and advised the Hawke government. He is a person who enjoys the total confidence and respect of this government. I am certain that the advice he gives is conscientious. We have told you what that advice is. There will be an ongoing debate about the context of the operation so far as terrorism is concerned. I believe, and the government believes, that the action we have taken will over the medium to longer term reduce the likelihood of a massive terrorist attack on Australia. That is our view. Some agree with that and some do not. I respect the fact that Air Marshal Funnell does not agree with that; but others do. I think the advice we are getting from ASIO now is first class, and we will continue to follow it.

**Iraq**

Mrs **MAY** (2.45 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House as to Iraq’s international obligations under the Geneva Convention concerning treatment of prisoners of war?

Mr **Kerr**—Have a look at the *Daily Telegraph* on pages 4 and 5!

The **SPEAKER**—Member for Denison!

Mr **DOWNER**—Since hostilities began a few days ago, honourable members will know that Iraq have taken a number of prisoners of war. I understand that the number of prisoners of war they have taken is seven. All members of this House would, I am sure, have seen in the last day or so the deeply disturbing pictures of these prisoners of war being paraded in front of cameras and interviewed by Iraqi authorities. As a party to the third Geneva Convention of 1949, Iraq has strict obligations relating to the treatment of prisoners of war. Pursuant to its obligations under article 13 of that convention, Iraq is obliged at all times to protect prisoners of war against ‘insults and public curiosity’. Allowing these prisoners to be filmed while being interrogated is a clear violation of this obligation and is obviously deeply upsetting to their families and loved ones. This government strongly condemns this barbaric practice by the regime of Saddam Hussein.

Mr **Kerr**—What about the photos of Iraqis?

The **SPEAKER**—I warn the member for Denison!

Mr **DOWNER**—Iraq is also obliged under the third Geneva Convention to treat prisoners of war humanely at all times and to
protect them against acts of violence and intimidation. Iraq must not subject prisoners of war to physical mutilation or measures of reprisal. It will be no excuse for Iraqi soldiers to claim they were merely following orders. Individuals will be held accountable for their actions. Bearing in mind the emotions that have been stirred by the use of the photographs and interviews with the American prisoners in recent times, it is our view that it would be preferable for the Australian media to black out or to pixelate the faces of the prisoners of war rather than to fully show their faces. This is a practice used by the media on many—

Mr Brereton interjecting—

The SPEAKER—The member for Kingsford-Smith will rise and withdraw that remark.

Mr Brereton—I so withdraw.

Mr DOWNER—Many in the House will recall that in 1991 during the Gulf War the Iraqi regime mistreated American and British prisoners of war, and that mistreatment by the Iraqis was a clear violation of international law. These events of the last day or so are a brutal reminder of Saddam Hussein’s violent dictatorship, which the coalition is now determined to end. In the situation that the Australian Defence Force has custody over Iraqi prisoners of war, it will not come as a surprise to this House to know that they will be treated humanely and in full compliance with the laws of armed conflict.

Veterans’ Affairs: Entitlements

Mr ORGAN (2.49 p.m.)—My question is directed to the Minister for Veterans’ Affairs. Minister, in light of the risk of injury, disfigurement and death facing Australian Defence Force personnel committed to the war in Iraq and the obligation to provide a beneficial level of support to veterans and their families for incapacity or death resulting from such service, and given the current level of concern expressed by Vietnam veterans over TPI recommendations in the Clarke review of veterans’ entitlements, will you give an assurance to this House that the government will respect the longstanding principle of veterans’ entitlement remaining unchanged for life by maintaining the benefits currently available to veterans and their families or at least enhance the present TPI package by benchmarking the TPI pension, freeing spouse income from means testing, providing an allowance of 20 per cent of the veteran’s general rate pension to each student child, introducing improved carers allowance and access to the health care system—

The SPEAKER—The member for Cunningham must be aware that his question is getting a little long. Could he bring it to a conclusion?

Mr ORGAN—and freeing from means testing veterans’ incomes up to 24 per cent of the average wage?

Mrs VALE—I thank the honourable member for his question, and I note he refers to the troops currently serving and our current veterans. The matters that he has raised were the subject of the Clarke review of veteran entitlements, which the government is considering at this moment. I can assure the member that the entitlements that are due to the current veterans—the TPIs and the war widows—are as a result of one of the best repatriation systems in the world: the one we offer here in Australia. As I said, the response to the Clarke review is still being considered by the government and we will be dealing with that in due course.

Iraq

Mr BAIRD (2.51 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of Australian involvement in plans for the rebuilding of Iraq once hostilities cease?

Mr DOWNER—I thank the honourable member for Cook for his question. One of the very important components—which I will focus on in answer to his question about the rebuilding of Iraq—will be to ensure that the humanitarian needs of the Iraqi people continue to be met. That is why one of the issues that we are addressing at the moment at the United Nations and also with our coalition allies is the need for a swift resumption of what is called the oil for food program. This is a program under Security Council resolutions where, in spite of sanctions, the Iraqis have been able to export some oil and,
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with the revenue from that oil, buy essential foods, medicines and other commodities.

Since 1996, the oil for food program—this is quite an interesting and, in a way, rather disturbing statistic—has met the humanitarian needs of around 60 per cent of the Iraqi population, who depend on food rations from the oil for food program. With sanctions in place as a result of Saddam Hussein’s defiance of the United Nations Security Council for many years, as the Prime Minister mentioned earlier, the program has been the only way of getting food and other essential supplies to the Iraqi people. The program is currently suspended and, importantly, the World Food Program estimates that food supplies for the most vulnerable in Iraq are unlikely to last much beyond May. So the oil for food program must be resumed, and it must be resumed as soon as possible.

Honourable members will, I am sure, be aware that the Australian Wheat Board has been the major supplier of wheat under the oil for food program. We are working closely, as I mentioned, with our colleagues in the coalition as well as with other countries to secure the speedy resumption of the program as soon as circumstances on the ground permit. I note that the Secretary-General of the United Nations himself, Kofi Annan, has said that, under the current difficult circumstances, the oil for food program is the most practical way of ensuring that urgent humanitarian supplies do in the end reach the Iraqi people. Obviously, we agree with that. I would underline to members of the United Nations Security Council—and I mean all members of the Security Council—that they do bear a heavy burden of responsibility to ensure the oil for food program is resumed, and as soon as possible, in order to meet the essential needs of the Iraqi people. Australia urges the Security Council to act quickly and to resist the temptation to politicise this critical humanitarian endeavour. The oil for food program will be a crucial interim measure to support the population until the economy of Iraq recovers normality—which, of course, is a state it has not been in for many years now. The oil for food program is an essential first stepping stone.

There will be many other ways in which we and the broader international community will help Iraq, but I did, in response to the honourable member for Cook’s question, want particularly to focus on the oil for food program and the need to resume that program as soon as possible because, as I said, 60 per cent of Iraqis are dependent on it for essential food supplies. If food supplies, particularly for the more disadvantaged sectors of the Iraqi community, are only going to last until around May, which is the estimate of the World Food Program, then time is of the essence to renew the oil for food program resolution.

Veterans’ Affairs: Entitlements

Mr EDWARDS (2.55 p.m.)—I have a question for the Minister for Veterans’ Affairs. Minister, in view of your last answer, will you give a guarantee to the House that there will be no reduction in benefits for serving members of the Australian Defence Force when the new Military Compensation Scheme is introduced in May of this year?

Mrs VALE—I thank the honourable member for Cowan for his question. I can advise the member and the House that any changes that we make to the entitlements of veterans will be only to enhance them.

National Security: Terrorism

Mr McCLELLAND (2.56 p.m.)—My question is to the Prime Minister. Prime Minister, are you aware of the statement by the United States Secretary of Homeland Security on 18 March, in which he said:

The Intelligence Community believes that terrorists will attempt multiple attacks against U.S. and Coalition targets worldwide in the event of a U.S.-led military campaign against Saddam Hussein.

Prime Minister, is it the case that on that day, in contemplation of hostilities against Iraq, the United States shifted to high terrorism alert and the Department of Homeland Security announced a wartime homeland security plan known as Operation Liberty Shield? Can the Prime Minister advise what are the major protective measures that have been taken in the United States under that plan and what comparable response, if any, has been taken by the Australian government?
Mr HOWARD—The answer to the first part of the question is yes, I am aware of that. The answer to the second part of the question is that I cannot, without getting specific advice, answer for actions taken by the United States government in the United States. The answer to the third part of the question is that we have, in the manner outlined at some length by me, the Minister for Foreign Affairs and the Attorney-General, responded appropriately to all of the advice we have received about potential terrorist threats and the general terrorist environment not only in Australia but around the world, particularly since 11 September.

Let me take the opportunity of saying again that no government—and certainly not this government—can guarantee that there will not be a terrorist attack in Australia. I have never endeavoured to do that, and I never would. What we can do is intelligently respond to advice that we receive and make certain that the travel warnings we give to Australians who travel overseas or who are in other parts of the world are sensible. I have particularly in mind the commonsense proposition that, if you generally warn everybody that it is dangerous to go anywhere, those sorts of alerts are next to useless. What you have to do is to try, on the basis of the information you have, to grade the travel alerts and so forth—as we have done, as the minister explained very patiently yesterday and again today. We are quite happy to go on explaining it with equal patience, because it is an important issue.

But can I remind the shadow Attorney-General that different countries express these things differently. The experience of the United States has been different from the experience of Australia and we have to avoid underwarning our citizens. We also have to avoid alarming them. I can recall that over the past few months criticisms have been made about the warnings that have been given. I would just say again to the member for Barton that we have responded appropriately to the professional advice we have received. What the United States does is properly a matter for the United States administration. What Australia does is based on the information that we receive from our authorities.

I would like to remind the House again that the reality is that, if any terrorist event occurs anywhere in the world, probably for the next few years, the perpetrators of that will endeavour in some way to link it to the action in Iraq, whether that is, in substance, correct or not. But that is the reality of it. I just repeat again: I am not guaranteeing—and I cannot—that there will not be some attack. I cannot do that. I wish I could, but I cannot and I will not even endeavour to do so. What I will do is keep the Australian public informed of intelligence that we receive that would warrant a change. There has been no such intelligence, but if it is received then of course that will be made known.

Mr McClelland—I seek leave to table a White House fact sheet detailing the measures taken under Operation Liberty Shield.

Leave granted.

National Security: Coastline

Mr LATHAM (3.01 p.m.)—My question is to the Minister Assisting the Minister for Defence and it follows the answer just provided by the Prime Minister. Is the minister aware of Operation Liberty Shield in the United States, which has upgraded coastal security by implementing more coastguard patrols, by aircraft, ships and patrol boats, and by using the coastguard to enforce security zones in and around critical infrastructure sites in key ports? Minister, given that Australia does not have a coastguard service, what measures has the Australian government taken to upgrade security for our coastline and our port infrastructure?

Mrs VALE—I thank the honourable member for Werriwa for his question. My answer is that we have taken the appropriate measures.

Opposition members interjecting—

The SPEAKER—Order! The member for Batman has the call.

Aviation: Airport Security

Mr MARTIN FERGUSON (3.03 p.m.)—My question without notice is to the Minister for Transport and Regional Services. Is the minister aware of allegations on
the SBS *Insight* program last week about the quality of passenger X-ray machines and the poor attention to security staff training at Melbourne airport? Can the minister inform the House what action he has taken to investigate those very serious allegations and the others raised on the program, such as those about Sydney airport?

**Mr ANDERSON**—I am aware of those allegations. I have received a preliminary report on them. I can assure members that the claims made in relation to lax security at Melbourne airport do not stand up, and the minor—and I think they are minor—transgressions at Sydney appear to be quite easily rectified. But those claims were made, I have to say, by a member of a union that I think is particularly concerned to extend the interests and the number of people who work for his particular union. I have to say that I do not believe that they were claims that stand up to any great scrutiny on the advice that I have had.

**Mr Howard**—Mr Speaker, the opposition has asked 10 questions. I ask that further questions be placed on the Notice Paper.

### AUDITOR-GENERAL’S REPORTS

**Report No. 34 of 2002-03**

**The SPEAKER**—I present the Auditor-General’s Audit Report No. 34 of 2002-03, entitled *Performance audit—Pest and disease emergency management: follow-up audit—Department of Agriculture, Fisheries and Forestry—Australia*.

Ordered that the report be printed.

### PAPERS

**Mr McGAURAN** (Gippsland—Deputy Leader of the House) (3.06 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:

*Department of Immigration and Multicultural and Indigenous Affairs Access and Equity Report for 2002.*

Debate (on motion by **Mr Swan**) adjourned.
In 1985 the royal commission recommended that Maralinga and Emu should be cleaned up so that the land could be fit for habitation by the Aboriginal traditional owners and that all costs should be borne by the British government.

Following the royal commission, the Australian government convened the Technical Assessment Group, TAG, comprising Australian, British and US scientists, to make studies and to quantify the health risks that the contamination posed to the Indigenous population and to develop different clean-up options for the government to consider.

The TAG studies indicated that inhalation or ingestion of plutonium-contaminated dust by Aboriginal children living an ‘outstation lifestyle’ was the major risk at Maralinga.

TAG developed a criterion for the safe rehabilitation of the site which was based on rehabilitating, or fencing off, areas of contamination to the extent that the post rehabilitation annual dose for individuals would not exceed five millisieverts.

TAG devised various rehabilitation options to achieve the five millisievert limit and presented the options in a report to the government in 1990.

One of the options was to scrape surface soil from a very large area, which would have permitted unrestricted access to all of the land, but this option was rejected by the Maralinga Tjarutja Aboriginal traditional landowners for environmental reasons.

In 1991, in consultation with the South Australian government and the traditional owners, the Australian government decided to implement a rehabilitation program that broadly followed option 6(c) of the TAG report.

Option 6(c) was costed at approximately $104 million in 1994 values and involved a program of scraping up contaminated surface soil and burying it in trenches and treatment of a number of plutonium-contaminated debris burial pits by in situ vitrification, ISV.

The implementation of option 6(c) would permit unrestricted access to about 90 per cent of the 3,200 square kilometre Maralinga site and permit access, but not full-time occupation, to the remainder of the site.

Representations to the British government by the traditional owners and by the Australian government resulted in the British government committing a full and final amount of £20 million towards the rehabilitation of the site.

In 1993, the government formed the Maralinga Rehabilitation Technical Advisory Committee, MARTAC, to provide expert and independent advice to the minister and the department on the main aspects of the project. MARTAC advised on engineering works, studies to ensure the effectiveness of the rehabilitation, worker safety and reported on project progress.

From the start, MARTAC was inconvenienced by inadequate records from the British tests and subsequent clean-ups. To avoid similar problems in the future, MARTAC decided to bring together within the one document its own report, the final reports from the project’s main contractors and relevant supporting papers.

Thus, the MARTAC report is more than 400 pages in length and has about 6,500 pages of attachments on an attached compact disc.

The report describes the site and the nature of the contamination, the rehabilitation measures applied, the measured outcomes and future land and environment management issues.

The Maralinga Rehabilitation Project was oversighted by the Commonwealth Department of Education, Science and Training and its predecessors, and the rehabilitation work was undertaken by contractors.

Throughout the rehabilitation, the Maralinga Tjarutja and the South Australian government have had an input into project management decisions through the Maralinga Consultative Group.

From its formation on 5 February 1999, the Australian Radiation Protection and Nuclear Safety Agency, ARPANSA, oversaw the Maralinga Rehabilitation Project and provided a formal clearance for the remediated sites. Prior to the formation of ARPANSA, its predecessor, the Australian
Radiation Laboratory, provided the same service.

The Maralinga legacy from the British had two major components that required intervention: plutonium-contaminated surface soils and plutonium-contaminated debris burial pits.

The first stage of the rehabilitation work was the removal of contaminated surface soil from a combined area of more than 2¼ square kilometres, which resulted in the burial of a total of 360,000 cubic metres of contaminated material in trenches 10 to 15 metres deep under a capping of at least five metres of clean soil.

The second stage was the treatment of debris burial pits by excavation and burial and by in situ vitrification, ISV, a process that involved passing an electric current through electrodes in the ground to melt debris and incorporate the material into a vitrified monolith or glass/ceramic block.

The MARTAC report describes the use of the in situ vitrification: difficulties were encountered applying the technology at Maralinga; there was uncertainty as to when to terminate melts and some debris was not absorbed as a result; and temperatures were insufficient to melt contaminated steel. Melt blocks protruded from the ground’s surface and steel that had not been absorbed into the melt blocks was found within a metre of the surface. The regulator, ARPANSA, did not find this a satisfactory outcome and directed that the melt blocks be excavated and reburied at greater depth.

A number of small explosions occurred during various melts; however, the explosion which occurred in March 1999 during the 11th melt caused major damage to the ISV equipment and raised serious safety concerns about the process.

The decision to discontinue the application of the technology was due to safety concerns, coupled with the difficulties in applying the technology at Maralinga. It hardly needs to be said that worker protection was of paramount importance during the clean-up and was addressed primarily with the provision of a safe operating environment in modified vehicles fitted with pressurised cabins and by an extensive radiation safety regime.

No workers received any measurable plutonium uptake during the clean-up.

The 120 square kilometre area of lightly contaminated land around the soil removal area was surrounded by boundary markers, signifying to the traditional owners that the land is suitable for hunting and crossing but not for permanent habitation. This has proved to be a conservative approach.

The Maralinga Rehabilitation Project was successfully completed at the major test sites in 2000.

In 2000, the Commonwealth’s independent regulator, ARPANSA, confirmed that the clean-up of the major test sites met the standards agreed at the start of the project by the Commonwealth, the South Australian government and the traditional owners—standards which are consistent with international guidelines.

The Chief Executive Officer of ARPANSA indicated in a letter to the former Minister for Industry, Science and Resources, Senator Nick Minchin, in March 2000 that, at the major areas of the range—Taranaki, TMS and Wewak—the major radiological criterion of less than three kilobecquerels per square metre had been achieved both in the soil removal lots and at the burial pits.

This value was calculated by the Australian Radiation Laboratory to equate to MARTAC’s requirement that the annual dose did not exceed five millisieverts.

ARPANSA has provided further assessment of the outcomes of the clean-up, which is attached to the MARTAC report. As a consequence of the combined effects of revised dosimetry and a better than expected level of clean-up of residual contamination, the estimated dosage is mostly about one millisievert rather than the five millisieverts, which was the original target.

The rehabilitation has surpassed the standards set at the start of the project. ARPANSA has found that possible radiation doses are well below those anticipated and, as a result, a restricted land-use zone is not strictly required. ARPANSA concluded that
the restriction on permanent occupancy within the ‘restricted land use boundary’ is a purely precautionary measure.

ARPANSA also certified that the burial trenches were constructed consistent with the National Code of Practice for the Near-Surface Disposal of Radioactive Waste.

While the code was not specifically designed for clean-ups of pre-existing contamination such as Maralinga, ARPANSA considers that it may be used as a benchmark of scientifically acceptable standards for plutonium buried as radioactive waste.

Burial of small quantities of longer lived radioactive materials in near-surface environment is safe. The amount of uranium, plutonium and americium buried in trenches at Maralinga is well below the levels allowed in the NHMRC’s Code of Practice for Near-Surface Disposal. The contaminated material at Maralinga easily meets this standard.

Cleaning up a previously contaminated site, where earlier safety standards were lower, is inherently different from designing a new project to meet present day safety limits such as the proposed national repository at Woomera. International advisory bodies such as the International Commission on Radiological Protection recognise this difference and describe a clean-up operation as an intervention and recommend specific objectives for intervention. The Maralinga operation has met and convincingly surpassed those international objectives.

Unlike the Maralinga clean-up, which improved the situation at an existing contaminated site, the proposed national repository can be planned before the disposal of waste starts.

The Maralinga clean-up was planned on the assumption that, after the remediation was completed, the land would be returned from the Commonwealth to South Australia and given back to the Maralinga Tjarutja traditional owners.

The stakeholders are working constructively with the Commonwealth towards this goal, and I hope that the site will be handed back during this year.

Other plutonium contaminated sites elsewhere in the world will be cleaned up. I and MARTAC hope that Australia’s conduct of a successful, large scale rehabilitation program will be an experience of benefit to others.

In conclusion, I would like to congratulate the MARTAC members on their report. Mr Davy, Dr Lokan, Dr Costello and Mr Church have each been associated with the government’s Maralinga investigations for about 20 years and were members of the Technical Advisory Group. Mr Morris and Mr Vaeth are also to be thanked for their service on MARTAC.

I also thank the officials of the Department of Education, Science and Training, and its predecessor, for their hard work, good judgment and dedication in the clean-up of Maralinga and the final hand-back to the traditional owners. I especially thank Dr Caroline Perkins and those who have worked with her through all of the difficulties which have brought us to this successful result.

More generally, I thank all those who have worked on the Maralinga Rehabilitation Project—far too numerous to single out for individual thanks and congratulations—and commend the MARTAC report to members. I present a copy of the MARTAC report and a copy of my ministerial statement.

**Dr Kemp (Goldstein—Minister for the Environment and Heritage) (3.23 p.m.)—by leave—**

I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Grayndler speaking for a period not exceeding 15 minutes.

Question agreed to.

**Mr Albanese (Grayndler) (3.23 p.m.)—**

It is with a considerable sense of sadness that I respond to the statement of the Minister for Science on the Maralinga Rehabilitation Technical Advisory Committee report, *Rehabilitation of former nuclear test sites at Emu and Maralinga*. In 1954, at the height of the Cold War, Prime Minister Menzies agreed to the British request for a permanent site to test nuclear weapons. Seven atomic bombs were detonated at Maralinga during 1956 and 1957, and a number of trials were undertaken, codenamed with very pleasant names: Kittens, Tims, Rats and Vixen. This was a political decision by a
government that was subservient to the British government, and today there are parallels, with the Australian government being once again subservient to the decisions of a foreign power. Just as today the result of the decision to enter a war in Iraq has very negative consequences for our national sovereignty, certainly in the fifties the subservience that the Menzies government showed to its British masters had dire consequences for Australia. The Vixen trials were particularly ruthless, scattering radiotoxic plutonium over the desert to simulate accidental damage done to nuclear weapons from fire, explosion and accidental detonation. It appears that most of the contamination of the soil was the result of smaller, often clandestine trials rather than due to A-bombs.

The MARTAC report does indeed describe in immense detail the $108 million clean-up of the former sites, yet the report and its 6,500-page CD attachment forget to make any mention of the lives lost, the heartache caused and the total and ongoing sense of dispossession felt by the local Indigenous community. In 1951 the Menzies government invited the British government to undertake nuclear testing on Australian soil, and the people whose land they were to destroy were not taken into account. The minister today made the same mistake. From the start, the Labor Party has been keen to say that the focus has to be on the best outcomes for the local Indigenous people. This whole exercise has not been about whether we can manage the best clean-up but about whether people can return to their land and to their lives.

The minister’s focus has been on the technical elements. He has bravely declared that the project has achieved world’s best practice. The importance of this claim to the minister was evident when, in the course of his statement, he attempted to explain away the dumping midstream of the preferred in situ vitrification process of treating contaminated material, going instead for a cheaper reburial option. While it is claimed that this decision was made for safety reasons, when you look at page 138 of the report you find that there is a $5 million saving to the government by going for the cheaper option. At the heart of the government’s problem is its overriding concern with cost control at the expense of quality control. It is notable that even today there was an attempt to justify this by referring to the national code of practice. When it is understood that the code of practice applies to low-level, short-lived waste and not to lethal, long-lived plutonium, government claims to best practice appear increasingly fragile.

Despite three attempts, no effective clean-up has been conducted by the British authorities. In fact, they only succeeded in worsening the problem by spreading radioactive waste around the site. Despite this, the British believed that they had signed off on the problems associated with the site. It was only when Labor came to government in 1983 that the ineffectiveness of the previous clean-up attempts was exposed. The relevant report, Rehabilitation of former nuclear test sites in Australia, was produced by the Technical Assessment Group and published in
1990. It became the benchmark for subsequent rehabilitation programs. As a result of this report, the then Minister for Primary Industries and Energy, Simon Crean, now Leader of the Opposition, in December 1993 pursued the British government, which agreed to pay £20 million to settle Australia’s claims and make a contribution towards the damage that they had caused. This contribution was estimated to meet half the cost of the rehabilitation. The effectiveness of Labor’s response stands in stark contrast to the history of blunders that marks the current government’s management—or mismanagement—of this process.

This report also brings to bear the Howard government’s approach to nuclear issues, because there are obvious links between the government’s botched job of cleaning up Maralinga and the problems with determining a site for the storage and management of low-level and intermediate-level nuclear waste. The selection of a site for a repository for low-level waste was set in train in 1992 under the previous Labor government. Crucial stages of the process of site selection have taken place under the current government. One of the parameters for the siting of this waste repository was to be effective community consultation. That clearly is not the case at the moment. Rather than consulting with Indigenous owners of the land around Woomera, where the government’s preferred site is, the government has instead responded by having a $300,000 publicity campaign designed to persuade South Australians that the federal government knows best. Of more concern is the refusal of the government to release any of the 667 submissions received for the site environmental impact statement. This lack of transparency has been perhaps triggered by a further problem in that the Department of Defence has, for a number of years, been expressing its concerns at the proposal to virtually co-locate the waste repository with a missile testing range.

Mr McGauran—Mr Deputy Speaker, I rise on a point of order. This is a ministerial statement on the Maralinga clean-up. Since you came to the chair, the honourable member opposite has been speaking about an entirely different issue: a proposed repository at Woomera. There is no connection between Maralinga and Woomera.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Having just resumed the chair, I was not aware of that. But the member for Grayndler should be well aware that he must speak to the motion, and I ask that he stick to that.

Mr ALBANESE—I certainly am. It is no wonder that the Minister for Science is very sensitive about a discussion of nuclear issues and that he suggests that there is no relationship between Maralinga and a proposed repository for nuclear waste. It is quite extraordinary. What has become patently clear is that the decision to abandon the preferred ISV methodology followed increasing pressure to modify or abandon the process, as the costs of treating the contaminated material became larger than anticipated. While the issue of cost is of course relevant, in the final analysis this work must meet necessary levels of safety and public need rather than simply conform to a predetermined bottom line. What we are left with is a cheap and nasty solution which certainly saved money but which failed to meet the standards adopted at the outset of the rehabilitation process and which also failed to conform to international safety standards and practices. It is also a process from which the traditional owners, the Maralinga Tjarutja, have disassociated themselves.

Mr McGauran—Says who? Which scientist? Name the source.

Mr ALBANESE—The minister asks who is saying this. The American geophysicist Dale Timmons, having spent five years working on this site, raised just last week the issue that there were problems with the accuracy of the report. To compound the scientific evasion practised by the government, they have also engaged in a process of denigration of anyone daring to question their management of the Maralinga clean-up—something we are seeing once again here today from the minister and his only friend, the Minister for Foreign Affairs. I assume he is here to back up the siting of the waste dump in South Australia. He is here to give
that support—and the minister nods in agreement.

One of the foundation members of MARTAC and a key government representative on the project, Alan Parkinson, has also been the subject of denigration. He was dismissed by government sources as an engineering adviser and as only one of many. In fact, he was an engineering consultant, a contract manager, a government representative to whom a number of contractors reported and a MARTAC member until 1998. Others are categorised as loners or some other equally dismissive phrase when they dare to raise concerns.

Contrary to the minister’s assertions, the Maralinga rehabilitation has not been completed to world’s best practice or even to the methodology agreed at the outset, while questions remain over the reburial process adopted. This report will certainly need to be dissected in great detail and its implications explored in greater depth. The opposition, of course, received the report only two hours ago. Despite the obvious preference of the minister, this report fails to close the public debate over this government’s mishandling of the Maralinga rehabilitation program. The opposition will continue to pursue these issues because we believe that this debate is far from over, and we intend to hold this minister and this government accountable for their actions and for the weaknesses in the report. We believe that Australia and, in particular, the local Indigenous owners of the land deserve world’s best practice in the way that this site is rehabilitated. We also believe that we should learn the lessons of the past, when an Australian conservative government was, five decades ago, subservient to the needs of a foreign power.

Mr McGAURAN (Gippsland—Minister for Science) (3.36 p.m.)—I move:

That the House take note of the papers.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

MATTERS OF PUBLIC IMPORTANCE

Foreign Affairs: Travel Advice

The DEPUTY SPEAKER (Hon. I.R. Causley)—The Speaker has 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 Government’s failure to provide credible, accurate and timely advice on the increased terrorism threat to Australians abroad as a result of the war in Iraq.

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) (3.36 p.m.)—The first responsibility of government is the security of the Australian people. It is not just the first responsibility; it is also the fundamental responsibility and the final responsibility of government. For Labor, the security of the Australian people is non-negotiable. For Labor, Australia’s long-term national security in Asia is non-negotiable. For Labor, therefore, being direct with the Australian people about the national security consequences of our current involvement in Iraq must be equally non-negotiable. This is the absolute core business of government: the security of the Australian people.

When it comes to this war with Iraq there are many items of deep concern for the nation: the morality of this war, the legality of this war, the impact of this war on our brave men and women in uniform, the impact on the people of Iraq and the massive humanitarian effort that will be needed to save them, the economic reconstruction of that country and who will pay for it, the postwar governance of Iraq and the role of the US and the United Nations, the impact of this war on the Middle East peace process, the impact of this war on the future global doctrine of pre-emption—particularly as it applies to the other six remaining so-called rogue states—and Australia’s role in that, and how this government will apply this new doctrine of pre-emption within our own region. Where does all this leave the future of the collective security system of the United Nations, to which this nation has subscribed for the last 57 years? These are great questions indeed.
The world will now face changes and challenges of a fundamental type that we have not seen since the war. Change will occur in the world order, change will occur in the Middle East and change will occur in this region. So, too, will the national security consequences of this country change. These are the great questions and the great challenges that the nation must now debate. These changes, however, have been initiated without any road map as to how these changes will be worked through and turn out in the end. I have seen nothing from the government that so much as adds up to a pocket road map for the changes that will affect this nation most directly. Here we again go off to war, all on the promise that it will work out somehow in the end. Because, in a somewhat bizarrely conservative mindset, they believe that at the end of the day it will be someone else’s decision as to how to construct the new world order—not ours; someone else’s responsibility.

Our concern today in this debate is about one dimension of these changes alone—that is, the terrorist impact of the Iraq war on Australia and the government’s politically driven refusal to acknowledge that impact on the Australian people, in particular on those Australians who live and travel abroad. Why are these concerns relevant? Why are we debating this question in the parliament of the Commonwealth today? I would have thought any government, irrespective of its political complexion, would have near to its heart and soul the wellbeing of the 3.4 million Australians who depart this country each year—or the 3.4 million departures each year registered by the ABS. There are the 858,000 Australians who live permanently abroad, the 83,000 Australian departures each year for the Middle East and North Africa, the 839,000 Australian departures to South-East Asia each year, the 8,000 Australians who live in Indonesia, the nearly 5,000 Australians who live in Malaysia and the 6,000 who live in the Philippines. We would have thought that any Australian government would level with all these millions of Australians that, as a direct consequence of this government’s participation in the war with Iraq, these Australians will be at greater terrorist risk. There is no rational argument available anywhere in this government, in the community, in the region or beyond which leads to any other conclusion. Other governments have admitted this; this government has not.

Let us look at the facts as they have unfolded. On 18 March, the day the ultimatum was issued to Iraq, what did we have? Following that, almost hard on its heels, the British government issued a worldwide threat alert covering all of Britain’s travellers abroad, for all 214 British travel advices, where the British government said to its citizens:

The risk of indiscriminate terrorist acts in public places, including tourist sites, will be especially high during military action in Iraq.

Also on 19 March, the US government issued a similar global alert to all its citizens abroad about the increased terrorist threat to Americans abroad because of what? Because of the war with Iraq. You would think that the Australian government, as one of only three combatants committed to this Iraq war from the beginning—together with the United States and the United Kingdom—would have done the same. You would think that they would have issued a parallel global warning for all Australians abroad.

It is not unreasonable, you would have thought, particularly given our unique geo-strategic circumstances. Where is this country? We lie adjacent to the world’s largest Islamic country, which has a population of 230 million people. Secondly, we lie adjacent to South-East Asia, the region which hosts the single largest operational base for al-Qaeda and its associated terrorist organisations outside of Afghanistan and Pakistan. Furthermore, since this whole debate on Iraq has begun, repeatedly we have had the Deputy Secretary of Defense in the United States, Paul Wolfowitz, speaking where? He was on al-Jazeera television, appearing across the entire Arab world and across the entire Islamic world, including the Malay world, and saying what? The United States’ most reliable ally in this war with Iraq is which country? It is the Commonwealth of Australia. And we have not had just Deputy Secretary Wolfowitz saying that; since this war has broken out, we have heard from De-
fense Secretary Rumsfeld—not once, not twice but on multiple occasions, time and time again, across the Islamic world and the Malay world—telling the Islamic community that Australia lines up against Iraq.

If the entire world knows, Minister, that we are with the United States and the United Kingdom in this war with Iraq, and if the entire world has been told through US travel advisories and UK travel advisories that their citizens face higher levels of terrorist threat as a consequence of this action, why have you not told Australians abroad the same? Why cannot the 858,000 Australians who live offshore be given the same advice that they are also under threat as a consequence of the actions and policy undertakings of this government? In fact, on 20 March, the day hostilities broke out in Iraq, the Minister for Foreign Affairs magnanimously informed the House that Australia did not need a global terrorist alert. He said that our tourists, our travellers and those living abroad did not need one. The foreign minister said that it was his judgment. I looked it up in the Hansard just before I got up to speak. He said that it was his judgment. Thank you, Alex. I think it is terrific that that is your judgment. It is not ASIO’s; I notice that you did not say that.

