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<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>4, 5, 6, 10, 11, 12, 13</td>
</tr>
<tr>
<td>March</td>
<td>3, 4, 5, 6, 18, 19, 20, 24, 25, 26, 27</td>
</tr>
<tr>
<td>May</td>
<td>13, 14, 15, 26, 27, 28, 29</td>
</tr>
<tr>
<td>June</td>
<td>2, 3, 4, 5, 16, 17, 18, 19, 23, 24, 25, 26</td>
</tr>
<tr>
<td>August</td>
<td>11, 12, 13, 14, 18, 19, 20, 21</td>
</tr>
<tr>
<td>September</td>
<td>8, 9, 10, 11, 15, 16, 17, 18</td>
</tr>
<tr>
<td>October</td>
<td>7, 8, 9, 13, 14, 15, 16</td>
</tr>
<tr>
<td>November</td>
<td>3, 4, 5, 6, 24, 25, 26, 27</td>
</tr>
<tr>
<td>December</td>
<td>1, 2, 3, 4</td>
</tr>
</tbody>
</table>

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- **HOBART**: 729 AM
- **DARWIN**: 102.5 FM
THURSDAY, 9 OCTOBER

Insurance: Medical Indemnity ........................................................................................... 20969
Spam Bill 2003 .................................................................................................................. 20972
Spam (Consequential Amendments) Bill 2003—
  Second Reading ............................................................................................................ 20972
  Third Reading .............................................................................................................. 21008
Spam (Consequential Amendments) Bill 2003—
  Second Reading ............................................................................................................ 21008
  Third Reading .............................................................................................................. 21008
Higher Education Support Bill 2003.................................................................................. 21009
  Second Reading ............................................................................................................ 21009
Indonesia: Terrorist Attacks ............................................................................................... 21038
Main Committee—
  Indonesia: Terrorist Attacks—Reference ..................................................................... 21054
Questions Without Notice—
  Insurance: Medical Indemnity ...................................................................................... 21054
  Employment: Statistics ................................................................................................ 21055
  Insurance: Medical Indemnity ...................................................................................... 21056
  Economy: Employment ............................................................................................... 21056
  Insurance: Medical Indemnity ...................................................................................... 21058
  ASEAN Business and Investment Summit .................................................................. 21058
  Insurance: Medical Indemnity ...................................................................................... 21059
  Insurance: Medical Indemnity ...................................................................................... 21059
  Insurance: Medical Indemnity ...................................................................................... 21060
  Indonesia: Terrorist Attacks ....................................................................................... 21061
  Veterans: Medals .......................................................................................................... 21062
  Education: Teachers ...................................................................................................... 21063
  Education: Teachers ...................................................................................................... 21064
  Industry: Development ............................................................................................... 21065
  Drought: Assistance .................................................................................................... 21066
  Small Business: Growth .............................................................................................. 21066
  Trade: Live Animal Exports ......................................................................................... 21067
  Sport: Rugby World Cup 2003 .................................................................................. 21068
Questions to the Speaker—
  Parliament: Disorder .................................................................................................. 21069
  Joint House Department: Certified Agreement ........................................................... 21069
Papers................................................................................................................................. 21070
Matters of Public Importance—
  Aged Care: Accommodation Bonds ........................................................................... 21070
Adjournment—
  Sport: Surf Lifesaving .................................................................................................. 21071
  Waltzing Matilda ......................................................................................................... 21072
  Port Keats Wadeye Community .................................................................................. 21073
  Port Keats Wadeye Community .................................................................................. 21075
  Aviation: Sydney (Kingsford Smith) Airport ............................................................... 21076
  Insurance: Medical Indemnity ...................................................................................... 21077
  Petrie Electorate: Buffalo Memorial Home for the Aged ............................................. 21078
Statements by Members—
  Textiles, Clothing and Footwear Industries ................................................................. 21079
  Kalgoorlie Electorate: Volunteer Small Equipment Grants ........................................... 21079
  Aviation: Brisbane Airport ............................................................................................ 21080
  Queensland: Transport .................................................................................................. 21081
Distinguished Visitors ........................................................................................................ 21082
Statements by Members—
  Canning Electorate: Peel Region .................................................................................. 21082
  United Kingdom Constitution ...................................................................................... 21083
Petroleum (Submerged Lands) Amendment Bill 2003 ...................................................... 21084
Offshore Petroleum (Safety Levies) Bill 2003—
  Second Reading ............................................................................................................ 21084
Offshore Petroleum (Safety Levies) Bill 2003—
  Second Reading ............................................................................................................ 21100
Farm Household Support Amendment Bill 2003—
  Second Reading ............................................................................................................ 21100
Telecommunications Interception and Other Legislation Amendment Bill 2003—
  Second Reading ............................................................................................................ 21114
Adjournment—
  Stirling Electorate: Balga Family and Community Festival ......................................... 21118
  Drought: Assistance ..................................................................................................... 21119
  Health and Ageing: Reforms ....................................................................................... 21120
  Indonesia: Terrorist Attacks ....................................................................................... 21122
  Health: Pharmaceutical Benefits Scheme .................................................................... 21123
  Cowper Electorate: Volunteer Small Equipment Grants ............................................... 21124
Questions on Notice—
  Newcastle Electorate: Program Funding—(Question No. 1491) ................................ 21126
  Military Detention: Australian Citizens—(Question No. 2143) ................................ 21129
  United States Military Commission Order—(Question No. 2144) ................................ 21130
  Military Detention: Australian Citizens—(Question No. 2145) ................................ 21130
  Health: Osteoporosis—(Question No. 2257) ................................................................. 21131
  National Security: Infrastructure Protection—(Question No. 2275) ........................ 21132
  National Security: Infrastructure Protection—(Question No. 2276) ........................ 21133
  Health: Medical Students—(Question No. 2315) ........................................................ 21134
  Health: Australian Health Care Agreements—(Question No. 2332) ......................... 21136
  Transport: Motor Vehicles—(Question No. 2481) ..................................................... 21136
  Transport: Motor Vehicles—(Question No. 2483) ..................................................... 21136
Thursday, 9 October 2003

The SPEAKER (Mr Neil Andrew) took the chair at 9.00 a.m., and read prayers.

INSURANCE: MEDICAL INDEMNITY

Ms GILLARD (Lalor) (9.01 a.m.)—I move:

That so much of the standing and sessional orders be suspended as would prevent the Minister for Health and Ageing from immediately coming into the Chamber to make a statement explaining the Government’s role in creating the medical indemnity crisis, which has caused hundreds of doctors to lodge their resignations and may result in a shutdown of hospitals except for the provision of emergency services from 27 October and particularly addressing the following:

(1) why the Government did nothing to address the medical indemnity crisis until the collapse of UMP;

(2) why, following the collapse of UMP, the Government has sent levy notices to doctors which are based on incorrect calculations and are an attempt to get doctors to pay the wrong amount;

(3) on what date did the Government receive a report from the Government Actuary which indicated the calculations may be wrong and need amendment over time;

(4) why in this House yesterday the Minister for Health and Ageing claimed that the Government relied on UMP calculations when in fact the Government received the Government Actuary’s report and was warned the calculations may be wrong and need amendment over time; and

(5) why the Government is refusing to table the levy calculations claiming they are the property of UMP when in fact they are detailed in a Government Actuary’s report that the Government has tried to hide.

The medical indemnity crisis is 100 per cent the fault of the Howard government—

Mr McGAURAN (Gippsland—Deputy Leader of the House) (9.02 a.m.)—I move:

That the Member be not further heard.

Question put.

The House divided. [9.07 a.m.]

(The Speaker—Mr Neil Andrew)

Ayes……….. 75
Noes……….. 60
Majority……… 15

AYES

Abbott, A.J. Andrews, K.J.
Bailey, F.E. Baldwin, R.C.
Barlett, K.J. Bishop, B.K.
Brough, M.T. Cameron, R.A.
Charles, R.E. Cobb, J.K.
Cowell, A.J.G. Dutton, P.C.
Entsch, W.G. Forrest, J.A. *
Gambaro, T. Haase, B.W.
Hartley, L. * Hockey, J.B.
Hunt, G.A. Jull, D.F.
Kelly, J.M. King, P.E.
Lindsay, P.J. Macfarlane, I.E.
McArthur, S. * Moylan, J. E.
Panopoulos, S. Prosser, G.D.
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(The Speaker—Mr Neil Andrew)

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Washer, M.J. Worth, P.M.

Mr McGAURAN (Gippsland—Deputy Leader of the House) (9.02 a.m.)—I move:

That the Member be not further heard.

Question put.

The House divided. [9.07 a.m.]

(The Speaker—Mr Neil Andrew)

Ayes……….. 75
Noes……….. 60
Majority……… 15

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Slipper, P.N. Somlyay, A.M.
Stone, S.N. Tollner, D.W.
Tuckey, C.W. Vale, D.S.
Washer, M.J. Worth, P.M.
NOES
Adams, D.G.H. Albanese, A.N.
Andren, P.J. Beazley, K.C.
Bevis, A.R. Byrne, A.M.
Burke, A.E. Byrne, A.M.
Corcoran, A.K. Cox, D.A.
Crean, S.F. Crosio, J.A.
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.
Grierson, S.J. Griffin, A.P.
Hall, J.G. Hatton, M.J.
Hoare, K.J. Irwin, J. *
Jackson, S.M. Jenkins, H.A.
Kerr, D.J.C. King, C.F.
Latham, M.W. Livermore, K.F.
Macklin, J.L. McClelland, R.B.
McFarlane, J.S. McLay, L.B.
McMullan, R.F. Melham, D.
Mossfield, F.W. Murphy, J. P.
O’Connor, B.P. O’Connor, G.M.
Plibersek, T. Price, L.R.S.
Quick, H.V. * Ripoll, B.F.
Roxon, N.L. Rudd, K.M.
Sawford, R.W. Sciaccia, C.A.
Sercombe, R.C.G. * Sidebottom, P.S.
Smith, S.F. Swan, W.M.
Tanner, L. Thomson, K.J.
Wilkie, K. Windsor, A.H.C.
* denotes teller

Question agreed to.

Mr LATHAM (Werriwa) (9.10 a.m.)—I second the motion. There is a health care crisis in this—

Mr McGAURAN (Gippsland—Deputy Leader of the House) (9.10 a.m.)—With the greatest of pleasure, heart felt, I move:

That the Member be not further heard.

Question put.

The House divided. [9.11 a.m.]

(The Speaker—Mr Neil Andrew)

Ayes............ 75

Noes............ 60

Majority........ 15

CHAMBER
Question agreed to.

Original question put:

That the motion (Ms Gillard’s) be agreed to.

The House divided. [9.14 a.m.]

(The Speaker—Mr Neil Andrew)

Ayes............. 59
Noes............. 75
Majority......... 16

AYES

Grierson, S.J. Griffin, A.P. Melham, D. Mossfield, F.W.
Hall, J.G. Hatton, M.J. Murphy, J. P. O’Connor, B.P.
Hoare, K.J. Irwin, J. * O’Connor, G.M. Plibersek, T.
Jackson, S.M. Jenkins, H.A. Price, L.R.S. Quick, H.V. *
Kerr, D.J.C. King, C.F. Ripoll, B.F. Roxon, N.L.
Latham, M.W. Livermore, K.F. Rudd, K.M. Sawford, R.W.
Macklin, J.L. McClelland, R.B. Sciaccia, C.A. Sercombe, R.C.G. *
McFarlane, J.S. McLeay, L.B. Sidebottom, P.S. Smith, S.F.
Mossfield, F.W. Melham, D. Swan, W.M. Tanner, L.
O’Connor, B.P. O’Connor, G.M. Thomson, K.J. Wilkie, K.
Plibersek, T. Price, L.R.S.
Quick, H.V. * Ripoll, B.F.
Roxon, N.L. Rudd, K.M.
Sawford, R.W. Sciaccia, C.A.
Sercombe, R.C.G. * Sidebottom, P.S.
Smith, S.F. Swan, W.M.
Tanner, L. Thomson, K.J.
Wilkie, K. Windsor, A.H.C.

* denotes teller

NOES

Abbott, A.J. Anderson, J.D.
Andrews, K.J. Anthony, L.J.
Bailey, F.E. Baird, B.G.
Baldwin, R.C. Barresi, P.A.
Bartlett, K.J. Billson, B.F.
Bishop, B.K. Bishop, J.I.
Brough, M.T. Cadman, A.G.
Cameron, R.A. Cauley, I.R.
Charles, R.E. Ciobo, S.M.
Cobb, J.K. Costello, P.H.
Downer, A.J.G. Draper, P.
Dutton, P.C. Elson, K.S.
Entsch, W.G. Farmer, P.F.
Forrest, J.A. * Gallus, C.A.
Gambaro, T. Gash, J. *
Haase, B.W. Hardgrave, G.D.
Hartsuyker, L. * Hawker, D.P.M.
Hockey, J.B. Hull, K.E.
Hunt, G.A. Johnson, M.A.
Jull, D.F. Kelly, D.M.
Kelly, J.M. Kemp, D.A.
King, P.E. Ley, S.P.
Lindsay, P.J. Lloyd, J.E.
Macfarlane, I.E. May, M.A.
McArthur, S. * McGauran, P.J.
Moylan, J. E. Nairn, G. R.
Panopoulos, S. Pearce, C.J.
Prosser, G.D. Pyne, C.
Randall, D.J. Ruddock, P.M.
Schultz, A. Scott, B.C.
Slipper, P.N. Smith, A.D.H.
Somlyay, A.M. Southcott, A.J.
Stone, S.N. Ticehurst, K.V.
Tollner, D.W. Truss, W.E.
Tuckey, C.W. Vaile, M.A.J.
Vale, D.S. Wakelin, B.H.
Wash, MJ. Williams, D.R.
Worth, P.M.

* denotes teller
Question negatived.

SPAM BILL 2003

Cognate bill:

SPAM (CONSEQUENTIAL AMENDMENTS) BILL 2003

Second Reading

Debate resumed from 8 October, on motion by Mr McGauran:

That this bill be now read a second time.

Mr BILLSON (Dunkley) (9.19 a.m.)—As I was saying last night before my contribution on the spam legislation was brought to a halt by the adjournment debate, the issue of spam represents not only an enormous economic impost on legitimate technology users but also a mechanism to deny people access to services that they have paid for because of limits on download and traffic through their ISP. In many cases spam may be downright offensive, with illicit and offensive material being sent indiscriminately by spammers to a whole range of Internet users. In my contribution yesterday I outlined some of the content that my senior staff member, Vincent Sheehy, had received in only 24 hours, some of which I could not refer directly to in my contribution.

Overnight I was reminded by a friend that, in encouraging their young children to be computer literate, they have Internet and email accounts and receive a lot of material. It was explained to me that, before the kids can use the fairly innocuous technology of email, mum or dad has to go through their email accounts to try and weed out some of the offensive spam material that they have received unsolicited, unrequested and certainly unwanted. In many cases young Australians studying have to wait for their parents to come home before they can use the equipment because of what is going on.