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member for Griffith will refer to members by their seat or their title.

Mr RUDD—It is not ASIS’s judgment, not ONA’s judgment, not the British government’s judgment and not the government of the United States’ judgment. Whose judgment is it? It is the Minister for Foreign Affairs’ judgment—his personal judgment.

That is why, Minister, we are somewhat concerned about this: because what we have learned over your six years plus as foreign minister of the Commonwealth of Australia is that we do not trust your judgment. It is an appalling sense of judgment, reflected time and time again in the decision making processes of this government. But we are told: ‘Leave all those other advisories alone. Forget about the Americans; they don’t know what they are talking about. Forget about the British. Our Alexander has got it all under control, just pat.’ Then, however, there was a slight outbreak of panic. Let us go back to last Friday. On Thursday he had told the parliament that we did not need such a global alert. What happened on Friday night at 7.43 p.m., when Alex and the chaps in the office were sitting down with a G&T at the end of the day—

The DEPUTY SPEAKER—The member for Griffith will refer to members by their seat or their title.

Mr RUDD—When the member for Mayo was sitting down with the advisers from the box and the other chaps in the office with a G&T, as one does of a Friday afternoon after a hard day in the diplomatic field, he said: ‘We should slip one out. We should slip out something that is called a general advice for Australian travellers, because I, Alex’—I am sorry, I, the member for Mayo—‘have a touch of cold feet. What if something goes wrong? I just told those dastardly Labor Party types opposite that in fact we do not need a global travel alert, so we will slip one out at 7.43 in the evening just in case, to cover our tracks.’ The only reference you can find to this place called Iraq, with the war erupting on our television sets and on the battlefield in Iraq itself, is an obscure reference to the fact that those Australians travelling to the Middle East should be concerned and pay particular attention to the security circumstances arising from Iraq. What about the 3.4 million other Australians travelling around the world? What about the 858,000 Australians living abroad at present? Presumably they do not count.

Then we get to last weekend’s saga, the Indonesian Surabaya saga. That was the best of all, I think. The Americans put out an advice on Saturday saying that there was an increased terrorist threat to Americans in Indonesia because of the war in Iraq. The British went one step further: they said it was in relation to not just Indonesia but also specifically the city of Surabaya in eastern Java. Because of what? The war in Iraq. But then Australia puts out its own travel advisory on the weekend saying that there is indeed a travel alert for our tourists, travellers and residents in Surabaya. Is there any reference to the missing ‘I’ word, Iraq? No, it is not
there at all. Most inconveniently, our friends the Brits have actually mentioned the ‘I’ word in their release—but not the Australians. Here is the ultimate dilemma, which the minister might answer when he bothers to respond to this MPI. Minister, you know as a former diplomat and I know as a former diplomat that the intelligence upon which these travel advisories for the Republic of Indonesia are constructed is based primarily, almost exclusively, on Australian intelligence. We have a unique responsibility, as the minister himself has referred to in this chamber before, for intelligence collection in this part of the world. Yet the minister is seriously advancing the proposition in this chamber that the British, having received this product from our part of the world, were saying, ‘We think our citizens in Surabaya are under threat because of Iraq,’ and then Australia produces one out of the office of this minister saying, ‘Unfortunately Iraq has nothing to do with it.’ Minister, pull the other one!

Now we come to the debacle of today and the statement by the chairman of the terrorist organisation the Islamic Defenders Front of Indonesia, Habib Rizieq, who said:

When the attack [against Iraq] happens the allies will face thousands of new Osama bin Ladens who will destroy US interests around the world ... every citizen who directly supports the US is considered kafir harbi.

That is translated broadly as ‘Westerners who deserve to die’. Minister, how can you credibly claim that there is no heightened terrorist threat to Australians in Indonesia when the head of this extremist terrorist organisation issues a statement and says that those who support US military action in Iraq, namely Australia, will be directly targeted? Yet this government maintains the political fiction that there is no connection whatsoever between terrorist threats to Australia and the ongoing war in Iraq.

The pattern is clear. We have Iraq specific global alerts from the United States and the United Kingdom. Do we have anything from this government? No. We have an Iraq specific Indonesia alert over the weekend from the UK. Do we have anything from this government? No. As far as the Islamic Defend-
The DEPUTY SPEAKER—The member for Griffith will address his comments through the chair.

Mr RUDD—The bottom line is this: the Prime Minister knows well, as the minister knows well, that it is not a question of either not being a terrorist target or being one; there is a gradation here. What the Prime Minister has done through his actions is take Australia from being at a low point on the terrorism spectrum to being at a higher point on the terrorism spectrum. These actions were entirely avoidable—and he and the government know it. This is a government driven not by national security policy but by domestic political concerns alone. For this government, national security policy has become the continuation of domestic electoral politics by other means. You know that, the Australian people know that, and it is a disgrace in terms of the security of the Australian people. (Time expired)

The DEPUTY SPEAKER (Hon. I.R. Causley)—I remind the member for Griffith that on several occasions the chair reminded him to address his comments through the chair and not personally.

Mr DOWNER (Mayo—Minister for Foreign Affairs) (3.52 p.m.)—I think there are actually several reasons why the public lack much confidence in the opposition, whether they agree with the opposition or not. One reason is that the opposition is inclined to mix its messages. I know from being a member of parliament for 18 years—and I have had a good deal of experience in various jobs—that mixing messages is usually pretty fatal. For example, the opposition’s spokesman, the member for Griffith, says that the government does not have the support of the House on its policy on Iraq. That is not true. Government does have the support of the House of Representatives, and by a very sizeable majority. Also, the opposition spokesman claims that the government’s security policy is apparently driven by politics and the desire to be popular. It was only a week ago that we heard the bang from the opposition benches that, on the issue of Iraq, the government should listen to the people. In fact, that has been one of the key cries of the opposition on our Iraq policy, that we do not listen to the public. I would not say it was true that we do not listen to the public, but I would say it is true that we have not been deflected—and that is manifest by a pattern of opinion polls over the last six or so months—by negative results in the opinion polls on the government’s policy. We have stuck with our policy.

The next mixed message that comes from the opposition is about security issues. You do not have to go back far in history to come across the argument that the Labor Party was putting: that the government, for base and cynical political purposes, endeavoured to scare and frighten the Australian public with an excessive focus on security issues. That was the argument that was used not very long ago. I took a bit of a holiday over Christmas but that did not stop me keeping the wheels of government was going. We certainly noted comments made by various opposition spokesmen during that period, particularly on the public education campaign associated with counter-terrorism. There was much mockery from the opposition about the fridge magnet, and some members of the opposition were urging the public to send the booklet back, claiming that this was an exaggeration and fearmongering. So I did a computer search on the member for Griffith and it didn’t take long to find him. He talks a lot but not with a great deal of consistency, and one of the lessons of politics is not to talk too much just in case you start contradicting yourself. The member for Griffith told the Australian Associated Press on Sunday 29 December:

Having looked at both the television and print versions of this ad, this campaign should be renamed “be alarmed but don’t be alert”.

I actually thought it was an enormously droll expression. I seem to recall during the holidays hearing him saying that from time to time. He went on to say:

The single effect of these ads is to cause people watching them and reading them to be alarmed. I actually thought it was an enormously droll expression. I seem to recall during the holidays hearing him saying that from time to time. He went on to say:

The single effect of these ads is to cause people watching them and reading them to be alarmed. That is my point about mixed messages; there never seems to be any consistent pattern. In December, the opposition—the great critique of this government—said that what the government does is try to frighten people for base political purposes. Today we have
the complete reverse. The critique of the opposition this time is that apparently the government is trying to play down risks. It cannot be both—either we are into some cynical political ploy to frighten people or we are into some cynical political ploy to try to tell people not to worry about terrorism. That gets to the very heart of the opposition’s problem. With the greatest of respect, I think every country benefits from a strong opposition as well as a strong government. The problem in this country is that we have a weak opposition, because it sends out mixed messages. It talks a lot but it does not talk a lot of sense. Nobody really knows what the opposition stands for because the opposition changes its position day by day, as we have seen on the issue of Iraq.

Even this week, we noticed the Leader of the Opposition allegedly, according to one of the Tasmanian members of this House, changing Caucus’s professed position. I have not had time to focus on whether or not he did. But I did notice that, listening to the radio the other day, a member for one of the Tasmanian seats was condemning the Leader of the Opposition. I saw people from the opposition on the news last night conducting a doorstep interview, and they were talking about this whole question: do we have a position on supporting the troops; do we have a position on bringing the troops home? It is the same problem; it is mixed messages. It is not entirely obvious to me, and I am a politician so I follow politics pretty closely. Imagine how obvious it must be to the public what the opposition stands for!

In relation to travel advisories, we have said all along—and let me make it crystal clear—that, where the government has credible information that affects the safety and security of Australians overseas, it is reflected in the Department of Foreign Affairs and Trade’s travel advisories and also in its embassy bulletins. We keep our travel advisories under close review and adjust them as often as necessary. I have made this point on a number of occasions in question time—and I address this to the people in the gallery in particular. It is important that Australians take note of travel advisories if they are planning to travel. It is important therefore that those travel advisories are credible documents. I think it would be an enormous mistake if we politicised those travel advisories—in other words, if members of the general public who are thinking of travelling thought that these travel advisories were some sort of a political message.

The fact is that I am not the author of the travel advisories; my department is. One of the constant critiques of this government is that we somehow politicise the Public Service. My department is not remotely politicised. There are not apparatchiks of the Liberal Party beavering away in positions in my department who have been put there by me in order to advance some base political purpose. There may be supporters of the Liberal Party and there are certainly supporters of the Labor Party, and no doubt supporters of the Democrats and the Greens—but we won’t go into all of that because I think that is dangerous ground.

It is not a politicised organisation and the consular advisories, the travel advisories, are put together—let us try to understand this—by the consular people, who I think are enormously professional. I pay tribute to Ian Kemish. A lot of the abuse about travel advisories that you get from the opposition does not reflect kindly on him, but Ian Kemish is a very able officer and these travel advisories are done in cooperation with our posts overseas.

I made the point about how vitally important it is that these documents are seen by the public to be credible. It is important not to exaggerate threats. We do not want to transmit a message to the Australian public that it is absolutely out of the question for you to go overseas; that if you go overseas you have no chance of survival. The public will obviously (1) know that that is not true and (2) therefore disregard the travel advisories. There is no point trying to exaggerate the threats. According to the opposition the political theory is that, if we frighten the public then they are more likely to vote for the coalition. If that were the case, I suppose we would exaggerate our travel advisories. We definitely do not. On the other hand, they have to be credible. If we do have information relating to a specific threat then we obviously make
sure that we tell the public about those threats. We must do that.

Our travel advisories have a very high degree of integrity, and I pay tribute to, and defend, the officers of my department who put them together. They are not politicians, they are not political apparatchiks and they do not do it for political purposes. If there is a problem, we will tell it as it is. In putting together the travel advisories, the department draws on a range of information—ASIO threat assessments, advice from our overseas missions, experience of the kinds of problems Australians face overseas and the assessment of our close consular partners—to ensure that Australians are given the best advice possible.

Since Thursday, 20 March a large number of country-specific travel advisories have been reviewed and reissued. We have explained that. There is no point in trying to pretend that has not happened because all the opposition is doing there is creating a straw man and furiously savaging it with Rottweiler teeth. Big deal. Anybody can savage a straw man. But it does not actually achieve anything intellectual. I suspect the problem is that it does not achieve anything political.

Our country-specific travel advisories since 20 March have been reviewed and reissued. On 20 March most Middle East travel advisories were reissued to reflect the obviously deteriorating security environment given the commencement of military action against Iraq. On 21 March advisories from Oman and Yemen were further reviewed and upgraded and travel advisories—

Mr Rudd—Why didn’t you say that?

Mr DOWNER—I said it last week. It is so pathetic. Travel advisories for Bangladesh, India, Singapore, Malaysia and Brunei were also reissued as part of our regular review process. Our travel advice for Indonesia was reviewed to incorporate new threat information, particularly on Surabaya, but this change was not directly or indirectly linked to Iraq. Why was that? Because we were involved in some cunning and furious conspiracy? No. It was because we did not have any information that the threat in Surabaya was linked to Iraq. These changes underline the importance of Australians closely monitoring department travel advisories. Let me continue to emphasise that point.

In terms of the general or global travel advisories, contrary to what the opposition alleges, I did not deny last week that we have a global travel advisory. We have a general advice to travellers. We do have that. I think I recall standing here and saying it last week. I think this general advice to travellers goes back to well into the period when the opposition was the government. That is seven years ago.

On 14 September 2001, my department issued a general advice and that advice alerted Australians to the ongoing threat of international terrorism across the world. That advice was updated on Friday 21 March—

Mr Rudd—At 7.43 p.m.

Mr DOWNER—Yes. It is enormously important, because 7.43 was the time the Leader of the Opposition was giving his address to the nation.

Mr Rudd—Everyone had gone to bed.

Mr DOWNER—The opposition spokesman says everyone had gone to bed, a very interesting reflection. Everyone had gone to bed at exactly the moment when the Leader of the Opposition was addressing the nation about the war in Iraq. Everyone had gone to bed. It is hardly surprising that the member for Griffith is now blushing. That is embarrassing.

But the truth is this change that was made—this update to the general advice—was not some secret conspiracy. This is what it said:

The situation in the Middle East also underscores the need to monitor our country-specific advisories carefully—the situation may change rapidly in different regions and countries in the world.

Wow! You mean you should consult the individual country advisories?

If that is a conspiracy, that is beyond comprehension. I have heard some dumb arguments. I know most people were apparently in bed, or if they were not in bed I suspect asleep, at 7.43 p.m. on that famous evening of 21 March. I was not, actually. I did watch the show and the fact is that this is just
another routine matter conducted by the department.

Finally—

*Mr Rudd interjecting—*

*Mr DOWNER—* It is rude to interrupt, old boy. Finally, there is this constant canard pushed about the British and the American travel advisories in relation to Indonesia. We have not upgraded our travel advisory to Indonesia but we have included some information, and I have referred to Surabaya. The United States on 22 March reissued but did not upgrade its travel warning for Indonesia. The US advice I will not go into—I have not got time. Over the weekend, whichever day it was—Saturday or Sunday—the UK reissued its travel advice for Indonesia as well and maintained its warning to defer non-essential travel.

I have to say that shoots this phoney argument out of the water, frankly, or to put it more aptly, it simply sets fire to the straw man that the opposition spokesman has created, huffing and puffing up there in the press gallery but only playing with a straw man. (Time expired)

*Mr ADAMS (Lyons)* (4.07 p.m.)—Labor believes that John Howard’s decision to commit Australian troops to the war in Iraq is unnecessary, illegal and reckless. Today I want to concentrate on why I think it is reckless. It is reckless because it exposes us to a heightened threat of terrorism. The evidence for this is overwhelming. There have been numerous warnings. Last Tuesday, the day the deadline for Saddam Hussein ran out, the Secretary of the Department of Homeland Security in the United States, Tom Ridge, told his country:

> The intelligence community believes that terrorists will attempt multiple attacks against U.S. and Coalition targets worldwide in the event of a U.S. led military campaign against Saddam Hussein.

In response, the US Department of Homeland Security raised the warning to the American people to the second highest level possible and instigated a wartime homeland security plan known as Operation Liberty Shield, a comprehensive set of domestic protection measures, including increased coast guard patrols, tighter border security, upgraded airport security and increased public health preparation.

Last Thursday, the day the war started, the UK government released a global terrorism alert warning that said:

> The risk of indiscriminate terrorist attacks ... will be especially high during military action in Iraq.

On 19 March, the day after President Bush issued the 48-hour warning, the Chairman of the Islamic Defenders Front in Indonesia, Habib Rizieq, said:

> When the attack [against Iraq] happens the allies will face thousands of new Osama bin Ladens who will destroy US interests around the world ... Every citizen who directly supports the US is considered kafir harbi.

On 22 March DFAT itself issued a travel warning on the threats to Australians in Surabaya. Dr Rod Lyon, former head of the strategic branch of the Office of National Assessments, said that the Prime Minister’s claim that Australia is not under increased terrorist threat as a result of military action in Iraq is ‘using a narrow definition of what constitutes increased risks’. He says:

> We will see some prospect of increased terrorist activity against those countries engaged in the battlefield in Iraq.

Yesterday, retired Air Marshal and former Air Force chief Ray Funnell said:

> The fact that we have been so closely aligned with the Americans in this operation ... will increase the risks of us coming under attack from terrorists. I don’t think there’s any doubt about that.

John Howard is not listening. Bob Carr’s response was a leader’s response, telling his citizens about the threat they faced and acting to protect them. But John Howard says he does not need to do anything.

*The DEPUTY SPEAKER (Hon. I.R. Causley)—* The member for Lyons will address people by their title or their seat.

*Mr ADAMS—* He is turning his back on the Australian people the same way he turned his back in the parliament last week. Tony Abbott gave the game away last Tuesday when he admitted that there is an increased risk of terrorist attacks here in Australia. Tony Abbott has now confirmed—
The DEPUTY SPEAKER—The member for Lyons must observe what I said. Under standing orders, you must address people by their seat or by their title.

Mr ADAMS—what John Howard, the Prime Minister, has always been too frightened to say to the Australian people: that Australia will become a greater terrorist threat than we would otherwise be, as a result of Howard's policy on Iraq. The Prime Minister is still in denial. We all have been alarmed because the Prime Minister is not alert. The perversity of the situation is obvious. In the name of fighting terrorism, he has made us more of a target.

Look at the threat to our transport systems. Last week there were allegations on the SBS Insight program about the quality of passenger X-ray machines and the poor attention to security staff training at Melbourne airport. I think we had a question about that in question time today. There have been repeated warnings to government over a number of years on the need to upgrade security at our airports, but the government has done nothing. Jet airliners at regional airports like Devonport, Burnie, Port Macquarie, Wagga Wagga, Gladstone, Dubbo and Gove are left unattended overnight with no tarmac security.

Gove is particularly worrying, as 107,483 passengers went through there last year and it is easily accessible from South-East Asia. These aircraft are flown over large population centres and to major airports like Sydney airport. This is an obvious clear and present danger to the Australian public, but the government is doing nothing. We must upgrade security at all of these regional airports. The government has wasted $20 million on public relations campaigns and the fridge magnets we all know about—which the public found pretty useless little things—but has done nothing to upgrade airport security.

What should be done? The best way to protect Australians is through a plan for regional and national security. Labor has a plan. Labor will establish a coastguard with dedicated new ships to protect our borders from terrorism, people-smuggling and the full range of transnational crimes that threaten our borders and our people.

We must recommit to fighting global terrorism and the proliferation of weapons of mass destruction. Australia must take the lead. We must try to punch above our weight in forums like the UN. Labor will convene a regional summit of leaders to get all governments in our region working together to fight terrorism. Labor will reconvene the Canberra commission on disarmament. Its goal will be to develop a consensus on how to stop the spread of nuclear, chemical and biological weapons, and the missiles and weaponry that carry them.

This government has failed to advise the people of the dangers of terrorism and the new threats that they face with the war in Iraq. There have been numerous warnings. As I have said, we have heard of Tom Ridge's warnings to the American people and of the increase of the alert to, I think, orange—the second highest level—in that country. There has been an upgrading of security in their port systems. We heard a question asked today during our question time about absolutely nothing being done here to our port infrastructure.

The Blair government has given a major global alert to its people about the risk of discriminate terrorist attacks being especially high during military action in Iraq. The Islamic Defenders Front's warning should be enough. Here, we have had the warnings of Dr Lyon and the former Chief of Air Force, Air Marshal Ray Funnell, to us as well. This is a government that has failed the Australian people. The minister has failed, and we need to have upgraded warnings to the Australian people. (Time expired)

The SPEAKER—Before I call the member for Flinders I remind the member for Lyons, and other members in the House, of standing order No. 80. I will read it:

No Member may refer to any other Member by name, but only by the name of the electoral division he or she represents.
If a member continually defies the chair, the chair will have no option but to sit them down and call the next speaker.

Mr HUNT (Flinders) (4.17 p.m.)—This debate is about fundamental principles of identifying security concerns, informing the public of those security concerns and, above all else, taking preventative action to make sure that those security concerns are acted upon. This debate is about short-term and long-term security for Australians and, at its zenith, taking the hard decisions on deeper security issues which are the core responsibilities of all governments around the world.

As I have said in each of the discussions that have been held on this—in this House or outside it—there is great scope for good faith on both sides. There are those, such as myself, who are genuinely and passionately concerned about the combination of tyranny and the possession of chemical and biological weapons in a country such as Iraq—and the linkage of that to terrorist organisations. There are those who take a different view but who maintain good faith—such as electors who have spoken to me from within my own electorate of Flinders. They are concerned about the costs and consequences of dealing with those actions. So it is a debate about the distinction between the costs of inaction versus the costs of action.

That is the general context, but this debate in this place on this day is not about good faith. It is an irresponsible position which has been put forward by the opposition. We have just lived through a summer of criticism and abuse, where the opposition took a national public information campaign about the risks Australians face from terrorism and said that the government was overstating and overemphasising it, and overwarning its citizens.

Today in this House they say directly the opposite. Despite that consistent, concerted and realistic presentation of the long-term challenges and threats which Australians have to deal with, they deny the existence of the actions of the last few months and suddenly claim, not only that that has not occurred, but that we have reached a new level of threat. They do this within the context of having, over the last few months, accepted the core rationale for action in Iraq. They have accepted the notion that there was a tyrannous regime which had possession of weapons of mass destruction, and that they would endorse action if there had been an 18th UN resolution.

They would have endorsed action if there had been an 18th resolution but that did not come to pass. We believe that there is still a clear legal basis for the current action. But surely the opposition’s decision could not be predicated on the very notion that the justice of an action was whether there were 17 or 18 resolutions. The justice of the action is based on whether or not there was a fundamental cause and whether or not there was a long-term threat to regional, global and Australian interests. They have recognised that. Yet because of a technical difference they suddenly deny all of those fundamental precepts about long-term Australian security. They had completely accepted the precepts—that there was a threat, that it was manifest and that action was needed to respond to it. By contrast, the government position is clear. There is a long-term threat. It is a clear and present danger. It must be dealt with. It is exacerbated by the tragic legacy of human rights abuse within Iraq, and we have made that threat clear to the Australian public.

In dealing with the arguments put forward, I want to deal with, firstly, the short-term threat; secondly, the long-term threat; and, thirdly, the actions taken by the Australian government. In the short term, we know that in the period since 11 September 2001 there has been a heightened level of threat at the global level, and in particular within South-East Asia and the Middle East. Where specific information has been known, we have made that known to the Australian public.

We have done that in Indonesia, in Kenya and in many countries throughout the Middle East with, perhaps most notably, a series of advisories within recent weeks. Let us look at the overall system of identification of short-term threats. The travel advice system is based on a number of sources. There are reports from the security agencies, ASIO and ASIS, and posts, as well as information from Australian citizens abroad and, significantly, information from consular exchange with
close allies. I particularly commend the Parliamentary Secretary to the Minister for Foreign Affairs, the member for Hindmarsh, for her role in working directly with citizens in relation to consular issues.

What has that consular system produced in relation to identification of some of the short-term threats over the last few months? Firstly, at the global level, on 5 February 2003, a general advice to Australian citizens abroad—no matter where they were—identified the general threat of terrorism against Western interests and noted that it remains high. In particular, it advised that, given heightened tensions concerning possibly military action against Iraq, Australians in the Middle East should take sensible precautions. This advice was updated on 21 March and specifically referred to the Middle East. Secondly, within the Middle East, we know that over the last month the Australian government has made reference, changes and updates on over 30 occasions to specific national travel advisories. Thirdly, within the region, the government has made updates and changes to travel advisories in relation to Bangladesh, India, Singapore, Malaysia, Brunei and, on 22 March, to Surabaya. On each occasion, it has made the update on the basis of the information available to it. It has been expressed in a clear and open way to the public, and yet we know that throughout the summer the government was accused of being overly informative, of trying to create fear. What it did then and what it does now is to make clear the express and absolute knowledge that it has, and it does not seek to hypothesise beyond that. It does not seek to interpret that which is not known but simply to make available to the public that which is known—which is exactly what it should do. That is what happens in relation to the short term.

In relation to the long-term threat—and the position taken by the opposition here is extraordinary—we see that there is a clear and present danger, the likes of which we have not experienced in our lifetimes: the chemical and biological weapons possessed within Iraq and chronicled prior to 1998. They were 25,000 litres of anthrax, 38,000 litres of botulism toxin, 500 tonnes of sarin, 300 tonnes of VX nerve gas precursor and 1.5 tonnes of VX nerve gas. They have all disappeared and have all been subject to United Nations resolutions. There is an important role for nations in seeking out these chemical and biological weapons to prevent them from being fed out through those organisations to which Iraq is known to have links—Abu Nidal, the Mujaheddin al-Khalq and the Palestinian Liberation Front. We also know that these organisations have links to others within our own region and that our region has witnessed the threat not just within Bali but also in Singapore, the Philippines and Indonesia where terrorist activities have been thwarted. Also, nail bombs were identified in Sydney and ricin in London. So there is a clear and present danger over the long term.

The question then is: how do you deal with it? That is what the Australian government and now over 50 governments worldwide have taken steps to deal with. They have made that difficult but necessary decision. They have identified what is necessary. The opposition focus on the question of threats to Australia. You could not take a more fundamental step to focus on the deep, clear, present and long-term threats to Australia than to make the decisions which the Australian government, along with over 50 international governments, have made. Perhaps most significantly, it offers the prospect of a more genuine and broader Middle East solution—one that goes to the very heart of Australian security. The opposition raise the question of security, yet they oppose the information that the government have put out over the summer and the action that the government have taken in relation to Iraq, even though they acknowledge the fundamental threat posed by Iraq. At the same time, they claim that there is a much greater threat. It is neither sensible nor logical. Ultimately, the government have taken a range of actions—for instance, the protection of airports, including the provision of air marshals, and public awareness campaigns. (Time expired)

The DEPUTY SPEAKER (Hon. I.R. Causley)—The discussion is concluded.
MAIN COMMITTEE

The DEPUTY SPEAKER (Hon. I.R. Causley) (4.28 p.m.)—I advise the House that I have fixed Wednesday, 26 March 2003, 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 REFERRED TO MAIN COMMITTEE

Mrs GALLUS (Hindmarsh—Parliamentary Secretary to the Minister for Foreign Affairs) (4.28 p.m.)—I move:

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

Terrorism Insurance Bill 2002
Criminal Code Amendment (Terrorism) Bill 2002

Question agreed to.

WORKPLACE RELATIONS AMENDMENT (FAIR DISMISSAL) BILL 2002 [No. 2]

Consideration of Senate Message

Message received from the Senate returning the bill and acquainting the House that the Senate again insists on its amendments disagreed to by the House. The Senate desires the reconsideration of the bill by the House in respect of the amendments.

Ordered that the message be considered forthwith.

Senate’s amendments—

(1) Schedule 1, page 3 (before line 4), before item 1, insert:

1A  Subsection 42(3)
    Omit “A party”, substitute “Subject to subsection (3A), a party”.

(2) Schedule 1, page 3 (before line 4), before item 1, insert:

1B  After subsection 42(3)
    Insert:

(3A) The Commission must not grant leave under subsection (3) to a counsel, solicitor or agent acting for a fee or reward in a conciliation under Subdivision B of Division 3 of Part VIA of this Act unless it is satisfied that it would assist the just and expeditious resolution of the proceeding, having regard to:

(a) the complexity of the proceeding; and
(b) the capacity of another party to the proceeding to secure representation; and
(c) the likely cost of such representation; and
(d) any other matter the Commission considers relevant.

(3) Schedule 1, page 3 (before line 4), before item 1, insert:

1C  After section 170CA
    Insert:

170CAA  Minister to publish information to assist employers and employees

(1) The Minister, in consultation with the relevant Minister of each State and Territory, must publish information, which may include practical examples, to assist employers and employees to comply with this Part.

(2) After publishing information under subsection (1), the Minister must promote the publication in workplaces and make it readily available free of charge.

(4) Schedule 1, page 3 (after line 6), after item 1, insert:

1D  Subsection 170CE(3)
    Repeal the subsection, substitute:

If:

(a) an employee’s employment has been terminated by the employer; or
(b) more than one employee’s employment has been terminated by the employer at the same time or for related reasons; and
    a trade union’s rules entitle it to represent the industrial interests of the employee or employees the union may, on behalf of the employee or employees, apply to the Commission for relief:

(c) on the ground that the termination was harsh, unjust or unreasonable; or
(d) on the ground of an alleged contravention of section 170CK, 170CL, 170CM or 170CN; or
(e) on a ground or on any combination of grounds in paragraph (b), and the ground in paragraph (a).
(5) Schedule 1, item 2, page 3 (lines 7 to 27), omit the item, substitute:

2 Subsection 170CE(6)

Omit “, (3)”.

(6) Schedule 1, item 4, page 4 (lines 29 to 33), omit the item.

(7) Schedule 1, item 5, page 4 (line 34) to page 5 (line 3), omit the item.

(8) Schedule 1, item 6, page 5 (lines 4 to 8), omit the item.

Mr ABBOTT (Warringah—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (4.29 p.m.)—I move:

That the bill be laid aside.

The Workplace Relations Amendment (Fair Dismissal) Bill 2002 [No. 2] has been before this House more times than any of us care to remember. Nevertheless, the government is determined to continue with its campaign to take the unfair dismissal monkey off the back of small business. I appreciate what has been said here by opposition members and in the Senate by opposition senators, but the government remains of the view that the unfair dismissal laws, as they currently stand in respect of small business, are a classic case of a cure which is worse than the disease. The last thing anyone wants to see is the capricious or arbitrary dismissal of anyone. Small business is more like a family than an institution, and that is why it needs to be treated differently to larger businesses.

I should point out to anyone who is anxious about what might happen to the employees of small business, should this bill be passed, that small business, while exempted from unfair dismissal laws by the government’s bill if it is passed, will still be subject to unlawful termination provisions. Research commissioned by the government suggests that, if small business were free of the unfair dismissal regime, some 68,000 additional jobs would be in existence. This research by the Melbourne Institute suggests that the unfair dismissal laws as they stand cost small business some $1.3 billion. This bill should be laid aside and I think I can safely promise the House that it will not see this piece of legislation again this side of an election.

Mr McCLELLAND (Barton) (4.31 p.m.)—We oppose the government’s motion to lay the Workplace Relations Amendment (Fair Dismissal) Bill 2002 [No. 2] aside. I am pleased to hear that we will not see this bill again this side of an election and I hope we can talk in more constructive measures, which we believe the Senate adopted in the amendments that they moved. The Minister for Employment and Workplace Relations said, in fairness to him, that no-one wants to see capricious or arbitrary dismissals, particularly as they may affect young people, middle-aged workers and so forth. But the thing is that, if you remove the right to access unfair dismissal laws for a significant part of the work force, you will oftentimes be exposing the most marginalised and vulnerable sectors of the work force to arbitrary or capricious dismissal. Basically, we say that the unfair dismissal laws are significant. They effectively codify principles developed over two decades into the one legislative framework. That codification is based quite simply on what is a note to one of the objects of this division in the act—an important object which very much fits in with the Australian parlance—to provide a fair go all round; that is, a fair go to employees and a fair go to employers.

We have recognised that there are improvements in procedure that can be made and that there can be reductions in costs, such as removing paid legal advisers from the conciliation stage of these matters. This means that small business proprietors do not feel compelled, as soon as an application lands on their desk, to pay money to a lawyer; rather, it lets them know that it is something that they can deal with. I also recall that, at the end of the day, the actual arbitrations in this matter that are not resolved are in the mid-200s. The orders for reinstatement in the last financial year were less than 50 and I think the awards of compensation by the Australian Industrial Relations Commission were less than 50. The overall occurrence of this issue can be overstated and, for the record, I refer people to my speech during the second reading debate where I criticised the reasoning of research conducted by the Melbourne Institute. Having said that, I note that this is the umpteenth occasion that
this bill has been considered in debate. All that could be said on the bill has been said, and I am pleased to hear that it will not appear again before the House. We invite the government to work with the opposition in coming up with some constructive amendments.

Question put:

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

The House divided. [4.39 p.m.]

(The Deputy Speaker—Mr Jenkins)

Ayes………………. 79
Noes………………. 60
Majority…………. 19

AYES
Abbott, A.J. Anderson, J.D.
Andren, P.J. Anthony, L.J.
Bailey, F.E. Barresi, P.A.
Baldwin, R.C. Billson, B.F.
Bartlett, K.J. Bishop, J.I.
Bishop, B.K. Cadman, A.G.
Brough, M.T. Causley, I.R.
Cameron, R.A. Ciobo, S.M.
Charles, R.E. Costello, P.H.
Cobb, J.K. Dutton, P.C.
Downer, A.J.G. Farmer, P.F.
Elson, K.S. Gallus, C.A.
Gambare, T. Gash, J.
Georgiou, P. Haase, B.W.
Hardgrave, G.D. Hartsuyker, L.
Hawker, D.P.M. Hickey, J.B.
Hull, K.E. Hunt, G.A.
Johnson, M.A. Jull, D.F.
Katter, R.C. Kelly, D.M.
Kelly, J.M. Kemp, D.A.
King, P.E. Ley, S.P.
Lindsay, P.J. Macfarlane, I.E.
May, M.A. McArthur, S. *
McGauran, P.J. Moylan, J. E.
Nairn, G. R. Nelson, B.J.
Neville, P.C. Panopoulos, S.
Pearce, C.J. Prosser, G.D.
Pyne, C. Randall, D.J.
Ruddock, P.M. Schultz, A.
Scott, B.C. Seeker, P.D.
Slipper, P.N. Smith, A.D.H.
Somlyay, A.M. Southcott, A.J.
Stone, S.N. Thompson, C.P.
Ticelhurst, K.V. Tollner, D.W.
Truss, W.E. Tuckey, C.W.
Vaile, M.A.J. Vale, D.S.
Wakelin, B.H. Washer, M.J.
Williams, D.R. Windsor, A.H.C.
Worth, P.M.

NOES
Adams, D.G.H. Albanese, A.N.
Beazley, K.C. Bevis, A.R.
Breton, L.J. Burke, A.E.
Byrne, A.M. Corcoran, A.K.
Cox, D.A. Crean, S.F.
Danby, M. * Edwards, G.J.
Ellis, A.L. Emerson, C.A.
Evans, M.J. Ferguson, L.D.T.
Ferguson, M.J. George, J.
Gibbons, S.W. Gillard, J.E.
Griffin, A.P. Hall, J.G.
Hatton, M.J. Hoare, K.J.
Irwin, J. Jackson, S.M.
Kerr, D.J.C. King, C.F.
Latham, M.W. Lawrence, C.M.
Macklin, J.L. McClelland, R.B.
McFarlane, J.S. McLeay, L.B.
McMullan, R.F. Melham, D.
Mossfield, F.W. Murphy, J. P.
O’Byrne, M.A. O’Connor, G.M.
O’Connor, B.P. Organ, M.
Pibersek, T. Price, L.R.S.
Quick, H.V. * Ripoll, B.F.
Roxon, N.L. Rudd, K.M.
Sawford, R.W. Sciacca, C.A.
Sercombe, R.C.G. Sidebottom, P.S.
Smith, S.F. Snowdon, W.E.
Swan, W.M. Tanner, L.
Thomson, K.J. Vanvakninou, M.
Wilkie, K. Zahra, C.J.

* denotes teller

Question agreed to.

WORKPLACE RELATIONS AMENDMENT (PROHIBITION OF COMPULSORY UNION FEES) BILL 2002 [No. 2]

Consideration of Senate Message

Message received from the Senate returning bill and acquainting the House that the Senate has agreed to the bill with the amendments indicated by the annexed schedule, in which amendments the Senate requests the concurrence of the House of Representatives.

Ordered that the amendments be considered forthwith.

Senate’s amendments—
(1) Schedule 1, item 9, page 5 (lines 2 to 14), omit section 298SA, substitute:

298SA Permissible bargaining fees

(1) An organisation may charge a permissible bargaining fee:

(a) in connection with an agreement certified under section 170LJ or Division 3 where:

(i) the agreement’s beneficiaries include those who have not made a contribution to the costs of reaching the agreement by means of paying a union membership fee; and

(ii) this permissible bargaining fee is explained in clear language, and in writing, to all employees in advance of the vote on the agreement; and

(iii) details of the permissible bargaining fee, and the services for which it is payable, are set out in the agreement; and

(iv) all employees affected by the agreement are advised, prior to bargaining commencing, whether it is proposed to include a permissible bargaining services fee in the agreement, and that they may make submissions to the AIRC under subparagraph (vii) in relation to this fee; and

(v) in addition to the requirement in subsection 170LT(5), a valid majority of persons employed at the time, whose employment would be subject to the agreement, have genuinely agreed to the provision; and

(vi) the agreement provides for the method and timing of the fee to be paid; and

(vii) the AIRC is satisfied that the fee is fair and reasonable; and

(viii) the agreement provides that new employees pay the fee only for the pro rata period of the agreement from the time that their employment commences; or

(b) in connection with an agreement certified under section 170LK where:

(i) the employee has agreed to pay for the provision of bargaining services in respect of the certified agreement; and

(ii) the employee has agreed to the total amount to be paid and this total amount covers all the bargaining services that may be provided in relation to the employee in respect of the certified agreement; and

(iii) the agreement was entered into before the bargaining services were provided.

(2) An organisation of employers may charge a bargaining services fee in connection with an agreement certified under section 170LJ or 170LK or Division 3 where:

(a) the employer has agreed to pay for the provision of bargaining services in respect of the certified agreement; and

(b) the employer has agreed to the total amount to be paid and this total amount covers all the bargaining services that may be provided in relation to the employer in respect of the certified agreement; and

(c) the agreement was entered into before the bargaining services were provided.

(2) Schedule 1, item 10, page 6 (lines 1 to 6), omit Division 5A, substitute:

Division 5A—False or misleading representations about bargaining services fees etc.

298SC False or misleading representations about bargaining services fees etc.

A person must not make a false or misleading representation about:

(a) another person’s liability to pay a bargaining services fee; or

(b) another person’s obligation to enter into an agreement to pay a bargaining services fee; or

(c) another person’s obligation to join an industrial association.

(3) Schedule 1, item 11, page 6 (lines 7 to 11), omit the item.

(4) Schedule 1, item 12, page 6 (line 12) to page 7 (line 4), omit the item.

(5) Schedule 1, item 14, page 8 (lines 8 to 11), omit the item.

(6) Schedule 1, item 15, page 8 (lines 12 to 19), omit the item.
Mr ABBOTT (Warringah—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (4.45 p.m.)—I indicate to the House that the government proposes that amendments (1) and (3) to (6) be disagreed to and that amendment (2) be agreed to. It may suit the convenience of the House to first consider amendment (2) and, when that amendment has been dealt with, to consider amendments (1) and (3) to (6).

The DEPUTY SPEAKER (Mr Jenkins)—There being no objection, that is the course of action that we will follow.

Mr ABBOTT—I thank the shadow minister for his concurrence. I move:

That amendment (2) be agreed to.

As I have tried to indicate on previous occasions, the government is interested in meaningful discussion with opposition parties both here and in the Senate and is prepared to accept constructive amendments—either amendments that are suggested to us or amendments which are brought into the House by other parties. It is the government’s view that the best current legal authority is that so-called bargaining agents fees are not permitted by the law as it stands. Nevertheless, despite the fact that these fees are not permitted by the law as it stands, on the best authorities, it is certainly the case that in a number of workplaces workers are being told that they have an obligation to pay. This is not the case, and it should not be done. So the amendment which has been passed in the Senate, amendment (2), amounts to a prohibition on a form of misleading conduct and improves the legislative regime under which workers operate. Therefore, the government is prepared to accept it.

Mr McCLELLAND (Barton) (4.47 p.m.)—For the reasons that I briefly outlined before, we insist upon the amendments that were moved by the Senate. They constitute a code, or package, in respect of dealing with the issue of bargaining fees in a more transparent and open way. We believe that the amendments moved by Senator Murray are a fair and reasonable approach to this entire issue. On that basis, we insist that the amendments be accepted.

Question agreed to.

Mr ABBOTT (Warringah—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (4.49 p.m.)—I move:

That amendments (1) and (3) to (6) be disagreed to.

These amendments seek to establish a framework in which so-called bargaining agents fees, or compulsory union levies, can be legitimated. The government do not believe that they are currently legitimate, do not believe that they are permitted by the law as it stands, as it has been interpreted by the courts, and certainly do not believe that they should be legitimated. Therefore, we are not prepared to accept these amendments. We disagree with them.

Mr McCLELLAND (Barton) (4.50 p.m.)—The opposition will agree to the government’s motion in respect of amendment (2). However, I should make it clear that in so doing we see it very much as being in the context of the total package that was moved by Senator Murray in the Senate. In particular, he moved what was effectively the establishment of a regime for bargaining fees in terms of notice, the right to question whether they were fair, what they could be used for and other protections that went to issues of accountability and transparency. In that context, amendment (2) was appropriate in terms of the overall protective measures. But, again in that context, we stress that we are supporting the acceptance of this Senate amendment on the understanding that this bill will go back to the Senate and, in that context, the Labor opposition, whom I can speak for, will be insisting that it be moved in the context of previous amendments dealt with by the Senate.

Question agreed to.

Mr ABBOTT (Warringah—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (4.51 p.m.)—I present the reasons for the House disagreeing to the Senate amendments and move:

That the reasons be adopted.

Question agreed to.
MARITIME LEGISLATION AMENDMENT (PREVENTION OF POLLUTION FROM SHIPS) BILL 2003

First Reading

Bill presented by Mr Tuckey, for Mr Anderson, and read a first time.

Second Reading

Mr TUCKEY (O’Connor—Minister for Regional Services, Territories and Local Government) (4.52 p.m.)—I move:

That this bill be now read a second time.

The Maritime Legislation Amendment (Prevention of Pollution from Ships) Bill 2003 will amend two Commonwealth acts, the Protection of the Sea (Prevention of Pollution from Ships) Act 1983 and the Navigation Act 1912. The bill’s primary purpose is to ensure that changes to the International Convention for the Prevention of Pollution from Ships, known as MARPOL 73/78, are reflected in Australian legislation.

A key issue to be addressed by the bill is the protection of the marine environment by ensuring that the level of environmental protection from marine sewage in Australia is consistent with internationally adopted standards. This is particularly important for sensitive marine areas, such as the Great Barrier Reef, which are vulnerable to pollution by sewage from ships.

In 1999-2000, 3,254 international trading ships visited Australian ports. The amount of sewage discharged from a vessel varies depending on the number of persons carried and the duration of the trip. The increase in the size and number of cruise ships visiting Australian ports, and regions such as the Great Barrier Reef, in recent years has resulted in a renewed focus on the issue of protecting the marine environment. Today’s cruise ships, the largest of which can carry more than 5,000 passengers and crew, generate significant volumes of waste. For example, an average sized cruise liner discharges approximately 100,000 litres of sewage per day, while an average sized bulk carrier with a crew of 25 discharges approximately 300 litres per day.

The bill includes amendments setting out the condition in which a ship is to be maintained to ensure that it remains fit to proceed to sea without presenting an unreasonable threat to the marine environment. Other amendments include provisions prohibiting the discharge of mixed sewage into the sea and amendment of a condition specifying the distance from the nearest land that treated sewage can be released.

The bill contains some technical amendments reflecting the renumbering of regulations contained in annex IV of MARPOL 73/78—that is, Regulations for the Prevention of Pollution by Sewage from Ships—a change to the name of the International Sewage Pollution Prevention Certificate 1973 and provision of a new power for survey authorities to issue such certificates.

Other amendments are being proposed to ensure that purely technical and routine operational matters are removed from primary legislation and included in subordinate legislation. In the case of this bill, subordinate legislation will be in the form of Marine Orders.

Australia is a signatory to MARPOL 73/78 and has implemented annexes of the convention dealing with the prevention of pollution by the discharge of oil, chemicals, harmful packaged substances and garbage from ships.

In 1985, Australia agreed to the adoption of annex IV of MARPOL 73/78: Regulations for the Prevention of Pollution by Sewage from Ships. Following this agreement, the Commonwealth Protection of the Sea Legislation Amendment Act 1986 was passed to give effect to annex IV along with a range of other amendments to MARPOL 73/78. However, the provisions relating to annex IV have not been proclaimed to commence due to delays in the treaty gaining international acceptance.

In 2000, the International Maritime Organisation adopted a number of amendments to annex IV that addressed several outstanding issues which had delayed its international acceptance. Annex IV will now enter into force internationally on 27 September 2003. I commend the bill to the House and present the explanatory memorandum to this bill.
Debate (on motion by Mr McClelland) adjourned.

PARLIAMENTARY ZONE
Approval of Proposal

Mr TUCKEY (O’Connor—Minister for Regional Services, Territories and Local Government) (4.57 p.m.)—I move:

That, in accordance with section 5 of the Parliament Act 1974, the House approves the following proposal for work in the Parliamentary Zone which was presented to the House on 20 March 2003, namely design and location of pedestrian and street lights.

Section 5(1) of the Parliament Act 1974 provides that no building or other work is to be erected on land within the Parliamentary Zone unless the minister has caused a proposal for the erection of the building or work to be laid before each house of the parliament and the proposal has been approved by resolution of each house.

In September 2002 the National Capital Authority commissioned an assessment of the adequacy of pedestrian lighting within the Parliamentary Zone. This study considered the compliance of the existing pedestrian lighting with the current Australian standard for pedestrian area lighting, AS 1158.3.1 of 1999, and the effectiveness of the lighting locations in meeting current pedestrian patterns. The consultant’s report found a wide range of lights with differing design characters within the Parliamentary Zone. Illumination and glare control provided by these lights did not meet the Australian standard.

The range of light types within the Parliamentary Zone gives rise to asset management inefficiencies and increased asset management costs to the authority. The authority proposes to rationalise the number of pedestrian light types to provide a safe night-time environment for pedestrians through compliance with current Australian standards, reduce maintenance costs and give expression to the geometry of the Parliamentary Zone through use of lights with different light distribution characteristics. The authority proposes that, in general, three light types be used to provide primary illumination for pedestrian areas. The lighting strategy is intended to provide an overall framework for the lighting of the Parliamentary Zone. It does not prohibit the use of other light types in individual areas.

A road safety audit undertaken by the authority in 2001 identified that lighting along King Edward Terrace between the Treasury building and the National Library does not meet the requirements of AS1158—roadway lighting. To attain the required light levels along King Edward Terrace, it is proposed to install five new streetlights along King Edward Terrace between Parkes Place and Langton Crescent. As the site is listed on the Register of the National Estate, the Australian Heritage Commission has been consulted regarding the proposals. On 24 December 2002, the commission advised that the works are unlikely to have an adverse effect on the National Estate values. The Joint Standing Committee on the National Capital and External Territories has also been advised about the proposed works. The approval of both houses is sought, pursuant to section 5 of the Parliament Act 1974, for the design and location of pedestrian street lights in the Parliamentary Zone. The National Capital Authority has advised that it is prepared to grant works approval, pursuant to section 12(1)(b) of the Australian Capital Territory (Planning and Land Management) Act 1998.

Question agreed to.

COMMITTEES
Public Works Committee
Reference

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.01 p.m.)—by leave—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Multi User Depot at HMAS Harman, ACT.

The Department of Defence proposes to construct a multiuser depot at HMAS Harman in the Australian Capital Territory. The objective of this proposal is to provide facilities at HMAS Harman, ACT, for a multiuser depot
for a RAAF Regular Unit and various Defence reserve and cadet units. It will concentrate reserve and cadet units, provide accommodation for the units, which will vacate RAAF Fairbairn, and will provide generally improved training and administrative facilities which will realise savings in the operating costs of these units.

A range of reserve and cadet units are accommodated within the Australian Capital Territory. At present, the Navy and Royal Australian Air Force units are accommodated in HMAS Harman and RAAF Fairbairn respectively. The Army Reserve and Army cadets are accommodated at the Werriwa training depot located at Allara Street in Canberra City. I am particularly pleased to see the Parliamentary Secretary to the Minister for Defence at the table, because she has been an outstanding proponent of the value of cadet units in our society.

RAAF Fairbairn has been sold and relocation of units to HMAS Harman will reduce lease commitments of the Department of Defence at Fairbairn. There is insufficient space at the Werriwa training depot for current uses, and it is to be sold in the near future. Collocation of the RAAF and Navy units at HMAS Harman will allow the proposed sale to proceed. The proposed new facility will provide:

- working accommodation including office accommodation and specialist training facilities;
- shared training facilities in the form of lecture rooms, syndicate rooms, conference rooms and parade ground;
- storage facilities including provision of general stores and weapons;
- workshop facilities for nominated units;
- storage and maintenance facilities for unit vehicles and specialist vehicles;
- shower and change facilities;
- close training areas;
- access to messes, gymnasium and medical aid post; and
- access to parking areas.

The estimated out-turn cost of the proposed works is $13.5 million. Subject to parliamentary approval, the construction of the new facilities would commence in September this year and be completed and available for use by July 2004. I commend the motion to the House.

Question agreed to.

**Public Works Committee Reference**

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.05 p.m.)—by leave—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Provision of facilities for collocation and re-equipping of the 1st aviation regiment at Robertson Barracks, Darwin.

The Department of Defence proposes to provide new facilities at Robertson Barracks in the Northern Territory to support the relocation of the 1st Aviation Regiment to Darwin.

In December 2001, the government approved the acquisition of 22 armed reconnaissance helicopters at a cost of $1.3 billion. The aircraft, referred to as the Tiger, will be introduced into service between the end of 2004 and mid-2008, with initial deliveries assigned to the Army Aviation Training Centre at Oakey in Queensland. The combat unit to be equipped with the Tiger is the Army’s 1st Aviation Regiment. The potential of the new aircraft will be optimised by locating training and operations in a single regimental site.

Presently, the Regiment has its headquarters, its technical and logistic support and other elements located at Oakey in Queensland. Its two reconnaissance squadrons are located at Lavarack Barracks in Townsville, North Queensland, and at RAAF Base Darwin. An element of a surveillance squadron is also located at Darwin. The 1st Aviation Regiment will comprise some 400 personnel and 17 aircraft.

The main construction elements involved in the collocation of the Regiment to Darwin are:

- domestic accommodation for all ranks;
- airside facilities;
Locating the regiment at Robertson Barracks Darwin will collocate it with the 1st Brigade, which is the Army’s mechanised ready deployment formation. This is consistent with the intended capability of 1st Aviation Regiment.

Over the construction period of some two years, an average of about 150 personnel will be directly employed on construction activities. In addition, it is anticipated that construction would generate further job opportunities offsite from design, and the manufacture and distribution of materials. This project will be of substantial benefit to the Northern Territory, and on behalf of the government I would like to congratulate the honourable member for Solomon for his very strong advocacy for this important work to be carried out in his electorate. The budget for the proposed works is $75 million. Subject to parliamentary approval, construction will start later this year and be completed by mid-2005. I commend the motion to the House.

Mr TOLLNER (Solomon) (5.09 p.m.)—The announcement of some $75 million of Defence construction associated with the relocation of the 1st Aviation Regiment to Darwin is of course very welcome. Defence contributes some $500 million to the Darwin and Territory economies each year and Defence Force personnel are very much an integral and welcome part of the Top End community. Since the beginning of the 1990s the Defence contribution has risen to become the third-biggest economic identity in the Northern Territory, after mining and tourism, and there are some 13,500 Defence personnel and their families in the Northern Territory. The arrival of the state-of-the-art armed reconnaissance Tiger helicopters through 2004-08 will be a significant new presence at Robertson Barracks, where the 1st Brigade, the Army’s mechanised ready deployment formation, is already stationed. The current war in Iraq is demonstrating the key relationship between helicopter and ground forces.

I know I speak for most of the electorate of Solomon by extending a very warm welcome to the 400 personnel and their families who will be joining us in the Top End. Territorians have a unique way of expressing their views. A couple of years ago, when some residents were complaining of the noise of the annual Pitch Black air exercises from Darwin airport, a car sticker quickly appeared on the back of many vehicles about town. It read: ‘I fish, I vote, I support the Buffaloes Football Club and I love jet noise.’ I think that captures the spirit of Darwin and our attitude to the Defence presence in our community. I encourage all members to support the motion.

Question agreed to.

Public Works Committee Reference

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.11 p.m.)—by leave—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Fitout of new customs building at Sydney Airport.

The Australian Customs Service proposes to fit out new leased premises at the Sydney airport. The three principal roles of the Australian Customs Service are facilitation of trade and movement of people across the Australian borders while protecting the community and maintaining appropriate compliance with Australian law; efficient collection of customs revenue; and administration of specific industry schemes and trade measures. The Australian Customs Service proposes to consolidate its two main office sites within Sydney into one purpose-built facility located in the Sydney airport precinct. It has operated its Pitt Street premises since 1992 and its Link Road premises since 1989.

The proposed fit-out will be in a new purpose designed building, funded by the private sector, with the Australian Customs
Service as the main tenant. The development is proposed for a 1.3-hectare site fronting Cooks River Drive in the international terminal precinct at Sydney airport. The need for the proposed new premises is driven by the objective of the Australian Customs Service to consolidate its operational activities in Sydney in one location and the anticipated operational benefits to be realised. In addition, the current premises at Link Road are expected to be demolished within the next few years to enable expansion of the Sydney international airport. The current lease for the Pitt Street premises expires in December 2004.

The proposed fit-out works include integration of services into the base building and a tenant fit-out of the base building. This includes electrical, mechanical, communications, security, fire and hydraulic services; a tenant fit-out of the premises to meet specific requirements of the Australian Customs Service; and architecturally designed office accommodation, including the construction of a public counter on the ground floor. The developer has programmed construction of the building to commence in April this year, with completion by the end of June next year. Subject to parliamentary approval, the fit-out construction will commence in July next year, with occupation of the building planned to occur before the end of December 2004. The total fit-out is estimated to cost $13.409 million. I commend this motion to the House.

Mr MURPHY (Lowe) (5.14 p.m.)—I just cannot let this opportunity go by. The Parliamentary Secretary to the Minister for Finance and Administration has confirmed what we all knew would happen: Sydney airport is to be expanded now that it has been privatised. Notwithstanding that Customs have a duty and have to be appropriately accommodated, it will not be very long before there are 496,400 aircraft movements per annum at Sydney airport now that it has been privatised. That is of grave concern to me, as I am afraid the people of the inner west are coping more than 50 per cent more noise than they were promised by the government.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.15 p.m.)—Without delaying the House for long, I will undertake to the member for Lowe to pass on his comments to the Deputy Prime Minister and, if the Deputy Prime Minister is so motivated, no doubt he will respond.

Question agreed to.

Public Works Committee Reference

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.16 p.m.)—by leave—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Redevelopment of the Australian Institute of Sport, Bruce, ACT.

The Australian Sports Commission proposes a major redevelopment of the Australian Institute of Sport at Bruce in the Australian Capital Territory. The Australian Sports Commission was formally established by the Australian Sports Commission Act 1989, which brought together the existing Australian Institute of Sport and other government sport related functions. This amalgamated the delivery agencies for the twin objectives of the government in sport; namely, excellence in sports performances by Australians and improved participation in quality sports activities by Australians.

On 24 April 2001, the Prime Minister and the then Minister for Sport and Tourism announced the new 10-year plan of the government for Australian sport: Backing Australia’s Sporting Ability—A More Active Australia. The plan demonstrates the commitment of the government to maintain our level of sporting success and is backed by funding totalling close to $550 million over the four years to 2005 to be delivered by the

Minister and ask that he get Airservices Australia to fully implement the long-term operating plan for Sydney airport, because I am
Australian Sports Commission. The commission has evaluated its capital investment needs for the next 20 years, distilling the most important and pressing of those needs into a four-year investment plan. This plan requires a major investment in improved facilities to redress significant shortcomings at the Australian Institute of Sport at Bruce. The longer term investment strategy and the four-year plan will re-establish the Bruce campus as the national centre of excellence in sport. The four-year investment plan comprises a mix of facility replacement and new facility capabilities. Key facilities problems directly impact on the ability of the commission to train elite athletes, safeguard their welfare and operate effectively as the national centre for excellence in sports development and education.

While uniquely suited to elite training purposes, the Bruce facilities are now about 20 years old and the standard is comparable to that of facilities found in regional sports centres. Substantial infrastructure and facility investment is required to enable the innovation and continuous improvement needed to maintain the campus status as the national centre for excellence for the development of sport in Australia. This proposal includes the following components: new residential, dining and athlete education facilities; an Australia Institute of Sport service hub, which will incorporate a strength and conditioning gymnasium, a new indoor testing facility, a new indoor training facility, a hydrotherapy recovery centre and a coaches services centre; upgrading of technology features and airconditioning of training halls and the Australian Institute of Sport arena; an extension of the gymnastics hall; a combat sports facility; an aquatic testing and training facility; improvements to the existing pool complex; a new sports development and education centre; modernisation of the Australian Sports Commission building; improvements to the rowing centre; and upgrading of campus trunk engineering and support infrastructure.

The estimated out-turn cost of the works is $65.4 million. Subject to parliamentary approval, the works are scheduled to commence in early 2004 and to be completed in mid-2007. This is a very important project, and I commend the motion to the House.

Question agreed to.

Public Works Committee
Reference

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.20 p.m.)—by leave—I move:

That, in accordance with the provisions of the Public Works Committee Act 1969, the following proposed work be referred to the Parliamentary Standing Committee on Public Works for consideration and report: Construction of a new chancery building for the Australian High Commission, Colombo, Sri Lanka.

The Department of Foreign Affairs and Trade proposes to construct a new chancery building in Colombo, Sri Lanka. The new building will replace an existing facility that no longer provides suitable accommodation for Australian and locally engaged staff. Australia is represented in Sri Lanka by the Department of Foreign Affairs and Trade, the Department of Immigration and Multicultural and Indigenous Affairs and the Australian Trade Commission. The Australian Agency for International Development is also represented in Sri Lanka.

The Australian High Commission in Colombo is currently located in two converted houses that were constructed more than 50 years ago and first occupied in 1961. The buildings are in a poor state of repair, with the ground floor low lying and regularly flooded during the monsoon season. The layout of the existing chancery building is dysfunctional and does not meet the operational requirements of a modern facility. Construction of a new high commission on vacant land will provide a purpose-designed building with appropriate space and technological requirements for the occupying tenancies, including the provision of appropriate security. It will provide minimal disruption to the operation of the high commission, as the existing facility will continue operation until the new facility is fully constructed and operational. The current high commission property will subsequently be sold.
The proposal will deliver a modern, fully functional, two-storey building to accommodate the Department of Immigration and Multicultural and Indigenous Affairs and the Australian Trade Commission on the ground floor, with the Department of Foreign Affairs and Trade and AusAID occupying the upper floor. The ground floor will include a multi-use facility capable of providing for official receptions, exhibitions and trade displays, meetings, lectures and business missions. Subject to parliamentary approval, construction is scheduled to start in May 2004 with practical completion and occupation in July 2005. The out-turn cost of the proposal is $11.19 million. I commend the motion to the House.

Question agreed to.

HEALTH INSURANCE AMENDMENT (DIAGNOSTIC IMAGING, RADIATION ONCOLOGY AND OTHER MEASURES) BILL 2002

Second Reading

Debate resumed from 24 March, on motion by Mr Andrews:

Mr WILKIE (Swan) (5.23 p.m.)—Last night, when I was referring to the Health Insurance Amendment (Diagnostic Imaging, Radiation Oncology and Other Measures) Bill 2002, I was talking about how there had been $73 million made available for the commissioning of new linear accelerators across Australia which were to be placed mainly in regional centres. Placing machines in regional centres may be a viable option in most states. However, because of the distribution of the population in Western Australia, placing a machine in a regional centre would probably not necessarily be the best option for the following reasons.

For the majority of the remote and regional population of Western Australia, Perth is often more accessible than towns that are nearer in terms of kilometres. The health department of Western Australia already has huge problems getting doctors and nurses to country regions. We already have a shortage of specialist personnel in the radiation therapy area, so the chances of being able to attract people to the regional areas are remote.

The Western Australian Department of Health has argued strenuously that any additional machines in Western Australia should initially be placed in metropolitan Perth, with suitable access for regional patients.

As I previously mentioned, Sir Charles Gairdner Hospital is the state’s major cancer treatment centre for public patients. Whilst the number of machines and their capacity is one factor which limits throughput, the lack of trained radiation therapists is another. There is a worldwide shortage of radiation therapists—the allied health technologists who operate the machines—and radiation oncologists, the medical specialists who prescribe the treatment. The number of health professionals entering medical imaging as an occupation rose by 27.6 per cent between 1996-97 and 2000-01. However, a recent report on radiation oncology in Australia indicates that, as the need for radiotherapy increases, there will be significant workforce shortages in this area. The Commonwealth has taken steps to increase the number of radiation therapy students and increase retention of qualified radiation oncology staff.

The situation in Western Australia is made worse as there are no training facilities for radiation therapists in WA. It is also difficult for the public sector to compete with the private sector for staff. The Baume report had a particular focus on this issue, but its solutions are long term and more oriented towards the eastern states than Western Australia. In a move to meet the trained staff shortfall, Sir Charles Gairdner Hospital has implemented a new career structure for radiation therapists, recruited from overseas and expanded the operating hours of its machines to minimise the waiting times.

Sir Charles Gairdner Hospital is of course not the only facility offering services. These services are also offered by Royal Perth Hospital and the private sector. Waiting times in other state facilities are also of major concern, as they are in the private sector. There are three private machines in Perth and two at Royal Perth Hospital which provide services on a contracted basis through the Perth Radiation Oncology Centre. All clinically urgent cases at or referred to Sir Charles
Gairdner Hospital are accommodated as quickly as possible but, unfortunately, when a person knows that they need oncology services, the last thing they need is the added stress of not being able to get treatment immediately.

Like the member for Lalor, I also hope that arrangements being put in place here do not reflect the same arrangements as the scan scam, where it appeared also that very dubious methods were used to allocate multiradiance imaging machines to mates of the then minister. I believe that in the case of Western Australia we need to adopt a rational approach. Currently, there is a lack of understanding on behalf of the federal government as to the issue, and I also believe that they do not consider the immense size of the state. I commend the bill to the House and thank the parliament.

**Mr CAUSLEY (Page) (5.28 p.m.)**—I assure the honourable member for Lowe that I will not be speaking for too long, but I would like to support this bill. Having been a recipient of oncology services in recent times, I can understand their importance. I understand that the minister is trying to ensure that those services that are provided are in fact legitimate services, that they are registered and that these services will be guaranteed to give a service to the community. Having been the seat of Page on the north coast of New South Wales, I remember—and the House would remember—that the minister in the previous government said before the last election that they would provide oncology services to areas of Australia that were not receiving those services. I think that was a very important part of the election campaign, and certainly these services needed to be provided to areas where they were not readily available.

In New South Wales in particular, if we go through where these services were available, the list is quite interesting: Sydney Adventist Hospital, which is in Wahroonga on the North Shore; Royal Prince Alfred Hospital; Royal North Shore Hospital; Prince Henry Hospital and Prince of Wales Hospital in Randwick; Westmead Hospital; St Vincent’s Hospital in Darlinghurst; Newcastle Mater Misericordiae Hospital; St Vincent’s Clinic in Darlinghurst; Wollongong Hospital; Liverpool Health Service; Central Coast Radiation Oncology Centre; Riverina Cancer Care Centre; and the Mater Hospital in North Sydney.

Anyone who looked at that list would see that it is fairly city orientated. I congratulate the government and the minister on the fact that the government moved to give services to areas outside of that Sydney area and, through the Baume report, clearly indicated that services were needed in other areas of Australia. The areas that the Baume report came up with as particular areas of need were the mid-North Coast of New South Wales, the Northern Rivers of New South Wales and the Wide Bay-Burnett area of Queensland. Under our Federation, the states have quite a say in the allocation of these funds, even though the Commonwealth might be paying for them. I believe that, without reference to the federal minister, the New South Wales minister announced that the oncology services in New South Wales would be going to the Central Coast, shared between Port Macquarie and Coffs Harbour.

I have no argument with that, because obviously Professor Baume indicated that these services were necessary in that particular area. However, I just want to state the fact that the North Coast of New South Wales is an area that has similar needs. If you look closely at the demographics and the occurrence of cancer between the mid-North Coast and the North Coast of New South Wales, the figures are very similar. The other point which is made is that it is important that you have the ability to service these facilities, and the Northern Rivers Area Health Service assured me that they did have medical practitioners who were able to service the facilities. I would expect that, at the first opportunity, the government could provide the services to the North Coast of New South Wales.

If you look at that area near the Clarence Valley—the Richmond Valley, in particular—it is an area of large population development and a very low-income area. In the last figures that were produced, the average income in the area was about $26,000 per year, which is a very low income. One of the problems is that we are close to the Gold Coast but, if you look at it, it is about two...
hours drive to the John Flynn Hospital where services are available. There is no public transport available to those areas because it is across the border into Queensland. Many of these people do not have the ability to travel that distance for the services that can be provided.

While I congratulate the minister and I understand what she is trying to achieve with this particular bill, I urge the minister and the government to consider that there is another part of Australia that is looking for some services and has been identified as an area of need. To add to that, the area missed out twice, because there was also some provision of services for the MRI facilities that would be provided under the Medicare agreement. There is an MRI facility at St Vincent’s Hospital in Lismore. It missed out on the funding under Medicare. That is causing some concern in the electorate, because people who go to the facility in Lismore have to pay—there is no Medicare facility to provide the services there. They either have to go to Coffs Harbour or to the Gold Coast. Again, as I said, it means travelling two hours, with no public transport, and those on low incomes who are not able to go to those particular areas are severely disadvantaged.

I just want to put on record that I know that the minister is working on this—and I have been in contact with the minister’s office; I know they are aware of this issue—and make clear the fact, by raising it in this parliament, that the services are needed in the electorate, particularly in the city of Lismore. Given the passage of time and the fact that the need is well understood, I think that the government will be able to provide these services, which will augment the health services in the area.

Mr Murphy (Lowe), 5.34 p.m.—Before the member for Page leaves the chamber, I can assure him that I stand here tonight to support the Health Insurance Amendment (Diagnostic Imaging, Radiation Oncology and Other Measures) Bill 2002. The bill amends the Health Insurance Act 1973 in relation to the payment of Medicare benefits for diagnostic imaging services. I think this is a good thing and, as I have indicated to the member for Page, I will be supporting it. I will say something which is germane to my electorate of Lowe—the need for an MRI machine at Concord Hospital in my electorate—later in this speech, but I would like to cover the general issues in the bill in the first instance.