The mechanisms that are being put in place through the Spam Bill 2003 and the Spam (Consequential Amendments) Bill 2003 are trying to achieve a reasonable balance—a balance where we do not get to the point of suffocating this technology and putting unreasonable demands on people who are using it and where we do not become overly involved in communication over the Internet through email, stifling the development of the technology as a communications pathway that can rival postal and phone services and contact.

It was interesting to hear members of the Labor Party talk about the balance that is represented in these bills. While they have not opposed this legislation, they have foreshadowed some amendments in the Senate. One of the amendments foreshadowed in the Senate seeks to address what the Labor Party sees as a weakness in this mechanism: that is, it puts power in the hands of individual email users and businesses. It is up to them to indicate whether they want to be part of a spam broadcast and whether they wish to activate unsubscribe activities and the like. The Labor Party said: ‘That’s interesting but why can’t that be done at a collective level? Why can’t there be some kind of overriding mechanism that says this must be spam? We should not have the individual action but have somebody else do so or have some collective action taken.’

I thought about that overnight. I thought it was an interesting idea and that I would listen with interest to the Labor Party describe in the Senate how they would do that, because we have not heard in this House how that would actually be achieved. Mr Speaker, I am sure you would be interested to reflect on something that struck me as a tad ironic: in talking about spamming, the Labor Party is not suggesting individual businesses and computer users should be the point of focus but rather that there should be some umbrella, collective way of intervening on spam. That sounds a little like an Internet
email censorship regime, where somebody else is going to make the decision about what users receive.

Overnight I received an unsolicited spam email from TheCampaignStore.com, which reflected on Governor-elect Schwarzenegger’s victory and pointed out that there is a California statute called the 1975 Maddy Central Registry Act, where all statutory and exempt positions in the public service in California now have to be advertised and published so everyone knows what is going on. I found that to be an interesting email after the events in California. It was a legitimate business approaching me about a product they thought I might be interested in because of my interest in politics. If someone were offended by the election of Arnold Schwarzenegger, they would probably say, ‘That’s spam and not interesting to me,’ and that they hoped that someone could have deleted it before it got to their email address or that the functioning unsubscribe facility which TheCampaignStore.com has—similar to what we are trying to implement here—could have been activated by somebody else. But who is to make that call? Someone might be curious about why vacancies in the administration of Governor-elect Schwarzenegger are brought to so many people’s attention. They might be curious about a statute that requires the publishing of these vacancies in a manner similar to the Gazette in Australia or they might just be curious about why it has been sent to Australia—the election of a guy without a green card.

All of these things might go through people’s minds. The point is that the email has come to me and I am in a position to decide whether I want to receive this material in the future or not. I can unsubscribe individually. No-one is making that decision on my behalf. These factors give effect to the anti-spamming regime in the United States, part of which is embodied in the bills before the House. I am just using this as an example to show that a collective measure to decide that spamming is not worthy of anybody seeing it could get it horribly wrong. Yet that seems to be what the Labor Party is proposing—the same Labor Party that opposed the government in its efforts to tighten Internet restrictions for access to pornographic material and gambling.

It is hard to work out what the Labor Party’s position is on this. Mechanisms were before the parliament with the government attempting to restrict access to pornographic material and gambling on the Internet—a collective response through the points of delivery—and that response was opposed by the Labor Party. Yet we now hear they want some collective intervention, either through the point of delivery or through some email Nazi that can go around knocking off whatever they might decide. That is an odd contradiction, and I am interested to hear from subsequent speakers in this House or in the Senate how they believe that is going to work.

The bills before parliament do not seek to put in place that kind of collective intervention because spamming and the offensiveness or uselessness or frustration of it is a judgment to be made by individual businesses and email users. That is the framework suggested by these bills. It is a framework that reflects on some of the shortcomings of these blacklists and blockades—probably what the Labor Party is thinking of—that have operated in other jurisdictions where frustrated citizens have taken the issue into their own hands and put in place bulk resistance and barriers to particular kinds of emails. These actions sometimes get it wrong and impose on legitimate business, and often they restrict the usefulness of the tool they are seeking to protect.
I encourage the parliament to support these bills. The mechanics involved certainly will not be 100 per cent effective. There are cunning people using technology to get around these kinds of safeguards every day, but this is a world’s best practice regime in a package of public education and support from industry, with industry codes and the Internet service providers helping to put in place technologies that can limit the spamming that goes into people’s address books. There is the requirement for functional unsubscribe arrangements, where individuals can tell those sending the material not to send anymore. It is a balanced and measured regime and I encourage the parliament to support it. 

Mr Hatton (Blaxland) (9.27 a.m.)—It is a bit of a worry with the previous speaker, the member for Dunkley, attempting to turn this debate on the question of spam into an argument on individualism versus collectivism, which is where the focus was towards the end of his comments. With the Spam Bill 2003 the government is finally attempting to deal with a major problem that just about everybody in Australia with an Internet connection has. Being a Presiding Officer, Mr Speaker would well know that in trying to stop or limit spam this parliament is collectively taking action for all people within the parliament who are impacted by it. That is a collective action. Here at Parliament House is the provider of services—our central databases are kept here. Whether we are here or in our electorate offices, or working around Australia or internationally, we operate under a new system called One Office. Our access to our emails and other information is guaranteed worldwide. But in order to achieve this we have to operate collectively. We have to provide a system so that members of parliament in both houses can be served by Parliament House, and one of the key functions required is a mechanism to deal with the avalanche of spam that stopped senators and members and their staff from doing their jobs as effectively as they could.

It should not be beyond the wit or imagination of the previous speaker to work out the core argument that Labor is putting up in regard to some kind of collective action. This has been put in a range of previous speeches the shadow minister and a number of Labor commentators have made, and it is the obvious thing to do. Should you simply leave every single individual in this country on their own—no matter what organisation they work for or what groups they are part of, and whether they access email at work or at home, for business or private purposes—to be subjected to this avalanche of spam? Should you leave them almost powerless to effectively deal with it?

This is something that members in this parliament have struggled with, just as people in businesses and in their homes Australia wide have struggled with it. Some collective action is actually very useful. The core argument is: should you just leave it up to the victim who is caught by this avalanche of spam to try and find some way to deal with it or should the Internet service provider that is affected in its business operations by the avalanche of unwanted material clogging its systems—and which is clogging our copper wire delivery, whether it is in normal dial-up form or broadband connections in ADSL or cable, with all of this unwanted material flooding through—be asked whether this spamming is in their interest as a business and in the interests of the people who have contracts with that Internet service provider? They give people access to the Internet and to the riches that they want to explore there, but one of the key problems imposed on those users is that, unwanted, unheralded and in an unmanageable way, all of this rubbish they are not interested in at all has to be dealt with.
Unfortunately, what this bill will not do at all is stop the Nigerian scam letters. It will not stop the spread of those from Nigeria to South Africa. It will not stop all of those letters that are now supposedly emanating from Vietnam. It may stop some generators of these scams—and they are scams; they are attempts to defraud people. They do have the practical effect that people in Australia have lost some significant amounts of money because they have been taken in, originally by handwritten or typed letters that were sent to individuals. But the effectiveness of the Internet has been apparent since 1995 and it is extraordinarily easy for people who wish to defraud to get out chain letters or massive mailings at relatively no cost.

People used to send chain letters trying to entice people to give up their passbook, cheque account or savings information, as the Nigerian letters did. The letters would say in black and white on paper that the person purportedly writing the letter has a lot of money, that they have kept it quiet, that they need to keep the money away from the government, that they need some assistance to do that, that they need somebody else to provide an account so that the money can be sent overseas and that that person would be provided with a percentage of the total amount of money. The moneys are extraordinary—for example, $US26 million. The sums have escalated as spam has escalated—even higher amounts; more than $100 million and so on, are being offered.

The latest iteration of the fraudster’s scams using the spamming possibilities of the Internet is a particularly brutal one. I think the first of them started in January this year. There were emails which said, ‘Hi, you have won $US6 million in a lottery in the Netherlands’—even though you did not buy a ticket or have any money in it—and you have been electronically selected from 15,000 people whose names were put in. You are the one who has got the money. Would you just contact me’—and they give a name and address that look like formal business details—‘so that we can start the process to ensure that you get this prize money. There are some costs related to it,’ and so on.

The very first of those was the most sophisticated of these scam spams that I have seen. Since then there has been an efflorescence of them. Other people have taken up the idea or the originators of the scam have used other identities and have become more practised at it. But, no doubt, people will have been taken in by this. The question for a government is: should you just leave it up to the individual to continue to be the prey of those people who wish to commit these frauds—who wish to defraud people and take the money that they have taken a lot of time and effort to earn—or should we have a collective action as a government or one where the ISPs take some responsibility for this?

I would argue that it is quite simple. There is a business interest for the Internet service providers in stopping the enormous amount of spam that runs around and comes into Australia. What this bill will not do is fix the problem of those spams which come from overseas—and the greatest percentage that we are prey to do come from overseas. What it will do is have civil penalties that can be imposed on spams sent from overseas that have originated in Australia. As I have indicated, there is some evidence that some of these may be Australian generated. So the bill has gone not for criminal prosecution but, by and large, for civil remedy.

One effective remedy that has been used overseas is to spam the spammers. The great advantage that the Internet gives to people who want to send out vast amounts of these letters and enticements to people and attempt

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to defraud them is that, whereas it used to cost them 40c, 45c or $1 to send a letter overseas through the normal mail, with the Internet there is virtually no cost whatsoever. In a reversal of the denial of service approaches that have been taken to try and stop big companies, a mechanism has been used where, if a person is identified as a spammer, sending out untold millions of Internet messages to people, you find them and identify them—and you can do that not just by name; you can actually find the Internet address that they are coming from—you can reverse that spam, clog their system totally and virtually close them down. So they have to continue to move around and have a mechanism to change the apparent address that the spam is coming from. That is one effective method that has not been used enough, but it is one way of actually dealing with these people who have created such a nightmare for just about everyone.

I want to deal with some of the practicalities of what this parliament has had to face. It is not just about the members and their staff; it is of course about all the people within the parliament. But for those people who do not use the Internet and are not open to unsolicited mail and the costs of that, it is a bit hard to envision why this is such a big problem. They would have no perception whatsoever of the amount of time that it takes to get rid of this. As people who work in a knowledge industry or, as some might argue, an information industry rather than a knowledge industry—but as people who work within that context—words are used on paper or by whatever means that is used to push this stuff around. We use a whole range of it. As members of parliament, we know that people communicate with our offices not just by mail or phone but increasingly by email. One of the significant problems we have as members is being able to identify our constituents when they send an email to us. We need a mechanism whereby people can be encouraged to put their name and address and postcode on it so that we can sift out individual emails from constituents—in my case in the electorate Blaxland and whatever is the case of other members—so that we can properly respond quickly and effectively to the communications that have been sent by our electors.

I have long argued that when you have thousands of emails, some internally generated by the political parties—and it is a question of whether members might in fact consider their own political parties to be spammers; I do not think they are caught by this legislation and in fact there is a specific exemption with regard to political parties—it would be much more sensible for all parties within this House to simply use the Internet and intranet capacities in the parliament to provide all that information in one place. So one simple email would be sent per day with a list in it to say: ‘Hi, this is what the major concerns are today. Here are the bills that are operating in the parliament. Here are the links to the speeches or the press releases.’ Instead of that, we get spammed by our own political parties with an almost untold number of press releases of all the shadow ministers. I actually think it is not an efficient way to go about things.

We have recently put in a portal for members. Originally with the House of Representatives and the Senate, through the normal Web access that people have from outside, you could go in and work your way down to find information about how the parliament operates and get copies of speeches and Hansard and so on. But for members’ own use we have recently developed a portal to give them a lot of that viable information. They do not have to hunt and peck all over the place. We organise it on a collective basis so that all individuals can benefit from that higher level of organisation. Less time is
wasted. It is more efficient and it is more effective. But in trying to do that, to make it leaner, more efficient and more effective, you have to deal with the fact that there are thousands of emails, of the order of 500 or 600 a day, coming in from people that you do not want to hear from. They can be people in Australia who will not be caught up by the spam legislation—by and large for a member of the House of Representatives those people outside the member’s electorate. When people write to all members of the House of Representatives, the most appropriate person to write to is one’s own member or a senator in the state. They can then make representations, as they would if people were to phone or write on paper and use the Australian postal service. But all the rest of it is not spam because it is not taken to be that generally; it is people wanting to express their opinions. We need a mechanism to effectively sort and sift it.

Recently this parliament as a collective, as a unit, said, ‘Okay, we need to decrease the amount of pressure on our main servers. We need to look to what otherwise would be the enormously burgeoning costs of having to deal with unsolicited emails from Australia and all over the world.’ So we have put in a mechanism now, after trialling it, and we use one particular product. We use I Hate Spam! It is a great name because it goes to the very core of the problem. I really do hate spam. I hate it because it makes our task so difficult and it leads to an enormous amount of unproductive effort, on my part as a member and on the part of my staff, to get rid of all this stuff. I refer to the benefit of using this particular program, and there are other programs like it.

The former speaker on the government side of the House was worried about individualism versus collectivism. I think I have run the case with regard to that. We can work together to help solve these problems, whether it is at a parliamentary level, at an ISP level—the ISP should actually join in this—or at an individual level, because in this circumstance initially, for six weeks or so, we have to go through and filter all the emails we get and we put the ones that we never want to see again into a black list and the others into a white list so that we can continue to get them. So we do the ordering, we do the filtering, we do the sorting out but we do not have to do what we have done for most of the 7½ years that I have been here: make up our own folders, make up our own lists and try and reorder all this unsolicited material and spend an hour—or an hour and a half or even two hours—a day just dealing with it, because you cannot just get rid of it automatically. You have to read it, you have to look at it and you have to scan it. It is a big problem. Just think about how much it has grown in the last half decade because of the success of the scam spammers, the people who been able to use this wonderful communications mechanism to get at millions of people, to defraud them and take them in because they are not sophisticated enough to realise what the scam spammers are about. In the case of the last iteration—the savagery of those lotto and lottery scams—they look absolutely genuine so they could readily take people in, and I am sure that a lot of people have already lost a lot of money.

We are now in the information age and becoming an information and knowledge economy, we are more and more dependent on the free flow of information world wide, and we have tools that make it incredibly easy to access vast amounts of information and then to sort and use that. As a member in this House, all that is available to me not only from the Parliamentary Library but through the Internet is amazing. The possibilities for people to learn at relatively low cost and to access a vast range of resources
are enormous compared to what they were 30 years ago. Thirty years ago we did not have the electronic access that we have now. We did not have an easy multiplication of resources. There were closed reserves in universities. There would be a strong contest for a very small number of books. You would spend most of your time wandering through libraries just trying to find resources and materials in order to do the academic work and the essays that you needed to do. Now, because it is much more efficiently organised and because librarians here, at universities and elsewhere have upgraded their techniques for finding information, the riches of electronic access are there for everyone in Australia to use, whether it is in their businesses or homes, or whether it is through community provided access—at no cost in most places through the local councils.