As you know, Mr Deputy Speaker, the services referred to in the bill include diagnostic radiology, ultrasound, computed tomography, magnetic resonance imaging and nuclear medicine imaging. The bill also amends the Health Insurance Act in relation to payment of Medicare benefits for radiation oncology services. The second set of amendments this bill provides for is the registration of practice sites; that is, the mandatory registration of all sites where diagnostic imaging services—X-rays et cetera—and radiation oncology services are provided. Practices at which diagnostic imaging procedures are undertaken, practices at which radiation oncology services are rendered and bases for mobile diagnostic imaging and radiation oncology equipment will all be registered and allocated a unique location specific practice number. This will provide a mechanism to collect information about the rendering of diagnostic imaging and radiation oncology services. The information gathered will allow expenditure patterns to be monitored and provide better detection in addressing overservicing, cost shifting, claiming errors and fraud. The information gathered will also allow better identification of where growth is occurring—for example, in the public or private sector. It will allow the identification of issues resulting from the increasing trend to corporatisation, increasing mergers or takeovers and horizontal and vertical integration. Finally, it will enable better planning of equipment distribution and replacement of high-cost capital within the industry.

This bill will also implement the recommendations of the Diagnostic Imaging Referral Arrangements Review to improve the referral arrangements for diagnostic imaging services. This amendment will enable the provider of the imaging service to substitute a more appropriate imaging service when a patient is referred for an inappropriate service. It will also require a further referral
where a service provider wishes to provide additional necessary services to those specified in the original request and the additional services are of the type that would have otherwise required a referral from a specialist or consultant physician. Importantly, this bill will prohibit the stationing of diagnostic imaging equipment or employees at the premises of another practitioner by all diagnostic imaging service providers. However, exemptions will be allowed in remote areas so as not to disadvantage rural patients.

The final amendment refers to arrangements for osteopaths. This bill will allow osteopaths to be recognised as a separate profession, as distinct from their previous status as chiropractors, for the purpose of requesting certain diagnostic imaging services. As I mentioned at the start, I am pleased to support these amendments and the purpose of the bill. I note, however, with interest that the explanatory memorandum states:

The measures in this Bill relating to the requirement for diagnostic imaging and radiation oncology facilities to be registered have been estimated to save the Commonwealth in the order of $11 million annually through improved compliance. The other measures should result in a small reduction in Medicare costs through, for example, reducing the number of diagnostic imaging tests that may need to be reordered by allowing substitution of services.

This positive financial impact brings me to an issue directly relevant to the bill before the House and which affects the 130,000 constituents I represent in my electorate of Lowe—that is, the need for Concord Repatriation General Hospital to have suitable diagnostic imaging services; namely, a magnetic resonance imaging machine for not only patients in my electorate of Lowe but, indeed, patients of the inner west. As members would be aware, magnetic resonance imaging uses magnetic waves to make pictures of the inside of the body. Using a large magnet, radio waves and a computer, an MRI produces two-dimensional and three-dimensional pictures. An MRI scan can be used to evaluate any part of the body and it is used to diagnose internal injuries or conditions and to monitor the effects of medications and treatments inside the body.

An MRI machine is a fundamental diagnostic tool for a wide variety of patients who might be suffering from cancer, heart problems, orthopaedic problems, burns, multiple sclerosis and so on. Unfortunately, patients at Concord hospital are denied this service, and outpatients from my electorate are, therefore, denied reasonable access to this fundamental health service. Instead, my constituents needing this service have to travel as far away as St Vincent’s Hospital at Darlinghurst, Royal Prince Alfred Hospital at Camperdown, Royal North Shore Hospital or Westmead Hospital. In my view, this is unacceptable. Concord hospital does not believe that it is good enough, my constituents do not think this is good enough and I agree with them—this situation is unacceptable.

On 15 May last year I asked the Hon. Kevin Andrews, who represents the Minister for Health and Ageing, Senator Kay Patterson, in this House question on notice No. 358. I asked that question on 15 May last year because I had been asked to visit Concord hospital at the request of the chief executive officer, Mr Matthew Daly, and the head of radiology at Concord hospital, Dr Lloyd Ridley. Dr Ridley, in particular, explained the benefits of this equipment to me and asked me to investigate the possibility of Concord hospital receiving a licence to provide this important MRI service. I asked the minister to (1) clarify the state and federal government funding relationship for MRI services, (2) advise me of the next round of offers for new MRI licenses, (3) outline the distribution of MRI services in New South Wales and (4) advise me if there was a lack of an MRI licence for Concord Repatriation General Hospital, New South Wales, and if so, when Concord hospital would be entitled to an MRI licence. The health minister’s answer to my question was published in Hansard on 19 August 2002 and it confirmed that:

... MRI services provided to public outpatients and privately referred patients ... are funded by the Commonwealth Government.

The minister also confirmed that an independent advisory body, the MRI Monitoring and Evaluation Group—MEG—monitors access to Medicare-funded MRI services and
identifies the need for additional units. Critically, the minister’s answer to part 4 of my question—that part specific to Concord hospital—was as follows:

Concord Repatriation General Hospital is not a Medicare eligible provider of MRI services. Advice received from the MEG indicates that there are sufficient MRI services available in metropolitan Sydney. It is not possible to indicate when Concord Hospital would be entitled to a MRI licence.

As I have said, I do not believe that this is acceptable. I do not believe it is acceptable to my constituents. After all, not only is Concord hospital crucial to my electorate of Lowe and the inner west but it also has a proud history serving the state’s veterans community and, most significantly, it is a teaching hospital of the University of Sydney.

On 29 August last year, I again followed up the Minister representing the Minister for Health and Ageing in this chamber. I asked him, among other things, to confirm which of the 26 Medicare eligible MRI sites in New South Wales are teaching hospitals and to confirm the distribution of teaching hospitals in New South Wales that have MRI licences or offer Medicare eligible MRI services. Finally I asked:

Will the minister offer Concord Repatriation General Hospital an MRI licence and allow it to provide Medicare-eligible MRI services? If so, when? If not, why not?

The minister’s reply confirmed that nine of the 13 teaching hospitals, or close to 70 per cent, provide Medicare eligible MRI services. Unfortunately, Concord hospital, which is a major teaching hospital of Sydney University, is not one of those nine teaching hospitals that can provide Medicare eligible MRI services. The minister then predictably repeated the answer that denies Concord hospital a licence to provide a Medicare eligible MRI service. The minister accepted the advice of the MEG that there are sufficient MRI services available in metropolitan Sydney and said it is not possible to indicate when Concord hospital would be entitled to an MRI licence. That is a monumental smoke-and-mirrors response and does not indicate when a very important hospital that is crucial to the inner west of Sydney will get one of these very important machines.

I want to make the point here in this House tonight, as I have been campaigning for this for almost 12 months for my constituents, that the Howard government’s position is clear: there are enough MRI services in Sydney. That is what the government is saying. The government is saying that patients in my electorate of Lowe should have to travel to the Royal Prince Alfred Hospital or to North Shore or indeed to Westmead for any condition that requires an MRI scan.

The Howard government is also saying that it does not matter—that this is acceptable and that Concord hospital is one of only a small minority of New South Wales teaching hospitals that does not have a licence to operate Medicare eligible MRI services. As I said, I do not accept that, and the New South Wales Liberal candidates for the seats of Drummoyne and Strathfield in last Saturday’s state election in New South Wales do not accept that either. During the campaign, one of the Liberal candidates distributed material claiming that he had written to Senator Patterson for further advice in respect of an MRI machine for Concord hospital. I wonder whether that letter was ever answered. Neither Liberal candidate was successful, so we will never know. If Liberal candidates in marginal seats in a state election cannot get the minister to indicate when an MRI machine might be provided to an important teaching hospital that serves the veterans community—Concord hospital—who can?

I want to take the opportunity tonight, while I speak on this bill, to congratulate the new member for Drummoyne, Angela D’Amore, because she was able to get Minister Craig Knowles—the New South Wales health minister—to provide the funds to purchase an MRI machine and to install it at Concord hospital. Prior to last Saturday’s election, Minister Patterson was made aware of that by both of the Liberal candidates in Drummoyne and Strathfield, but she did not indicate any support to those candidates for Commonwealth funding of an MRI machine for Concord hospital. I want to take the opportunity to also congratulate Virginia Judge,
the Mayor of Strathfield Council, who also campaigned on this issue. Her opponent could not get Senator Patterson to commit to an MRI machine for Concord hospital.

I stand proudly here tonight to tell the House about the achievements of those two candidates. Astonishingly, Councillor Virginia Judge doubled the margin of the former member Paul Whelan, who was a very high profile Leader of the House in New South Wales and former police minister. She increased the margin from 8.4 per cent to 16.9 per cent. Angela D’Amore, in Drummoyne, replaced John Murray, who was an outstanding local member and Speaker of the New South Wales parliament and had a very high profile. She held his margin at 9.4 per cent. Mr Deputy Speaker Lindsay, curiously I now find that Strathfield, one of the hardest areas of the federal seat of Lowe to get a Labor vote, is now a safe Labor state seat.

The DEPUTY SPEAKER (Mr Lindsay)—The member for Lowe will come back to the bill please.

Mr MURPHY—Mr Deputy Speaker, I was expecting you to bring me back to the bill but, while I was doing table duty during those public works motions, the parliamentary secretary who preceded the present minister sitting at the table was able to give commercials to both the member for Solomon and the member for McEwen. Equally, I think that, in relation to this very crucial issue for my electorate, I can give a commercial to two outstanding state candidates who are now members of the New South Wales parliament and who will continue to fight for MRI machines for Concord hospital.

Let me say specifically that, during the state election, the Liberal Party argued that the federal government had no role to play in this issue and that the state government could easily provide the service to Concord hospital. In answering that charge, Angela D’Amore worked tirelessly to ensure the commitment of the New South Wales government to fund an MRI machine for Concord hospital. On 11 February 2003, the New South Wales Minister for Health, Craig Knowles, promised to fund building works and operating costs for a new MRI machine for Concord hospital.

Why am I saying this? Because as a federal member I am campaigning for something that is critical to my electorate. I am calling on the Howard government to match the New South Wales commitment and provide Concord hospital with a licence to operate a Medicare eligible MRI service as a matter of urgency. I believe the Howard government must meet the state government commitment halfway and grant the licence. If the Howard government does not match this commitment, Concord hospital and my constituents in Lowe will continue to be denied reasonable access to this essential health service. I await with interest the answer to my question on notice No. 1503—a further question to the health minister that I put on the Notice Paper—which asks: has the minister seen a news release by the New South Wales Minister for Health on 11 February 2003 titled ‘MRI at Concord Hospital’, advising that the Carr Labor government has already promised to fund the significant building works required and the ongoing operational costs for a new MRI unit at Concord Repatriation General Hospital but that the New South Wales minister first needs a licence from the federal government; and when will the minister offer Concord Repatriation General Hospital an MRI licence and allow it to provide Medicare eligible MRI services?

The constituents of my electorate of Lowe understand that both state and federal governments have a critical role to play in the provision of this essential service. I have received almost 3,000 signatures for the following petition, which reads:

The petition of certain residents of the State of New South Wales draws to the attention of the House the refusal by the Federal Government to license a Magnetic Resonance Imaging (MRI) facility at the Concord Repatriation and General Hospital denies equitable access to vital health services for cancer, heart, orthopaedic, burns and MS patients.

Despite a commitment by the NSW Government to purchase a MRI machine, Concord Hospital remains the only teaching hospital in Sydney not approved to provide MRI diagnostic services via the Medicare system.

This means Concord’s frailest patients are unable to locally access vital diagnostic services.
Your petitioners request the House to protect the public's interest and provide equitable access to the Medicare system for inner western Sydney residents by licensing MRI diagnostic services at the Concord Repatriation and General Hospital.

I have tabled two copies of this petition. The first appeared in Hansard on 3 March 2003 and was signed by 1,354 citizens, and the second appeared in yesterday's Hansard and was signed by 1,475 citizens. I ask, and the residents of my electorate of Lowe demand, that the federal government immediately match the commitment made by the New South Wales government and immediately grant Concord hospital a licence to operate a Medicare eligible MRI service. My constituents remember the MRI scan scam, when the government looked after the interests of selected radiologists. The least that the government can do for constituents of my electorate who use Concord hospital, particularly the veteran community, is give them an MRI machine.

Ms HALL (Shortland) (5.54 p.m.)—I rise to support the Health Insurance Amendment (Diagnostic Imaging, Radiation Oncology and Other Measures) Bill 2002, which amends the Health Insurance Act 1973 in relation to the payment of Medicare benefits for diagnostic radiological services such as ultrasounds, computed tomography and MRI. I am quite interested in another form of technology that is not mentioned here: PET scans. I am sure that they are the scans of the future, and I will watch very carefully to see what happens in that area.

This amendment bill provides for mandatory registration of all sites where diagnostic imaging—that is, X-rays et cetera—takes place and where there is radiation oncology, which is very important. In the Hunter those services are offered through the Mater, and on the Central Coast there is a wonderful new service provided through Wyong Hospital that was funded to a large extent by the Carr government.

The amendment bill also allows for the substitution of inappropriate requested tests with more clinically appropriate tests—which is always very important—and the extension of the prohibition of inducements through placing equipment or staff in particular practices. It also allows for the restoration of referral access for osteopaths to diagnostic imaging services. We all know how popular alternative medicine is in Australia today, and it is very important that the patients of osteopaths are able to access diagnostic imaging services.

Also extremely important is that the amending legislation provides for the registration of practices where diagnostic imaging procedures are undertaken, of practices where radiation oncology services are rendered, and of bases for mobile diagnostic imaging and radiation oncology equipment. It is very important that these practices are registered, because it gives us some way of monitoring what is happening.

The main purpose of these amendments to the legislation is to provide a mechanism to collect information about the rendering of diagnostic imaging and radiation oncology services. This is very important for a number of reasons. The information that you can obtain in this way will enable the government to monitor expenditure patterns. It will allow for better detection and addressing of overservicing, cost-shifting—which we have seen quite a bit of in the health area in recent times; I will talk a little about that in a moment—claiming errors and fraud. It will also provide better identification of where there is growth occurring, whether it is in the public sector or in the private sector and whether there are particular areas of growth in each sector. It will enable us to monitor and see whether one doctor is making referrals for a particular diagnostic imaging service more than other doctors are—and similarly with osteopaths. It really gives the government a way of monitoring whether or not the most appropriate services are being provided and whether there is overservicing.

It also allows for the identification of issues resulting from the increasing trend towards corporatisation, which is quite a worry to those of us on this side of the House. It looks at the increasing mergers and takeovers and horizontal and vertical integration. This has been quite a concern to a number of people in the communities I represent, given the impact that it is having upon the delivery of their services. It also allows for better plan-
ning of equipment distribution and the replacement of high-cost capital infrastructure within the industry.

So this is a very important amendment to the legislation. It looks at Medicare and demonstrates the effectiveness of Medicare—how important Medicare is to the Australian people. It is important not only for this purpose as set out in the legislation but also because it ensures all Australians have access to quality care. I have been quite concerned in that, while I believe this legislation is something that enhances health services and has a really positive slant on the delivery of health services, there are other areas that have been undermined under this government. I am very concerned about the decline in bulk-billing. Only 59 per cent of all doctors in the Shortland electorate now bulk-bill. That gives a false picture, too, because doctors bulk-bill for only some services, and pensioners and people who are disadvantaged have to pay to see a doctor. This is creating quite a significant health problem within the community, and it is leading to cost shifting from the Commonwealth to the state.

I believe that the thing that is so special about Medicare is that it supports all Australians. I recently conducted a survey within my electorate, the results of which I have before me. The health issue that was identified as the most important was the maintenance of Medicare and the fact that bulk-billing should be available for all people. In another section of the survey, I asked people to rate which out of five things was the most important. The one that came out way in front was health, and I think that that is an important message for all of us here in this parliament. I was so concerned about what has been happening in relation to Medicare and bulk-billing that I decided that I needed to take it a step further than just having surveys. So at two o’clock this Saturday, 29 March, I am having a public meeting in my electorate at the pensioner hall in Swansea. It will be a save Medicare rally, and a number of people will be coming along to see what they can do to ensure that Medicare continues to function in the way that benefits all people in the community.

I am sure that you would like me to get back to the point of this bill, but I felt that I could not possibly come into this House and talk about any health issue without raising the importance of bulk-billing and Medicare and just how important it is to the people I represent in this parliament.

The DEPUTY SPEAKER (Mr Lindsay)—Now that the member for Shortland has raised the matter, she will return to the substance of the bill.

Ms HALL—My concluding remarks will relate to osteopaths and how this bill will enable them to be recognised as a separate profession, as distinct from the previous status of chiropractors. This is really important when it comes to diagnostic imaging. The amendments will restore the right of affected osteopaths to request diagnostic imaging services and allow state and territory registered osteopaths who were not previously registered as chiropractors under the relevant state legislation to request the services.

The thing that is so good and so important about this piece of legislation is that it delivers health benefits to the Australian people, as opposed to most of the legislation I discuss or debate within this House where the people that I represent tend to lose out. I remind the House once again of the rally that I am having on Saturday, and I thank you for your indulgence, Mr Deputy Speaker.

Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (6.04 p.m.)—I would like to thank everybody who has taken part in this debate. I note that many have strayed far from what the Health Insurance Amendment (Diagnostic Imaging, Radiation Oncology and Other Measures) Bill 2002 is about and unfortunately have discussed issues in a way that has not always been accurate. However, I do thank the opposition for their support of this bill, and the government looks forward to the successful implementation of it.

The information collected through the practice registration process will facilitate development of effective policies aimed towards the delivery of diagnostic imaging and radiation oncology services. In addition, ac-
cess to services will be better understood, and initiatives can be targeted to those living in rural and remote communities. This government is demonstrating its commitment to ensuring appropriate provision of clinically necessary services, and this will be made possible by the referral provisions contained in this bill. In addition, osteopaths will have referral rights for diagnostic imaging services restored, thus providing parity with other allied health providers. I am particularly pleased that any savings generated through the provisions of this bill are to be directed back into the Medicare program.

Again, I thank those who have taken part in this debate and commend this bill to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Ms Worth (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (6.07 p.m.)—by leave—I move:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Ms Worth (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (6.07 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

COMMITTEES

Public Accounts and Audit Committee

Membership

The Deputy Speaker (Mr Lindsay)—Mr Speaker has received a message from the Senate acquainting the House that Senator Colbeck has been discharged from attendance on the Joint Committee of Public Accounts and Audit, and Senator Humphries had been appointed a member of the committee.

Energy Grants (Credits) Scheme Bill 2003

Cognate bill:

Energy Grants (Credits) Scheme (Consequential Amendments) Bill 2003

Second Reading

Debate resumed from 6 March, on motion by Mr Slipper:

That this bill be now read a second time, upon which Mr McMullan moved by way of amendment:

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

“whilst not declining to give the Bill a second reading, the House condemns the Government for its gross mismanagement of fuel tax policy, in particular:

1. its failure to deliver measures to promote cleaner fuels, despite its explicit promise to do so in the agreement with the Democrats leading to passage of A New Tax System through the Parliament;

2. its overall policy paralysis and deception, shown most starkly by its decision to dump all the Fuel Taxation Inquiry recommendations even before the report was released; and

3. its inexcusable delay in finalising even the limited set of measures included in this Bill and the Energy Grants (Credits) Scheme (Consequential Amendments) Bill, which has left the transport industry with an extremely short timeframe to prepare for the new scheme before it comes into operation on 1 July 2003.”

Mr Ciobo (Moncrieff) (6.08 p.m.)—I am very pleased to have the opportunity to speak on the Energy Grants (Credits) Scheme Bill 2003 and the Energy Grants (Credits) Scheme (Consequential Amendments) Bill 2003. This cognate debate is important because it goes to the very core of what the Howard government is about. It goes to the core of the fact that we are about assisting business, assisting regional and rural centres and also making sure that the environment is assisted in the future. The Energy Grant (Credits) Scheme Bill effectively brings together and puts in place a universal system of government grants for various fuels—particularly for diesel, but it extends to alternative fuels in a number of different industries. It replaces the Diesel and Alternative Fuel Grants Scheme and the Diesel Fuel Rebate Scheme. The Energy Grants (Credits) Scheme (Consequential Amendments) Bill merely repeals the previous schemes and makes other consequential amendments to a number of relevant acts.

In discussing the bills that are before the House it is important to understand the role
and function of the schemes in existence prior to the introduction of this legislation and its subsequent passage. The Diesel and Alternative Fuel Grants Scheme, also referred to as the on-road scheme, was part of the new tax system changes. The government originally intended to provide the diesel fuel credit for on-road use of diesel. But, as a result of an agreement that we reached with the Australian Democrats to have the new tax system introduced and to have the legislation passed in the Senate, we decided that we would also include alternative fuels in the scheme. It is important that we recognise that this is a significant concession that we have made. As a backbencher and a member of the government I am fully supportive of the widening of this scheme to include alternative fuels. The Australian Taxation Office is the body responsible for administering this scheme and I am certain that they will do that in accordance with proper motives.

The scheme’s purpose is to reduce the transport costs to business and particularly to benefit regional Australia. It provides grants for diesel and it reduces the cost of alternative fuels in the scheme. It is important that we recognise that this is a significant concession that we have made. As a backbencher and a member of the government I am fully supportive of the widening of this scheme to include alternative fuels. The Australian Taxation Office is the body responsible for administering this scheme and I am certain that they will do that in accordance with proper motives.

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The grant is not available for journeys within metropolitan areas because we want to be mindful of the fact that we are not trying to create an incentive for large-haul vehicles to use urban roads and contribute to pollution in major metropolitan centres. However, that restriction does not apply to vehicles transporting passengers or goods solely on behalf of a primary production business or to buses using alternative fuels, and of course it does not apply to emergency vehicles. The reason the Diesel and Alternative Fuel Grants Scheme does not refund the entire amount of excise that is charged on diesel is that the grants scheme also takes into account the fact that a proportion of that excise is notionally a road use charge for heavy vehicles. I think it is most appropriate that it does not extend to the full cost of the excise.

The Diesel Fuel Rebate Scheme, the other scheme that was in existence prior to the introduction of these bills, is also called the off-road scheme and it provides a rebate of the excise on diesel and like fuels used in certain eligible activities. This for me is an important part of the scheme. The use of diesel and like fuels is eligible for the rebate, subject to certain exemptions, in activities such as mining operations and primary production including forestry, agriculture and fishing. It also includes use at residential premises to generate electricity in the provision of normal domestic services; at hospitals, nursing homes, homes for the aged and any other institution providing medical and nursing care; and for rail transport and marine transport in the course of carrying on an enterprise.

I want to pick up on a couple of those points. In an electorate like mine, of course, the most important activity is marine transport. In the electorate of Moncrieff, based on the Gold Coast, a very important part of the tourism industry is made up of operators of marine fishing and charter boat tours. As a result of the off-road scheme applying to them, those operators will now be able to purchase their diesel and alternative fuels at a competitive price and they will be able to use them to provide transport to maintain services for tourists. The fact is that the Gold Coast is very heavily dependent on the tourism industry. The marine industry—to isolate that one industry—will do very well as a result of this Energy Grants (Credit) Scheme Bill.

The other reason this legislation is important for a city like the Gold Coast is that it goes to the very core of making sure that we look after our environment. Certainly tourism is heavily reliant on the long-term sustainability of the environment. When you have an area such as the Gold Coast, which has more kilometres of waterways than the
city of Venice, it is important that we do our bit to make sure that we retain that very environmental component that people travel from all corners of the earth to see. Just with regard to tourism and the environment, this legislation will go a significant way to ensure not only that there is an appropriate incentive provided to industry but also that we maintain and look after the environment and the marine industry, for example.

The actual basis behind the discussions between the government and the Democrats was announced as part of the Measures for a Better Environment package that we agreed in 1999. We thought it was important that we provide price incentives and funding to allow for conversion from the dirtiest fuels to the most appropriate and cleanest fuels. So the announcement of the scheme and now its introduction into the House—hopefully it will be passed in this place and the other place—go to the very core of making sure that this government carries out a promise that it made. What we have with this bill before the House today is a clear indication that when we make a promise we stick to the promise.

Why would we have the rebate? Why have this type of scheme put in place? Very significant theoretical and practical economic reasons exist for implementing a scheme such as this. The fact is that excise is a tax. It is a way that this government and governments before it have raised revenue. What we do by providing a rebate is remove from particular industries all those disincen-
tives—or, to use another term, negative externalities—that arise as a result of the imposition of a tax such as this. The fact is that any tax that is imposed, although obviously very important for the purposes of government, has flow-on effects. When it comes to excise, the flow-on effects are, for example, increased transport charges that ultimately are passed on to consumers. By introducing a rebate and grants in this particular instance, in certain industries, we provide an opportunity for those industries to be more price competitive and as a result of that allow consumers to have access to goods and to particular industries more cheaply than they otherwise would if the excise was applied in total.

This is an important bill that in the seat of Moncrieff goes to the core of, for example, assisting industries such as the marine charter industry. It is also a bill that looks after the environment. Both of those are very important to me and the people of the Gold Coast. I commend the bill to the House.

Mr MARTIN FERGUSON (Batman)
(6.17 p.m.)—In addressing this energy grants credits legislation, I simply say in response to the previous speaker, the member for Moncrieff, that I find it sad that he has not considered the bill in detail. This bill actually breaks an agreement with the Democrats which goes back to 1999 and which laid the basis for the introduction of the original Energy Grants Credits Scheme. I say that because a thorough examination of the history of this bill in terms of the original agreement between the government and the Democrats and of subsequent events shows a litany of deception and dishonesty by the Howard government when it comes to its failure to actually do something of substance on the energy credits front. For those reasons, I say at the outset that the title of the bill, the Energy Grants (Credits) Scheme Bill 2003, is a misnomer. There is simply no energy credits scheme provided for in this bill.

The bill is in actual fact not only about deception and dishonesty but also, more importantly, a sad reflection on the government’s flawed deal with the Democrats to secure the GST in 1999. It is about time the Australian community fronted up to this fact, as outlined in the second reading amendment moved by the shadow Treasurer, the member for Fraser. This bill clearly reflects the government’s gross mismanagement of fuel tax policy, its failure to deliver measures to promote cleaner fuels, its overall policy paralysis and deception and, perhaps more importantly, its inexcusable delay in finalising even the most limited measures in this bill to actually make an improvement of any substance on the environmental front. That is in spite of the fact that the bill provides huge benefits for a number of industries in Australia, especially the transport industry and a range of primary industries, which actually
expected that, in return for the incentives and benefits provided under this bill, they would have to make substantial progress on the environmental front.

The truth of the matter is that the bill looks nothing like the energy credits scheme that was promised through an exchange of letters between the Prime Minister and the then leader of the Democrats, Meg Lees, way back in 1999. There is nothing in the scheme that will deliver cleaner fuels at all. The bill is a sham. It is a hoax of a scheme that simply does not comply with the promise of the Prime Minister to the Australian community and the Democrats in 1999. I want to take the House to those issues. I refer to the letter from the Prime Minister to Meg Lees, the leader of the Democrats in 1999, which says:

The energy credits scheme will provide price incentives and funding for conversion from the dirtiest fuels to the most appropriate and cleaner fuels.

That is in the exchange of letters and documentation relating to the introduction of the GST. Nothing in this bill before us that purports to introduce the energy credits scheme does any of that at all. The only reference to cleaner fuels in the very brief second reading speech—not the bill or the explanatory memorandum—is when the parliamentary secretary said:

The government is committed to pursuing options to achieve this and is doing so by examining the issue as part of the consideration of alternative fuels within the Energy Task Force.

This gives me an overwhelming feeling of deja vu. It is not the first time we have heard a promise to work on a scheme for cleaner fuels. We have heard that before and I dare say we will hear it yet again during this debate. It is not the first time we have heard a promise of an inquiry or task force to assess measures for cleaner fuels. We have heard that before. It is not the first time the Howard government has done nothing and ratted on a commitment. We have seen that time and time again.

The record of the Howard government on this issue is one of shameless disregard for integrity. It is one of deceit and deliberate dishonesty. To secure the Democrat vote for the GST in May 1999, the Prime Minister promised to Meg Lees, the then leader of the Democrats, that the diesel schemes would sunset in June 2002 to be replaced by a cleaner fuel energy credits scheme. Interestingly, the scheme would also maintain entitlements equivalent to those in the current scheme on the basis of a requirement that there would be a huge improvement in the environment performance of the industries that received the benefit of these huge payments from taxpayers' hard earned dollars.

This was also confirmed in the House by the minister for transport on 23 June 1999 and, in fact, it was enshrined in the Diesel and Alternative Fuels Grants Scheme Act 1999. Section 4(2) of that act states the purpose of the Energy Grants Credits Scheme:

The purpose of the energy grants credit scheme will be to provide active encouragement for the move to the use of cleaner fuels by measures additional to those under this act while at the same time maintaining entitlements that are equivalent to those under this act and the diesel fuel rebate scheme, including for use of alternative fuels.

Today we have, unfortunately, an energy credits scheme that is not as promised. The benefits are there, but what has not been delivered is the promise on the environmental front. The scheme contains nothing of the promise to provide active encouragement for industry to move to the use of cleaner fuels.

It was also stated at the time that the bill before the House today would be jointly sponsored with the Democrats. That undertaking has also fallen by the wayside. The Democrats are now required to be honest with the Australian public—and they have to front up in this debate in the other house—about the fact that the GST deal is fraying at the seams. They have been played at a break by the Howard government, a dishonest government when it comes to the Energy Grants Credits Scheme. They did the deal but they have failed to deliver yet again.

The purpose of the energy credits scheme was to turn the diesel schemes into a program with incentives for cleaner fuel while maintaining the benefits. The opposition accepts totally, as I have said on a number of occasions as the shadow minister for transport and regional services, that we accept the need for the benefits but it also believes that they should be used as incentives to mark a
huge improvement in performance on the environmental front. Unfortunately, the bill before us today actually only maintains the benefits. The real truth is that the Democrats were sold a pup for a cheap headline because they were not willing or capable of holding the government to account on this important issue of the environment.

It is not only the energy credits scheme that the government is ratting on; the whole Measures for a Better Environment package had a budget that remains largely underspent with outcomes that were not delivered. It is also true that the Howard government wanted only one thing from the Democrats at the time—support for the GST. The Democrats got sucked in to giving that support and now they are paying the price in terms of the lack of improvement with respect to the government’s commitment on the environmental front.

Frankly, the reason that this bill is not in the form in which it was promised is that the government was never committed to the deal. It was just yet another deal done on the run to get the numbers without any long-term commitment. It was not done on the basis of good faith, integrity and honesty with respect to delivering the outcome of those negotiations back in 1999. Therefore this government is able through this bill to successfully potentially dodge its undertakings to the Australian public. Unfortunately, the Democrats have stood by, and by not following these matters up they have allowed it to happen.

The inactivity by the government in 1999—and I am one who has followed it since I received responsibility for these matters—was obvious. Although they gave themselves three years to the sunset date of June 2002, nothing happened. Even an election came and went. As industry has continually told me, there was no consultation with industry, or with the peak councils in the industries covered by this bill, and no real work was under way in departments—all was silent. This inactivity left industries in the dark. The trucking industry, in particular, was becoming anxious. The sunset provision in the act threatened important grants for their businesses—in the order of 18.5c for every litre of diesel fuel. The form of an energy credits scheme that encouraged the use of cleaner fuels also impacted on capital purchase decisions by the trucking industry.

Although the pressure was on from the road transport industry throughout the years 2000-01, still nothing happened. Business was becoming increasingly anxious that they would lose their grant and increasingly anxious about their inability to plan for their future in terms of investment decisions going to their capital and equipment. At the same time this inactivity was abounding, Labor had exposed more Howard government dishonesty on the fuel policy front—namely, the impact of the GST on petrol prices and the spike that occurred, which seriously affected the standard of living of many ordinary Australians.

What did we get from the Prime Minister—another hoax. The Prime Minister’s response was another promise, another lie, another act of dishonesty, and a lack of integrity—namely, a fuel tax inquiry. In this House in September 2001—

The DEPUTY SPEAKER (Mr Lindsay)—Order! The member for Batman will withdraw a reference to the Prime Minister lying.

Mr MARTIN FERGUSON—Mr Deputy Speaker, I withdraw the reference to the Prime Minister. I will simply say that the Howard government told a serious lie to the Australian community about the intent of the GST grants bill—and that is permissible in the House. In this House in September 2001, just before the election was announced, the government legislated to extend the sunset clause to June 2003. When so doing, we were told that this extension would allow the government to incorporate the findings of the Fuel Taxation Inquiry into the development of the Energy Grants Credits Scheme. That statement was made by the then parliamen-
tary secretary, Mr Fischer. The first terms of reference for that inquiry were:
The inquiry is requested to examine the total existing structure of Commonwealth and State taxation of petroleum products, and petroleum substitute products, particularly for transport and off road use and related rebates, subsidies and grants, including the proposed Energy Grants (Credits) Scheme and other fuel related measures proposed as part of the Measures for a Better Environment.

History shows that many in the transport industry, environmental advocates and others held much hope that this inquiry would finally come up with some fuel policy options to debate. Many organisations invested significant energy, money and resources in preparing their submissions; but, unfortunately, on budget day last year—the first time the report saw the light of day—its recommendations were dropped stone dead by the Treasurer. On budget day last year, as the records show, it was confirmed that the fuel tax inquiry was merely a cover to get the government through the election on issues like the energy credit scheme. There was never any honest intention to take the Trebeck report seriously. The government sent the industry and those who conducted the inquiry on a wild goose chase, at considerable expense to industry. As the new deadline of July 2003 for the sunset of the diesel schemes and their replacement by the energy credit scheme loomed, it was clear that the government had a problem. The government then decided that the only way out of it was to suggest that the Energy Task Force would handle this outstanding issue. Information on the Energy Task Force is scant. It has no publicly released terms of reference, timetable or objectives. Just as the fuel tax inquiry was merely a cover to get the government through the election on issues like the energy credit scheme. There was never any honest intention to take the Trebeck report seriously. The government sent the industry and those who conducted the inquiry on a wild goose chase, at considerable expense to industry. As the new deadline of July 2003 for the sunset of the diesel schemes and their replacement by the energy credit scheme loomed, it was clear that the government had a problem. The government then decided that the only way out of it was to suggest that the Energy Task Force would handle this outstanding issue. Information on the Energy Task Force is scant. It has no publicly released terms of reference, timetable or objectives. Just as the fuel tax inquiry was merely a cover to get the government through the election, the Energy Task Force is emerging as a cover to get the government past their latest failure to deliver yet again.