We can be a more efficient, effective, open, deliberative, informed and knowledgeable society and economy, but to do that really effectively we need this bill. We have needed it for a considerable period of time. We also need this bill not only to be passed, after it has been subject to amendment in the Senate, but also to become emblematic for other countries in the world so that they pass mirror legislation. Whether this material, this unsolicited email, is coming from China, Germany, the United States or any other country that we are dealing with, we can do our part as good citizens—as they should be doing in their countries—to make access to electronic riches such that we do become unproductive in the attempt to access it.

Mrs MAY (McPherson) (9.47 a.m.)—Some would say that the Spam Bill 2003 is way overdue and that this government has not acted quickly enough to introduce measures to deal with what has become a very serious problem for all Australian online users. And there are many in this House, including me, who are fed up with the copious numbers of spam emails we receive each day. There is no doubt that spam is reaching plague proportions and growing exponentially. We have seen an alarming emergence of malicious spam carrying dangerous computer viruses that threaten the effectiveness of electronic communication and legitimate online business. It raises many issues for individuals and businesses, such as invasion of privacy, misleading trade practices, burdensome costs and distress.

So what is spam? How does one define it? Most people would agree that spam refers to unsolicited electronic messages usually transmitted to a large number of recipients. They usually have a commercial focus promoting or selling products or services, and they are usually sent in an untargeted and indiscriminate manner. They often include or promote illegal or offensive content, and their primary purpose is fraudulent or otherwise deceptive. This legislation before the House today responds to recommendations in the National Office for the Information Economy report, The spam problem and how it can be countered, which was released in April this year. There has also been widespread community and industry consultation in shaping the legislation.

The government, in introducing this legislation, is mindful of balancing the needs of business to conduct legitimate marketing and the wishes of the community to reduce the amount of unsolicited email it currently receives with the aim of making spammers change their ways. I believe the legislation has managed that balance because of the input from business and the community. In his second reading speech the Minister for Science said:

Spam is often sent to millions of recipients at a time worldwide. It is a common vehicle for promotions that are often illegal, offensive, unscrupulous or use tactics that would not be commercially viable outside the electronic environment.
Like many of my colleagues I often receive complaints from constituents, particularly from elderly constituents, in my electorate about the spam mail they receive, the mountains of junk email they receive, and what in fact is written in those emails and the types of proposals offered, some of which are very offensive. I have received some of them and, quite frankly, I could not put into words acceptable to this House some of the proposals that have been brought to my attention. These types of emails cause undue stress to the recipients and, quite frankly, the spammers have no right to send these unsolicited proposals without consent.

This bill sets up a scheme for regulating the sending of commercial electronic messages and the main penalty provision prohibits the sending of unsolicited commercial electronic messages. The bill is accompanied by the Spam (Consequential Amendments) Bill 2003, which makes various amendments to the Telecommunications Act 1997 and the Australian Communications Authority Act 1997 to provide for an appropriate regulatory framework for the ACA to investigate complaints relating to commercial electronic messages and to enforce the scheme, and to enable the development of relevant industry codes and standards relating to commercial electronic messaging.

The government has worked and will continue to work closely with industry to ensure that Australia has a workable regime without harming legitimate business practices. The regime will seek to protect businesses that undertake legitimate email direct marketing in line with the requirements of the Privacy Act, and there will be a 120-day sunrise period without penalties from the enactment of the legislation for businesses to ensure their marketing practices are in line with the legislation.

This legislation will outlaw the sending of spam to Australians. The government has recognised the concerns of online users and the need to protect them against the mountains of junk email. A core element of the legislation is the serious penalties of up to $1.1 million per day. These penalties will hopefully make spammers rethink their decision to bombard consumers with unwanted and unsolicited email.

The government recognises that legislation alone will not result in an immediate or dramatic reduction of the spam problem, but it is an important element of the framework, both in practice and perception. And there is no doubt there is going to be criticism from the opposition about the effectiveness of the legislation—and, granted, it cannot be expected to be 100 per cent—but the legislation will, however, establish a regime that is world’s best practice and is broadly consistent with moves to ban spam in other jurisdictions.

To complement the legislation the government will be conducting information and education programs to raise awareness in our communities about antispam filters, industry codes and international cooperation. There are many practical steps consumers can take to stop spam, such as the installation of filtering software to reduce the amount of spam they receive.

Spam is a comparatively recent problem and therefore the community users are not aware of the extent of the problem. Certainly there has been a lot more media attention to spam, but education programs, such as public seminars, are a must. The general community must be given the opportunity of knowing what they can do to combat spam on their home computers. In many cases they need to be protected from unscrupulous operators and it will only be through education that they will feel truly confident about iden-
tifying spam and understanding what they can do about it.

Like all technology, computer technology will continue to change in the future, and the legislation has provisions for ensuring it remains relevant for future technologies and situations. The challenge will be to keep pace with technology and ensure the framework remains relevant in this dynamic and ever-changing medium. The minister has indicated that a review of the operation of the legislation will take place 24 months after the commencement of the penalty provisions.

So, in summing up, what can industry, business and consumers expect from this legislation? How can the legislation protect them from the growing problem of spam? The key features of the proposed legislation are: a consent or ‘opt-in’ basis for commercial electronic messaging; a recognition of existing customer-business relationships; restricted and appropriate recognition of implied consent where people advertise their electronic address; a requirement for accurate senders’ details and a functional ‘unsubscribe’ facility; support for the development of complementary industry codes; and a flexible and scaleable civil sanctions regime for breaches, with financial penalties up to $550,000 per day for individuals and $1.1 million per day for organisations.

The legislation will ban the supply, acquisition and use of address harvesting and address list generation software for the purpose of sending spam, as well as the lists produced using that software. Courts will be able to compensate businesses who have suffered at a spammer’s hands, and the courts will be able to recover the financial gains made from spammers. This legislation demonstrates Australia’s innovative approach to the spam problem and places us in the vanguard of global efforts to stem the growing spam scourge. I commend the legislation to the House.

Mr RIPOLL (Oxley) (9.56 a.m.)—It is a pleasure to rise to speak on the Spam Bill 2003 and the Spam (Consequential Amendments) Bill 2003. Spam is one of those great things that all people who are connected to the Internet have to experience and endure. After many years of using technology, sooner or later you become quite sick and tired of this dreaded spam curse. It has been around for a long time. In fact it was first noted in 1994, in a text written by Adam Engst, where he said that in the future—this was less than a decade ago—there would be this problem of commercial use of the Internet, where email would be abused and it would perhaps even one day cause the Internet, that very important network that we all use, to fail.

From a local perspective, for individual members of the parliament it is a significant and real issue. It is a real issue in terms of the resources that it takes from our offices and the time that it takes to deal with the amount of spam that we get. There would not be a day go by when my parliamentary personal account would not get up around 100—sometimes even 200—unsolicited, unwanted and unwarranted emails: spam. So there is a need to be able to do something about this. As I said, it costs us not only here—and I am speaking from personal experience—but right across the commercial world, right across business and individuals at home or anywhere. This unwarranted, unwanted use of email has become a real problem and is costing people a fortune.

There are a variety of types of spam. I have a list of the top 10 types of spam messages, and anybody who has an account will probably at some stage have received one of these. They come mostly from the US, offering anything from free adult site passwords
to low-priced drugs—Viagra, of course—to refinancing your mortgage, to Nigerian money transfers. Some of these are quite funny when you read them, but not funny when you take them in the context of what they represent. People completely unknown to you are writing you an email saying, ‘In confidence: Dear sir, I write to you because I’ve got a lazy $US50 million sitting around and I need your bank account details so I can give you the money.’ Unfortunately what happens is that a few people—just from the sheer weight of greed, I suppose—take on board these unsolicited emails and get themselves into all sorts of trouble. But there is something that can be done, and the Spam Bill 2003 goes a long way to doing it. I think this bill is a start in actually trying to address some of these issues.

The way emails are generated and how to detect those who generate those emails are complex issues. Often the people who are spamming you do not know you at all. They get your email address from a list or have used some sort of email robot that crawls around the Web looking for email addresses. When you receive one of these unwanted emails, the last thing you want to do is respond to them in any way—for example, to tell them to go away or deregister you or not to send you any more emails. There is nobody at the other end but if you reply it confirms that you exist for the system and that you have a valid email address. So instead of getting fewer of these emails, you are going to get tenfold more because they have now confirmed that you have a valid account and these unscrupulous people will more than likely on-sell your valid email account address.

There is also the issue of how we deal with this. How do we stop those emails getting to people? There are a number of things we can do. People can buy antispam software which tries to filter out or protect them from getting these voluminous amounts of email or they can have firewalls which try to protect them. There is a range of ways that you can try and deal with this. One of the ways that the parliament can deal with this is in the form of this bill. While it represents a step in the right direction, it is a long awaited bill. While the Internet is a relatively new technology, this issue has been on the boil for quite a number of years. Governments are often criticised for being slow to react. If there are any criticisms here, that is certainly one of them.

Another criticism is that the bill does not go quite far enough in seeking out the people who do this. As I said earlier, there is a sinister angle to these unsolicited emails, beyond the Nigerian offers of $US25 million to $US50 million that imply you just happen to be the only person in the world to get that invitation. There are quite interesting and sinister angles to spam as well. We need to be able to distinguish between what is legitimate spam, or legitimate unsolicited emails, and what is illegitimate. This bill sets that out as well.

There have been a number of forums that have taken place. In fact in June this year a forum was hosted in Canberra that dealt specifically with this issue. It looked at solutions that could be put forward and came up with some good ideas. Basically it is in agreement with the Spam Bill 2003 because it does look at ways that we can deal with it.

This bill also has a relationship with a number of other acts and the law in the way we deal with spam—in particular, interactive gambling; we all get too many of those types of unsolicited emails. The Therapeutic Goods Act, the Broadcasting Services Act, the Trade Practices Act and the Crimes Act are examples of related acts. We need to be able to distinguish between emails that are solicited and those that are unsolicited.
The main provision in this bill is for the regulation of commercial email, prohibiting the sending of unsolicited commercial electronic messages. This would be not only email messages but also SMS or text messages. These are at the forefront of those messages that we receive that we do not particularly want, need or otherwise want to continue to get. There is also a requirement in the bill to include information about who actually authorises the sending of that message. So when you send an email, it should be treated like ordinary mail in the sense that you put your name, address, who you are and where you are from on it. It is a common courtesy, but often when we receive emails we do not get any indication of who it is from. It just says Joe Bloggs. It could be a fictitious name, it could be from anywhere—we really do not know.

One of the biggest problems we have in trying to deal with this legislatively is international law. It is fine for us to pass laws in Australia and pursue those laws against Australian citizens or people operating out of Australia or Internet service providers in Australia, but we know that the problem does not necessarily originate here; the problem quite often originates in other countries and in other jurisdictions. I note that the United States and a number of European countries have actually started down this path of legislating and putting in place strong penalties for those who are in this industry and who are unscrupulous. As I said, there is a sinister angle to some of the emails—not only in the unsolicited emails that try to con people out of their money but also those that relate to gambling, drugs and Internet pornography.

We should not walk away from the very real fact that spam permeates and continues to offer the sorts of vile things that we see sometimes accidentally on the Internet. No matter how closely you guard your own system and no matter how many times you get experts to put on filters or clean the system up or try to maintain a system purged of some of the more vile things that appear on the Internet, you cannot keep it all out. I know that, for parents who may be listening, trying to protect their children is a real issue. In my house, with a connection to the Internet, it is a concern. My children are probably too young for it to be an issue right now, but in a few years time it will certainly be something that I will have to consider. I know many parents in my electorate of Oxley consider purchasing software that protects their children. It is software that blocks particular words, so children cannot find them on the Web. There is an important role for parliament to play in trying to protect children in particular from some of the things that come through our systems.

Another key provision of this bill is to define specifically what spam is. That is really important. Just because you receive an unsolicited email does not necessarily mean it is spam. There are those who would send you something every day and completely annoy you, but you know it is part of a huge list they have and they are not directing it to you specifically. There are also legitimate commercial operations and businesses that might send you an email once or twice a year about a special promotion they have or some sort of discount offer they have got. I am okay with something like that. There is a place for advertising and for the Internet to be used as a medium whereby you can promote commercial activities. However, I think it is pretty clear what definition most people would give to unwanted electronic messages and unsolicited emails.

A key provision contained in this bill is that the electronic message must have an Australian link, which means that it originates in Australia. In other words, the sender or the person who authorises the email is
located in Australia, the computer or server that accesses the message is located in Aus-
tralia and the electronic account holder is located in Australia. There must be some sort
of Australian link so that we can deal with it in accordance with our own laws. There are
civil penalties for people who would breach this provision. While the penalties are rea-
sonable, I do not believe that they are really tough enough. I think it is a bit like white
collar crime. It sometimes takes years for the justice system to catch up with people in this
area and, when it does, sometimes the penalties do not seem just. Maybe our own sys-
tems have not yet caught up with the damage that some of these things can do, particularly
in relation to pornography on the Internet.

There are a number of exemptions which I am quite comfortable with, particularly in
relation to government bodies. There may be occasions when government bodies and institu-
tions need to email people. I would not consider that to be spam as defined by this
bill or by any other definition. Some people may not like that, but I do not believe it to be
spam. I think it is important to take note that a registered political party is exempt. By
passing this bill and looking at these measures, I do not think politicians are trying to
protect themselves by allowing unsolicited email. I think the key principle of freedom of speech is important here and political parties
or individual members of parliament must be able to communicate with their own elector-
ates. We do that through traditional mail and a whole range of other media, and I do not
believe that the Internet should be classified as any different. I do not particularly have an
issue in this regard, and I think that it is quite okay for registered, genuine, political parties
to be exempt. We would need to have a look at the broader definition of how that is used,
if it ever did become a problem because there are so many different registered politi-
cal parties in this country, to ensure that those provisions are not abused.

There are also exemptions for religious organisations. Again, I believe the same
principles apply: freedom of speech and the inherent right of religious bodies to be able
to practise. I think it is a great part of the democracy in this country that religious or-
ganisations are free to go about their business. This exemption also applies to chari-
ties, charitable institutions and educational institutions. I know of particular educational
institutions that are using the Internet and information technology not only as a basis
for education within their own schools but also within their communities. Educational
facilities today are much more complex and much more involved and able to participate
in the community. I believe an exemption for those institutions is warranted, and I do not
believe that it would pose any problems. Messages that come through must contain
something of real value, something with an educational basis and something with infor-
mation rather than misinformation.

What would we do if somebody was ac-
cused of spamming and had to face the con-
sequences? There are a number of defences
that people can put forward. What if some-
body actually consents to receiving email as
part of a group or a list or they inherently
receive it because they are part of a group or
list? They might belong to, say, Rotary and
the secretary of Rotary might email every-
body in their local area. I do not believe that
in itself would constitute what you would
call spam. They are part of a group and it is a
genuine form of communication, so I do not
see that as an issue either. There are cases
obviously where people have made an honest
mistake and sent you something by error. I
think we are pretty clear on what the defini-
tions are.
There is a range of software out there to detect spam and some use address harvesting. I think there is one called spam bots, which is software that trawls the Internet with either a worm or a spider. Basically, it trawls around and looks for accounts that are real or otherwise. There are also those people who use a dictionary type method, which goes through an elimination process and takes every possible combination of letters and numbers and keeps going through and sending stuff out until it hits on real messages and accounts.

In general, this bill does seek to at least move us forward in this new world of information technology where we have become so reliant on the Internet and on email. I cannot imagine a day when I would be able to perform the duties that I am responsible for without having access to the Internet, email or, for that matter, SMS—text messaging. It is such a useful part of the way we now communicate. People expect fast and accurate information these days.

In principle, Labor supports this bill. As I said earlier, the only criticism is that it has been a long time coming. There are a number of consequential amendments in this bill which I will not go through. There is a small cost attached to the implementation which I think is more than warranted. I think we should all have a close look at how this bill actually works in the coming months and years to see whether we can catch out those people who are in the industry, who are unscrupulous and who are sending out spam, particularly in relation to online gambling, pornography, abuse of any kind, racial vilification—there is a whole range of areas. One of the great things about the Internet is that it has opened up this Pandora’s box of information and access for ordinary people. You can basically be anywhere in the world and have access to a whole range of information. If you need something quickly on any particular topic, you can log on, click onto any search engine—I do not promote any particular one here—type in what you are looking for and you will find all sorts of information. The real difficulty we have now is trying to filter through all that information and find what is relevant and factually correct because there is so much misinformation on the Internet.

That relates again to the job that I do as a member of parliament. I know that all other members of parliament face the same problems, as do people in the business community. While we are trying to use this system of communication legitimately, it is being overloaded and slowed down by the number of unwanted, unsolicited emails that we get. There are literally hundreds of them. If you do not go through your inbox for 48 hours or have someone in your office trawl through it, you end up with a few hundred. On a really bad day, or if you have had a bad week, you end up with a couple of thousand emails—hundreds and hundreds of which are absolute rubbish—and you go straight for the delete key.

The other problem associated with that is that occasionally you hit the delete key too quickly and delete a message that was important. You then spend hours trawling back through them—which I occasionally do—because somebody says, ‘I sent you something important; will you have a look at it?’ You then say, ‘I missed it; I will go back and have a look.’ My advice to people sending genuine, really important emails would be that if you have something to say, yes, emailing it is a convenient way, but give me a quick phone call or send a text message as well to let me know that it is there. I suppose that at some time in the future that will become an issue on its own.

I support some of the measures in the legislation. I encourage the government to go a
little further and have a closer look at how we can better deal with some of the things that are accessible on the Internet. We should not deal just with email but should particularly target the horrible things on the Internet—the pornography, the abuse sites, the things that are really unwarranted—and the continual flashing up of casino sites and other things that we really do not want to see. More work needs to be done in that area. On that basis, I am happy to support this legislation.

Mr CIOBO (Moncrieff) (10.16 a.m.)—I am very pleased to rise in this chamber this morning to speak on the Spam Bill 2003 and the Spam (Consequential Amendments) Bill 2003. A number of speakers have addressed these bills prior to me coming in to speak today. Each of them has touched upon the growing menace that is spam emails. To put it all within a contextual framework, I remember going along as a child to a show in Cairns in Far North Queensland, having grown up just west of Cairns in a little town called Mareeba. At the time—I think I was about eight years old—Australia Post was having a roadshow. You could walk into the back of one of their mobile vehicles and see a fax machine in there. You could send a fax which you then could see come out in a trailer that was parked alongside. At the time, I remember thinking that it was amazing to see a page being faxed like that. When you think about the impact that that has had on business, it is little wonder that so many people have become so excited about the opportunities that the Internet and all the ancillary utilities that flow from the Internet offer for the developed world—in particular, the huge increases that we can have in productivity and business efficiency, and the consequential gains in GDP that will flow from having these tools at our disposal.

One of the key tools that is available to us is email. Electronic mail is an increasingly useful device that all of us rely on in our activities every single day. I use it to communicate with my constituents, and I know that a large number of other parliamentarians use it for the same purpose. Likewise, businesses increasingly use it. It is also used more effectively by government departments to communicate messages. We know that businesses use email. It is a crucial internal communications device in terms of sending messages inside companies and keeping company morale up and strong.

However, like all of these types of tools, email is open to abuse, and we increasingly see spam email. Last year, the situation arose for the first time that the number of spam emails exceeded the number of genuine and legitimate emails that were sent. When you consider the huge numbers of emails that are sent each and every year, the billions and billions of emails that are sent, you start to gain some appreciation of the impact that spam—in other words, junk email—has on people’s lives and on the businesses that power the infrastructure that operates email. It has been estimated that approximately $900 per employee is wasted as a consequence of spam email. When you think about the infrastructure that is required, the large servers that are processing all of the data flow, you start to gain some appreciation of the way in which, when at least 50 per cent or more of your email is junk email, a lot of capacity is being abused and serves no purpose whatsoever. That $900 per employee per year is in fact a fairly conservative estimate of the negative impact of spam email.

The member for Oxley touched upon one of the aspects of email that causes most concern, which is—and I know this from my situation and from the people whom I talk to on the Gold Coast—the proliferation of pornographic and gambling emails. I read with interest the About the House magazine just yesterday and noted in it an article from one
of the Western Australian members who was talking about how one of their constituents was receiving spam emails offering child pornography. It seems to me that when you consider that this is rampant—and it really is rampant out there in the community—there is a real concern. We really have to work quickly to do something to prevent this kind of abuse of what is now as common as turning on the television. We must make sure that we curb the kind of abuse that is taking place. The Spam Bill 2003 does just that. I am very pleased that we have bipartisan support for the measures contained within this legislation that seek to curb the abuse of email.

In terms of the mechanics of the legislation, I would like to highlight that it is important that we do not focus only on email. Whilst email is the dominant technology at the moment that we notice is being abused, abuse is also starting to emerge in other areas. The legislation takes significant steps to embrace and to throw the net around new technologies as well. They include, for example, mobile telephone technology, text messaging and other forms of electronic messaging as well. We see now the convergence that is taking place in the marketplace. We see the convergence in personal digital assistants, or PDAs, which are able to be used as mobile telephones. They are able to be used, effectively, as personal portable computers as well. There is also the opportunity for a PDA to be on the receiving end of spam. Someone who is walking around with their PDA could be receiving text messages on it and also, potentially, malicious viruses, all through the use of the mobile wireless network. We will see in the future, as these items become more of a household norm, that they will be able to be used for the solicitation of not only good things but, sadly, those things that we would like to put a clamp on in the community, such as pornography and gambling. The Spam Bill 2003 addresses the requirements that the community is calling for to clamp down on this type of activity.

As I said, the bill embraces not only emails but mobile text messaging and other electronic messaging as well. It is important to highlight that, in terms of the broad framework, there are a number of exceptions that are incorporated into the legislation. It is important to have these exceptions in there, because there are a number of legitimate activities that would otherwise be captured by the provisions of this legislation—legitimate activities which I contend should continue and which have the ability to do so under the legislation as it is before the parliament today.

In addition to that, the bill also makes the provision for there to be consent. That consent can be informed or implied. Again, it is very important that there is consent, as a mechanism to ensure that we do not have people breaching this act on a prima facie basis, because consent is put into the marketplace. As an example of what I mean, say there is a business with a web presence and, as part of that web presence, they have their email address and how to contact that business featuring very prominently. Let us say you were a retailer who sold business equipment. Quite clearly you would like to approach that business. The provisions of this legislation and the consent provisions—in particular, in this example, the implied consent provisions—ensure that if you were to then send an email to that business saying, ‘We can do you a great deal on your faxes or computers,’ then you will not be captured by this legislation and be in breach of it. That is a very worthwhile and legitimate exception to have.

That is the broad framework in terms of the legislation, but it is important to note
several aspects. In terms of the messaging that I have been talking about, whether it is through email, SMS or MMS—multimedia messaging service—a key attribute is that the messaging that is covered by legislation is principally concerned with that communication which is commercial in nature. That is, it is talking about a commercial transaction or it directs the recipient to where a commercial transaction takes place. So we are trying to avoid capturing all those people who engage in legitimate activity. The member for Oxley spoke about the local Rotary organisation sending emails to the local community. Indeed there are other types of organisations that exist in the community and that have a very legitimate role to play in terms of communicating messages to their local community. Of course, we are not intending to capture that kind of activity. So in order for a message to be considered to be spam the message must have been sent, as I mentioned, without the recipient’s consent. That consent can be express or it can be implied or inferred as a consequence of the behaviour or the business or other relationships of the recipient. In particular circumstances it can also, as I said, be inferred as a consequence of them conspicuously publishing their email address.

Within the actual legislation there is no reference to bulk messaging. A single unsolicited commercial electronic message could be considered to be spam, but I would have to say that enforcement against that sort of activity would be unlikely. But, again, it would come down to the nature of the email that was sent. Effectively, the whole focus of this bill is to prohibit the sending or the causing to be sent of unsolicited commercial electronic messages that have an Australian link. Obviously, because of jurisdictional requirements, the need for an Australian link will remain. The need for an Australian link says that, if you are sending spam emails or text messages from within Australia or alternatively from overseas to an Australian address, you are captured by this legislation. That will be welcome news for all of those who are on the receiving end of so many types of spam scams—the types of emails that come from Nigeria, for example. I heard the member for Blaxland speaking about those a little earlier.

In terms of relief from the requirements of the Spam Bill 2003, a number of legislative provisions are put forward that will provide opportunity for people to send commercial messages. Provided they comply with the requirements of this legislation, they will not be in breach. Effectively, this bill requires that all commercial electronic messaging contain accurate information about the message’s originator. That will be the person or organisation that authorised the sending of the message, regardless of whether they actually sent the message or arranged for someone else to do it on their behalf. It is also important that that information be correct information. We are requiring that it be reasonably foreseeable that that contact information will remain accurate for a period of 30 days. This is a crucial component; otherwise people could comply in form and not in substance. They would comply in form by ensuring that they had relevant contact details on their emails but then go and change them immediately after they had sent the email. So we require that it be reasonably foreseeable that those contact details remain in place for a period of 30 days, as a minimum.

In addition to that, unsolicited emails that are sent must contain a functional ‘unsubscribe’ facility. Effectively, this means that when the email is sent, if it is a kind of unsolicited email which you do not wish to receive and which is commercial in nature, you should be able to click on a link in the body of the email or the text message, and that
will then unsubscribe you from the list to which emails are sent. That way, in the future you will no longer be bothered by that particular operator.

It has been an unfortunate fact that there are many types of emails which are sent with an illegitimate unsubscribe facility. What I mean by that is that unfortunately the more devious people who are looking at making money out of the Internet will send bulk emails to a whole series of addresses, uncertain as to whether or not those addresses actually have a person sitting at a computer monitor receiving that email. They will say, ‘To unsubscribe from this message, please click on the “unsubscribe” link if you no longer wish to receive it.’ But the problem is that when you do that you signal back to the person who sent that unsolicited email that you are receiving and reading that email. In many instances, clicking on the unsubscribe function on an unsolicited email—especially one that may have come from overseas and that might be, for example, proffering pornography, gambling or something like that—will then virtually guarantee that your email address spreads far and wide very rapidly, because people know that when they send an email to that address someone is receiving that email and someone is in a position to read the email. That is all the people who send out these types of emails are concerned with.

The requirement in this legislation is that the unsubscribe facility must be a functional unsubscribe facility—one that results in your name being taken off the list. I had a situation several years ago when I did just what I have been speaking about: I clicked on ‘unsubscribe’ on a number of junk emails that came through on the Hotmail system and within a matter of hours over 150 emails were being sent to my email address. They were all spam and they all came as a consequence of clicking on the unsubscribe link. So I urge people to be vigilant about these types of things and to recognise that we certainly expect this legislation passing through parliament to result in a situation where that no longer will be a problem.

The legislation also serves to ensure that harvesting software and harvested lists are outlawed. This is the kind of software that operates again in cyberspace—on the World Wide Web. Effectively it is software that operates so that computers crawl through the Internet looking for email addresses. As members of parliament we all experience it on a daily basis. As we all know, our email addresses sit on the parliamentary web pages and our email addresses are quite clear. A lot of these bulk email companies have what they call spiders. These spiders are the software programs we are talking about. As a spider program operates, it will run through web pages that exist on the Internet and it will look for email addresses.

Every single one of us who sits in this chamber and indeed all of those who sit in the Senate have had our email addresses read by one of these web spiders. Once a web spider has got your email address, you are then captured. Once again you are in a situation where you will start to receive junk email, purely and simply because your email address has been the prey of a web spider. As a consequence, this legislation has moved to ensure that there are provisions that outlaw the use of this kind of software to try to reduce the ability of people to send spam emails.

As I said at the very outset, there are a number of exceptions that are contained within this legislation. These are important exceptions because they serve to protect currently accepted government, business and commercial practices. Examples of the exceptions that are incorporated in this legislation include government to citizen messages,
messages from registered political parties, messages from charities, messages from religious organisations and messages from educational institutions directed to the students that are attending, to their past students or to members of their households. These exceptions apply where the message relates to goods or services and the sending body is the supplier of goods or services.

There is the same requirement that the sender still include accurate information about the message’s originator, but they may also send unsolicited commercial electronic messages. It is not required, for those exceptions, for there to be an ‘unsubscribe’ facility. This is an important exception because, for example in my own case, there is often the need to inform the community about activities that I am up to, about important community events that are coming up and about important debates that are taking place in this parliament and considerations that we have. It is an effective part of the tools that I use as an MP to be able to send emails to those constituents who would like to receive emails from me, and I do that on a regular basis. So exceptions like this are a key and crucial component of communicating with our electorates, which at the end of the day is something that the community expects and indeed demands of us as MPs.

A final point in this legislation that I would like to touch on—there are a number of others as well though—is the 120-day sunrise provision. This is a provision that is incorporated in the legislation that says that once the legislation is passed there will be a 120-day period during which there will not be any enforcement taking place. So the legislation does not take effect until 120 days after royal assent. This is an important safeguard because there are a number of businesses out there that are at the moment engaging in legitimate emailing activities of a commercial nature, text messaging et cetera, and we need to give them adequate time to change their systems so that they then fall within and comply with the framework that this legislation sets in place. So there is a 120-day period for those businesses to start to comply so that they will not be in breach of the act.