I have explained at length the history of these bills, because they actually go to integrity in government and broken promises by the Howard government. I also believe that these bills sadly ignore the intent of the original legislation, which was to establish an energy credit scheme. It is also important to note that this bill proposes to repeal the purpose of the energy credit scheme. The government is clearly hoping it will just all disappear—fall off the face of the earth. More promises and no action or concern from the government—repeal the DAFGS Act and the trace of the truth will disappear.

The only thing delivered in this bill as promised is the maintenance of the entitlements. As we have said publicly, the opposition supports the maintenance of the entitlements. There is only one part of the commitment that we have a concern with: the legislation required with respect to the improvement on the environmental front, which is not before the House. The opposition therefore referred this bill to the Senate Economics Committee. But I must report to the House this evening that there are still many unanswered questions that go to how we may handle this bill in the Senate—the government restricted its representations to the Department of the Treasury. The Department of the Environment and Heritage and the Department of Transport and Regional Services were not available to answer questions going to the operation of this bill, which is very significant. The government has also failed to respond to fundamental questions and failings with these bills. It is about more than breaking promises. It is about honouring your word. It is about basically delivering on the commitments made to the Australian community way back in 1999.

There are cock and bull stories about regulations not being available. They have had four years: where are they? We require that detail to actually consider this bill in a full and proper way in the Senate. They are saying: ‘Trust us’. Frankly, we do not trust the Howard government. My comments this evening clearly show why we do not trust them. We require the regulations. In essence, it is about time the Treasurer pulled his finger out and did some work to deliver commitments made to the Australian public. It is about credibility; it is about integrity; it is about honesty. We need a different approach to these very important matters.

The case for more action on transport emissions is overwhelming. The Bureau of Transport and Regional Economics released a report last month that restated this case.
The alarm bells are ringing loud and clear. Through the current terms of this bill and their inaction over the past four years, the Howard government and the Democrats are squibbing on an energy credit scheme that could improve fuel quality and emissions. The Howard government’s continuing ignorance of its responsibilities belies the fact that it controls many of the tax and economic levers to assist addressing congestion and transport greenhouse emissions: tax, fuel standards and the $3 billion worth of grants before us today. The failure to adequately invest in our interstate rail network for seven years is another example. I remind the House that on 24 December last year the Howard government deferred another promise on improving the environment, given to the Democrats. That was 1c price differential for ultra low sulphur diesel. The government has also flicked to the agenda of the Energy Task Force for further consideration.

In conclusion, the opposition has gone out of its way to cooperate with respect to the development of these bills and the maintenance of the entitlements to industry. In essence, our patience is starting to run out. We require the regulations to enable us to properly consider this matter in the Senate. We do not trust the government and we will not progress these matters until we see these regulations.

Mr Haase—Shame!

Mr MARTIN FERGUSON—It is basically about putting the whole package on the table. I remind the member for Kalgoorlie that that was the promise in 1999: the benefits plus the improvement on the environmental front. You have had four years to do your work. Why hasn’t the work been done? Why were lies told to the Australian public? Why have the Democrats been played on a break? When are we going to see the substance rather than dishonesty and a lack of integrity with respect to the need to receive benefits, on the basis of which you are required to improve your environmental performance? (Time expired)

Mr HUNT (Flinders) (6.37 p.m.)—I rise with great pleasure to speak on the Energy Grants (Credits) Scheme Bill 2003 and the Energy Grants (Credits) Scheme (Consequent Amendments) Bill 2003. I do so knowing that I will be followed by my friend and colleague the member for Kalgoorlie and a range of people with a commitment to the development of alternative energy in our transportation systems, our homes and our industries. We stand at the beginning of the 21st century, when there is a clear recognition that we have a responsibility to take important steps forward in terms of both our macroenvironmental concerns, in relation to greenhouse, and our localised environmental concerns, in relation to pollution and output from transport and other fuel consumption. That responsibility is all about developing cleaner, newer systems of fuel and fuel consumption. Related to that is the process of fuel efficiency. Altogether, this bill comes at a time when we recognise that the course of human development is such that we need to make developments, amendments and steps forward.

The Energy Grants Credits Scheme fits within that process. Essentially, it carries out three objectives. First, it has an environmental objective: it encourages and creates the pathway for transition to alternative fuel use over time. It is the beginning of a process which will take time, but it is an important and significant step forward. Second, it does so in a way which is sustainable. It allows our existing businesses to begin the process of leading transition. That brings me to the third point: it effectively sets out a transitional pathway with an environmental objective and a sensible and sustainable means to achieve that objective.

In looking at the economic effect of the bill, we need to understand what it addresses. Excise is levied to raise revenue and to balance relations between different economic sections of society. In this case, excise increases the cost of diesel. It does so for a purpose within our society. This bill eliminates the penalty on those businesses using diesel, which would otherwise be the case were it not introduced as a transitional mechanism from the earlier schemes. In the long run, the objective is clear: to move towards ever cleaner and desirable forms of fuel use. So it is a transitional mechanism, part of a long-term process and part of a
genuine commitment towards producing cleaner and more sustainable fuels.

I make this speech in the context of a strong personal commitment to alternative energy sources—a commitment to wind, water and sun as core resources which our society is only beginning to use. These represent the way forward and the paths through which we must progress. I am fortunate in that one of the leading educational projects in Victoria occurs within my own electorate of Flinders. There, the Westernport Secondary College has become one of the nation’s principal exponents in the search for effective solar powered vehicles. This project has two effects. Firstly, it has outstanding scientific merit of and in itself. The Westernport Secondary College solar powered vehicles project has had a significant impact on bringing forth new knowledge, understanding and research in the way in which we can draw upon solar energy to drive towards more efficient vehicle use. Secondly, it has a very important impact on the students who are involved. It gives them a sense of the great yearning and the search for scientific knowledge. It is an example of Alfred Lord Tennyson’s quotation at the end of Ulysses: ‘To strive, to seek, to find, but not to yield.’

For a school such as Westernport to have a project like this is magnificent achievement. It is a credit to the principal, to the teachers and, above all else, to the students involved. So in looking at the steps contained within this bill it is important to understand that it encourages projects from schools and universities throughout Australia. It sets a benchmark of moving towards a more energy efficient society. It provides a macroeconomic and macrosocietal framework, but we should never lose sight of the fact that it does so by helping to encourage the incremental advances in each pocket or unit of scientific research and discovery.

In viewing the bill as a whole, firstly it establishes a scheme that provides payment of a grant to persons who are entitled to an off-road or on-road credit. Secondly, it gives effect to the government’s commitment in May 1999 under the Measures for a Better Environment program to replace the Diesel Fuel Rebate Scheme and the Diesel and Alternative Fuels Grants Scheme with a single unified scheme aimed ultimately at producing a far more energy efficient society. Thirdly, it is aimed at encouraging the transition to alternative fuels that are environmentally more beneficial.

The importance of the first of the two bills, the Energy Grants (Credits) Scheme Bill 2003, is that it establishes the Energy Grants (Credits) Scheme by replicating the existing entitlement provision in the Diesel and Alternative Fuels Grants Scheme Act 1999 to create an on-road and off-road credit system. It does this by making amendments to the eligibility criteria for the existing scheme to clarify the position in relation to certain activities. It also addresses inconsistencies between the two schemes. It does this by having a common provision for calculating entitlements by applying entitlements to a credit to fuel that is purchased in or imported into Australia and removing differences in determining the rebate or grant rate applicable to a claim. The second bill, the Energy Grants (Credits) Scheme (Consequential Amendments) Bill 2003, amends or repeals a number of ancillary acts in relation to this.

Ultimately, we have something which has an environmental and financial impact of a positive nature and which reduces administrative complexity. It does this by replacing the dual compliance and administrative arrangements that exist under the Diesel Fuel Rebate Scheme and the grants act and replaces them with a single notion. There are four key provisions involved. The first is in relation to eligibility. The grants under the Diesel and Alternative Fuels Grants Scheme traditionally depended on gross vehicle mass. Proposed clause 4 of division 1 of the bill extends the definition of gross vehicle mass to encompass situations where the manufacturer does not specify a vehicle’s GVM or where the vehicle has been modified. There is a series of other elements in relation to eligibility, which are set out. The second of the corporate visions outlines the entitlement to on-road credits, what is necessary for on-road users and how the simplification under the bill will benefit and improve their situation.
The third element is in relation to off-road credits for users of diesel. I would like to add that I will be working towards the inclusion of credits for Enviromulch businesses, which are in the process of creating environmentally beneficial mulching activities. They are not covered here. This is a longer term objective. I will do that knowing that there is at least one such business in my own electorate, and it is ultimately about saving greenhouse emissions. If we can include that in the system in the long run, there will be a tangible net benefit in terms of greenhouse emissions.

Ultimately, I commend these bills to the House because they are an important step forward in the process of environmental management, of decreasing the overall problem of greenhouse effect and of providing a stable and sustainable transition for those businesses that already use diesel fuel. Above all else, they are part of a pathway which sends out an important message to people throughout the country—whether they be Westernport Secondary College in my own electorate or any of the many other organisations and units throughout the country—who are seeking to encourage more efficient energy use and to reduce in the long run greenhouse gases and the consumption of energy sources which contribute to greenhouse problems.

Mr KELVIN THOMSON (Wills) (6.48 p.m.)—The Energy Grants Credits Scheme in the Energy Grants (Credits) Scheme Bill 2003 and the Energy Grants (Credits) Scheme (Consequential Amendments) Bill 2003 has a rather chequered history. It was part of the now infamous government-Democrats GST deal back in 1999. It was included in the Measures for a Better Environment package that already use diesel fuel. Above all else, they are part of a pathway which sends out an important message to people throughout the country—whether they be Westernport Secondary College in my own electorate or any of the many other organisations and units throughout the country—who are seeking to encourage more efficient energy use and to reduce in the long run greenhouse gases and the consumption of energy sources which contribute to greenhouse problems.

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inquiry into the development of the Energy Grants Credits Scheme. Those words were used by the parliamentary secretary, Peter Slipper. He would say anything, but he did say that the fuel taxation inquiry would be incorporated into the development of the Energy Grants (Credits) Scheme.

The government were going to extraordinary lengths to hide a lack of willingness and ability to deliver the energy grants scheme and, as an important component of the scheme, to protect our environment by moving to cleaner fuels. These tactics included use of the fuel taxation inquiry to mask government delay, so if you asked them, ‘What are you doing about the Energy Grants Credits Scheme? What are you doing about cleaner fuels?’ they would say, ‘Ah, well, we’ve got the fuel taxation inquiry, David Trebeck’s inquiry, going on.’ But then that inquiry and its recommendations were dismissed out of hand by the Treasurer on budget night last year—an opportunity, when the focus was on many other things, to quietly dismiss that report and its recommendations in its entirety, notwithstanding the work that had been done by that report in taking us in the direction of cleaner fuels.

Then we had the announcement that this issue will now be dealt with by the energy task force—a further excuse for delay, a further excuse for inaction. There are a few things worth noting about this task force: it has no publicly released terms of reference, no timetable and no objectives. All we know about the task force is the occasional reference made to it in the media. Essentially, the task force is the latest in a series of efforts by this government to mask its unwillingness to deliver on the Prime Minister’s commitment to the Democrats.

If you look at what the legislation has to say about cleaner fuels—an area with particular reference to my own portfolio—subsection (4)(2) of the Diesel and Alternative Fuels Grants Scheme Act 1999 outlines the purpose of the Energy Grants Credits Scheme. It says:

(2) The purpose of the Energy Grants (Credits) Scheme will be to provide active encouragement for the move to the use of cleaner fuels by measures additional to those under this Act, while at the same time maintaining entitlements that are equivalent to those under this Act and the Diesel Fuel Rebate Scheme, including for use of alternative fuels.

However, the effect of the bill before us this evening falls way short of meeting this objective. The bill simply does not fulfil the legislated purpose of the scheme. It does act on the maintenance of entitlements, but what it does not do is deliver on moving this country in the direction of the use of cleaner fuels. What this bill fails to do, as this government has failed to do so often, is protect the environment.

Labor referred this bill to the Senate Economics Legislation Committee. One of the issues that required and received close attention in that committee was the proposed repeal of the Diesel and Alternative Fuels Grants Scheme Act 1999 that contains the two-pronged commitment that I just referred to. The explanatory memorandum here justifies repeal on the basis that the bill maintains entitlements, but the other purpose is not contained in this bill. The Senate legislation committee rejected the idea of repealing the Diesel and Alternative Fuels Grants Scheme Act without that key element resolved. They quite rightly came to the conclusion that evidence to the committee made it clear that the commitment—that is, the commitment to cleaner fuels—does not occur elsewhere in legislation. The dissenting report of Labor senators said that this:

... raises serious questions about future government accountability on this issue. Accordingly, Labor senators do not believe that it is appropriate that this commitment be repealed without a replacement being put into place.

I thoroughly endorse these comments. The Howard government have misled the public and the parliament too often on this issue for them to be taken at their word to resolve these measures through the energy task force.

Why do we need cleaner fuels? Why is this such an important issue? Why does the government need to stop delaying and take action? There is mounting evidence of the impact of transport on the environment and on greenhouse gas emissions in particular. A
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Report released last month by the Bureau of Transport and Regional Economics stated that, according to present trends, greenhouse emissions from the transport sector will be close to 47 per cent above 1990 levels by 2010 and 68 per cent above 1990 levels by 2020. Bear in mind that what we are seeking with greenhouse gas emissions around the world is to try to contain them at 1990 levels in order to avoid exacerbating climate change, yet here we have got a situation where the transport sector is contributing greatly increased greenhouse emissions. Commercial road vehicle emissions are expected to grow 2.2 per cent per annum, and passenger cars will remain the single largest contributor. Regrettably, the Howard government continues to ignore these warning bells. Throughout the term of this bill, and ever since 1999, this government has been squibbing it in terms of an energy grants scheme that could improve fuel quality and reduce emissions.

We also had the breaking of another promise, made back in 1999, in December of last year. That was the proposal to increase the price of ultra low sulfur diesel by one cent from 1 January to provide an incentive to encourage the early uptake of the cleaner fuel. Again, the dissenting report of Labor members of the Senate legislation committee said:

... delays and uncertainty arising from the Government’s inaction on its commitments, including the ULSD issue, are compromising industry investment to meet anticipated growing demand for cleaner fuels.

Mr Frilay from BP said:

Whether it be by an excise differential or via a production subsidy, we just want the thing in. The industry had spent about $300 million in investment, on the basis of it. We spent about $200 million and we have another $90 million to spend, to further upgrade refineries, which is hinging upon this. So it is important for us.

That is BP—scarcefly a fly-by-night outfit—saying, ‘We want this change in the direction of cleaner fuels to be made.’ It is absolutely regrettable that the development of cleaner fuels incentives has now been shoved off to this new, mysterious energy task force. The Senate committee received evidence suggesting that the task force has conducted its activities with no public accountability, no public consultation and no time frame for producing recommendations or policy proposals. We are all entitled to be completely sceptical about whether the government is going to meet its promises with regard to cleaner fuels incentives.

I think that 31 May 1999 is destined to become a day of infamy in terms of environmental protection, cleaner fuels, greenhouse gas abatement and the like, because it was on that day when the Prime Minister announced changes to the GST. I will take the House through the process. In order to get that crucial vote from the Democrats through, the Prime Minister said:

The Government will commit a further sum of $100m per year to support greenhouse abatement programmes to further assist Australia in meeting its Kyoto commitments...

We had the alleged budget commitment of $400 million over four years. In fact, less than $129 million has been delivered on the Greenhouse Gas Abatement Program. In relation to the low sulfur fuel differential the Prime Minister promised again, on 31 May, when he said:

Speeding the introduction and use of low sulphur diesels market will be encouraged by ... an increase in the diesel excise for high sulphur fuel above 50ppm so that the relevant effective diesel excise payable increases by 1 cent per litre from 1 January 2003.

Has it been introduced? No. In relation to the introduction of the energy credit scheme by June 2002, the Prime Minister said:

This scheme will be developed jointly by the Government and the Australian Democrats. It will replace the diesel fuel credit scheme on 1 July 2002 by a jointly sponsored bill. The existing Diesel Fuel Credit scheme will have a sunset clause expiring on 30 June 2002. The Energy Credit Scheme will provide price incentives and funding for conversion from the dirtiest fuels to the most appropriate and cleanest fuels.

Did that happen? No, it did not. The introduction of the energy credit scheme was delayed last year, recognising the government’s failure to develop a model for the energy credit scheme. There was also the exclusion of forestry operations from access to the full diesel fuel rebate. The Prime Minister said that the road concession would not be
provided for construction, power generation, manufacturing or forestry. Instead, that position was reversed and a full credit granted for forestry operations in late 1999.

It is little wonder, then, that when the Senate committee heard its evidence from various bodies it was very critical. Don Henry from the Australian Conservation Foundation said:

We are very concerned that these bills appear to be dumping the environmental commitments originally mooted and contained in the energy credit scheme and that, potentially, we are losing an important opportunity to provide active encouragement for the move to the use of cleaner fuels through a revised energy credit scheme. We are concerned that there does appear to be a backing away from the Prime Minister’s commitments to the Measures for a Better Environment package and that there is a related slippage in the Greenhouse Gas Abatement Program, which has been significantly underspent.

Mr Henry was very understated in his comments. This is a very serious situation. Bill Frilay from BP Australia said:

The ANTS package—that is, the new tax system package—back in 1999, had two commitments about petroleum products ... The second was a commitment associated with the Energy Grants (Credits) Scheme to do something about clean fuels. This is not in the bill, and our submission is to ask you to rectify that.

BP put forward a proposed policy in two stages. The first stage suggested, for 2003 to 2005, moving to 50 parts per million sulfur diesel by incentive as from 1 July 2003, regulated as national standard from 1 January 2006. They believe this is something which ought to come into effect right now. The second stage they proposed, for 2006 to 2010, providing an incentive of 1c to 2c per litre for moving to 10 parts per million sulfur diesel to encourage the production of this product and a similar incentive to move to cleaner petrol.

Their policy is one of financial incentive to encourage early movers, to be accompanied by subsequent national standard regulation. In other words, a carrot and stick approach, with an incentive to move early before the standard is imposed at which time the incentive ceases. They say that these sorts of standards reflect European and worldwide standards which Australia should be moving towards. They are also consistent with requirements for new generation engine manufacture—manufacture which delivers cleaner and much more efficient engines, but which in turn requires these cleaner fuels as a prerequisite for introduction of the engines.

In terms of the benefits of moving down this path, they note that even in moving from 500 parts per million sulfur diesel to 50 parts per million sulfur diesel there is a drastic reduction in emissions. The United Kingdom Millbrook London bus trials showed, for this scenario, reductions of particulates of 90 per cent, reductions of carbon monoxide of 80 per cent plus, reductions of nitrogen oxide of 20 per cent and reductions of hydrocarbons of 70 per cent. There are very significant health gains to be achieved by moving in this direction.

We have seen numerous studies and surveys—the State of the Environment Report 2001, studies by the Australian Bureau of Statistics, the National Land and Water Audit—all showing that we are going backwards in terms of environment protection on almost all of the critical indicators, such as salinity, land clearing and water quality. Recently I released an analysis of the National Pollutant Inventory showing that many of the most serious urban air pollutants are on the rise. There are greater amounts of those pollutants being measured and we have some clear problems in terms of air quality.

Leadership and a long-term commitment that focuses on outcomes are needed to address Australia’s environmental problems. We certainly do not want the environment to be treated as a third-rate issue which can only be addressed either by asset sales like the sale of Telstra for the Natural Heritage Trust—and I have spoken previously in the House about where that has gone—or by the GST deal, which, as we have seen, has fallen flat on its face. This is a contemptible way of dealing with this nation’s pressing environmental problems, and the Democrats have catastrophically failed to hold the government to account and make sure they honoured the GST deal. The Democrats have
been absolutely silent on this issue and on
their failure, and it is little wonder that they
bombed out again in the New South Wales
state election on the weekend.

Equally seriously, we have a situation
where the government is so obsessed with
and focused on the war in Iraq that it is
spending no time addressing serious, press-
ing domestic issues. Curbing air pollution
and providing cleaner fuels is one of those
pressing issues which I urge the government
to address. I urge it to return to and honour
those promises which it made to the public in
1999. (Time expired)

Mr HAASE (Kalgoorlie) (7.08 p.m.)—It
gives me a great deal of pleasure to rise this
evening to speak in support of the Energy
Grants (Credits) Scheme Bill 2003 and the
Energy Grants (Credits) Scheme (Conse-
quential Amendments) Bill 2003. The En-
ergy Grants (Credits) Scheme will replace
the existing Diesel Fuel Rebate Scheme and
the Diesel and Alternative Fuels Grants
Scheme, as promised by the government in
May 1999 under the Measures for a Better
Environment initiative. The amendments will
simplify the administrative complexity and
compliance requirements and, in effect, the
costs of administration. They replace the
dual compliance and administrative ar-
rangements that currently exist with a single
compliance and administrative framework.

On 6 March the member for Fraser spoke
on these bills and stated that the opposition’s
support for this legislation was conditional.
Effectively he was saying, of course, that the
ALP would not support this legislation. They
suggested that they would not support it be-
cause we were not supporting the introduc-
tion of cleaner fuels; they accused us of not
accepting all the suggestions of the greenie
radicals and, of course, they accused us of
leaving the transport industry with only a
short time frame to prepare for the new
scheme before it comes into operation on 1
July 2003.

We have heard a great deal tonight about
why the opposition will not be accepting this
legislation. I find it ironic that they should
make that claim, if they were in any way
concerned about industry people and their
being accustomed to receiving a rebate for
diesel and light fuels and other fuels. With-
out the support of the opposition in passing
this legislation through the Senate there will
be no surety for those people in industry.
This is simply another occasion when the
ALP have indicated that they have no respect
for country people. They have, they say,
compassion for city people, for metropolitan
people, but it would seem that that is totally
incompatible with having some compassion
for people that are in rural and remote areas.
Through their own negligence and indecision
they are going to create uncertainty for all of
those people in rural and remote Australia
that are currently enjoying the Diesel Fuel
Rebate Scheme and the Diesel and Alterna-
tive Fuels Grants Scheme.

Further, the ALP have been quoted as say-
ing that they will not support this bill be-
cause they believe that there is no detail in
the legislation. The practical legislative proc-
ess involves getting your legislation pre-
sented on the basis of the explanatory memo-
randum and then sorting out the finite, min-
ute details thereafter. It is strange that, as
they condemn this legislation because they
say that it is unacceptable to so many parts of
Australia, the major peak body, by any
stretch of the imagination, associated with
this bill—that is, the Australian Trucking
Association—have welcomed the legislation.
I find it ironic that the ALP would cast so
much doubt on this bill and its passage, cre-
ating so much indecision with regards to the
legislation and uncertainty in rural and re-

ote Australia by filibustering, and yet say
that they have compassion. The Australian
Trucking Association will not respect their
compassion, let me tell you!

The statements that have been made
against this legislation take no consideration
of the fact that the coalition government has
committed itself absolutely to adopting
measures to encourage the use of cleaner
fuels and it has contributed to this in very
practical way—

Mr Fitzgibbon—How?

Mr HAASE—Thank you for asking. By
maintaining entitlements in the Energy
Grants (Credits) Scheme that are equivalent
to those under the Diesel Fuel Rebate
Scheme and the Diesel and Alternative Fuels
Grants Scheme. These contain incentives for the use of fuels other than petrol and diesel.

Mr Fitzgibbon—Give me an example.

Mr HAASE—Ethanol, compressed natural gas and LPG. We have committed $75 million in support of conversions and alternative fuels for commercial vehicles over 3.5 tonnes, trains and ferries; we have brought in more stringent motor vehicle emission standards, which were passed by parliament in December 1999; we have the mandatory labelling of the fuel efficiency of cars; and we have slashed the permitted toxic emissions from cars and trucks by introducing new national fuel quality standards for petrol and diesel through the Fuel Quality Standards Act 2000.

There has been so much filibustering about all of the things that the coalition government—the very proud, Howard-led government—have not done to maintain our arrangements with the Democrats. Once again it strikes me as ironic, because Labor did not have the courage to introduce clean fuel emissions standards. Labor left Australia 10 years behind Europe’s emission standards; on the other hand, the coalition have acted to bring Australia into line with these cleaner, achievable European standards.

The member for Batman spoke this evening about an inexcusable delay in finalising the measures in the Energy Grants (Credits) Scheme Bill 2003. The irony is unmistakable. During those dreadful years of the Labor government, there were no delays in finalising taxation legislation by the ALP—I am confident in stating that—for the simple reason that, even though the ALP condemned the taxation system in place at that time as being outdated, they absolutely failed to reform it.

Prior to the 1998 election, the government proposed to introduce a number of changes to the longstanding Diesel Fuel Rebate Scheme that would have included the use of diesel for quarrying and construction—in fact, for all off-road usage. Unfortunately our subsequent negotiations with the Australian Democrats resulted in those extensions being made only to rail and marine transport. The opposition speak of how little has been done to improve the environment for Australia. Let me remind them that the Remote Renewable Power Generation Program credited up to 50 per cent of capital grants for off-grid power production with renewable means. I am very pleased to remind the House of that. The RRPGP made finance available, which made programs like the Derby Tidal Power project possible because, although renewable programs for energy generation have very low running costs over a very long period of time, they are capital intensive. The Remote Renewable Power Generation Program allowed for funds collected under the diesel fuel excise to be paid back to promoters of off-grid power generation by renewable means.

Tidal energy is an outstanding method of creating electricity using renewable means. Hand in glove with tidal energy is the emerging hydrogen economy. There is nowhere finer to demonstrate that than in the Kimberley in north-west Western Australia, in my electorate. Between 18 and 21 May 2003, a hydrogen conference will be held to bring Australians up to speed with the hydrogen economy, which has a very substantial standing in the world today—in fact, it was mentioned in the state of the nation address by none other than the President of the United States when he committed $US1.25 billion to the development of hydrogen as the new energy for mobility into the future. It is an absolutely nonpolluting energy form, and it can be extracted in various ways. It can be separated from petroleum gas, but that is not an absolutely clean process; however, extracting hydrogen from water, using electricity produced from tidal energy, provides an absolutely clean fuel—a perfect fuel for mobility in the future—from a renewable source. If that hydrogen is then used in industry—in manufacturing and in metal processing—the products will be totally green and clean. Introduction of such an energy form will allow Australia to do far more than anything that has been proposed under the Kyoto agreement. The government have provided a great deal in this legislation, and we have done a great deal to move to a better and cleaner environment.
One of the very tangible things that the new bill provides for is aquaculture, which is at odds with the existing fuel schemes. The construction of containers for aquaculture will now be allowed under the Energy Grants (Credits) Scheme. Quite specifically, clause 33, paragraph 1.34 says:

The definition of fishing operations is largely the same as that appearing in the Customs Act 1901 for the DFRS, with the exception that a paragraph has been included in order to clarify the eligibility of construction activities undertaken for the purpose of containing fish to be farmed. Unlike the provisions relating to mining, the agriculture provisions in the Customs Act 1901 are silent as to whether diesel fuel used in the construction of ponds, tanks and the like that will be used to contain fish in a farm, is eligible for the rebate. That indecision has now been addressed, and I assure the opposition that it is a marvellous change. It will mean that those who are adding value to a product, those who are not taking a product from the sea and perhaps despoiling further the natural environment but are creating a product on land, will now have the appropriate recognition of being able to be rebated for the excise they pay on diesel for construction purposes, the pumping of water, the creation of electricity et cetera.

One of the other great changes that have been made in relation to energy went through in 2002—that is, the rebating of excise for those who are generating electricity off the grid for retail pursuits. That was an absolutely incredible fillip for all of my constituents who have service stations off-grid. All of the proprietors on the Great Northern Highway, the North West Coastal Highway and the Eyre Highway who have been responsible for so many things, isolated as they are from energy grids, have enjoyed those changes. That will remain, thank goodness.

In the legislation there will be few changes and none of a negative nature. I can assure members of the House that the industry generally is looking forward to the passing of this legislation and will look very dimly upon the ALP as they now side with the loony Left, it seems, in further separating themselves from the people who live in rural and remote Australia. It seems self-evident that the ALP’s compassion for the people of Australia extends only to the end of the freeway. It is a great disappointment, and I would urge members of the opposition in the House to seriously consider encouraging their colleagues in the Senate to pass this legislation, because those who do things and move things in Australia are relying on the ALP and others in the Senate to pass this legislation so that we can get on with the job of moving and improving Australia. I commend these bills to the House.

Mr FITZGIBBON (Hunter) (7.24 p.m.)—That was a most eloquent speech from the member for Kalgoorlie; however, it was a little inconsistent and a little selective. He talked much about the government’s record on backing renewable energy forms, but he was very selective and failed to mention that it is the government’s plan to abolish the MRET scheme and the rebate scheme for photovoltaic forms of energy. However, I wish him the very best for the tidal wave project in the northern part of his electorate—a worthy cause, indeed. I look forward to going up there sometime and having a look at the site to get a better appreciation of the plans they have there. I know the member for Kalgoorlie talks about it often, so it must have merit, I am sure.

But how duplicitous he was to talk about the opposition abandoning rural and regional Australia! I thought that we invented the interest in rural and regional Australia! It was the Chifley government, of course, that for the first time engaged the
Commonwealth in regional development policy. Menzies came along and for some 23 years just abandoned rural and regional Australia in terms of forward-thinking development policies. Then Whitlam came along and re-engaged the Commonwealth in regional development policy, only to have it pulled from under rural and regional Australia by Malcolm Fraser. The Hawke government was elected and again the Commonwealth engaged itself in regional development, but then the Howard government came along. The very first act of that government was to abolish the division of regional development in this country, such is the coalition’s commitment to regional Australia.

The Australian Labor Party support the spirit of the legislation, but the big disappointment lies in the government’s failure to pick up the second tranche, the big promise to the Democrats back in 1999 to secure their support for the GST—I think that was the compromise. Where is the second tranche of the measures? We do not have a problem with the schemes per se; we want a plan for cleaner fuels in this country, for the benefit of the environment. It is these points that I want to dwell on tonight.

When you think about it, you realise that this legislation in effect perpetuates the use of traditional and relatively dirty fuels. It increases import dependency at a time when war is underscoring the problems associated with being so reliant on Middle East crude. It is a fact that by the year 2020 Australia’s energy needs will have increased by another 50 per cent. During 2002, Australia’s dependency on imported oil continued to increase. By 2010, it will have risen to 60 per cent of our annual requirements. The impact on the nation’s balance of trade will be in the order of $7 billion to $8 billion per annum. Over the past seven years, Australia has been consuming its oil three times faster than it has been finding it. As I said, this increasing import dependency highlights our potential exposure to problems, given what is currently being experienced in the Middle East.

Australia retains an absolute abundance of yet to be won natural gas—about 140 trillion cubic feet of gas. Just today, ExxonMobil announced that it has discovered that its Jansz gas field, which is off the Western Australian coast, holds some 20 trillion cubic feet of gas—the equivalent of 3.3 billion barrels of oil. Typically, we have also learned today that it is Exxon’s view that the likely destination for that gas reserve is the Asian export market.

I am not suggesting for a moment that liquefying and exporting our reserves of natural gas is inherently a bad thing; in fact, it brings a significant national benefit. But of all the known reserves of offshore gas in this country, not one is being seriously marketed for the domestic market. The only serious effort to get gas onshore for domestic purposes involves the PNG gas field, a project which will potentially provide new sources of competitively priced gas to the domestic market on the mainland but which will not provide any revenue to the Australian people. Busily undercutting one another on prices to secure export markets, the major oil companies are giving our gas away at the expense of our long-term energy needs. The greatest example—while it was roundly hailed as a great thing for the Australian economy—is the LNG project into China, the new contract announced only last year. I have suggested before in this place that those gas contracts were let at something like 30 per cent of the current world price—no-one has challenged that—and the more gas we put on the export market, the lower those prices will be driven lower.

The challenge for government is to ensure that the exploitation of Australia’s rich endowment of energy resources is done in a manner which reduces our import dependency and generates the maximum economic, social and environmental benefits to all Australians without compromising our material and environmental wellbeing or our international competitiveness. By definition, that means developing a fully integrated energy policy, and that is the task this legislation fails to address. Australia’s transport energy sector accounts for 41 per cent of Australia’s energy consumption and some 14 to 17 per cent of our greenhouse gas emissions. If we are to have any hope at all of retarding the growth in our greenhouse gas emissions, we must address the transport energy sector. In
addition, such an objective will provide a win-win situation. As I said, it has the potential to reduce our greenhouse gas emissions, it has the potential to expand domestic markets for our still-stranded natural gas reserves and it has the potential to reduce our import dependency.

Let me paint a picture of pipelines linking our great offshore gas fields to our mainland, fuelling the industrialisation of the north and providing new sources of competitively priced gas to the south-east power market. Making the projects viable will be a tax regime which gives encouragement to gas projects which maximise the national benefits—for example, not exporting Sunrise gas offshore but bringing it onshore to provide those new sources of competitively priced gas and to fuel the industrialisation of the north. We must have an incentive built into the system to ensure these projects are undertaken in a way that maximises the national interest.

The projects will be made more viable by an expanded domestic market—gas to liquids, for example—and by taking on our transport sector issues by providing environmentally friendly synthetic diesel for that sector. Coupled with the right strategies for the public transport sector, these strategies could produce enormous environmental and economic benefits for Australia. Ensuring that the gas from those fields is exported in a manner which maximises the national interest will involve an upstream regulation regime for the allocation of property rights which applies tough user principles to the major oil companies of the world. These are the issues that matter in transport, coupled with a heavy role for government to play in increased R&D and with alternative transport technologies such as hybrid vehicles and hydrogen fuels—which, of course, were mentioned by the member for Kalgoorlie.

The government do not seem to be taking an integrated approach to these issues, and the bills before the House tonight are yet another example of this. I am encouraged by the government’s late call to arms on energy. The Prime Minister has now established the Energy Task Force within government. It remains to be seen, though, whether they are prepared to take on the tough issues, because taking on the tough issues will mean taking on the big end of town on the regulation of property rights in offshore oil and gas. It will mean taking on the big end of town in terms of ethanol—and we have seen the way the government have botched the ethanol debate. Why? Because of a friend in the big end of town. This is not about the big end of town; it is about Australia’s economic and environmental future, and that should be the focus of government. They will get the focus right only when they start talking about an integrated policy which takes the whole mix into account. They should be talking about not just a diesel fuel rebate scheme but Australia’s total energy mix: how much of our power generation will be dependent on fossil fuels like coal and gas, and what our ability is to switch to other forms of renewable fuels. We should have targets and objectives on how many vehicles, both heavy and light, we would hope to be running on gas or other forms of cleaner fuels in this country by, say, 2020 or whatever target date you want to place on it. These are the challenges of government, not the ad hoc approach to transport fuel which we are seeing from the government in this place tonight.

So I say again that I do not know why the member for Kalgoorlie was so vitriolic. You would think that the opposition were opposing this bill, but we are not opposing it. We recognise the benefits of the scheme to various sectors, including the agricultural and transport sectors, but we lament the government’s failure to take a holistic approach to this country’s energy needs.

Mr JOHN COBB (Parkes) (7.37 p.m.)—The Energy Grants (Credits) Scheme Bill 2003 and the Energy Grants (Credits) Scheme (Consequential Amendments) Bill 2003 are simple and sensible pieces of legislation. As the member for Hunter pointed out, they provide for the combination of two different schemes and will also encourage the use of renewable fuels, amongst other things. In the legislation’s most basic form, it replaces the Diesel and Alternative Fuels Grants Scheme and the Diesel Fuel Rebate Scheme with one single scheme, ensuring that the current rebates are kept in place. It
also combines the heavy truck operators scheme with the off-road rebates applicable to primary industry—essentially, agriculture and mining. The Measures for a Better Environment package also noted that the Energy Grants Credits Scheme will provide encouragement for the conversion to cleaner fuels. The government is committed to pursuing options to achieve this and is doing so by examining the issue as part of the consideration of alternative fuels within the Energy Task Force.

Under the Diesel Fuel Rebate Scheme, or the off-road scheme, the current rebate rates are 38.143c for diesel and like fuels that attract the same excise rate as diesel fuel per litre—that is, the full amount of the excise for like fuels that attract that lower rate of excise duty. These benefits will remain under the Energy Grants Credits Scheme. The Diesel Fuel Rebate Scheme is an absolute necessity for farmers and primary producers. My electorate of Parkes is home to some 3,000 farmers and primary producers. Agriculture is the driving force, along with mining, that provides flow-on benefits to other industries, particularly the transport industry. In my electorate, they are arguably the major beneficiaries of the Diesel Fuel Rebate Scheme. Farmers and miners are price takers. They do not have a regulated income system whereby they know they can produce so much and achieve a profit from it. They are subject to the world open price system. However, fuel prices are fixed on the world market, and neither farmers nor miners can have an impact on those prices. Fuel is a basic necessity, and they have to purchase it regardless of the cost. Keeping input costs at a minimum is the only way to ensure survival, particularly when margins have been squeezed to the limit in recent times.

The Diesel Fuel Rebate Scheme is not a subsidy; it is the non-application of a tax for essential industries. That is what primary production is: it is an essential industry, because without it nothing else can happen. The scheme is the government’s way of ensuring that a tax is not applied to farmers, which keeps their costs down and allows them to effectively invest that money back into the farm. In other words, it is helping farmers and miners to keep their heads above water. This is not a subsidy; it is a non-application of a tax to essential industries.

This rebate can mean the difference between making or breaking for many farmers, especially in such situations as coming out of a drought—which hopefully we are now—and that is something the government realise. That is why we are ensuring these benefits are not lost under the new Energy Grants Credits Scheme. I do believe the government have a duty to encourage users toward cleaner fuels, and that remains a priority. The government are committed to pursuing options to achieve this and are examining the issue as part of the consideration of alternative fuels within the Energy Task Force.

In a press release dated 13 February, Democrats Senator Lyn Allison slammed the federal government for 'preserving the status quo' with the Energy Grants Credits Scheme. Unfortunately for Senator Allison, it was never in question that this government would reduce or remove the rebate either to primary industries or to the transport industry. While the primary industry rebate has been effective for many years and is recognised by many governments as absolutely essential, I think something this government can be incredibly proud of is that it has given heavy transport an 18.5c rebate to lift the burden not just on the transport industry but on everyone who is a recipient of what is transported.

Preserving the status quo is absolutely essential for the survival of the transport and agricultural sectors. Preserving the status quo ensures jobs, economic growth and development. Yes, we have a duty to encourage people to move towards cleaner fuels. Yes, we also have an obligation to be environmentally responsible, and we are. This government maintains its commitment to provide incentives for people to move to the use of cleaner fuels. This is a government that delivers on promises, but it is also a government that is dedicated to the preservation of agriculture, mining and industry, especially in country areas.

My electorate of Parkes revolves around small business and mining, and those two sectors revolve around exports. We will be in
trouble if we do not continue, as this government has, to not apply the tax to primary industry and to the heavy transport industry. The tax has never been applied to these industries. The heavy transport industry is the lifeblood of country areas in terms of both what is consumed and what is conveyed to metropolitan areas and to ports. But this government is determined that we will not be in trouble. We will deliver on cleaner fuels, but first and foremost we are shoring up business confidence by providing a more streamlined, efficient system that continues to deliver existing benefits to diesel and alternative fuel users.

The second part of this legislation is about heavy transport operators and the rebate of 18.5c which they have enjoyed since this government introduced it. My electorate of Parkes is a transport epicentre. Dubbo is at the crossroads of the Newell and Mitchell highways. Parkes is also an incredible transport centre, sitting at the crossroads of the Newell Highway and the Great Western Highway. In Dubbo alone, there are some 60 to 70 transport operators, and Parkes is in a very similar position. Rod Pilon is just one of those operators. He is a major transport person, employing some 60 people in the Dubbo region. He owns and operates 29 prime movers. He estimates his annual fuel usage to be 1,920,000 litres. He estimates that his diesel fuel rebate averages at $27,000 a month, which comes to around $324,000 a year. Robert Holmes is another major operator. He owns 10 prime movers and employs some 18 people. He spends around $698,000, excluding GST, a year on diesel fuel, and he estimates his annual diesel fuel rebate to be around $157,000.

I am not sure about the very big users such as the ones I have mentioned, but for many small business transport operators their profit margin, strangely, comes out at around the 18.5c a litre that they gain from the non-application of the excise. I guess that is a frightening figure in the sense that, in a business that is so essential to the whole country, not just to country Australia, profit margins are down to 18.5c a litre. Many truck operators will quote that; I have heard it many times. Without the current diesel fuel rebates, transport operators would have to put up the cost of freight, and that cost would be passed on to the customer and then to the consumer. The small operators, who would be unable to absorb the extra costs and compete with larger operators, would simply go out of business. It would have a negative flow-on effect for the whole community. The government recognises and understands the importance of these rebates to the transport industry, which is a major employer within the community. That is why we are committed to the Energy Grants Credits Scheme, a simple, streamlined scheme that brings the on-road and off-road credits under one banner.

We have not forgotten our promise to look after the environment. What we want to do first is to look after our major producers and our major industries, which employ so many people within our communities. The 2001 Census estimated that some 2,020 people are employed in transport and storage in Dubbo. That is one person in 20 in one of the major inland cities of Australia. The situation in the town of Parkes, with a population of some 10,000 or 11,000 people, is very similar. It adds up to an incredible amount of employment in an incredibly viable industry in the electorate of Parkes. These industries do not need any more uncertainty. They have dealt with drought, and they are still doing so. They have dealt with the rise and fall of commodity prices, and they still are. They have dealt with slimming margins. The Energy Grants Credits Scheme gives them confidence that this is a government that understands their interests and remains committed to protecting them.

Livestock transporters and the country trucking industry strongly support energy credits and the bill as a whole. Transport operators are sensible, realistic and very practical people. The ALTA’s Robert Gunning says operators accept the fact that the remaining net excise after the diesel fuel rebate is paid is 20c a litre, and they accept that that is their contribution to roads and road maintenance. They accept that they have a duty to move toward cleaner fuels, and they support the steps that the government has taken to improve the environmental performance of
their industry. I wish all industries were so responsible.

They are not blind to the fact that they have to improve, and neither is this government. The Democrats claim we are doing nothing for the environment, but I would strongly argue that this is by far the most economically and environmentally responsible government this country has seen. It is striking a balance between protecting the productivity of our industries such as agriculture, mining and transport and implementing practical measures to minimise the damage to our environment. The government has already introduced and enforced the upgrade of the engine standards to reduce pollution emissions from trucks, and it will continue to up the ante. This is just the start; there is obviously more to do.

The Energy Grants Credits Scheme is a sound, sensible initiative that reflects the government’s commitment to the economy. I have to say once again before I finish that this is not a subsidy. It has long been recognised by governments that it is simply not applying a tax to the most essential industry that exists, and certainly all primary production is essential. I am very proud of the fact that this government has also seen fit to give a boost to the transport industry, which moves Australia—whether it moves goods for domestic consumption or moves them for export, as it generally does in my electorate.

I finish by saying that I was enormously pleased to hear the member for Hunter say that the Labor Party is not opposed to this bill, because I see it as absolutely essential. I repeat that no-one in the trucking industry or the primary industries sector of Australia ever had to fear that this government, when it introduced this legislation, would do anything but continue those rebates.

Mr SNOWDON (Lingiari) (7.52 p.m.)—Firstly, let me say how pleased I am to have the opportunity to speak in this debate on the Energy Grants (Credits) Scheme Bill 2003 and the Energy Grants (Credits) Scheme (Consequential Amendments) Bill 2003. Before I get into the meat of my contribution, I would like to comment on the contribution from the member for Parkes. He would understand that there is probably no more important transport industry to the Northern Territory than the trucking industry in Australia. Up until the railway was completed towards the end of last year, all produce—except a very small proportion—arriving in the Northern Territory from the southern states came by road. I want to concur with him on the importance of the current on-road scheme for the road transport industry. I know how important it is to the trucking industry in my electorate.

One observation I make is that the scheme that the bills will establish will be implemented one year later than promised. The bill does not provide for the real change that was intended. The main functions of the bill, as others have said, is to combine into a single scheme the Diesel Fuel Rebate Scheme, which covers off-road fuel use, and the Diesel and Alternative Fuels Grants Scheme, which covers on-road fuel use. The change is likely to be applauded, as it removes some of the administrative anomalies that arise in the implementation of the two separate schemes.

However, I note the opposition amendment to the legislation, in particular the three paragraphs in terms of the failure of the government to deliver on promises that it made as a result of an agreement between the government and the Democrats to ensure the safe passage of the GST—as we know, now the most regressive tax in this nation’s history. The amendment also shows that this government has no energy policy. We have a half-baked solution to an issue which was very important to the government during the course of the last election, an issue that delivered to the government the support of a particular group within the parliament. In essence, the proposed deal was to combine the on-road and off-road schemes and to introduce incentives to move towards the use of cleaner, greener energy.

As part of the deal, the Democrats made sure—and I am sure you would recall this, Mr Deputy Speaker Wilkie—that they would extract, and they said they did extract, a rock-solid assurance from the Prime Minister. That is the type of assurance that now we would probably call never, ever—an assurance that would never be met. I think it highlights, apart from anything else, the fact that
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the issue about the honesty of this govern-
ment in terms of its undertakings to the Aus-
tralian people is now open for public scruti-
tiny. We had an undertaking writ large, and I
well recall the publicity around it. We have
seen the government walk away from it. I am
not surprised, and I am sure that you, Mr
Deputy Speaker, would share that view—I
hope you will share that view. You do not
have a view where you sit, but when you get
back there I hope you will, and, if you are on
the speakers’ list and you get a chance to
speak in this debate, concur, for goodness
sake.

It is worth reminding ourselves what the
Prime Minister had to say in a letter to the
then Leader of the Democrats, Senator Lees,
regarding the changes to the GST package.
The Prime Minister said in a letter dated 28
May 1999:
The principal changes are the exclusion of basic
food from the GST and restructuring of proposals
concerning diesel fuel in response to the strongly
put views of the Australian Democrats on envi-
ronmental issues.

On the same day, in an interview with Barrie
Cassidy on the 7.30 Report, the Prime Minis-
ter said this about the deal:
So overall, it’s a greener diesel package and there
are a lot of incentives for people to use alternative
fuels.

I ask the question: where are the incentives
in this package for people to use alternative
fuels? This was to be the principal intended
purpose of this piece of legislation. Perhaps
the Prime Minister might like to tell us when
he is going to deliver on the deal and where
are the incentives in this piece of legislation.
The fact is that they simply are not there.

The Energy Grants Credits Scheme was
originally planned to be implemented on 1
July 2002. However, gross inaction and de-
lay on the part of the government led to a
year’s wait. As some type of compensation
for their inaction, the government argued that
if they delayed the scheme for a year they
would consider the EGCS report together
with the Trebeck fuel tax inquiry report. In-
stead, they hardly considered the recommen-
dations in the EGCS report. On the date the
report was released, all of the recommenda-
tions were rejected out of hand. There was
no consultation with interested parties about
those recommendations before the govern-
ment dismissed them out of hand. I think that
again exemplifies the dishonesty and the
contempt that this government have for the
people they work with.

The government has included one good
thing in this bill: the proposed legislation
combines the on-road and off-road schemes
into one single scheme. But the government
has put nothing into the bill to encourage
people to use cleaner energy. As a passing
observation, I would have thought that, fol-
lowing the New South Wales election results,
the government would have some interest in
green issues. I am not trying to be churlish,
because clearly the Labor Party has to have a
proper regard for these matters as well; but
there were a couple of results from last
weekend’s state election that I think bear
some contemplation. In the electorate of
Lane Cove, the Greens received 15.6 per
cent of the primary vote; in North Shore,
15.3 per cent; in Pittwater, 14 per cent; and
in Vaucluse, 17.45 per cent. This is not the
heartland of the Labor Party. If the Prime
Minister thinks that he can act as dishonestly
as he has done in relation to the deal with the
Democrats, if he thinks that the Australian
community are going to be sucked into be-
lieving that somehow or other he and his
government are committed to improving the
environment and getting better environ-
mental outcomes, then I think he is taking us
for dummies. We are not dummies and the
Australian community will see through the
charade.

The government has backflipped on a
promise to introduce measures to encourage
the use of more environmentally friendly
fuels. What we need, as I am sure others
have noted, is a national energy policy,
which is again highlighted here. That re-
minds us yet again of the failure of this gov-
ernment to have a comprehensive national
energy policy. We on this side of the House
have been calling for one, but we have seen
all but no action. The consequences of this
inaction are great and have severe implica-
tions for the Australian community. We know
from predictions reported in the Australian
earlier this month that Australia will become
a net importer of oil within five years and that the electricity industry needs investment of at least $40 billion by the end of the decade if blackouts are to be avoided.

In response to the looming problem, in November last year the Prime Minister announced the formation of an energy task force, which we knew very little about until there were reports of its first meeting earlier this month. What the hell has been going on? We on this side of the House have been saying constantly that there are five requisite elements for a national energy policy. These elements are: sufficient consumer protection; guaranteed long-term energy supply security and competition; full integration of different markets; achievable outcomes with regards to agreements with the states and territories; and it must encourage greater investment in renewable energy. The Howard government, as can be seen by this piece of legislation, has deliberately ignored this last point, even though it was part of the original agreement with the Democrats. The fact that the government has ignored it is clear in the proposed legislation we are discussing in this parliament today. The government has no commitment to the environment; nor does it have any real commitment to develop energy policy.

I am aware of this because the issues of the environment, renewable energy and energy policy generally are very important to my electorate. And they are of great importance to this nation. You would think the government would understand what an important role the energy sector plays within the Australian economy. We need to get the policy right. In my electorate the energy policy issue is of core and fundamental importance to the future development of the Northern Territory. There are a number of developments that are contingent upon appropriate energy being developed—principally, the issue of gas. These developments include: the development of the oil and gas reserves in the Timor Sea; the development of the MacArthur River mine; the expansion of the mine at Nhulunbuy by Alcan, including the potential development of an aluminium smelter at that mine; and the development of a methanol plant.

All of those projects require massive energy, and they depend on the government getting its energy policy right. As far as I can tell, from all that we have seen thus far, the government is doing its utmost to stuff it up: it has been scaring people off investment in the Territory because of its lack of a comprehensive policy approach and its absolute inaction. We now have the appalling situation where the joint venture partners in the Greater Sunrise gas fields have made a decision that it is not in their economic interests to develop the reserve, and at this point in time there is nothing that the government can or will do to stop the warehousing of these reserves. This is despite the looming energy crisis and the loss of investment in the Northern Territory. The government seems unconcerned that the opportunities presented here may well be lost.

I just want to mention two other matters, whilst I am on my feet, which relate to energy. They are about the importance of renewable energy. The Northern Territory government has developed a $38.2 million scheme that will go toward funding renewable energy sources in the Northern Territory. The funding will go mainly to remote Indigenous communities. The energy problems in these Indigenous communities are considerable. Diesel generators, which are typically the major energy source, are often too unreliable and too costly, even with fuel rebates, to provide for the energy needs of the entire community. They are also significant contributors to greenhouse gas emissions.

The Australian Cooperative Research Centre for Renewable Energy estimates that there are currently about 108,000 Indigenous Australians living in around 1,200 discrete Indigenous communities across the Northern Territory, Western Australia, Queensland and South Australia. There are in excess of 800 in my own electorate. The centre’s research shows that these communities consume over 40 million litres of diesel fuel per year in order to generate electricity. Of course this amounts to an enormous release of greenhouse emissions.

The government has invested resources for renewable energy. One of the success stories has been the Bilinara community,
south of Timber Creek, where funding has enabled the establishment of a $0.5 million project to install 300 solar panels that will supply 90 per cent of the community’s energy needs. Another project, at the Bulman community, will see the establishment of a 55-kilowatt solar generator that will plug into the community’s local energy network, currently solely a diesel system. Further, 1,300 solar panels are currently being installed at Kings Canyon that will produce power that will go into the grid and help power the resort. The NT government estimates that this program will save 10 million litres of diesel and 27,000 tonnes of CO₂ gas emissions per year.

Another project I want to talk about—which is partly funded by the Commonwealth—is the Bushlight project, which is becoming another model for renewable energy programs in remote communities. I was fortunate enough to attend the opening of this project in Alice Springs in May. This project hopes to benefit around 200 Indigenous communities across Australia. It will help them not only through providing non-polluting, cost-efficient and reliable sources of energy but also through creating local training and employment opportunities. Bushlight is funded jointly by ATSIC, the federal government through the Australian Greenhouse Office and the relevant state and territory governments. It aims to improve the efficiency of remote energy services as well as establish best practice for small renewable energy systems. Adding a simple four-kilowatt photovoltaic system to a typical outstation can reduce diesel consumption and cut greenhouse gas emissions by between nine and 13 tonnes of CO₂ per annum. This is the sort of grassroots work that the Bushlight project is focusing on.

You can see, with the renewable energy project of the Northern Territory government and this Bushlight project, that there are examples of initiatives which can be taken to provide alternative sources of energy which are a lot cleaner and have potentially important savings for the environment. They are done—and this is a fundamental importance in these cases—in partnership with Indigenous Australians in their own communities. The Centre for Appropriate Technology in Alice Springs, one of Bushlight’s joint managers, is a non-profit organisation with an Indigenous board. It has ensured that the project takes a capacity building approach in the communities where it is providing these energy services. It will do this through putting an emphasis on education and training, so that by coming to understand the operation and maintenance of their renewable energy systems the communities will take true ownership of them. The project will also establish a network of regional offices, each employing an Indigenous liaison officer and a regional manager who will work with local communities. The success of the Bushlight project is based on these community driven processes and should be used as a model for other renewable energy programs in rural and remote parts of Australia.

I want to commend the opposition’s amendment to this piece of legislation and again recall the commitments which were made by the Prime Minister, promises which were made prior to the last election and which have failed to be met by this piece of legislation. There are things that can be done to cut our energy consumption through the use of fossil fuels; there are many things that can be done to conserve our environment by looking at alternative sources of energy. But this government, through this piece of legislation, has provided no incentives for people to move from diesel fuel to other sources of energy. I commend our support for the legislation but also ask members of the parliament, members of this House, to support the opposition amendment.

Mr HARTSUYKER (Cowper) (8.12 p.m.)—I rise in this House to speak on the Energy Grants (Credits) Scheme Bill 2003 and the cognate bill Energy Grants (Credits) Scheme (Consequential Amendments) Bill 2003. This legislation brings together the Diesel and Alternative Fuels Grants Scheme and the Diesel Fuel Rebate Scheme and creates a new Energy Grants Credits Scheme, which is a scheme to provide for the payment of grants to persons entitled to on-road or off-road credits. It is a bill which proposes to improve the administrative efficiencies and simplify two schemes into one. The
amendments which will result with the pas-
sage of this bill will reduce much of the
complexity and administrative burdens on
business and on government.

It does not propose to remove any of the
existing entitlements. In fact, there is an ex-
tension of entitlement to on-road credits pro-
posed in section 8 of the principal bill,
whereby eligibility for credits will be avail-
able for fuels consumed incidentally. The
definition that is given for incidental use is
that use which:

- while goods or passengers are loaded and
  unloaded
- while the vehicle is moved to or from a place
  where loading or unloading occurs
- to maintain the quality of goods
- to maintain the vehicle or auxiliary equip-
  ment, and
- for use in training operators.

The provisions proposed, such as this and
section 45 of the bill, will remove some of
the complexities and widen access.

For example, the report of the fuel taxa-
tion inquiry noted criticism from the Aus-
tralian Pre-Mixed Concrete Association that it
was unfair and unreasonably complex that
the current Diesel and Alternative Fuels
Grants Scheme requires a quantification to
be made by the claimant of the amount of
diesel used when the vehicle is stationary in
cases where this exceeds 20 per cent of the
diesel consumed. It was noted that concrete
vehicles can use well in excess of 20 per cent
of the fuel while unloading or while stopped,
such as at traffic lights or during the course
of their journey. The association submitted to
that inquiry that this gave rise to an ex-
tremely complex compliance regime for its
members and other claimants. I can certainly
understand those concerns, and I am pleased
that this bill proposes to remove those sta-
tionary use and incidental use problems for
claimants. I think removing this red tape is a
very important accomplishment for business.

The legislation also removes the rather
prohibitive requirement that activities be
conducted on a public road. The removal of
this requirement means that claims can be
made, for example, for activities involving
travelling on a private road, such as on a pri-
ivate access road to a mine site. In the course
of such transport claimants can be eligible
for a credit. Currently, the Diesel and Alter-
native Fuels Grants Scheme provisions oper-
ate in such a way that claimants have to
claim retrospectively—that is, after they
have used the fuel and signed off that its use
fell within the parameters of eligibility. The
Energy Grants (Credits) Scheme proposed
under this legislation will mean that those
on-road claims can be made prospectively—
that is, when the fuel has been imported or
purchased, when it is proposed to be used in
an eligible activity and before the fuel has
been used. The amendments to the current
scheme will produce cash flow benefits for
business claimants.

I would now like to consider the current
rebate and grants schemes and their impact
on and value to businesses and employment.
According to information from the Aus-
tralian Taxation Office, in 2000-01 around
135,000 claimants received a rebate of $1.9
billion in total. Almost 70 per cent of those
135,000 claims were made by companies and
almost 22 per cent were made by partner-
ships and individuals. Many of those 22 per
cent were farmers, and the advice from the
tax office is that over 87 per cent of all
claimants over that period were from the
agricultural industry. I do not think it is any
surprise that the mining industry received the
biggest chunk of the rebate—over 48 per
cent—and the agricultural industry received
just under 29 per cent of the $1.9 billion,
because the mining sector consists mainly of
large corporations which make very large
claims whilst farms are predominantly
smaller individuals or partnership based. The
average-claim figures exemplify this. The
average claim from the agricultural sector
was $2,903, whilst mining was on a much
larger scale with the average claim being
$134,000—over 40 times the average farm
claim.

The Diesel Fuel Rebate Scheme was in-
troduced by this government to alleviate the
effect of excise on businesses in industries
that use that fuel relatively intensively. It is a
scheme that assists farmers and other pri-
mary producers such as the fishing industry,
which accounted for about five per cent of claims. By way of example of the operation of this scheme in my electorate, there are approximately 160 trawlers within the Clarence River Fishermen’s Cooperative. Those 160 trawlers collectively benefit from the scheme to the order of $150,000 every month. Commercial fishing is a vital industry in the Clarence region; it is vital to the Clarence’s economy. Mark Everson, General Manager of the Clarence River Fishermen’s Cooperative, put to me that the diesel fuel rebate is a very important part of the commercial fishing industry. I think that is a very indicative and positive testimonial about the success and importance of the Diesel Fuel Rebate Scheme to business on the ground or, in that case, on the water. The changes that will be effected with the passage of this legislation through the parliament will continue to help industry by removing red tape and some of the other administrative complexities for business, including commercial fishing.

I think the reforms under this legislation will be particularly welcomed by businesses such as Lindsay Bros Transport, a company based in Coffs Harbour within my electorate of Cowper. This is a very important business in our region; in fact, it is an important business for the transport industry on a national basis. Lindsay Bros was started by Tom and Peter Lindsay 50 years ago. In fact, I recently had the pleasure of attending their 50th anniversary celebration. The company started with some three trucks and has grown over those 50 years. Today it has a team of over 600 employees, 200 of whom are based in Coffs Harbour, and generates turnover in the order of $100 million per annum. This is an immensely competitive industry, and it is a great credit to Tom, his brother Peter—who regrettably is now deceased—the Lindsay family and their employees that their enterprise has been so successful. I would like to place on record in this House my congratulations and best wishes to the Lindsay family and their employees on their success over the years. The company uses around 22 million litres of fuel a year and spends $1.2 million each month. The scheme for Lindsay Bros and the company’s 600 employees means over $4 million a year in benefits. This government grant scheme is significant for Lindsay Bros and the transport industry.

The transport and storage industry accounts for 56 per cent, or over $300 million, of claims made under the Diesel and Alternative Fuels Grants Scheme in 2000-01. That scheme paid out $550 million in total over that period. If you take the Diesel Fuel Rebate Scheme and the Diesel and Alternative Fuels Grants Scheme together—which is what this legislation proposes to do—the government returned in the order of $2.5 billion in 2000-01 in taxes to business. That means it gave $2.5 billion back to the economy, back to farmers and back to companies such as Lindsay Bros Transport in Coffs Harbour and organisations such as the Clarence River Fishermen’s Cooperative. The government got that money back out there to generate more jobs, growth and prosperity in regional Australia. This is positive legislation, because it brings these two schemes—on-road and off-road—into one. It removes red tape; it reduces complexity and other burdens on business. By doing that, the Energy Grants (Credits) Scheme Bill and the Energy Grants (Credits) Scheme (Consequential Amendments) Bill 2003 will create a more efficient and effective scheme. I welcome that. I think business in regional Australia will welcome that too. The economy—including job seekers—which gets $2.5 billion back, will welcome this also. I commend the bills to the House.

(Quorum formed)

Debate (on motion by Ms Worth) adjourned.

COMMITTEES
Treaties Committee

Report

Ms JULIE BISHOP (Curtin) (8.24 p.m.)—On behalf of the Joint Standing Committee on Treaties, I present the committee’s report, entitled Report 51—Treaties tabled on 12 November and 3 December 2002, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.
Ms JULIE BISHOP—by leave—This is the first report of the committee for 2003, a year that promises to be an interesting and busy one—as I am sure you will agree, Mr Deputy Speaker Wilkie, in your capacity as Deputy Chair of this committee—as reflected by the committee’s current inquiry into the proposed ratification of a free trade agreement with Singapore and the recent signing of an international unitisation agreement with East Timor which, I understand, will be considered by the committee in due course. Report 51 contains the results of an inquiry conducted by the Joint Standing Committee on Treaties into three treaty actions tabled in the parliament on 12 November and 3 December last year; namely:

Amendments, done at Bonn, Germany on 24 September 2002, to Appendices I and II on the Convention on the Conservation of Migratory Species of Wild Animals, done at Bonn on 23 June 1979;

Amendment, done at Cambridge, United Kingdom on 14 October 2002, to the Schedule to the International Convention for the Regulation of Whaling, done at Washington on 2 December 1946; and


A further treaty was tabled on 3 December 2002; namely:

International Treaty on Plant Genetic Resources for Food and Agriculture (Rome 3 November 2001)

The committee has informed the Minister for Foreign Affairs and the Minister for Agriculture, Fisheries and Forestry that additional time is required beyond the usual 20 sitting day period to consider the proposed treaty action. The additional time will allow the committee to consider concerns raised by key industry stakeholders, such as the Grains Council and Seed Industry Association of Australia, on the detailed financial, technical and policy implications of ratifying the treaty.

Returning to the report, report 51 deals with the amendments to the Convention for the Conservation of Migratory Species of Wild Animals. This includes the listing, on Australia’s proposal, of six species of great whale, the orca and the great white shark as species to be protected under the terms of the convention. These species are the only species among those nominated for which Australia is a range state. They are already protected under the Environmental Protection and Biodiversity Conservation Act 1999. The inclusion of the species in the appendices to the convention will promote their protection in two ways. First, it obliges other contracting parties to enact domestic measures for the protection and conservation of these species. Second, the convention obliges contracting parties to enter into agreements with other parties for the conservation and protection of these species. Thus, the convention provides a framework that will promote Australia’s policy of establishing a South Pacific whale sanctuary.

The amendment to the schedule to the international whaling convention maintains the ban on commercial whaling and permits aboriginal whalers in Alaska and Russia to continue their hunt for bowhead whales. The treaty action accords with Australia’s long-held position on the banning of commercial whaling while allowing for the limited hunting of whales by aboriginal subsistence cultures to meet demonstrated dietary needs.

The Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management provides for an internationally recognised best practice approach for the treatment, transboundary movement, storage and disposal of spent fuel and radioactive waste. The joint convention is incentive based and provides principles for the safe management of nuclear wastes through the exchange of information between contracting parties. The international exchange of information on the safe management of spent fuel and radioactive waste will serve Australia’s national interest in two ways.

First, as a major exporter of uranium, Australia has a significant interest in the international implementation of best practice in managing spent fuel and radioactive waste on the widest possible scale. This goal is facilitated by the provision of national reports by contracting parties that address pol-
icy and practice of management of spent fuel and radioactive waste at specified periodic meetings. Second, the compilation of the national report in Australia will ensure that all domestic jurisdictions meet international best practice standards in their management of radioactive waste. During the course of its inquiry into ratification of the joint convention, the committee became aware of the lack of a uniform national approach to the management of radioactive waste. It is confident that ratification of the joint convention will promote steps currently being taken to redress this situation. It is the view of the committee that it is in Australia’s interest for the treaties considered in report 51 to be ratified, where treaty actions had not already entered into force, and the committee has made its recommendations accordingly. I commend the report to the House.

Mr WILKIE (Swan) (8.30 p.m.)—by leave—Report 51 deals with treaties tabled on 12 November 2002 and 3 December 2002:

Amendments, done at Bonn, Germany on 24 September 2002, to Appendices I and II on the Convention on the Conservation of Migratory Species of Wild Animals, done at Bonn on 23 June 1979;

Amendment, done at Cambridge, United Kingdom on 14 October 2002, to the Schedule to the International Convention for the Regulation of Whaling, done at Washington on 2 December 1946; and


A further treaty was tabled on 3 December 2002:

International Treaty on Plant Genetic Resources for Food and Agriculture (Rome 3 November 2001).

This particular treaty was removed for further consideration. The additional time will allow the committee to consider concerns raised by key industry stakeholders—such as the Grains Council and the Seed Industry Association of Australia—on the detailed financial, technical and policy implications of ratifying the treaty. I would like to commend the member for Bonython for his work in relation to this particular issue.

In relation to amendments to the Convention for the Conservation of Migratory Species of Wild Animals, I make the following additional comments. The committee made inquiries of Environment Australia regarding the impact of the Environment Protection and Biodiversity Conservation Act 1999 on activities such as tourism, entanglement in fishing gear, and protective beach meshing. Environment Australia’s response was: firstly, that beach netting for the protection of swimmers was a matter for the states; secondly, whale watching tourism operators were governed by the Australian and New Zealand Environment and Conservation Council guidelines and Australia has the ability to take action against operators not complying with those guidelines; and, thirdly, the government is reviewing fisheries management arrangements, including examining the minimisation of potential interactions with whales. Also, responding to committee concerns about the lack of details included about the consultation process in the national interest analysis, DFAT has undertaken to amend its drafting guidelines that it sends to Commonwealth agencies.