Other speakers before me have spoken about the way in which the penalty provisions will apply in this legislation. I do not intend to touch on that. I think the penalty provisions are appropriate and legitimate.

In summary, the Spam Bill is an important new safeguard that the Howard government is introducing, with the support of the opposition, to ensure that what is becoming a modern-day curse—that is, the curse of spam—is less likely to be as prosperous as it has been in the past. I know that my constituents on the Gold Coast will value the fact that we are taking definitive steps in this regard to try to curb this kind of activity and, most importantly, to put a stop, we hope, to the kind of pornographic and gambling related spam emails that are all too readily available and are being sent to people’s electronic inboxes all around the country. I am very glad to be speaking to this legislation, and I am pleased it has the support of both sides of this chamber.

Ms JANN McFARLANE (Stirling) (10.36 a.m.)—It is with a sense of surprise that I rise to discuss these bills today. The Spam Bill 2003 and the subsequent Spam (Consequential Amendments) Bill 2003 have both been a long time coming from the Howard government. From the outset, I would like to make it clear that I welcome the introduction of these two bills in general terms. However, it is appropriate to look at both of these bills somewhat closely. The Spam Bill 2003 and its complementary legislation, the Spam Bill (Consequential Amendments) Bill 2003, are, in a general
sense, positive steps forward. Spam is crippling Australia’s Internet infrastructure—a network that is already battling against infrastructure and topographic problems associated with Australia’s location.

Add to this a ministerial regime that has been less than dynamic in dealing with the new challenges arising in information technology. For once, the Howard government seems to want to put the right foot forward when it comes to proactive Internet policy. However, on this side of the House my colleagues and I are not prepared to blindly wave through these bills. We appreciate the urgency of the situation, but we are not prepared to do this at the expense of well-crafted legislation.

I think it is worth taking a moment to reflect on the Australian Internet in a slightly broader context. I have spoken in this place several times before on the importance of the Internet to the Stirling electorate and to Australia as a whole, and I would like to underscore that point now. Australia is in a very remote corner of the world and, without an extremely strong information infrastructure, we will wither into economic mediocrity. The Internet must be at the heart of any strategy to ensure Australia’s strong economic development.

So far this government has an appalling track record for nurturing mass communications in Australia. I apologise to my opposition colleagues if I sound like a broken record, but the list of Minister Alston’s atrocities with composing Internet related bills has only stopped growing with the minister’s departure from the portfolio. However, the spam bills do represent a chance to halt this pattern. I am very pleased with the intent shown so far. The National Office for the Information Economy did exceptionally well in consulting as widely as it did in drafting this legislation, and the government did the unthinkable and fast-tracked the bill to parliament. Even community organisations such as Electronic Frontiers Australia and the Australian Consumers Association were consulted during the process rather than being shunned as has been the norm under the Howard government. To this end, I would like to congratulate those responsible for taking this consultative approach.

However, I hold some grave concerns about particular parts of these bills. In particular, I hold serious reservations about some of the language used in schedule 1, paragraph 3A of the Spam Bill. It worries me. Particular organisations are given exemptions from the proposed spam regime: government bodies, political parties, religious organisations and charities. The explanatory memorandum asserts this clause to be an assurance that these organisations will be able to continue with their current means of communication. I am concerned that this exemption does not hit the mark. There are exemptions elsewhere in the bills for non-commercial emails, and it is arguable that these protections should be sufficient without a particular exemption. Overlegislating can only lead to loopholes and inconsistencies. However, for the time being I will put that concern on the backburner.

Assuming that there is some reasonable justification for the specific exemptions in the bill, there are some very notable exclusions. Two that I would hold up in particular are trade union groups and political lobby groups. Without stepping too far into the foray about Howard union-busting measures, I would personally feel much safer knowing that the union movement’s rights were protected as much as those of the church, government or charities. These organisations should be able to communicate with the same peace of mind that the government seems determined to give to the rest of the not-for-profit sector. My stance on this is not
at all ideological—I would like to stress that. I strongly believe that we need to be extremely careful when making this sort of decision. We absolutely need consistency right across the not-for-profit spectrum.

Labor believes that if the government is going to indulge itself and start singling out organisations for exemption, it needs to do a pretty spectacular job of it. If the government insists on making this sort of call, then it needs to be as inclusive as possible. Unions and lobbyists absolutely must be on that list. I actually appreciate emails from political lobby groups, because then I find out about the issues affecting a greater range of people and organisations.

One of the exemptions that are made is for religious organisations. I have no problem with bona fide church groups and the like having rights protected with regard to spam, but I am worried about the ambiguity of the legislation. The legislation uses the term ‘religious organisation’ and does not define what this means any further. I ask the government: is this a loophole waiting to happen? Can creative marketing companies sneak through this loophole? Moreover, can market driven fringe groups abuse the role of religion in our society? The sheer vagueness of that schedule worries my colleagues and me.

The Australian Taxation Office has often had to juggle the tough question of defining religious organisations. I refer to taxation ruling 92/17, concerned with tax benefits and exemptions for religious institutions. To quote briefly from this ruling, it says:

A body is a ‘religious institution’ if it is instituted for religious purposes. For a body to be regarded as a religious institution:

(a) its objects and activities must reflect its character as a body instituted for the promotion of some religious object; and

(b) the beliefs and practices of the members of that body must constitute a religion.

That definition is simply too broad to be remotely useful in this debate. Let us put the reality of this loophole in perspective. In 1984, the Attorney-General’s office had 187 religions registered under the Marriage Act. The only guidance we are given is in the explanatory memorandum, which says:

A religious organisation would not include a person who argues that they believe in an ‘unknown’ god of healing. The term ‘organisation’ implies a level of structure and organisation, rather than simply a collection of individuals with similar beliefs.

To me, this remains too hazy. Does structure merely imply incorporation, a particular size of a religion, history or public acceptance? More clarity is required.

I would also like to take a moment to reflect on the context of this bill in relation to the Australian Communications Authority. The Australian Communications Authority—the ACA—is no low-key player in the Commonwealth bureaucracy. Information technology and mass communication have been undisputedly the two most significant growth industries in Australia for the past decade. This alone has necessitated the ACA growing in size, scope and jurisdiction. Further to this, the government has been quite liberal in its trust of the ACA’s abilities. I also believe that we need to have faith in our government departments, but this faith must be justified and the department’s behaviour must be transparent and accountable. However, the Howard government has seen the need to conceal much of the work the ACA does.

Particularly with regard to the Internet, this government has painted the ACA into a corner. Being polite, I would say that the outgoing minister for communications was obstructive towards the Australian Internet community and particularly recalcitrant towards any non-government organisation that
had something to say about Internet policy. I am sure that Electronic Frontiers Australia would confirm that claim. This attitude was embodied in the Communications Legislation Amendment Bill (No. 1) 2002. The bill that went through this place allowed an entire set of organisations, all within the communications portfolio, to decrease their transparency because it gave them certain exemptions from freedom of information mechanisms. I concede that the ACA was not strictly one of these organisations, but a very disturbing pattern of inaccessibility and distortion remains within the communications portfolio. For the sake of good government, let us hope that the new minister for communications will bring a degree of transparency to the situation.

This government also has plans to extend the ACA’s reach. Another bill I intend to discuss, the Postal Services Legislation Amendment Bill 2003, includes measures to hand control of Australia Post to the department as well. My point is this: we have a massive government organisation increasing in scope and decreasing in accountability. With this in mind, we need to be especially mindful of the powers that we hand over to the ACA. Because of this, I am not convinced that these bills are as good as they should be.

One of the primary concerns that we on this side of the House have is with the search and seizure power in this bill. Potentially, this bill gives the ACA unfettered access to any property in this country—without a warrant, without consent of the person being investigated. According to this bill, the ACA will then have every right to search and potentially confiscate anything relevant to its investigation. Files, computers and documents can all fall under this provision.

As it stands, the ACA already has the power to appoint inspectors to conduct similar searches without a warrant. However, these searches are currently restricted to properties where illegal or unapproved telecommunications equipment has been connected to the phone network, or where compliance with approved equipment is not being met. Potentially, an individual has no legal defence against this type of inspection. For example, should someone be renting a property, the ACA can seek consent from the landlord rather than the person being investigated. I would like to believe that this means of acquiring consent is completely contradictory to the spirit of the bill, but the fact remains that no explicit safeguards exist to prevent this occurring.

Equally, in the case of a shared living arrangement, one member of the household could give consent to enter the property, despite the ACA inspector’s interest in another resident. This is sidestepping the law and Australians’ basic right to know what exactly is happening to them. To be frank, this sort of legal manoeuvre sounds more like something out of a movie or television drama than it does real Australian law. In developing its search and seizure provisions, the government needs to take into account the many home based businesses and ensure that families and their children are not exposed to any unreasonable intrusion or trauma within their homes.

We have an obligation to protect the basic rights of Australians. Those who propagate spam—‘spammers’—are technically proficient but not necessarily dangerous. We on this side of the House are of the opinion that there is no reason why the ACA cannot do things properly and be made to secure a warrant from a magistrate every time. As the bill stands, the Howard government is giving the department a ‘get out of jail free card’ for every questionable search it may wish to conduct.
I hold another very serious concern with regard to this bill. Items 63 and 66 operate to allow section 535 and section 542 searches respectively to occur in relation to anything ‘that may afford evidence about’ a breach of the Spam Act 2003. There is no mechanism within the bill to prevent this meaning the recipient of spam as well as the distributor.

One of the time-wasting parts of my job—and, I suspect, all of our jobs—is the daily task of clearing spam message upon spam message out of our email systems. I receive approximately 200 emails per day. Clearing the spam emails takes up precious time which I need to spend with Stirling constituents and groups in dealing with problems and issues.

I would like to touch for a minute on email etiquette, the positive strategy to reduce what can be perceived as spam email. I often delete emails from Stirling constituents and groups as the email does not contain an address or at least a suburb in their email to me. This occurs because I delete anonymous emails—that is, spam—without an address or at least a suburb. On a number of occasions I have received a phone call or follow-up email from people who say or write that they are my constituent and that I have not replied to their previous email. I can then reply that I deleted the email as I thought it was a spam email. I can then assist the person or group as they have properly identified themselves to me. However, this problem occurs because of the many hundreds of emails I get a week without an address or suburb.

In doing my job I am contacted by Stirling constituents and groups in a variety of ways—by phone, faxes, letters, drop-ins to the office and personally when I am out in the community. My ability to do my job and to assist people and groups in a prompt and equitable way is greatly affected by the time I waste clearing spam emails, especially the many hundreds I get which do not contain an address or a suburb. I also have the Internet connected at home and three-quarters of the email I receive there are spam emails. Again, the time wasted clearing these is time that I need to spend assisting my constituents and groups with their needs and concerns in a prompt and equitable way.

I want to talk a little about the scary aspects of the search and seizure provisions of these bills. Along with Stirling constituents and groups, I could receive spam emails that lead to the ACA having the right to inspect my office and home and confiscate my computer without obtaining a search warrant—a very scary thought. Does it mean that ordinary Australians will be at risk of an ACA fishing trip because they receive the same junk email? That is a massive loophole that needs to be rectified. My colleagues and I want to protect the rights of the ordinary Australian Internet user. This part of the bill does not protect this community; it only puts it in a position of risk of cavalier government searches.

Concerns about these provisions have been raised by the peak community group Electronic Frontiers Australia. On their website—www.efa.org.au—they have looked at these two bills and produced a report, Analysis of Spam Bills 2003, in which they outline their concerns about the entry, search and seizure powers and comment ‘a judicial warrant should be required’. The analysis by Electronic Frontiers Australia has a very different view on the bills. Their opening statement says:

Proposed laws, claimed to be “anti spam” laws, were introduced into Australian Parliament on 18 September 2003.

However, close scrutiny of the proposed legislation reveals that it is not anti-spam. While it would prohibit the sending of some spam, it would also legitimise and authorise the sending of
other spam (unsolicited bulk commercial electronic messages). It would also prohibit the sending of some single messages to a particular person that few, if any, people would consider to be spam.

The report also states very firmly, ‘The proposed legislation should not be enacted in its current form.’ I support the concerns they outline; however, in the parliament we need to progress this issue and find means for dealing with spam email, if only at the Australian level.

Ironically, parliament has to take its own steps to alleviate this problem in a practical way. My office is part of the ‘I Hate Spam’ trial. This is a pilot that is using software that assists members, senators, staff, students and volunteers to manage their email workload. I signed up for this pilot as I can see its benefit and its practical use for Stirling constituents and groups.

At this point, I would like to put a human face to this situation. Wendy Charnell, a Stirling constituent whom I have mentioned before in this place is very interested in this bill. Nearly a year ago, Miss Charnell started receiving unsolicited child pornography emails which also tried to sell her equally unwanted goods and services. While I do not want to rehash her precarious legal situation, I would like to make one point. How is it justifiable that the ACA can potentially search her house and seize her property when the problem is being caused by an email relaying system in eastern Europe, Asia or Central America? Miss Charnell deserves better than that, and the Australian people deserve better than that.

If successful, the ‘I Hate Spam’ trial may lead to the availability of software that will solve Miss Charnell’s email problem. It will also assist the many other Stirling constituents and groups who contact me about their spam problem, which is an increasing source of complaints to my office.

One final concern I have is about the user-friendliness of the system. Will the government have the commitment to publicise the new complaint process arising from this legislation? World’s best practice spam legislation is nothing without world’s best awareness of the ACA’s role in assisting people who wish to have their spam email problem dealt with. The minimum that I would expect is a web site address that is widely advertised and a 1800 number for those people who still like to pursue complaints by telephone with a person.

In contemplating this legislation, we must acknowledge that this does not solve the problem. Spam is an international problem and the Internet is a borderless medium that provides spammers outside Australia with every opportunity to continue to clog our networks with junk email. Unfortunately, in this new medium, we cannot simply put a ‘no junk mail’ sign on our email box and be done with it. International cooperation must be pursued in the long term to curb this trend. Without that sort of continued commitment from the Howard government, spam will continue to proliferate.

As the member for Moncrieff just pointed out in his speech, in some cases more spam than genuine emails are now coming down the Internet. Having said that, I am not out to condemn this legislation. What Labor initially sees as needed are improvements that: ensure that exemptions to the regime are consistent, require exempted organisations to employ a functional ‘unsubscribe’ facility in commercial emails, clarify the definition of single emails, and improve the search and seizure provisions.

Labor shadow minister Senator Kate Lundy is working hard with the government to make these changes now. If they do not occur, when the bills arrive in the Senate the Labor opposition will seek to send the bills
to a Senate committee for inquiry to examine our concerns and the community’s concerns. As gaps and flaws in the bills are identified, the Labor opposition will seek to have recommendations included that turn any negatives into positive recommendations. Labor will then move amendments in the Senate that will strengthen the strategies outlined in the two bills.

I am confident that we can arrive at a satisfactory conclusion. Despite its imperfections, I would like to encourage the government to pursue proactive Internet policy more often. I encourage them to work with groups like Electronic Frontiers Australia and the Australian Consumers Association. Spam is an economic burden on this country. The costs are borne by Internet service providers, business, community groups and spam recipients. Increasingly, when spam carries viruses an even bigger cost is borne by businesses, groups and families. Any measures we can take to prevent its growth have my support. I commend these bills to the House.

Mr JOHNSON (Ryan) (10.56 a.m.)—I am delighted to be able to speak today on these important bills—the Spam Bill 2003 and Spam (Consequential Amendments) Bill 2003—because this is another example of very strong leadership by the Howard government in the national interest; it is another example of the government being creative in coming up with ideas, policies and legislation that serve our country very well. I am particularly delighted to be able to speak on these bills because they are good for my constituents in Ryan—they are good for the people of Ryan and for the businesses in the Ryan electorate.

Advances in technology, the Internet and an increasingly globalised world have brought about tremendous advantages for the international community and for people all across the world. But, just as opportunities have come our way, problems have also come our way with this increasingly globalised world and the technology that is rapidly engulfing it. One of the major problems, of course, is spam. The term ‘spam’ most commonly describes unsolicited electronic messages that are usually transmitted to a large number of recipients. Spam typically has a commercial focus, selling products or services. It is estimated that more than half of all spam is illegal and misleading. A lot of spam is offensive. Research has shown that pornography is very much a part of spam content. These bills also address spam in a family friendly sense: they try to protect Australians from offensive pornography that comes through electronic messaging.

A key attribute of the messaging which, as I said, is typically commercial in nature is that it offers a commercial transaction or directs the recipient of the spam to a location where a commercial transaction can take place. Another key characteristic of spam is that it is unsolicited. All members of the parliament, as has been referred to in previous debates, have alluded to the incredible number of unwanted spam messages we receive. We are constantly bombarded by totally irrelevant emails. But this happens to more people than just members of the parliament; the community, businesses and everyday Australians who take advantage of the Internet are no less bombarded by junk email.

The problem facing the government today is that spam email is now reaching what could be described as almost plague proportions and it continues to grow. CAUBE.AU traced the amount of spam received at their survey email addresses and found that spam grew in volume by a factor of six in 2001. Brightmail is reported to have detected a 300 per cent increase in spam in a 12-month period beginning in 2001.
Spam now accounts for about half of all worldwide email, which is just a remarkable phenomenon. It is a very serious problem, as I have touched on, and it has a major impact on individuals and businesses. The time spent checking unwanted and unsolicited correspondence is a massive expense for businesses. Estimates put the cost at some $900 to $1,000 per employee in this country. A European Union study in 2001 estimated that the worldwide cost of spam to Internet subscribers could be in the vicinity of some €10 billion or close to $A19 billion—a phenomenal amount of money. SurfControl recently estimated that spam costs employers approximately $1 per spam received.

These sorts of expenses and costs are borne by Internet users and, of course, employers through increased download times and loss of productivity. Spammers, on the other hand, bear insignificant expense in sending these messages and just make life difficult for those who are on the receiving end of those messages. So there is no doubt that spam is causing frustration for users and it is having a big impact on productivity for businesses as well as government agencies. It is very clear that, if this is left unchecked, it will reach proportions that will threaten the viability of the Internet as a reliable medium of communication.

The government recognises that spam is fundamentally an international problem, given the nature of the Internet and of this technology. It can really only be fully addressed through international cooperation and a coordinated approach. But, with this bill, the Australian government will be doing its bit to address the very serious issue of spam. The Howard government has taken a major leap forward in trying to address this problem of unsolicited spam emails with the introduction of the Spam Bill 2003.

This bill is much needed. At present no existing legislation fully covers the issues that we are debating. The antispm measures to be introduced by the Australian government through this bill will include national legislation, to be enforced by the ACA, and banning the sending of commercial electronic messaging without the prior consent of recipients—where there is an existing customer-business relationship or where the person has indeed actively agreed to their address being used for communications. So, in effect, an opt-in regime is available to users.

Civil sanctions for unlawful conduct, including financial penalties, an infringement notice scheme and the ability to seek enforceable undertakings and injunctions are also part of the measures to address this very serious problem of spam email. The requirement for all commercial electronic messaging to contain accurate details of the sender’s identity and a functional unsubscribe capacity to enable people to opt out are very practical measures included to address this problem of spam email.

Banning the distribution and use of electronic address-harvesting or list-generating software for spamming is also part of the measures in the bill. Banning the distribution and use of harvested address lists and working together with international organisations to try to develop a global guideline and approach and global mechanisms to combat the international problem of spam are part of the overall government approach to addressing this problem. The bill is intended to regulate and minimise unsolicited commercial electronic messaging sent from or received in Australia by implementing a civil penalties regime. The impact of spam, as I have touched on, is pretty extensive, far-reaching and very significant.

I want to refer to the bill in the context of my own constituents in the Ryan electorate. I
have been contacted by quite a few residents in the Ryan electorate who have spoken very commendably and strongly in support of the government’s position in coming up with this piece of legislation. They have expressed to me very strongly and clearly that the mountain of junk they receive in their email in-trays is just horrendous. A lot of mothers have also been in contact with my office. They are quite appalled at how easy it is for people from any part of the world to send spam email, especially where it has a lot of pornography involved in it, and access to email is very easy for young kids. So the contact I have had from my constituents in the Ryan electorate has been very supportive.

In the Ryan electorate, some 61 per cent of people use a computer at home. That is not a small figure, and it is reflective of today’s world. The Spam Bill is going make a very strong difference to their lifestyles, particularly for the young children who quite often use computers in their homes. In addition, of the 61 per cent of residents in the Ryan electorate who have computers in the homes, almost 60,000—or almost 47 per cent of the electorate—use the Internet at home. So this is very much a bill that resonates with the people of the Ryan electorate.

The indiscriminate method of distribution is of particular concern, as I have mentioned. Minors in particular being able to access spam is something that is just inappropriate when, quite easily, this spam can have an offensive pornographic content. These concerns have been recognised in this new legislation, which will see tough penalties of up to $1.1 million per day potentially applicable to those who breach the legislation. It is a very serious penalty and it is reflective of the government’s very strong concern about this issue. This type of penalty, I hope, will make spammers reconsider their decision to bombard consumers and everyday Australians with completely unwanted and, in particular, offensive email. I want to let the people of the Ryan electorate know that the government very strongly had people like them in mind when this bill was being put together.

The bill balances the need to make spamming an unprofitable venture while of course protecting legitimate business practices online. If anything, this legislation very strongly supports legitimate businesses who use emails as a way of communicating and as a way of being engaged in the day-to-day commercial activity of selling their products or services. So, apart from being very family friendly, the bill is very small business friendly. It is particularly Ryan small business friendly. In the context of businesses, clients who have agreed to communicate by email as a way of doing business will now be able to go about receiving their emails, hopefully without having a large pile of unsolicited emails clogging up their systems.

I have mentioned in a general sense the cost to business. I would like to make the House aware of statements made by Mr Michael Sexton, a computer systems manager for a professional company. He was reported in the Australian Financial Review of 27 September as saying that he believed spam costs his company some half a million dollars a year in lost productivity alone, so we are not talking about small amounts of money here. That is an amount of money that businesses throughout the country—in particular, as far as I am concerned, businesses in my electorate of Ryan—can well do without.

There are hidden costs as well, such as upgrading and devoting resources to deal with the problems associated with spam. All speakers on this bill have alluded to the amount of valuable time that is consumed in just deleting spam emails. My concern is more to do with those in businesses where time is money. Half an hour spent on delet-
ing emails that are completely irrelevant or offensive to their business operations is a half-hour’s lack of productivity and profit to that business.

There are some exemptions in the bill which are very appropriate and necessary. These are in the national interest as well. They exist to protect government agencies, businesses and certain commercial practices that require these exemptions. Such exemptions cover government-to-citizen messages, messages from registered political organisations or parties, messages from the non-profit sector—the charities that exist in our country—messages from religious organisations and messages from educational institutions that go to students, former students or members of their households. So it is very orientated towards commonsense. It is very appropriate to have these exemptions.

The bill is full of commonsense as to its impact. So, as the federal member for Ryan, I know that the residents and business people in my electorate who depend very heavily on emails as part of their lifestyle and as part of their business operations will appreciate this bill and what it seeks to do. The Internet is a legitimate tool for communication in our modern community and it is incumbent upon those in a position to protect that tool to fully do so with commonsense measures included in that protection.

We must remember that one of the major problems caused by spam is a loss of confidence in utilising email. So I want to reassure the residents of Ryan who have very kindly taken the time to contact me to express their concern, particularly about the number of offensive spam emails that they have received, that, as their representative in the national parliament and as a member of the Standing Committee on Communications, Information Technology and the Arts, I have certainly represented their concerns very strongly and that the government is doing so, as this bill reflects.

The Spam Bill 2003 links in with the strands of a multilayered strategy being pursued by the government in the form of education and awareness-raising programs, the promotion of antispam filters, industry codes and trying to have an international approach to this global problem. The Howard government continues to participate fully in and actively contribute to international antispam initiatives, not just in Australia—as this bill reflects—but also globally. The framework contained in this bill is aimed at reducing Australia as a source of spam, to minimise spam for Australian end users and to extend Australia’s involvement in worldwide antispam initiatives. Apart from being user friendly in a very individual sense, the bill is user friendly for families. It is also user friendly for businesses. It is another example of strong leadership by the Howard government. I commend the bill to the House.

Mr TICEHURST (Dobell) (11.12 a.m.)—The Australian government’s Spam Bill 2003 and the Spam (Consequential Amendments) Bill 2003 send a powerful message to spammers that the sending of unsolicited electronic junk emails will no longer be tolerated in Australia. The Spam Bill 2003 will hit spammers with penalties of up to $1.1 million for each day they send messages which break the law. It will also provide clear guidelines so that legitimate businesses can conduct marketing activities over the Internet. The Spam Bill is not restricted to email: mobile text messaging and other electronic messaging are also covered. The law will be enforced by the Australian Communications Authority under new powers allowing it to impose civil sanctions. The law will be enforced by the Australian Communications Authority under new powers allowing it to impose civil sanctions. The legislation will link in with other strands of a multilayered strategy being pursued by the Howard government which include educational and public awareness programs, the
promotion of antispam filters, industry codes and international cooperation.

Many home and business email users in my electorate of Dobell have expressed their concerns to me about the huge influxes of spam in their in-boxes in recent months. The importance of email to small- and medium-sized enterprises and big enterprises makes the issue of spam more pressing. Spam is more than just an irritation for many organisations: with more than half of the emails comprising spam, it has grown into an issue that seriously affects organisational productivity in the workplace. Consider the time spent by employees managing spam at their desktops. The increased cost burdens in storing these unsolicited emails on the file server is putting pressure on businesses in Dobell and in fact on businesses nationwide. The bandwidth consumed during the delivery is also an issue. An IDC survey indicates that enterprises are concerned with bandwidth consumption by unwanted or excessively large email files. Bandwidth problems rank No. 4 among email filter users’ worries.

Spam is commonly used to promote illegal, offensive and unscrupulous ventures, such as black market drugs, celebrity porn, bogus prizes, Nigerian money laundering and other false or fraudulent material, and it is currently estimated to constitute about half of all email traffic on the Internet. Because of the indiscriminate nature of spam, messages with pornographic and offensive content are often sent to minors. The alarming emergence of malicious spam carrying dangerous computer viruses threatens the effectiveness of electronic communication and legitimate online businesses. Spam also raises other issues for individuals and business, such as invasion of privacy, misleading trade practices, burdensome costs and distress that can lead to harassment and legal liability issues.

The bill has been criticised for having little effect on Australia, as the majority of spam comes from international sources. The legislation, in tackling Australian originated spam head-on, will send a strong message to overseas spammers. It is expected to set an example for overseas jurisdictions currently considering antispam legislation, including the United States and Europe. The legislation includes provisions that anticipate Australia’s entry into multilateral arrangements with other countries concerned about the regulation of spam. Once in place, this will enable regulations to be made giving effect to these agreements. Enforcement of the penalties relating to overseas sourced spam will be problematic until international arrangements are in place, but the legislation ensures that there is an appropriate enforcement regime in place to deal with overseas spammers as soon as these arrangements have occurred.

Moreover, making it clear and unambiguous that spam to or from Australian Internet users is illegal and that we will pursue spammers will help to encourage spammers to delete Australian addresses from their databases. The increased access to filter technology, which the government will facilitate by requiring ISPs to offer filters at reasonable cost, will empower users to help stop international spam entering their in-boxes.

Industry support for the spam legislation has been widespread. As evidenced by the government and the Internet Industry Association’s antispam initiative, we are working with the industry to fight spam. We have at least 10 filter makers, ranging from Australian companies such as SpamTrap to multinationals such as Yahoo! and Hotmail, who are signing up to help us combat spam by offering one month’s free spam filtering.

In response to criticisms of the bill by Labor and Democrat senators pertaining to the exemptions from the law for non-commercial
organisations, government bodies are bound by and committed to the Privacy Act, so the exemption in no way will give them a licence to spam. As the Internet Industry Association have publicly said, the government has got the spam laws right because the exempt parties traditionally do not conduct spamming activities on such a large scale as commercial groups. Similarly, according to an article in the Financial Review on 19 September 2003, the Chairman of the Coalition Against Unsolicited Bulk Email, Troy Rollo, agrees that commercial spam constitutes most of the problem. If it does turn out that we have a big explosion in non-commercial spam, it is possible that the exemptions can be adjusted in line.

I commend the Australian government on its efforts to combat the menace that is spam. The bill has received widespread support from the IT industry, the direct marketing industry and the wider community. I only hope that the ALP and Democrats in the Senate accept the bill. In a recent media release, ALP Senator Kate Lundy criticised the Howard government for its so-called procrastination in dealing with the issue of spam. To Senator Lundy and her colleagues I say this: if, as you state in your media release, you are concerned that Australians have for too long been paying the price while the recommendations for the introduction of antispam legislation were put in place and if you are truly concerned about the impact of unsolicited emails on Australians, please accept the Spam Bill 2003 and the Spam (Consequential Amendments) Bill 2003 in this cognate debate. Hopefully, some genuine relief will be provided to people in relation to spam across the email system. The legislation is about reducing the burden of junk emails on business and Internet users alike who continue to be bombarded with spam each time they open their email accounts and check their electronic mail. Each time I pass the member for Pearce’s office, I am critically reminded of how email has invaded everybody’s lives. The member has a notice of prayer which says, ‘Lord deliver us from email.’ How true this is. It is a genuine thought process that says, ‘We’re in the grip of an electronic war here.’