As far as the amendment to the schedule to the international whaling convention is concerned, I make the following comments. The committee was informed that the special meeting for bowhead whales was needed because the 54th meeting of the IWC at Shimonoseki got fairly acrimonious and that the issue was swept up as a byplay to issues that other parties were trying to achieve. Also, the committee was advised that the indigenous peoples of Alaska and the Chukotka Peninsula had limited access to other forms of protein, and therefore the hunting of whales was for subsistence purposes.

In relation to the Joint Convention on the Safety of Spent Fuel Management and on the Safety of Radioactive Waste Management, the report also notes that, despite the national interest analysis stating that New South Wales would need further legislative steps to implement the convention, subsequent advice indicated that the legislative framework in that state was adequate to ensure compliance. The committee was advised that the Radiation Health Committee was responsible
for achieving regulatory uniformity between the states, the territories and the Commonwealth through the preparation of voluntary codes of practice and standards to implement the treaty. The committee was also advised that implementation of the treaty measures would make it more difficult for terrorists to procure radiological material from responsible agencies and ensure that Australian uranium exports will be dealt with in a proper manner. I would like to recognise the support the committee received from the secretariat and commend the report to the House.

Public Works Committee Report

Mrs MOYLAN (Pearce) (8.35 p.m.)—On behalf of the parliamentary Joint Standing Committee on Public Works, I present the 66th annual report of the committee.

Ordered that the report be printed.

Mrs MOYLAN—by leave—In accordance with section 16 of the Public Works Committee Act 1969, I present the 66th annual report of the Joint Standing Committee on Public Works. This report gives an overview of the work undertaken by the committee during 2002. The reporting year was a relatively quiet one for what is normally an extremely busy committee. We tabled only three reports, including the 65th annual report. Works reported on by the committee in 2002 included the construction of common use infrastructure on Christmas Island and works relating to the redevelopment of RAAF Base Williamtown near Newcastle, New South Wales, incorporating facilities for the airborne early warning and control aircraft.

The Christmas Island works comprised an upgrade of existing airport facilities on the island, with the intention of improving services for the local community as well as providing support for the proposed Asia Pacific Space Centre space launch facility. The works at RAAF Base Williamtown were intended to establish a basis for redevelopment of ageing base infrastructure and to provide facilities for the new Airborne Early Warning and Control facility, which is anticipated to commence operation out of Williamtown from January 2004. The value of the works inquired into by the committee during 2002 amounted to just over $200 million.

In August 2002, members of the committee attended a building and construction sector industry liaison visit in Melbourne, organised by the Association of Consulting Engineers Australia. The day’s program covered a range of issues of particular interest to the committee and provided valuable insight into the operations of, and the issues confronting, the building and construction sector. Topics covered during the day included the construction project process, financing arrangements in the building and construction industry, project delivery options, risk management and insurance issues, and environmentally friendly design. It was very important for the committee members to update themselves on a number of these issues.

Committee members also attended the Annual Conference of Australian Parliamentary Public Works and Environment Committees in Adelaide, at which I was represented by my colleague the member for Burke, the deputy chair.

Mr Snowdon—Did he behave himself?

Mrs MOYLAN—He always behaves himself. The conference brought together parliamentarians and key staff from public works and environment committees throughout Australia. The topic of this year’s conference, ‘Water—Engineering Solutions and Environmental Consequences’, was particularly appropriate and timely given the drought conditions prevailing throughout large sections of the country.

A number of significant issues arose out of the committee’s deliberations throughout 2002. Among these were: the exemption of works on the grounds of urgency; the Public Works Committee Act 1969; the definition of ‘value for money’ in public works; the reporting of works estimated to cost between $2 million and $6 million, known as ‘medium works’; and the definition of a ‘work’ under the act.

In March 2002, the construction of a purpose-built immigration reception and processing centre on Christmas Island was ex-
empt from committee scrutiny on the grounds of urgency. Committee members were concerned that the frequent exemption of works on such grounds may set a precedent whereby projects are allowed to bypass appropriate scrutiny. At the time of drafting of the 66th annual report in February 2003, members noted that little progress had been made on the Christmas Island facility.

As in previous years, the committee considered how best to adapt its role in view of the changing nature of Commonwealth property procurement and public works functions. The committee determined that the optimum solution lay in amendment of the Public Works Committee Act 1969. Whilst acknowledging that some improvements in committee operations were necessary, the Minister for Finance and Administration responded that he believed these could be achieved without altering the legislation.

The committee also examined the term ‘value for money’ as it relates to Commonwealth procurement practices. The committee was pleased to note that both the Commonwealth procurement guidelines and best practice guidance and the Australian Procurement Construction Council’s National code of practice for the construction industry 1997 include social, environmental and training considerations in their definition of ‘value for money’.

The committee was seriously concerned to note an increasing tendency among some Commonwealth agencies to divide a single project costing more than $6 million into smaller components, thereby bringing the project under the threshold for referral to the Public Works Committee. Other projects put before the committee as medium works lacked adequate contingency and escalation allowances.

A related trend observed during 2002 was the omission from project costs of specific budget items that the referring agency believed did not constitute a work under section 5 of the Public Works Committee Act 1969. The committee was unanimous in its view that such treatment of works as allows them to bypass referral to the committee is a serious impediment to the fulfilment of the committee’s statutory obligation to scrutinise and ensure value for money in the expenditure of public funds.

Where it appears that works have been disaggregated or inadequately costed, the committee may invoke its powers to investigate the proposed work. The committee has advised the Department of Finance and Administration that all medium works undertaken by Commonwealth agencies are to be referred to the department and a schedule of these is to be provided to the committee every six months.

The committee believed that some of the errors noted in the referral of works lay in the difficulty experienced by agencies in the interpretation of the act. The committee noted that the act leaves a wide margin for the interpretation of what constitutes a ‘work’ and has, to this end, suggested amendments to minimise this confusion.

The year 2002 also saw the departure from the committee of Senator Paul Calvert, a longstanding member of the committee, who was elevated to the position of President of the Senate. His good humour and dedication are missed by his public works colleagues, who continue to wish him all the best in his new role. In his place, the committee welcomed Senator Richard Colbeck.

At this point, I would like to extend my thanks to the deputy chair, the member for Burke, who has made an excellent addition to the committee, and to all of the members of the committee for their continued commitment to the work of the Public Works Committee and the support that they have given me as chair. I would also like to record the committee’s appreciation for the assistance of the committee secretary, Margaret Swieringa, Vivienne Courto and the other staff of the secretariat. I commend the report to the House.

Mr BRENDAN O’CONNOR (Burke) (8.42 p.m.)—by leave—I agree entirely with the content and the spirit of the report just given by the chair of the Public Works Committee. The committee undertook significant work last year. Unfortunately, however, there were some delays, and that will make for a busy schedule this year.
I would like to highlight the importance and the worth of the Annual Conference of Australian Parliamentary Public Works and Environment Committees held last year in Adelaide. As the chair indicated, the theme of the conference, ‘Water—Engineering Solutions and Environmental Consequences’, was both appropriate and timely. It reminded us of the importance of, and what can be achieved through, multigovernment dialogue and the need for cooperation on significant matters that confront this nation. And what better issue to focus upon than the scarcity and the use of water and the remedies that should be explored regarding this most vital natural resource?

It is also important to reinforce the chair’s comments regarding some of the department’s conduct—intentional or otherwise—in disaggregating project costs with the consequence of evading or avoiding proper parliamentary scrutiny. This may not be the intention of the department; however, it is imperative that any action that does not allow the Public Works Committee to properly scrutinise the expenditure of public moneys should be brought to the attention of the minister and the parliament. The committee was unanimous in that view, and we are working behind the scenes to ensure that that conduct does not occur.

It is also fair to say that there is a need to review the effectiveness of the provisions of the Public Works Committee Act, particularly in light of the fact that for some time now a greater proportion of public moneys has been devoted to long-term leases and contractual arrangements rather than to the construction of buildings. The bricks and mortar projects of the past have given way to much more complex arrangements, and they are not necessarily under the auspices of the Public Works Committee. This is something the parliament should look at to ensure that the expenditure of large sums of public moneys is properly scrutinised.

Finally, I feel compelled to comment on the government’s decision in March last year to exempt the proposed construction of a purpose-built immigration reception and processing centre on Christmas Island. This work escaped scrutiny, ostensibly because it was urgent. More than one year on from the expediency motion, the construction of the detention centre has not commenced. The Public Works Committee’s efforts to have the Department of Immigration and Multicultural and Indigenous Affairs or the Department of Finance and Administration explain the proposed changes and why there has been a delay have so far not been responded to sufficiently by those persons in the departments who are responsible for overseeing this project.

Apparently the government—and I received this information purely by reading the Canberra Times last Thursday—has decided to fundamentally alter the proposal but feels no need to have the matter scrutinised by the Public Works Committee. Clearly the need for an expediency motion no longer exists; indeed, there is some question as to whether it ever existed. The minister—or the department on his behalf—still refuses to answer our questions, which include: what changes are being sought to the original tender for the construction of a detention centre on Christmas Island? What costs have been incurred as a result of terminating the original contract with the successful tenderer? What construction, if any, has commenced, and does it affect the forthcoming contract? Will the termination of the original contract have an adverse social and economic impact upon the undertakings given to the community of Christmas Island?

Mr Snowdon—Hear, hear!

Mr BRENDAN O’CONNOR—I know the member for Lingiari would be very concerned about those undertakings given by the Commonwealth to the community of Christmas Island. These and other questions should be answered by the minister or the department. I believe the appropriate public servants from either DIMIA or DOFA should be accountable and should at least provide the Public Works Committee with some answers to those questions. I would hope that, in the near future, those questions will be answered appropriately.
Ms O’BYRNE (Bass) (8.48 p.m.)—I rise to speak in this cognate debate on the Energy Grants (Credits) Scheme Bill 2003 and the Energy Grants (Credits) Scheme (Consequential Amendments) Bill 2003. When the Australian public reluctantly accepted that the GST had been imposed upon them, they anticipated—after all, they were told there would be—a couple of compensations. They were entitled to believe, from what they had been told, that there was a silver lining or two down the track. When the Democrats explained to the Australian people why they had caved in to the Prime Minister and the Treasurer, they trumpeted that, amongst other concessions, they had got the government to agree to some initiatives for cleaner fuels. The purpose of the energy credits scheme was to turn the diesel schemes into a program with incentives for cleaner fuels while maintaining the benefits. The government was happy to confirm that its newly acquired buddies were correct in that assertion.

As my colleague the member for Batman said, the Minister for Transport and Regional Services announced in this House in June 1999 that an energy credits scheme would replace the diesel grants and rebates schemes after mid-2002. The minister’s speech specifically referred to the government’s intention that the future Energy Grants (Credits) Scheme would provide active encouragement for the move to the use of cleaner fuels. The purpose of the energy credits scheme was to turn the diesel schemes into a program with incentives for cleaner fuels while maintaining the benefits. The government was happy to confirm that its newly acquired buddies were correct in that assertion.

As my colleague the member for Batman said, the Minister for Transport and Regional Services announced in this House in June 1999 that an energy credits scheme would replace the diesel grants and rebates schemes after mid-2002. The minister’s speech specifically referred to the government’s intention that the future Energy Grants (Credits) Scheme would provide active encouragement for the move to the use of cleaner fuels. The people of Australia therefore had every right to expect that an energy grants scheme of the near future would be implemented and would have the effect of encouraging the use of cleaner fuels. The scheme’s objectives were set out in subsection 4(2) of the Diesel and Alternative Fuels Grants Scheme Act 1999 and stated:

The purpose of the Energy Grants (Credits) Scheme will be to provide active encouragement for the move to the use of cleaner fuels by measures additional to those under this Act, while at the same time maintaining entitlements that are equivalent to those under this Act and the Diesel Fuel Rebate Scheme, including for the use of alternative fuels.

As my colleague so aptly put it, we now have before this House and the people of Australia the bill for the scheme, but we have no plan to encourage the use of cleaner fuels. The Democrats went into the negotiations effectively holding a full hand. They showed it to the government and failed to win a single trick.

There has been nearly four years for thought and planning for this since the minister’s speech to the House in June 1999. What have we ended up with? Frankly, very little. There has certainly been a breach of faith by the government to their partners in the enactment of the GST and, therefore, a breach of faith to the public, which had a more than reasonable expectation that something would be done—and sooner rather than later—to promote and to ensure the use of cleaner fuels. In the meantime, we have seen the diversion created by the fuel taxation inquiry. We have seen the extension of the sunset clause of the current schemes until June 2003. We have seen the government deny that they have responsibility for leadership in areas such as public transport. We have seen the hopes and aspirations of those who took the government on trust and who took the time, expense and trouble to make submissions dashed by the Treasurer’s dismissal of the inquiry’s recommendations.

We are now seeing the latest smokescreen in the form of the proposed energy task force—whatever it might be, and whatever it might end up doing. After all, no terms of reference has been released, there is no timetable and apparently there are not even any objectives. It is now clear from evidence to the Senate committee that the government is selectively consulting industry on the energy task force. It is clear that the government is failing to utilise the energy task force for genuine, open consultation and outcomes—it is all about talking to the converted. The government’s record on this matter is such that it cannot be relied upon to fulfil the commitment it has made or to implement a
strategy that will deliver cleaner fuels. As my colleagues the members for Fraser and Batman have foreshadowed, in these circumstances it is Labor’s intention to have this bill referred to a Senate committee. In that way, we can get some real options for solutions to our nation’s quest for cleaner fuels.

The figures mentioned by my colleagues where we will see transport sector greenhouse emissions reach 68 per cent above 1990 levels by 2020 are reason enough alone for us to seek alternatives to that which is proposed. Sadly, what is proposed is virtually nothing—at best a small dint, when what we need is a comprehensive attack on the problem.

I concur wholeheartedly with the member for Batman’s assertion that the federal government has linchpin status in all of this. As he said, it is the heart of the tax and economic system, a system which can be directed in a variety of ways—through tax, fuel standards, these grants—to assist in addressing a whole range of issues pertinent to these matters.

Yesterday we saw a classic example of the government’s approach to its role in all of this: a first-rate example of the hands-in-the-air, ‘it’s simply not my responsibility’ approach of the member for Lindsay. The member was very happy in a media release to handpass to the New South Wales state government the responsibility for dealing with congestion problems in her electorate. Her colleague the member for Cowper joined in with the following marvellous revelation: ... the bulk of congestion is caused by local trips. Urban congestion is primarily a state issue. So much for any type of cooperative approach on matters which are vital to our nation and to our world’s long-term survival in a reasonable state of health! The member for Cowper yesterday cited in the House some statistics of his own:

The costs of urban congestion are forecast to rise from $13 billion to $30 billion annually from 1995 to 2015, and greenhouse gas emissions are forecast to increase by some 40 to 50 per cent over the period 1990-2010. These statistics alone demand a cooperative and complementary approach, a joint effort, on these matters. It would be completely illogical for the eight state and territory governments to be addressing each of these issues separately in the last, desperate hope that this might solve the greater problem. Sure, there is an opportunity at the local and state government level for some new approaches to land use planning, but without leadership and some modicum of input from the Commonwealth, which has the power and capacity to provide them—and it certainly does in this case—we are going to make only piecemeal progress on this issue. These things can only be achieved through well-intentioned partnerships—not through a continuing approach of denial of responsibility.

Certainly it appears that the majority of the transport industry is prepared to play a role in such a partnership. The bus, rail and truck industries are ready, willing and able to do so, if the government is prepared to let them. They have put forward ideas and expressed a willingness to contribute in the search for a solution to cleaner fuels and emissions. But the Commonwealth government shunts their contribution to one side and fails time and time again to be up front and honest with them. Thus, a partnership which could provide an answer will not, because the player with all the key cards in its hand folds and ends all progress.

There is one element of the transport industry which might not be willing to play its part in such a partnership, and that is also the fault of this government. Foreign ships operating under single and continuing voyage permits along the Australian coast are being given free rein by the Howard government to go about their business as they will and to flout our laws, to the detriment of our own shipping industry. We have seen a whole raft of both action and blatant inaction by this government which has advantaged foreign shipping in such a way that our own industry disappears before our very eyes. Many of these operators are effectively mercenaries on our shorelines. They have no interest in Australia, no interest in Australian workers and no interest in the Australian environment. For them, we are simply a means to an end.

The government’s justification for this—lower shipping costs—will at best be a short-term gain but in the longer term will prove
an enormous cost that we as a community and a nation are going to have to pay. We are already seeing a massive decline in the number of ships that are working our coast. We are seeing a decline in the number of staff who are being trained to work on our coast. We have seen a massive impact on our ability to provide staff for port related duties. Managing the staffing of ports is another issue that we really need to turn our minds to as we head into a new world of insecurity.

Mr King—What about the form of the unions?

Ms O’BYRNE—I appreciate the interjection from the member opposite because it demonstrates the problem with the government and their attitude towards shipping: they cannot see the shipping industry as an industry; they see it as something to do with the union movement. Whilst they continue to have those blinkers on, we will continue to see a decline in the industry. Their total fascination with the pursuit of the MUA means that they are going to allow a great and exciting industry, an industry that is being embraced and pushed forward all over the world, to decline in Australia.

During a Senate committee legislation hearing on 18 March this year, in respect of foreign ships we were told:

The issue around whether or not they are eligible for a grant under either the existing Diesel Fuel Rebate Scheme or the new Energy Grants (Credits) Scheme is whether or not they are on a domestic voyage within Australia. The way that would interact with the system for permits issued by the Department of Transport and Regional Services is an interpretive issue which will be resolved by the Taxation Office.

In further evidence, we were told:

The legislation says that, if you are on a domestic voyage within Australia and you are using fuel for which either excise or customs duty has been paid, you are eligible for the rebate or grant.

And finally we were told:

The issue is whether or not the activity falls within the definition of marine transport, which is an eligible activity. Under both the Diesel Fuel Rebate Scheme and the proposed Energy Grants (Credits) Scheme, if an activity falls within that it is not a question of whether or not the vessel is engaged in an overseas or a domestic voyage; if it is engaged in marine transport, it qualifies for a rebate or a grant.

We still in essence do not know whether the scheme will in practice apply to foreign shipping plying our shores, although we suspect that it will. Certainly in the Senate inquiry there was an attempt to nut this out:

Senator CONROY—The issue I am interested in is: what constitutes a continuous journey? What I have described is a ship that comes from South Africa, picks up some stuff in Perth, goes around the coast, drops a few things off and then goes on its way. What I am actually interested in is whether or not it needs to be going in the same direction the whole time. For instance, if it had picked up some stuff in Cairns, floated back down to Sydney, popped around to Perth and then just ran up and down the coastline, is that going to qualify for a grant?

Mr Harms—Your question is concerning whether or not the transport department will issue a permit for the vessel to engage in coastal trade.

Senator CONROY—No, I want to know whether that would qualify as marine transport under the definition of this bill.

Mr Colmer—It does, regardless of which way the vessel is going or what goods it is dropping off.

Senator CONROY—So, for the purposes of this bill, it is irrelevant whether this foreign registered ship with a foreign crew is sailing backwards and forwards between Perth and Sydney every day continuously for years. It makes no difference as far as this bill is concerned—

Mr Harms—that is correct.

Senator CONROY—They will qualify for the grant?

Mr Harms—Yes.

As I said, we still do not know whether the scheme will, in practice, apply to foreign ships, despite the fact that the government has had nearly four years to get its act together on this issue. Despite the fact that we have had the explanatory memorandum, the government’s second reading speech, legislation hearings and requests from the opposition for specific advice on the matter, we still do not know. And, what is worse, we do not have the regulations either. The opposition have a role to play in ensuring that all legislation, primary or subordinate, does the right
thing by this country and its people. Without this information, we cannot do so.

Debate interrupted.

**ADJOURNMENT**

The SPEAKER—Order! It being 9.00 p.m., I propose the question:

That the House do now adjourn.

**Health: Increased Costs of Medication**

Ms GEORGE (Throsby) (9.00 p.m.)—I want to raise a matter that has been brought to my attention by several constituents who have contacted me in the last week about increased costs of prescriptions for regular medications, especially for Panadeine Forte. Regrettably, it seems that the federal Minister for Health and Ageing has failed in her responsibility to communicate the new brand premium policy change that came into effect from 1 February this year. While I am not on the side of the pharmaceutical giants who have been making millions of dollars in profit on big name brands when exactly the same drugs made by the same companies are easily available for less cost, it seems to me that the hasty change and lack of information on the part of the Department of Health and Ageing and the minister has caused unnecessary anxiety for many people that I represent.

The first that many of my constituents knew of the brand premium policy change was when they went to their local pharmacy to be told that their regular medicines had substantially increased in cost. Let me quote from one such constituent, Mr Hurd from Dapto. He wrote to me saying that he is a recent amputee still requiring pain killers. He said:

I am on Panadeine Forte which last a month cost $3.60 for the prescription, as a pensioner, but the pharmacy now requires $11.50 for the same prescription. For this product it is in fact $1.30 per box, but due to the small quantity of pills in the box, my GP obtains authority to give me 1 months supply (6 Boxes). Therefore $7.30 “BRAND PRICE PREMIUM”, plus 10c government increase was added. I had to refuse the prescription, due to the additional cost, and went back to my GP, who then prescribed an alternative, but these are not available— that is, the generic brand alternative—and will not again be in stock until “POSSIBLY” mid-March.

I have discussed the matter with several other pensioners, who rely on medication to survive, and they are all extremely worried as their medications have also, or may be subjected to a similar increase.

As you are no doubt aware, pain relievers are widely used by cancer sufferers, heart patients, amputees and other patients where severe or chronic pain is experienced.

Older people are generally reluctant to change to generic medication, preferring to stay with that which is working for them. Indeed in some instances—
as, presumably, in his case—
a Pain Management Counsellor has spent many hours working out suitable medication. My experiences with generics have not been satisfactory, even though we are assured by the manufacturers that there is no difference.

When a number of constituents rang my office, we contacted the PBS information line, and I was very surprised that the PBS information line could not tell my office the name of the generic brand that was to be the substitute for Panadeine Forte. In fact, staff on the information line let slip that there may be a shortage of stocks because large numbers of people would be switching to the generic brand to save the cost of the Panadeine Forte. This confirms advice constituents have given me that the generic brand, the alternative to Panadeine Forte, is not available in a number of pharmacies in my electorate, and some have been told that the stock may not be available until some time later this month.

We then contacted the minister’s office, who denied any knowledge of the stock shortages. I have asked the minister to assure me and my constituents that there will not be a shortfall in the supply of the generic brand alternative to Panadeine Forte. Further, in my view, the minister should address the lack of public information on the brand premium policy and ensure that the PBS information line can answer basic queries when offices such as mine are in contact on behalf of their constituents. While I understand the need to rein in unnecessary costs being imposed by very profitable pharmaceutical companies, cost alone should not be the only criteria for subsidising medicines. My constituents ad-
vise me that the generic brand alternative to Panadeine Forte does not provide them with the same level of pain relief. In conclusion, I think it is only fair that the minister put the resources in to allay the anxiety and the concerns that many low-paid people and pensioners are experiencing under the new brand premium policy. (Time expired)

Abraham, Mr Eric Kingsley

Mr JOHNSON (Ryan) (9.05 p.m.)—It is with great sadness that I rise in the parliament today to express my deep sorrow at the passing last week of Mr Eric Abraham. Eric Abraham passed away in the early hours of last Thursday, 20 March 2003, at his home within the RSL Pinjarra Hills nursing home complex. He was 104 years of age. Eric Kingsley Abraham was the last of the original Dungaree diggers from World War I. With his passing, Australia has lost one of its most distinguished citizens, and the electorate of Ryan has lost a very special resident.

Eric Abraham lived a life with a rich and honourable history. Born at the end of the 19th century, on 20 April 1898, Mr Abraham was the last surviving original Dungaree digger. He was recruited in Ipswich in November 1915 during the Dungarees march, one of the great World War I recruiting marches. In October 1916 Eric Abraham was posted to France. During his service with the 5th Division Signals Company, he took part in operations at Villers-Bretonneux, Morlancourt, the Battle of Amiens and the advance to Peronne.

Discharged in October 1919, Mr Abraham went on to enjoy a very successful career in government service. As it turned out, he also spent many years in Papua New Guinea, particularly in the town of Rabaul. In 1999 Mr Abraham published his autobiography, A Dungaree Digger. It is an asset to this country that Eric Abraham was able to publish his memoirs as the last original Dungaree digger. These memoirs will serve as a lasting legacy that will help new generations of Australians to better understand Australia’s wartime history and to remember a very special Australian.

In July 1998 Mr Abraham was a member of a commemorative mission that returned to Villers-Bretonneux in France to mark the 80th anniversary of the Armistice. On that occasion he was awarded the Legion of Honour in recognition of his service to liberty and to the freedom of the people of Europe. In 1999 Mr Abraham was awarded the 80th Anniversary Armistice Remembrance Medal, the first commemorative medal in the Australian system of honours and awards. In 2002, he was also awarded the Centenary Medal as an Australian who was alive at the time of Federation in 1901.

I had the privilege of knowing Eric Kingsley Abraham for almost two years, having first met him prior to the 2001 federal election campaign. Like all those who had the privilege of meeting Eric, I will always be touched by his remarkable sense of humour, by his dignity and by the sheer zest for life he had. For my part, he was also a man of wise counsel, giving me advice freely—as one would expect of a man who had much wisdom to impart and who had seen many parts of the world. There were many things that struck me about Eric Kingsley Abraham but one of the most compelling was that, even at 104 years of age, he always spoke of service to our nation and our community as his highest priority. His inspiration is there for all of us in this parliament to appreciate.

It is some one year now since I last visited Eric Abraham with my mother, for whom he had developed a great affection as a result of their many meetings. The occasion was his 103rd birthday, and I had the privilege of presenting him with a special certificate on behalf of the Commonwealth. I recollect that, on the afternoon I visited him, my mother and I sat on his veranda drinking tea and eating birthday cake with his carer Beryl Wilson, whilst listening to Mr Abraham recount some of the most amazing stories that I will ever hear.

Eric Kingsley Abraham was a patriotic Australian who loved life and his country. He was someone who had that rare capacity to inspire others through his deeds and his character. His recent passing is a loss not only to his family and to his many friends, including the many veteran friends that he had in the Ryan community and throughout the RSL movement, but also to this country.
He will be sorely missed. He will be greatly missed. My thoughts and condolences are extended to Mr Abraham’s family, his friends and the many people who were at the centre of his life in the Ryan community.

**Defence: Property**

Ms **VAMVAKINOU** (Calwell) (9.09 p.m.)—I want to talk about a local campaign soon to be initiated in my electorate of Calwell regarding a decision by this government to sell the historic Maygar Barracks site in Camp Road, Broadmeadows. It is an important part of our local and national military history and it is on sale to the highest bidder as part of the government’s fire sale of defence land, increasingly evident in various parts of the country.

The historical importance of these barracks cannot be underestimated; they have played a substantial part in the community of Broadmeadows from its inception. With the outbreak of World War I, the land near the road between Sydney Road and the train station in Broadmeadows changed from grazing land for local graziers to military use. This was the military camp where Australian troops were last stationed before leaving for their overseas engagements. It is on this site that the first diggers were trained, along with the legendary and distinguished Light Horsemen.

In fact the first 2,500 Australian Imperial Forces recruited in the first two weeks of the campaign converged on St Kilda Road in Melbourne before marching to the Broadmeadows camp—a journey of about 10 miles. As time went on more volunteers streamed into the camp, literally causing a human crush on the small town of Broadmeadows. Oddly enough, it is remembered as the town’s first traffic jam.

In those days the entire military enterprise was housed under canvas and rows of white tents. On a recent visit to the barracks, I enjoyed looking at some old black-and-white photographs of paddocks and tents, and of the diggers preparing for departure. The site was ideal for the purpose of massing the troops, as it was conveniently located close to the main Sydney-Melbourne train line and the all-important route of the Hume Highway. I was also told a touching story of one of the diggers who brought back some tree seeds from the infamous Gallipoli Peninsula—with the result being two very distinct cypress trees that continue to stand proud on the site.

A history of the Maygar Barracks written by Lieutenant Donaldson even claims that it is the birthplace of the word ‘furphy’. It was apparently taken from the name of a brand of water cart used in servicing the latrines, a job which, amongst other things, resulted in the spreading of rumours around the campsite. The term was adopted by the Australian Imperial Forces and later passed into our national lexicon.

The onset of World War II saw an increased use of the land for military supply, medical care and training. In the post World War II period, the site again served the nation—this time as a migrant hostel for the influx of displaced persons from war-torn Europe, a program initiated by then Immigration Minister, Arthur Calwell. British, German, Yugoslav, Spanish and Dutch migrants were all housed in hostels on the site. Many members of my Turkish-speaking community remember fondly coming to the barracks in the late 1960s and 1970s directly from Tullamarine airport, which is also in my electorate of Calwell, and then moving eventually into their own homes in nearby Broadmeadows and Coolaroo. The hostel remained until the mid-1970s, fuelling the immense growth of industry in the region.

Today the site remains an active military camp with a focus on recruitment and training, particularly of the reserves, but recent downsizing means there is too much surplus land—and I guess therefore the government’s desire or decision to sell it. I have raised the issue of our concern about the sale of the Maygar Barracks with the Minister for Defence, who has responded to us through his parliamentary secretary, the member for McEwen—and I can say that we are not very encouraged by the response.

Recently the Commonwealth, after much community pressure, gifted 205 hectares of defence land at Point Nepean to the state government and an area of between 10 and 20 hectares to the local council, thus saving
it from any future inappropriate development. In recent days, my colleague the member for Gellibrand and the Victorian Premier have indicated their opposition towards possible government moves to convert another historic site into housing: the Williamstown shipbuilding site. The Williamstown site is the birthplace of the Navy, the home of the Anzac frigates, and indeed a landmark to the local communities. This is also the case with Maygar Barracks: it is a site whose importance to the local community is palpable.

I have no hesitation in saying that my community stands with me in opposing the sale of the land and our history. I certainly hope that the government, which is currently lauding our service men and women, also proves that it too values the historical contribution of Australian service personnel. Failure to do so and a decision to proceed with the sale of the Maygar Barracks would effectively obliterate a significant part of our history.

New South Wales: State Election

Mr KING (Wentworth) (9.14 p.m.)—As participants in the political process, I am sure that all members of this House followed with interest the New South Wales state election. I want to place on record my admiration for the campaign that was run by John Brogden. He fought for the Liberal cause tirelessly during the campaign and put forward a strong and forward-thinking program for my state. He correctly identified crime, education, health and the character of our suburbs as the issues that are causing New South Wales residents the greatest concern, and by so doing proved that he is very much in touch with the people of our state.

Of course, there has been and will be much written about why Premier Carr was nonetheless elected with what it would be dishonest of me to describe as anything less than an impressive majority. I will leave that speculation to others, apart from agreeing with Mr Brogden that it is very hard to present an alternative platform in the face of both Labor’s advertising blitz and funding base and an environment where most Australians had international issues at the forefront of their minds.

In my own area, the Liberal Party ran a strong campaign that also focused on local issues of concern to residents. I congratulate Peter Debnam on his re-election in Vaucluse and also Councillor Shayne Mallard, our candidate in Bligh, and David McBride in Coogee for their efforts on behalf of the party and local residents. Shayne and David were unsuccessful in getting across the line on Saturday night but they were successful in demonstrating that the Liberal Party is genuinely committed to a positive program for the inner city and our beachside communities.

Premier Carr and the re-elected Labor government should not, however, think that their convincing win is an excuse for the complacency that has been the hallmark of their first two terms in power, especially since the Olympics, which was a Liberal government initiative. There is an enormous array of challenges facing New South Wales in both the short and longer term, and the onus is on the state government to put in place a more proactive program to ensure that the quality of services in our state are improved. This must be the first priority for Bob Carr. Their win on Saturday should not, for example, disguise the genuine concern of residents in my area about Labor’s overdevelopment policies. Labor should scrap planning polices like SEPP 5, which promote overdevelopment, and they should be more forthcoming in protecting open spaces at sites like White City. Similarly, Labor must reverse their frequent attempts to cut services to the Eastern Suburbs. Over the last four years, local residents have witnessed cuts to schools, hospitals, police youth clubs and police. They have witnessed threats to police stations, reductions in vital bus services and an increasingly strained public transport system. New services are needed in the new growth areas of Sydney, but they should not come at the cost of services in established communities. Robbing Peter to pay Paul just creates divisions within our society. Of course, the distribution of services can never be locked in stone, but it seems extraordinary that Labor believe that we have too many police stations and schools in the inner city.
There are clear challenges for the Labor government and their local MPs in the Eastern Suburbs, and I would urge them to quickly act to: protect White City; pursue improvements to public transport in the area, including a feasibility study for the extension of the light rail system and the reintroduction of cut bus services which have so inconvenienced many residents, particularly the elderly; reduce development pressures emanating from state planning policies; give a commitment to not cut but improve police resources; give local governments the power to better address illegal backpacker hostels; reverse their opposition to proper filtration systems on the new cross-city road tunnel; and reform the state taxation system. Land tax is unfairly affecting residents, and this raises the issue of the broader challenge facing New South Wales, which has become the highest taxed state in the Commonwealth.

I would urge the New South Wales government to quickly quash suggestions in the media this week that there might be further local boundary changes or amalgamations. The process that local councils in my area have been through over the last three years has been extraordinarily disruptive for very little gain, and the last thing residents need is another distracting debate about council areas. These are just a few of the issues that will confront the Carr government in my area. More broadly, I know that the opposition will be working hard under the continuing leadership of John Brogden to ensure that it lives up to the commitments it has just given to the wider community in my state.