In the time that I have been a member, the time taken to open emails, to respond to emails and to determine whether emails are from people in my electorate has increased. One of my staff members is in charge of opening emails, providing feedback, determining whether the sender is from my electorate and then either disposing of or, if that person is in my electorate, responding to that email. It takes countless hours to deal with it. I do not think that has been considered clearly in the picture of how electorate offices are actually run in these times. Spam affects every email user, whether it is a small business owner receiving emails from prospective clients, high school students keeping in contact with their friends or, as many...
of us are aware, members of parliament who receive emails from constituents and from people around the world and across this nation.

It is a problem that continues to grow considerably as the pace of technology continues to increase, and the costs associated with these emails continue to increase. This legislation, once implemented, will take action against those who send junk email, and act to protect Australian online users from the growing and costly problem of junk email, or spam. This may apply to each and every politician in this House who uses email as a means of communicating on a wide variety of issues across their electorate. We must recognise that we could be—and probably are—contributing to the spam overload on small businesses and private individuals if we use their email addresses to send forth our political propaganda. We have to be very mindful of this issue as well, as we recognise that spam is extremely frustrating, particularly for businesses that have to dedicate a great deal of time to erasing junk emails. This costs the businesses in lost productivity.

Spam raises a number of issues for email users, such as the invasion of your privacy, misleading and deceptive trade practices, illegal or offensive content, and the cost and distress it can cause to those on the receiving end of it. It can be a hindrance to businesses, which sometimes receive hundreds of junk emails every day. Certainly that is the case in our electorate offices. Not only can spam contain offensive or illegal material, but spammers can also use a range of misleading methods to hide their identities, to encourage users to open their email because they believe it is from somebody that they know. There are instances of spammers using names that are common to the user’s address book and email account and enticing individuals to open an email. The users then discover it is a pornographic web site, a financial scam or a pyramid scheme. Because the author of an email has been made to appear legitimate, businesses open the email, believing it to be from an existing or new customer, and they then discover that it is not in fact genuine.

The dominant categories of spam are pornography, financial scams and pyramid schemes, and there is growth in spam containing viruses. The danger of this growth in spam means that junk emails containing pornographic images and offensive content can easily be sent to any minor who has an email account. This is just not acceptable. Today it is common for most children and teenagers to regularly access their email and then become a host to some ‘preying mantis’ who decides that they will get their kicks out of sending pornographic emails or destructive sites. It is quite distressing. It is in the interests of all members to support this legislation, as it will protect our children from being subjected to this spam every time that they open their email accounts, as well as protecting businesses from unnecessary costs and burdens. Many businesses and individuals, tired of the continuous stream of nuisance emails, are forced to change their email addresses, and this causes great inconvenience, not to mention cost, both through the administrative changes and the lost business.

Unbelievably, there is now more spam email being sent than there is genuine email, with an estimated five billion spam messages sent around the world each day. About half of all emails that Australians receive are junk emails. I find that absolutely incredible. While there is a substantial nuisance factor to users, there is also the enormous burden of cost, with an estimated cost of around $900 for each employee each year just to deal with junk email. That is a conservative figure. I would go as far as to say that $900 would not be anywhere near the cost of dealing with
spam in one month, with the way businesses pay their staff now. You are opening, closing and dealing with email and determining whether or not you have a legitimate customer, client or constituent. I believe the cost would be far in excess of $900 each month. It is a very costly issue. It causes loss of business productivity. Whilst you are sitting there opening these emails to determine whether or not they are genuine, there is an enormous amount of lost productivity, not to mention the frustration that it causes for legitimate users.

When your system is absolutely clogged up with hundreds of emails on your screen, you have got to deal with them regardless. You have to open them and close them because, as I said, people try and have you assume that the email is from somebody you are associated with. Somebody may genuinely, legitimately, want to give you business advice, use your business, provide you with a business contact or give you a service, or a constituent may want a response. But these spam emails are actually clogging up the system and depriving genuine email users of a response and the ability to contact you. Through the use of all of these spam techniques, people with genuine emails to a business, to a federal or state member or to anyone else really are deprived of the time and value of their representative or of the business in question.

The Internet is a fantastic tool, as we all know, with an abundance of resources, and email has allowed us to send information with just a click of a button, which is something we would not have considered 10 years ago. I would go as far as to say that a lot of people who use my email account will be very much in danger of having arthritis in their button-pushing fingers in a very short time. With the amount of emails I get it is quite incredible to me that somebody can continually use one finger to push a button and send such copious quantities of email.

We have progressed at a lightning fast speed and this legislation will enable the government and its agencies to keep up with the changes, protect the millions of Australians who use email on a regular basis, protect businesses who could suffer from a loss of reputation and a loss of valuable customers and opportunities to expand their businesses simply because they have not acted fast enough on an email that was sent by a genuine client. The legislation will also be able to adapt to new situations as they arise, allowing the government to keep up with the growth and development of communications technology.

Under this legislation the courts will be able to compensate businesses that have suffered due to the actions of a spammer and also recover any financial gains made by spammers due to these actions. In the most serious circumstances, a court may order a spammer to pay compensation for damages of up to $1 million a day. Such penalties will send a very strong message to those companies who choose to continue using spam as a way of promoting their dubious products, such as weight loss products.

We have a population that has a high level of obesity. Right across the world, very vulnerable people who are looking at weight loss see a too good to be true deal come across their email. They contribute to that; they subscribe to that treatment only to become the victim of a serious case of fraud. Really they are only contributing to somebody's bank account by buying a dubious product that does not work. It preys on the vulnerable, it sometimes preys on the elderly and it preys on the young. An email that I have been hit with many times in the last few weeks is for another dubious product, which claims to enhance sexual performance and
seeks to replace prescriptive drugs such as viagra et cetera. Again it is preying on vulnerable people. These emails are obviously, at times, just contributing to spammers’ very large bank accounts.

The enforcement of this legislation will be the responsibility of the ACA. With a strong understanding of the telecommunications sector, and previous experience in enforcing legislation, the Australian Communications Authority is well-equipped to administer this legislation. In addition to the role of enforcement, the ACA will also provide education and advice to businesses and individuals about what they can do to minimise the impact of spam on their daily operations. This will ensure that they are better equipped to deal with the existence of spam, greatly reducing the cost and impact to business and productivity right across Australia.

Exemptions will be available for messages sent by government bodies, registered political parties, religious organisations and charities. But these organisations are still bound by the Privacy Act, which protects the rights of individuals—as it should. As I said, members of parliament also use emails in order to deliver political messages. That has to be clearly understood and looked at in respect of invading the rights of individuals unless they have requested this to happen. This legislation will take action against those in Australia who continue to send spam and will show overseas spammers that Australia is very serious about protecting our businesses and protecting our individual email users. This legislation will also seek to protect our children in particular, because it is the children that most spammers are seeking to contact. It is the children they are seeking to exploit and it is the children that are most at risk from this appalling behaviour that takes place on our screens every single day of the week.

Spam costs money. Every email associated with spam has an associated cost. It costs money to transport the data across the Internet, because access providers are forced to invest in increased transmission and storage capacity as traffic caused by spam continues to increase on their lines. What this means is that the cost is shared by all Internet users, not just the spammers. Spammers are able to send millions of messages at the same cost as sending one.

Many small businesses, particularly in rural and regional areas, use dial-up Internet access and many have plans that provide a certain amount of hours per month. I did that in my Griffith office, which I funded out of my own money and from my electoral allowance. However, I could not get a good service over there so I had to take my Griffith office staff off the Internet. The hours that were spent getting onto the service meant lost productivity. You would just get onto the service and it would crash. The amount of lost productivity was such that I decided to remove the Internet from my Griffith electorate office. The increased amount of time needed to get onto the Internet in country and rural areas and the time required to check spam messages mean a reduction in the amount of time available to use the Internet for business, study or personal use. If users are paying by the hour, it means higher monthly bills for consumers when they are trying to open and get rid of this spam so that they do not miss a message from a vital customer or friend.

For rural and regional users, the amount of time it can take to open an email is already significant. For instance, my residence is nine kilometres from the CBD of the largest inland city in New South Wales. To open one email takes me up to 10 minutes. It sits on the screen and I wait for 10 minutes to open one email. If I have got all of these emails that I have to continue opening, the cost of
my time to do that is absolutely extraordinary. But not only that, the dollar cost blows out of all proportion. I find it absolutely unacceptable. Spam actually slows down the performance of the Internet. Large volumes of spam can significantly slow down the delivery of email for hours and hours. They can also cause computers to crash, causing further inconvenience and large costs to users.

This legislation is important and I am very passionate about the Spam Bill 2003. Frankly, it is such a difficult issue to overcome. If you are a time efficient person, if every day of your life is spent juggling time constraints, this is one of the most frustrating issues associated with any efficient business practice. It is one that I am very passionate about. It is important to the email users throughout my electorate of Riverina. Many small businesses continue to struggle with a daily deluge of junk email, and much of it is offensive. I need to ensure that I am not adding to their problems and woes myself by emailing anyone material that they have not requested. The time spent attempting to sort through this spam takes our business owners away from their businesses and staff, and it only causes unnecessary frustration.

In addition, the majority of businesses in my electorate use dial-up Internet access which, might I add, operates at a very much slower speed compared to broadband. It is an extraordinarily slow process to access emails, which will probably surprise many in the House. It would be eye-opening for members to actually come out and have a look at how people in the larger central cities in rural areas have such a significant difficulty with the speed of this technology. Opening an email that may be spam takes away valuable minutes that could, as I said, be better spent accessing genuine emails; or that time could be used for the benefit of your business, such as training staff, working with customers or doing the necessary paperwork.

Following the government’s announcements in July that it would move to ban spam, I put out a media release to inform the local media and my constituents that legislation being developed by this government would help to reduce the problem. This article ran in a number of local publications, including the Area News of Griffith. Griffith is an extremely successful community that has thrived on the continued growth of industry. No doubt this move was welcomed by the many businesses that operate in and around that Griffith community.

This legislation will mean that sending commercial electronic messaging will be banned without the prior consent of users—hooray!—unless there is an existing customer-business relationship where the receiver has chosen to receive these emails. This legislation will also require commercial electronic messaging to contain the correct details of the sender’s name and physical address, as well as an unsubscribe facility allowing individuals to choose not to receive the information. I would like to get arthritis in my button-pushing finger by pressing the button that says ‘I don’t want your email again!’ That would be a great delight to me. That would mean less time in the future spent sorting emails. Businesses that carry out legitimate email direct marketing in line with the requirements of the Privacy Act will be protected under this legislation. I commend the government on developing and introducing this legislation which will protect businesses and individual users, but most particularly it will protect the children of Australia from nuisance emails and emails that are sent to cause distress in people’s lives. I commend this bill to the House.

Mr WILLIAMS (Tangney—Minister for Communications, Information Technology
and the Arts) (11.39 a.m.)—I thank all those who have contributed to this very interesting debate on the Spam Bill 2003 and the related Spam (Consequential Amendments) Bill 2003. Obviously, there are some significant relevant experiences among those who have participated. There has been a common thread in the debate on this issue and it is that spam is not just a joke or a nuisance; it is a real and growing threat to a communications infrastructure that we increasingly rely on socially, in government and at work. It imposes both real and virtual costs on recipients, including time, dollars, distress and bandwidth. Many members have shared their own experiences as recipients of spam. Importantly, our constituents—businesses, individuals and families—are suffering at the hands of spammers. It is incumbent on us to do what we can to deal with the problem without restricting legitimate commercial and other communications.

In July this year, building on the recommendations in the National Office of the Information Economy report on spam, the Australian government agreed to implement a multilayered approach to progressively attack the problem. This approach combines legislation, industry collaboration, international cooperation, the assistance of partner agencies and public education. The Spam Bill 2003 has as its cornerstone the principle of consent. Has the recipient asked for this communication—which constitutes explicit consent—or is there implicit consent? Implicit consent would exist where there is an existing business or other relationship. Drafting the bill has been a delicate balancing act. We must balance the legitimate needs of business and the concerns of the community. Great care has been taken to consult widely with all major stakeholders in developing this package. The overwhelming feedback to date is that we have got the balance right. Six months ago this is something that many of the commentators were saying was probably impossible.

The bill hits the right targets. We are hitting those who send spam and the techniques they use, while avoiding a restriction on the right to free speech—be it political, religious or general free speech. The bill also avoids any undue burden on industry or significant restriction on generally accepted business practices. It provides a springboard to develop and use the international arrangements that will be essential to deal with spam effectively because of its global nature. It provides exemptions to prevent unforeseen consequences in relation to how government serves its citizens or how charities and religious groups serve the community. The bill has a flexible sanctions and enforcement regime which extends from formal warnings and infringement notices through to significant financial penalties for recidivists. It has an appropriately short review time frame of two years. While every effort has been made to future proof this bill, this is a fast-moving and dynamic area and we need to ensure that the legislation is continually meeting expectations we have for it and that it remains fully relevant.

I note that Labor has welcomed the bulk of the provisions and indicated its broad support for the bill. However, I note that a number of Labor members, including the members for Melbourne and Bruce, were critical of the time it has taken to reach this point. Let me be clear on this issue: developing good public policy in such a new area and then good legislation based on that policy takes time, extensive consultation and careful development. We do not apologise for doing precisely that. Our strategy has evolved as we have listened to the views of industry and the community. In the process, we have managed to develop a package that is an effective response to the problem at hand. It is one which other jurisdictions may
well choose to follow and one which the vast majority of stakeholders have applauded.

In terms of other issues raised, I would like to respond first to the concerns raised by the member for Melbourne. I note that the member stressed the need to take further action internationally against spam in recognition that most spam originates overseas. As the NOIE report recognised, international cooperation is essential to deal with spam effectively. In this regard we are dealing with the problem by putting in place both immediate and longer term strategies to improve international cooperation on antispamming activities. In the short to medium term, we are developing memoranda of understanding between NOIE, the Australian Communications Authority and the responsible agencies overseas for both policy and practical cooperation on antispam issues. I expect the first MOU to be signed this month with others to follow. In time, we expect that this interaction and cooperation will lead to bilateral and multilateral agreements on enforcement activities against spammers, possibly along similar lines to the existing international consumer protection arrangements in which the Australian Competition and Consumer Commission participates.

NOIE is contributing to a Working Party on Information Security and Privacy project on spam and is liaising directly with other national and multinational groups, including the European Commission, on spam related issues. In relation to undertaking domestic education campaigns, in the 120-day period before the civil penalties come into effect, the ACA and NOIE will work in conjunction with industry and other groups on an information campaign to ensure that Australian businesses are brought into compliance with the legislation.