Centrelink: Debt Recovery

Mr DANBY (Melbourne Ports) (9.18 p.m.)—I rise to discuss problems with the administration of Centrelink as it has affected some of my constituents. One of my constituents named Peter—not his real name—contacted various departments and people within Centrelink and the Family Assistance Office and was continually told greatly different things, depending on whom he spoke to, what time of the day it was, and, indeed, what phase the moon was in. Sometimes he had a debt; sometimes he didn’t. The amount of the supposed debt wobbled up and down by many thousands of dollars, and the dates for payment changed backwards and forwards. Some officers told him the debt had been suspended pending his appeal, while on that very same day he received a threatening letter from a debt recovery agency acting on Centrelink’s behalf. Even after Peter was told of his debt—because he was receiving too much child-care benefit—he continued to be paid the higher, incorrect amount for three months!

These cases are merely the tip of the iceberg. I constantly have constituents bringing cases like these to my attention. I want to suggest some positive ways to deal with this maladministration. Firstly, it is my view that members of parliament should act as a sort of ombudsman. We need to be allowed greater access to constituents’ files at Centrelink when a constituent gives us oral permission to help them. This should not be a matter that concerns the Privacy Act if the constituent in question gives you oral permission to access their file. If this is not possible under current provisions, I would urge the government to amend the appropriate legislation to ensure this access is possible.

Secondly, there are numerous systemic problems within Centrelink that need to be rectified. The first one is the lack of provision of reasons for decisions. One of the cornerstones of our administrative law system is a right to reasons so that the person affected by government decisions can understand why the decision was made and try and establish if the decision was correct. There are various parts of administrative law that I could cite.

It is evident from all the cases I have discussed that it is nearly impossible to get coherent, logical and definitive reasons from Centrelink officers. The standard letters Centrelink sends when payment amounts change or are cancelled do not state reasons, which they should. When customers phone the call centres, they are unable to provide the reasons because the customers’ files do not state the reasons for the decision at all. Clients must then try and talk to a Centrelink officer at the office that made the decision. The systemic problem seems to be that the decision maker does not actually write up any reasons. This means the decision maker or an-
other officer must work through the evidence again in an attempt to find the reasons. Centrelink officers should be required to write brief reasons for decisions whenever a payment amount is increased, decreased or cancelled. These reasons should be included in any notification to Centrelink clients of changes to their payments so that they have some chance of understanding the reasons for the changes.

Next, Centrelink must take responsibility for its own mistakes and not seek to recover debts which are due solely to its own incompetence. In response to a question on notice, the Minister for Family and Community Services stated that around 330,000 debts are raised against Centrelink customers each year. How many of those are due to Centrelink administrative error and not due to any fault of the customer? How much of the around $320 million in fines imposed each year is due to Centrelink administrative error and not due to any fault of the customer? Who knows? This parliament needs answers to these questions.

Finally, the procedure for raising and recovering debts needs to be overhauled. In many of the cases discussed, Centrelink continue to pursue customers for debts or reduce payment amounts to recover debts while appeal procedures continue. In other cases, payments are reduced immediately without informing the customer or giving them a chance to appeal the decision. I hope the procedure can be improved so that my constituents and other Centrelink clients are given a chance to appeal adverse decisions before Centrelink starts reducing payments or referring debts to debt collection agencies.

There are many logical steps that the Minister for Family and Community Services could take to improve the way in which Centrelink clients are dealt with. One of the most obvious and logical ways would be for the officers of the Centrelink department to prepare reasons so that, when Centrelink payments to a person are changed, other officers would be able to refer to them. People who are appealing decisions would be able to understand the decisions that affect their lives and understand why they were made and be able to argue against them on the basis of facts.

Cowper Electorate: Awards

Mr HARTSUYKER (Cowper) (9.23 p.m.)—All too often members of this House have reason to criticise both local and foreign corporations. In this adjournment debate, I would like to commend the actions of one company that I have been dealing with in the course of my duties as a local member. A constituent in my electorate, Neville Smith, became gravely ill through no fault of his own. The nature of his illness meant that Neville was virtually bedridden. He had been a tireless worker in the community in his retirement years but now, as a result of his illness, he was unable to participate in community activities. The slightest exertion left him totally exhausted. Mr Smith had previously devoted a great deal of time and effort to the Coffs Harbour Masters Games Committee. This event was highly successful and all those involved in the running of the Masters Games should be commended. It must have been highly frustrating for an active person, keen to participate in the community, to be so restricted by illness.

Through my investigation of Mr Smith’s problems, I came in contact with Mr Scott Davies, Manager of Corporate Affairs for Pfizer. After discussions with Mr Davies, he indicated that the company might be able to help. Pfizer expended significant resources to arrive at a solution to the problems experienced by Mr Smith. As this was not a run-of-the-mill case, substantial management effort was also required. Pfizer sought no fee or payment nor did they seek any recognition for their efforts. I cannot commend the efforts of Pfizer highly enough, and I consider it most appropriate that their efforts should be duly recorded in this House.

I would also like to commend the efforts of Scott Davies who was able to make it happen. Whilst Neville Smith will never lead what most of us would regard as a normal life, his condition has vastly improved. He is able to move about more freely and participate in outings with the assistance of his wife. Last Australia Day, I was fortunate to attend the celebrations held by Coffs Harbour City Council. At that ceremony, the
contributions of many fine Australians were recognised. Dr Stephen May was awarded citizen of the year. Janelle Herring was awarded young citizen of the year. Bruce Barnier was awarded the senior sports award, and Ryan Twigg was awarded the junior sports award. Sharon Bracken and Philip Mitchell received the meritorious action award, which recognises bravery by some very fine young people. Lloyd Forster was presented the Sue Hunter memorial award.

An award was also given for the best community event. The Coffs Harbour Masters Game Committee was nominated and it was wonderful to see Neville Smith on stage with other award nominees to receive recognition for their fine contribution to our region. The other nominees were: the Pittwater to Coffs Harbour Yacht Race and the Festival of Sail, the Sawtell Chilli Festival, the Orara Valley Fair, the Cancer Relay for Life and the Coffs Harbour International Buskers Festival. The Coffs Harbour Masters Game Committee did not receive the award for the best community event of the year; that honour went to the Coffs International Buskers Festival. Despite this, I am sure that Neville considered it a great Australia Day just by being able to take part in the ceremony. I know that Neville is thankful to Pfizer for their assistance in helping to restore some quality of life to him.

I would like again to commend the efforts of Pfizer and of Scott Davies for making a real contribution to the quality of life of Neville Smith. I know their efforts have been greatly appreciated and have greatly assisted a community-minded Australian. I would also like to commend the Australia Day award winners, who I have mentioned. It was a very great function put on by Coffs Harbour City Council. There were a lot of proud Australians there on that day. It was certainly a very well run affair. It started at about 5 o’clock with a flag raising ceremony, which was very well attended. It was great to see the increasing interest in the Australia Day festivities, and certainly Coffs Harbour City Council plays its part in ensuring that Australia Day is very well celebrated. We had a lot of people attending the flag raising ceremony. At the conclusion of that ceremony, the festivities proceeded to the Australia Day awards. Also, the Coffs Harbour choir performed very well at those awards. They are also to be commended for the very fine contribution they make to a range of community events in our region. I commend once more the efforts of Pfizer and the efforts of the fine community workers, who were recognised on Australia Day. It was a very fine event.

Mr Hardgrave—Hear, hear!

Mr HARTSUYKER—I can see the minister for citizenship certainly approves of such commendations.

Mr Hardgrave—I would like to go to the Sawtell Chilli Festival.

Mr HARTSUYKER—The chilli festival is also a very fine festival in our region, and I commend it to the House.
computer games. This is a good program. I hope it is the start of many programs in my electorate to address this important issue. We need children to be active, exercising and to be following sound dietary practices. It is great to see the Kangaroos involved. I salute them for their efforts and wish them every success with this pilot program.

The SPEAKER—Order! It being 9.30 p.m., the debate is interrupted.

Mr Hardgrave—Mr Speaker, I require that the debate be extended for just a moment.

The SPEAKER—The debate may continue until 9.40 p.m.

Abraham, Mr Eric Kingsley

Mr HARDGRAVE (Moreton—Minister for Citizenship and Multicultural Affairs) (9.30 p.m.)—by leave—I promise I shall not hold you that long. There has been a very good debate this evening, with all members making fine contributions on behalf of their constituents. I want to reflect on the member for Ryan’s contribution regarding the late Eric Abraham. I was privileged a few months ago to host Eric along with other members of the 100+ Club at the Moorooka Bowls Club, with another great World War I veteran, Queenslander Ted Smout. The member for Ryan offered the observation of Eric’s wonderful humour. I asked Eric, as would be obvious for a bloke of 43 to ask a man of 104, what he thought the most amazing thing about his long life had been and what he had witnessed. I thought he might have talked about the invention of the motor car, because Ted Smout mentioned the fact that we have this universal use of the motor car. But Eric said, ‘The fact that I am still here to answer that question.’ I think that that in itself is a wonderful insight into that man. May he rest in peace. The last of the dungarees is gone.

House adjourned at 9.32 p.m.

REQUEST FOR DETAILED INFORMATION

Parliamentary Departments: Staffing

Ms Burke asked the Speaker, upon notice, on 4 February 2003:

(1) How many staff were employed in each of the parliamentary departments on 1 February (a) 1998, (b) 1999, (c) 2000, (d) 2001, (e) 2002 and (f) 2003.

(2) How many staff members ceased employment with each parliamentary department in (a) 1998, (b) 1999, (c) 2000, (d) 2001, (e) 2002 and (f) 2003.

(3) For each parliamentary department from which staff ceased employment, how many of these staff (a) resigned, (b) were dismissed, (c) retired or (d) were made redundant.

(4) Is it the practice of any of the parliamentary departments to offer voluntary redundancy packages; if so, how many were made in (a) 1998, (b) 1999, (c) 2000, (d) 2001, (e) 2002 and (f) 2003 in each department.

(5) Have any staff members who were made redundant been subsequently re-employed by any parliamentary department in (a) 1998, (b) 1999, (c) 2000, (d) 2001, (e) 2002 and (f) 2003.

(6) If staff have been made redundant and subsequently re-employed, what was the cumulative cost in each year of payments associated with these redundancies.

(7) How many positions that were the subject of redundancies in (a) 1998, (b) 1999, (c) 2000, (d) 2001, (e) 2002 and (f) 2003 have been filled through (a) redeployment, (b) promotion or (c) external recruitment.

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

The departments have supplied the following information in relation to Ms Burke’s request for information:

(1) The following table details the staffing numbers employed in each parliamentary department. Except for 1 February 2003, staffing figures for 30 June of each year have been used. This is the latest published, and therefore readily available, information for the years concerned.
(2) The following table details the staff ceasing employment in each department for the years requested.

<table>
<thead>
<tr>
<th></th>
<th>Department of the Senate</th>
<th>Department of the House of Representatives</th>
<th>Department of the Parliamentary Library</th>
<th>Department of the Parliamentary Reporting Staff</th>
<th>Joint House Department</th>
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<tbody>
<tr>
<td>(a) 30 June 1998</td>
<td>257</td>
<td>257</td>
<td>202</td>
<td>306</td>
<td>285</td>
</tr>
<tr>
<td>(b) 30 June 1999</td>
<td>270</td>
<td>250</td>
<td>199</td>
<td>298</td>
<td>275</td>
</tr>
<tr>
<td>(c) 30 June 2000</td>
<td>251</td>
<td>263</td>
<td>205</td>
<td>297</td>
<td>285</td>
</tr>
<tr>
<td>(d) 30 June 2001</td>
<td>239</td>
<td>224</td>
<td>185</td>
<td>323</td>
<td>274</td>
</tr>
<tr>
<td>(e) 30 June 2002</td>
<td>227</td>
<td>211</td>
<td>182</td>
<td>353</td>
<td>280</td>
</tr>
<tr>
<td>(f) 1 February 2003</td>
<td>208</td>
<td>245</td>
<td>184</td>
<td>356</td>
<td>286</td>
</tr>
</tbody>
</table>

* The Department of the Senate introduced a new HRMIS system in July 1999. As a consequence, that department is unable now to report the numbers of staff who ceased employment in 1998 and the first half of 1999.

(3) The following table details the number of staff across the parliamentary departments who have ceased employment by the methods of separation requested. It should be noted that a further 751 staff have ceased duty since 1998 for other reasons such as transfer to other agencies, end of non-ongoing employment, etc.

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<th>Joint House Department</th>
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</thead>
<tbody>
<tr>
<td>(a) Resignation</td>
<td>63</td>
<td>84</td>
<td>36</td>
<td>93</td>
<td>137</td>
</tr>
<tr>
<td>(b) Dismissal</td>
<td>Nil</td>
<td>Nil</td>
<td>Nil</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>(c) Retired</td>
<td>18</td>
<td>35</td>
<td>12</td>
<td>16</td>
<td>30</td>
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<tr>
<td>(d) Redundant</td>
<td>13</td>
<td>16</td>
<td>5</td>
<td>16</td>
<td>31</td>
</tr>
</tbody>
</table>

(4) Yes, all of the departments are able to offer redundancy packages, under the terms and conditions of the respective certified agreements. These terms and conditions allow the departments to address excess staff situations. In addition, the certified agreement of the Department of the House of Representatives has an early retirement scheme, inserted into the agreement at the suggestion of industrial organisations. This provision allows for staff with particular skills to be replaced by staff with different skills. Staff leaving the Department under these provisions are not made redundant. The following table details the number of staff made redundant in each department over the period requested. The figures do not include the Department of the House of Representatives’ early retirees (insignificant except for the period ending in February 2003, when the total on a one-off basis was 16), as these terminations of service were not caused by an excess staff or redundancy situation.
Tuesday, 25 March 2003

The one case in 2003 for the Department of the Senate, although technically a retirement under section 37 of the Parliamentary Service Act 1999, has been reported as a retrenchment for the purpose of the question.

(5) The individual departments are not aware of any staff made redundant being subsequently re-employed by any other parliamentary department. The following table details the numbers of staff re-employed by the same department.

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<th>Department of the Senate</th>
<th>Department of the House of Representatives</th>
<th>Department of the Parliamentary Library</th>
<th>Department of the Parliamentary Reporting Staff</th>
<th>Joint House Department</th>
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<td>2</td>
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<td>4</td>
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<td>(c) 2000</td>
<td>1</td>
<td>1</td>
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<tr>
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<td>Nil</td>
<td>1</td>
<td>Nil</td>
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<tr>
<td>(e) 2002</td>
<td>1</td>
<td>6</td>
<td>1</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>(f) 2003</td>
<td>*1</td>
<td>Nil</td>
<td>1</td>
<td>2</td>
<td>3</td>
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</table>

* The one case in 2003 for the Department of the Senate, although technically a retirement under section 37 of the Parliamentary Service Act 1999, has been reported as a retrenchment for the purpose of the question.

(6) The following details are provided in relation to any cumulative costs associated with redundancy and re-employment.

**Department of the Senate**

Not applicable.

**Department of the House of Representatives**

Of the staff that were made redundant between 1998 and 2003, one staff member was subsequently re-employed on a casual, part-time basis to perform the work the staff member did as a full-time, ongoing employee. The staff member was made redundant because performance of the duties on a full-time, ongoing basis was no longer required. The employment occurred two months after the staff member was made redundant. The staff member was made redundant on 25 March 2002 with a severance benefit and payment in lieu of notice totalling $33,654. The cumulative total cost of salary has been $23,101.

**Department of the Parliamentary Library**

Not applicable.

**Department of the Parliamentary Reporting Staff**

Of the staff that were made redundant between 1998 and 2003, one staff member was subsequently re-employed on a casual basis for 21 days to cover for staff absences. The employment occurred 17 months after the staff member was made redundant. His severance benefit and payment in lieu of notice totalled $38,776. The cumulative total paid in 2002-03 was $3,728.14.

**Joint House Department**

Not applicable.

(7) The following details are provided in relation to filling redundant positions.

**Department of the Senate**

There were no instances of redundant positions being filled in any year and by any of the methods described in the question.
There were no instances of redundant positions being filled in any year and by any of the methods described in the question.

There were no instances of redundant positions being filled in any year and by any of the methods described in the question.

Between 1998 and 2003, two people were employed in jobs that the previous occupant left through voluntary redundancy. Before being filled, the jobs in each case were significantly changed to include broader responsibilities and greater technical skills.

On one occasion in 2001 (d) as per the question another staff member was promoted (b) as per the question to fill a vacancy caused by the redundancy of a person who could not be employed effectively because of technological or other changes in the nature, extent or organisation of the functions of the Department.

The following notices were given:

Mrs Vale to present a bill for an act to amend legislation relating to defence, and for related purposes.

Mr Tuckey to move:

That on the next day of sitting, I shall move:

(1) That a Select Committee on the recent Australian bushfires be appointed to identify measures that can be implemented by governments, industry and the community to minimise the incidence of, and impact of bushfires on, life, property and the environment.

(2) That the Committee shall have specific regard to:

(a) the extent and impact of the bushfires on the environment, private and public assets and local communities;

(b) the causes of and risk factors contributing to the impact and severity of the bushfires, including land management practices and policies in national parks, state forests, other Crown land and private property;

(c) the adequacy and economic and environmental impact of hazard reduction and other strategies for bushfire prevention, suppression and control;

(d) appropriate land management policies and practices to mitigate the damage caused by bushfires to the environment, property, community facilities and infrastructure and the potential environmental impact of such policies and practices;

(e) any alternative or developmental bushfire mitigation and prevention approaches, and the appropriate direction of research into bushfire mitigation;

(f) the appropriateness of existing planning and building codes, particularly with respect to urban design and land use planning, in protecting life and property from bushfires;

(g) the adequacy of current response arrangements for firefighting;

(h) the adequacy of deployment of firefighting resources, including an examination of the efficiency and effectiveness of resource sharing between agencies and jurisdictions;

(i) liability, insurance coverage and related matters; and

(j) the roles and contributions of volunteers, including current management practices and future trends, taking into account changing social and economic factors.

(3) That the Committee consist of 14 members, 8 members to be nominated by the Government Whip or Whips and 6 members to be nominated by the Opposition Whip or Whips or by any independent Member.

(4) That every nomination of a member of the Committee be forthwith notified in writing to the Speaker.

(5) That the Committee have leave to report from time to time but that it present its final report no later than 6 November 2003.

(6) That the foregoing provisions of this resolution, so far as they are inconsistent with the standing orders, have effect notwithstanding anything in the standing orders.

Mr Ruddock to present a bill for an act to amend the Migration Act 1958, and for related purposes.
QUESTIONs ON NOTICE

The following answers to questions were circulated:

Transport and Regional Services: Program Funding
(Question No. 708)

Ms Burke asked the Minister for Transport and Regional Services, upon notice, on Monday, 19 August 2002:

1. Are there any programs administered by the Minister’s Department that provide, or have provided, funding to local government authorities in (a) 1996-97, (b) 1997-98, (c) 1998-99, (d) 1999-2000, (e) 2000-2001 and (f) 2001-2002.

2. If so, for each program for each of the years that funding was granted to local government authorities, (a) what was the level of funding provided to each local government authority, (b) what was the purpose for which the grant was made and (c) in which federal electoral division or divisions does this local government authority fall.

3. Have any concerns been raised with the Minister’s office or the Minister’s Department from (a) local government authorities or (b) other organisations regarding cost shifting onto local government in regard to any programs administered by the Minister’s Department; if so, (a) to what program or programs did the concern relate and (b) were any investigations undertaken by the Minister’s Department in relation to these concerns; if not, why not; if so, what were the findings of these investigations.

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

1. Yes.

2. My Department has examined the question. A response detailing the allocation of funding for all Department of Transport and Regional Services (DOTARS) programmes to each of over 700 councils over 6 years would not be practicable and would not warrant the resources required to undertake this task. In addition, Local Government areas (LGAs), as a responsibility of the States and the Northern Territory, do not necessarily align with Commonwealth electoral division boundaries. Both Commonwealth electorate division boundaries and Local Government boundaries would have changed over this period.

However, information that may assist in building up a picture is as follows:

Financial Assistance Grants

Each year the Federal Government provides untied funding to Local Government through the Local Government (Financial Assistance) Act 1995 (the Act). These funds are paid to the States who distribute to Local Government within their jurisdiction in accordance with such States Grants Commission methodologies and policies that support the current National Principles. Distribution of these grants is detailed annually in the Report on the Operation of the Local Government (Financial Assistance) Act 1995 (commonly known as the National Report) tabled in Parliament as soon as practicable after 30 June each year. Financial assistance grants are untied in the hands of Local Government.

Financial Assistance Grants

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<tr>
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<td>389.72</td>
<td>399.09</td>
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<td>1,449.07</td>
<td>10,247.20</td>
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Other programmes administered by the DOTARS for which Local Government is or was eligible to apply and/or participate in within the period nominated in the honourable member’s questionnaire:

<table>
<thead>
<tr>
<th>Programme</th>
<th>Period</th>
<th>Programme funding details are available from:</th>
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<td>Local Government Incentive Programme</td>
<td>1999-00 to 2000-01</td>
<td>Local Government National Report</td>
</tr>
<tr>
<td>Namoi Valley (NSW)</td>
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<tr>
<td>Wide Bay Burnett (Qld)</td>
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<td>South-West Forests Region (WA)</td>
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<td>Rail Reform Transition Programme</td>
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<td>Newcastle (NSW)</td>
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<td>Eden (NSW)</td>
<td></td>
<td></td>
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<tr>
<td>Rural Transaction Centres</td>
<td>1999-00 to current</td>
<td><a href="http://www.dotars.gov.au/regional/approved_grants/grants_all.cfm">www.dotars.gov.au/regional/approved_grants/grants_all.cfm</a></td>
</tr>
</tbody>
</table>

(3) As the Member would be aware, the Minister for Regional Services, Territories and Local Government, in June 2002 announced the terms of reference for a House of Representatives inquiry into local government and cost shifting.

I understand that the Committee is still taking submissions and that, in addition to the submissions received to date, further material will be provided to the Committee through a series of hearings involving councils, especially in regional Australia.

I am informed that the Committee is expected to report to the Parliament later this year. I look forward to considering the Inquiry’s outcomes.

Aviation: Sydney (Kingsford Smith) Airport

(Question No. 979)

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 14 October 2002:

(1) In his responses to question No. 610 (Hansard, 23 September 2002, page 6800), question No. 611 (Hansard, 23 September 2002, page 6801) and question No. 629 (Hansard, 23 September 2002, page 6802) and his statements that he has dealt with the matters exhaustively, is it a fact that he has never given a direct answer to these or similar questions on the current stage of development of the Long Term Operating Plan (LTOP) nor a direct answer to the question of when the projected full implementation date of that Plan is to occur.

(2) Is it in the public interest that the public have a right to know when the LTOP targets of aircraft movements to the north will be fully implemented, if not, why not.

(3) When will the other LTOP targets be fully implemented.

(4) In respect to the answer to part (9) of question No. 610, can he say who has portfolio responsibility for the question of whether the new owners of Sydney Airport, Southern Cross Consortium, have a conflict of interest in that other related interests such as Infrastructure Trust Australia and its subsidiary owners of feeder motorways, such as the Airport Motorway and the M5 Motorway, may demand financial compensation should the airport train take business away from the motorways in future; if not, why not.

(5) Further to the answer to part (10) of question No. 610, (a) what undertakings has the Southern Cross Consortium given the Commonwealth Government with respect to NSW State environmental laws, (b) what environmental undertakings did he require of the new owners of Sydney Airport with respect to compliance issues of NSW environmental, planning and development and pollution laws; if he did not require such undertakings, why were no contractual or other requirements made prior to the sale of Sydney Airport and (c) are NSW State environmental, planning
and development and pollution laws an intrinsic part of the total environmental laws of any land in NSW, whether that interest be Commonwealth, State or other land interests; if not, why not.

(6) Further to the answers to parts (5) and (7) of question No. 611 concerning the Sydney Airport railway system, (a) does he have an interest in the railway passenger usage to and from Sydney Airport; if not, why not, (b) is he being advised of Sydney Airport railway utilisation to and from Sydney Airport; if so, what data is being made available to him from NSW State Rail; if he is not receiving data on railway utilisation, why is he as Minister for Transport and Regional Services not interested in the statistical utilisation of this critical mode of transport, (c) what is his real interest in passenger movements as part of the overall environmental operation of Sydney Airport, including whether it includes (i) cars and vehicles, (ii) trains, (iii) aircraft or (iv) a combination of these.

(7) What is the new airport owners political responsibility towards the minimisation of pollution of all kinds from Sydney Airport utilisation, including (a) greenhouse gas emissions either directly from the Airport or from transport related movements using Sydney Airport, (b) maximisation of public transport to and from Sydney Airport, (c) minimisation of pollution and traffic generation to and from Sydney Airport, (d) noise pollution from traffic of all kinds to and from Sydney Airport, e) air pollution from traffic of all kinds to and from Sydney Airport, (f) water pollution from all sources emanating from Sydney Airport usage, (g) soil pollution from all sources emanating on or around Sydney Airport.

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

(1) to (7) These matters have been dealt with in responses to previous questions.

Aviation: Airport Security
(Question No. 1322)

Mr Kelvin Thomson asked the Minister for Transport and Regional Services, upon notice, on 4 February 2003:

(1) Does the lease for (a) Essendon Airport, (b) Sydney Airport and (c) Melbourne Airport require a certain level of security; if so, what are the security requirements; if not why not.

(2) Are there security arrangements in place for every airfield in Australia.

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

(1) (a) (b) (c) The leases for Essendon, Sydney and Melbourne Airports do not specify a level of security for those airports. The leases do, however, provide that the airport operators must comply with all legislation relating to the airport site and structures and the use of the airport site and with all notices issued by a Government authority.

The security arrangements for categorised airports are specified under Part 3 of the Air Navigation Act 1920 and its Regulations.

(2) There are appropriate security arrangements in place for those airports for which the Commonwealth has legislative responsibility.

Foreign Affairs: Iraq
(Question No. 1373)

Mr Danby asked the Minister for Foreign Affairs, upon notice, on 5 February 2003:

(1) Further to the answer to question No. 971 (Hansard, 11 December 2002, page 10248), why does the Government not provide any recognition to Kurdish authorities within the boundaries of Iraq.

(2) To what other minority, indigenous or other groups seeking self-determination does the Government provide recognition or special status.

(3) Are there set criteria for determining what groups are accorded status; if so, what are they.

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

(1) For reasons relating to the territorial integrity of UN member states, Australia does not support the creation of an independent Kurdish state unless it is agreed to by Iraq, Iran, Syria, Turkey or any other state whose territorial integrity would be affected by the creation of such a state. Australia considers the Kurds to be minorities in the countries in which they live and believes that their cultural and political aspirations should be met by working within existing territorial boundaries. The
Australian Government stresses the importance of fully respecting international human rights norms in the treatment of Kurdish minorities.

(2) Australia accepts the international consensus that the Palestinians represent a special case. The Government does not accord recognition or special status to any other group seeking self-determination.

(3) No.

Health: Aboriginal and Torres Strait Islanders
(Question No. 1381)

Mr Jenkins asked the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 6 February 2003:

(1) In the Government’s response to the House of Representatives “Health is Life” inquiry into Indigenous Health, did the Government indicate that the Minister would report to Parliament on the cost of providing adequate water, within three years, to all the communities where water supplies do not meet national standards.

(2) Is he in a position now to provide that information to the House.

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

The Government Response to “Health is Life” was tabled in Parliament in March 2001. In response to recommendation 17, the Government accepted the importance of providing potable water to all Indigenous communities and confirmed that the Commonwealth would ask ATSIC to provide advice on the cost of providing adequate water, within three years, to all the communities where water supplies do not meet national standards.

I am now in a position to present that information to the House. ATSIC estimates the capital cost involved in the provision of adequate potable water to all Indigenous communities within 3 years to be in the order of $146 million. I am able to provide full details of the methodology and the key determinants used in reaching this costing.

This estimate is based on information available from the 2001 Community Housing Infrastructure Needs Survey (CHINS) undertaken on behalf of ATSIC by the Australian Bureau of Statistics. The information from this survey was only released in mid 2002.

This figure suggests there is still substantial need to be met. That is not to say that a substantial effort from government has not already been made.

Since 1996, the Commonwealth has significantly improved the overall quality and extent of water infrastructure in Indigenous Communities. Between 1995 and 2004 some $241.8 million has been provided under the National Aboriginal Health Strategy for health related infrastructure including water systems, sewage disposal and electricity.

Providing water infrastructure such as water treatment systems and pumps is only part of the solution. This technology must be suited to the cultural and geographical situation in which it is being placed if we are to provide adequate water. This point was well made in the 1994 Water Report undertaken by HREOC.

There is no point putting in expensive treatment systems which the community cannot maintain or which requires technical support that is located thousands of kilometres away. A large part of the cost I have cited is for replacement or upgrade of infrastructure which is no longer functioning because it was ad hoc or inappropriate in the first place.

There are important relationships between water supply and other infrastructure which will also determine the functioning and adequacy of water supplies. For example, power is nearly always required to produce water, and a wastewater system is required to dispose of water. If waste water does not drain adequately it can damage water supply infrastructure and can lead to risk of water contamination by micro-organisms.

Appropriate monitoring and management of water systems to ensure safe drinking water is also essential.

The Australian Drinking Water Guidelines (ADWG) provides guidance on the management of water quality in Australia. These guidelines provide information on acceptable ranges of physical, chemical radiological and microbiological characteristics of drinking water, for safe consumption over a lifetime.
It is important to note that these are not standards, and are adopted and regulated in a variety of forms by State and Territory governments.

The ADWG has recently been revised to include the Framework for Management of Drinking Water Quality. This risk management framework places the emphasis on managing supplies at critical points to ensure water safety. These guidelines are well suited to urban environments and to situations where water is managed by an appropriate authority.

But there are barriers to applying this framework to the Indigenous communities under discussion here. Although management of water supplies is usually a State responsibility, approximately 1000 discrete Indigenous communities manage their own supplies. Most of these communities are in very remote locations in Australia and 75% have populations under 50.

The new ADWG contains guidelines to assist in managing small supplies, but small supplies are defined as communities with populations less than 1000—not 50. It will be necessary to trial more flexible approaches to water management which are both cost effective and simple for communities to maintain.

In any water management system there is a role for external surveillance bodies. These roles are usually outlined in State legislation, regulations or guidelines and include the surveillance of the built environment, waste disposal systems, water quality and public health standards.

These roles are normally provided by local council and state government. However they are not always provided to Indigenous communities, sometimes because there is uncertainty about whether legislation applies to those communities or because they are not in locations or on land covered by local council. The absence of these support systems is a significant problem which must be addressed.

This interrelatedness of systems means that it is impossible to plan around water supplies without adopting a cross sectorial approach to the problem. Any expenditure on new infrastructure must be accompanied by a coordinated plan to address these broader management issues.

I will be seeking assistance from my federal and state colleagues with responsibilities for provision of water, public health regulation and monitoring, local government and planning, to help develop this plan.

This work will be developed in the context of a broader action plan to address environmental health issues for Indigenous communities currently being developed by the Commonwealth Working Group on Indigenous Environmental Health (CWGIEH).

**Aviation: Security**

(Question No. 1505)

Mr Martin Ferguson asked the Minister for Transport and Regional Services, upon notice, on 13 February 2003:

With respect to the Department’s regulation of aviation security, can he say which regulations have been modified, waived or relaxed to facilitate or permit the effective conduct of the air security officer program administered by the Minister for Justice and Customs.

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

With respect to my Department’s regulation of aviation security, no regulations have been modified, waived or relaxed, however a number of exemptions and permits under the Air Navigation Act 1920 have been granted to facilitate the Air Security Officer Program. These exemptions and permits relate to the screening and clearance of Air Security Officers, the carriage and possession of weapons in the sterile area and onboard an aircraft.

**Foreign Affairs: Terrorists**

(Question No. 1515)

Mr Danby asked the Minister for Foreign Affairs, upon notice, on 13 February 2003:

(1) Further to the answer to question No. 1267 and his answer that most of the 77 people arrested by Malaysian authorities for alleged links to KMM or JI were Malaysian and two were Indonesian, (a) what other nationalities were amongst the remainder of the suspects and (b) are these suspects from the countries in the Organisation of the Islamic Conference (OIC).

(2) Is he able to say what are the exemptions for OIC visitors arriving in Malaysia.
(3) Why is the Australian Government not in a position to explain Malaysian immigration policy.
(4) Is he able to say whether (a) the Malaysian Government has made any public announcements or (b) there have been press reports, on the no visa requirement to enter Malaysia or OIC countries.
(5) Have Australian authorities sought a briefing from the Malaysian Government or its representatives about any change in policy since the arrests of KMM/JI suspects; if not, why not.
(6) Since the JI bombing of Bali and given JI’s relations with Al Qaeda, does the Government see any danger in the ease of entry to Malaysia of OIC citizens; if not, why not.

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

(1) We have no further information.
(2) This is the responsibility of the Malaysian Government.
(3) See answer to Question 2.
(4) No.
(5) We speak regularly to the Malaysian government about policy issues.
(6) See answer to Question 2.

Trade: 2005 World Exposition in Aichi, Japan
(Question No. 1616)

Mr Bevis asked the Minister for Trade, upon notice, on 18 March 2003:

(1) What consideration has the Government given to participation in the 2005 World Exposition in Aichi, Japan.
(2) When does he anticipate a decision concerning Australia’s participation to be made.
(3) What is the likely nature of any Australian participation.

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

(1) The Government has given extensive consideration to participation in the 2005 World Exposition in Aichi Japan, looking at both the costs and benefits for Australia of participation.
(2) The Government will make a decision on participation as part of the 2003-04 Budget process.
(3) Should the Government decide to attend the Aichi Expo, an Australian pavilion would be developed to showcase Australia over the six month life of the Expo (March to September 2005).