I note that the member for Melbourne foreshadowed Labor’s possible intention to move amendments in the Senate in relation to three areas of the bill. I make the following comments about that. Firstly, the members for Melbourne, Stirling and Bruce queried why trade unions and other not-for-profit organisations are not exempt in the same manner as government bodies, registered political parties, charities, religious organisations and educational institutions. Religious organisations and charities commonly reach beyond their congregations or membership to deal with broader elements of society that have no ongoing relationship with their organisation. The beneficial nature of the activities of these sectors has led to their exemption from the prohibition on the sending of unsolicited commercial electronic messages in order to ensure that there are no unexpected or untoward impacts on the sector.

It should be noted that activities in these sectors remain the subject of the relevant Privacy Act provisions. Trade unions and most other not-for-profit organisations typically operate for the benefit of their members and, because there is an ongoing relationship with their membership, do not require the exemption that charitable and religious organisations may require. The Spam Bill 2003 does nothing to inhibit the ability of trade unions and other not-for-profit groups to engage in public debate. The bill specifically targets commercial messages.

Secondly, the member for Melbourne foreshadowed an intention to move an amendment to remove the exemption from providing an unsubscribe facility for designated commercial electronic messages. Such an amendment would be illogical. Designated commercial electronic messages, such as certain messages from government bodies, registered political parties, religious organisations and charities—and messages of a purely factual nature—may be sent to recipients regardless of whether they were solic-
itied or not. Because the messages may always legitimately be sent without the consent of the recipient, it follows that an unsubscribe facility attached to such messages would not necessarily be effective or need to be acted upon. In practical terms, it is likely that groups that send designated commercial electronic messages would include an unsubscribe facility and would act on requests to unsubscribe from future messages. The legislation does not prevent it, but neither does it require it. It should be noted that such groups are still required to include accurate sender information which will enable recipients to contact the sender, requesting their removal from future messages.

Thirdly, the member for Melbourne indicated a concern that the regime may be applied to single messages rather than bulk messages. The concept of spam being bulk messaging has not been included in this legislation for two very good reasons. A person who receives an unsolicited commercial message will generally not care or not be able to discover if the message has been sent to them singly or to a million other recipients. Regardless of the number of other recipients, that person’s time and resources have been consumed in dealing with the unwanted message, and their privacy has been invaded in a manner that should be addressed. Simple technical arrangements and legal arguments have been routinely employed in overseas jurisdictions to prevent messages from being classified as bulk. An example is the sending of multiple flights of messages to multiple address lists of a size one less than the number defined as bulk. Another example is using a simple program to insert random alphanumeric characters in each message sent to large address lists. It is argued that since no two messages are exactly the same, due to the inclusion of these random characters, they cannot be classified as bulk messages.

The member for Blaxland indicated that he would like to see ISPs take responsibility in addressing the spam problem. He will be pleased to note that the Spam (Consequential Amendments) Bill provides for industry codes to be developed by ISPs and other electronic messaging providers to establish antispam codes of practice and user education and to promote the use of antispam tools.

In addition, I note that the member for Melbourne and the member for Stirling raised some concerns in relation to the search and seizure provisions in the Spam (Consequential Amendments) Bill. Like the member for Melbourne, the government is concerned to maintain an appropriate balance between protecting an individual’s privacy and ensuring that serious breaches may be adequately investigated. The bill achieves this balance by allowing a search of premises only when the ACA has obtained a warrant from a magistrate or has been given the consent of the owner or occupier of the premises. This recognises that the owner or occupier is appropriately entitled to decide who may enter the premises. It gives them the opportunity to consent without wasting court resources, where they are willing to accede to the request.

The search and seizure provisions are extended to cover contraventions of the Spam Bill, but they are otherwise unaltered from the same provisions currently in the Telecommunications Act. The search and seizure provisions in that act are consistent with similar provisions existing in other Commonwealth legislation. Warrants under these provisions are served in respect of premises, not in respect of particular persons or a particular person’s possessions. This avoids substantial elements of evasion and confusion. For example, where an on-site computer is on hire or the premises belong to a third
party, the warrant is not invalidated by a misidentification of the owner.

The member for Stirling specifically raised the concern that she, as a recipient of spam, may be raided by ACA inspectors. I note that a search can occur only with a warrant or with the owner’s or occupier’s consent. The suggestion that an ACA inspector would conduct a search and seizure operation in respect of a recipient of spam is, on the face of it, ludicrous. It would be a waste of time and resources when the act could target the origin of the messages. The only way the ACA would be aware of a recipient of spam would be if the recipient complained to the ACA of receiving spam or if they had network logs showing the person had received spam. In the first instance, the recipient is unlikely to impede the ACA’s investigation. In the latter case there would be no reason for the ACA to seek further evidence.

The member for Bruce expressed concerns about the possibility of first-time offenders facing substantial fines. The ACA have been provided with a diverse range of possible sanctions, to cover the range of transgressions they encounter, from formal warnings to large fines. The goal is behaviour change, and the ACA will select the best strategy to achieve that. For many first-time offenders, a formal warning will be more than adequate to achieve that.

The member for Stirling also raised a concern that the term ‘religious organisation’ has not been defined in the bill. I want to allay the member’s concerns that inappropriate fringe groups would be able to take advantage of this exemption. There is considerable case law relating to what is meant by a ‘religion’ or ‘religious organisation’. The High Court has listed as neither necessary nor sufficient various indications which can be used to determine whether ideas constitute a religion. Without going to the detail of the High Court’s tests, I will say that anybody interested may see the tests set out in the case of the Church of the New Faith v. the Commissioner of Pay-Roll Tax reported in 1983 in volume 154 of the Commonwealth Law Reports at page 120. In addition, the term ‘organisation’ connotes a level of structure and administration. It would not cover an ad hoc collection of individuals with similar beliefs.

I believe that the issues raised in the debate here today have been well covered in the drafting of the bill. I thank again those who contributed to the debate. I commend the bills to the House.

Question agreed to.

Bill read a second time.

Third Reading

Mr WILLIAMS (Tangney—Minister for Communications, Information Technology and the Arts) (11.53 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.
HIGHER EDUCATION SUPPORT BILL 2003

Cognate bill:

HIGHER EDUCATION SUPPORT (TRANSITIONAL PROVISIONS AND CONSEQUENTIAL AMENDMENTS) BILL 2003

Second Reading

Debate resumed from 17 September, on motion by Dr Nelson:

That this bill be now read a second time.

Ms MACKLIN (Jagajaga) (11.55 a.m.)—The government has got it frighteningly wrong on higher education. This government has misjudged community sentiment and misread what Australians want for our children and for the future of our country. Australian parents want their children to get a great education. They want their children to aim higher. Australians who have never seen the inside of a university want their children to get as much education as possible. Australians know that a university degree means more skills, and they know that skills are their children’s tickets to a better future. The Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 will make it harder, not easier, for our young people to get a university education.

The main ingredients of this package are higher student fees and not enough HECS places at our universities. There is only one possible outcome from that very special mix: fewer Australians getting a university degree. For seven years this government has had one main agenda—to shrink investment in Australia’s public domain. The Sydney Morning Herald got it right a few years back when it said:

Having failed to grow into the job of Prime Minister, John Howard has instead decided to shrink the country.

The Higher Education Support Bill is a bill that will shrink our universities. It is a bill for shrinking education, a bill to shrink our country. At its core this bill aims to restrict participation in Australian universities, to reduce—not expand—the opportunities Australians have to go to university.

We live in a competitive world. The choice for Australia is not between skilled and unskilled employment but between skilled jobs and none at all. Skills growth as a driver of productivity has dropped 75 per cent in the last 10 years. More Australians must attain higher skills if we are to boost standards of living. We need more Australians getting tertiary qualifications, not fewer. We need a world-class university system which delivers teaching and research of the highest quality across the system, not just to the lucky few. It is easy to provide high-quality education for the few. Getting high quality for everyone is so much harder. It requires real and ongoing commitment and resources. That is the challenge for any country. The legislation before us shows that it is a challenge that this government has failed.

The Higher Education Support Bill and the associated bill form a radical set of policies which, if implemented, would make the Australian university system the most expensive public system for students in the Western world. It is a dreadful piece of legislation. The centrepiece of the legislation will allow universities to increase their fees by up to 30 per cent. That is not reform; it is just a price hike. This is the same agenda that the Howard government has practised since it was elected. We see it in health care, we see it in aged care and, in these bills, we see it here in universities—the shift from public investment to user pays and pays and pays.

The Minister for Education, Science and Training has spent nearly two years reviewing and formulating higher education policy
but in fact all he has produced is legislation that regurgitates the Liberal Party’s decade-old wish list. The education minister—as so many of us have heard so many times—likes to tell people that he is at the cutting edge of policy development. But this is the fifth time the Liberal Party has attempted to deregulate fees, limit HECS places and make students pay more. In 1993 the Liberal Party wanted to deregulate university fees as part of Fightback 1 and Fightback 2. Then Senator Vanstone tried to push deregulation through the ill-fated West review after the 1996 election. Again in 1999, the then minister, Dr Kemp, had a go. This minister has done little more than a cut and paste from previous policies.

The latest OECD report card on this government’s activities in education reveals that Australia had the second lowest increase in the rate of enrolments in universities in the OECD between 1995 and 2001. What is more, government figures show that the number of Australians starting an undergraduate degree has dropped over the last two years. That is pretty hard to take when we know that there are 20,000 qualified Australians missing out on university places. That is what happened this year. Of course, Australian industry is crying out for more skilled workers. The legislation that is before us today will only make that situation worse.

This government is trying to force universities to cut around 8,000 HECS places by 2007. According to newspaper reports, over 1,300 HECS places will be cut from New South Wales universities and over 1,200 places will go from Victorian universities next year alone. Over the next three years we can expect entry scores into universities to skyrocket and thousands upon thousands of school leavers will miss out on courses that they would otherwise expect to get into, all because this government is refusing to provide the number of HECS places that our country needs.

The government’s approach is simple: any growth in university places should come from full fee places. All those who miss out on a HECS place will have little option but to pay up to $150,000 for a full fee place at one of our universities. After 2007, publicly funded places will not even keep pace with population growth. What sort of country aspires to a smaller proportion of people going to university? Compare that with Labor’s announcement of over 20,000 new full- and part-time places every year for people starting a degree at one of our universities. This government wants fewer Australians at universities; Labor wants tens of thousands more. It is a very simple comparison.

The education minister says that too many young people are coerced into finishing year 12 and going on to university. Time and again in here and outside we have had to listen to this minister talking down the aspirations of our young people, telling us how the labourers and the metalworkers do not get any benefits from universities even though they contribute financial support, that their children want to stay in what he describes as a quiet pond and that they should resent students from overseas who pay full fees to go to university in Australia, and trying his hardest to ignite resentment and division in this country. He has been trying to lower the expectations of mums and dads about their rights and their children’s rights to a university education. But it is a great thing to say that Australian parents have seen through this. This minister’s transparent attempts to play what we all know are the rank politics of envy have backfired disastrously on this minister. If any of us doubted that, you only have to listen to this year’s NRL premiers, the Penrith Panthers. Their club came out fighting for their local university
against attacks contained in this very legislation. This is what the Panthers had to say:

We believe that while sport helps build healthy bodies, education helps build healthy minds.

UWS—

the University of Western Sydney—
is a forward-looking university. Its proper funding is an essential part of the development of our region. We support UWS for all these reasons and also because it gives our young people a chance to study locally.

The importance of university education to Australia is confirmed also by a recent survey of people in Western Sydney, in which three-quarters said they or their family members have used or are likely to use the university’s facilities. Nine out of 10 people surveyed in Western Sydney oppose the Howard government’s university plans and half have said the plans will influence their vote. A staggering 90 per cent said that fees should not be increased. Australians value their universities. They want the government to fund them properly, not weasel out of their commitment through these shoddy bills.

This government’s package means huge HECS debts of up to $50,000 for Australian undergraduates. Just so we know the actual amounts, an arts degree could cost $15,000, a basic science degree, $21,000 and a law degree, $41,000. No-one can dispute that these sums of money will be a disincentive to students going to university. Of course they will turn students off. Of course they will put barriers in the way of access. Just imagine an 18-year-old from a family that it is not so well off facing a debt of $40,000. Fees of that magnitude will stop those students going to university.

What is more, this legislation includes—and of course the minister does not want any attention drawn to this—a provision for this minister to raise HECS fees over and above that 30 per cent. This is a giant swindle—on the part of this minister and it flies in the face of his repeated promises that 30 per cent would be the absolute maximum. There is only one reason for allowing the minister to raise the cap on HECS increases, and that is to allow even bigger hikes in HECS fees. The legislation before us leaves the door open for an open slather with no cap on HECS fees and no limit on how much a degree will cost in the future. And, of course, that is on top of years and years of fee hikes under this government.

Australia’s fee structure for students is already one of the highest on the world scale. We are currently the fourth most heavily dependent on private funding in the OECD. Only Korea, the United States and Japan have higher dependence on private income. I say to the government today that under no condition will Labor support any measures to make students and their families pay higher fees.

The Howard government also plans to place no limit on the number of full fee places at Australian universities. This is one of the most unpalatable and indefensible elements of the package and is more evidence of this education minister’s trickery and deceit. The education minister has repeatedly said that full fee places will be capped at 50 per cent of the number of students. Today we learn that the bills actually allow the minister to exclude entire courses from the 50 per cent limit. So high demand courses could be filled entirely with full fee students paying as much as $100,000 for those degrees. This means that in some courses not one single HECS student could get a place. The government, of course, wants places at Australian universities to go to those students who can pay as much as $150,000 for a degree while students with better marks miss out on those places. Under Labor, in contrast, merit will be the criteria for getting a university place. There will be another swindle—on the part of this minister and it flies in the face of his repeated promises that 30 per cent would be the absolute maximum. There is only one reason for allowing the minister to raise the cap on HECS increases, and that is to allow even bigger hikes in HECS fees. The legislation before us leaves the door open for an open slather with no cap on HECS fees and no limit on how much a degree will cost in the future. And, of course, that is on top of years and years of fee hikes under this government.

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no full fee places for Australian undergraduates and no more degrees that cost $150,000.

The government says that Australian students should have the right to buy a university place because international students can. This logic, of course, is completely skewed. Labor does not believe that Australian students should be treated the same as foreigners. We believe Australians should be treated better—that is the whole point! Young Australians are part of our community. They and their parents contribute to our tertiary education system through tax and other forms of support. Australian students should not be treated in the same way as international students. We believe on this side of the parliament that Australians deserve a publicly funded HECS place, not $100,000 of university debt. That is why we will fund 20,000 extra places every year and abolish full fees.

The Howard government has cut $5 billion from our universities since 1996, so it is no wonder that Australia recorded yet another record: the largest drop in public investment in universities over five years of any OECD country. We dropped by 11 per cent. In stark contrast, the OECD average was an increase of 21 per cent. Public confidence in our universities is dropping, stress levels amongst our university staff are on the rise, student fees have doubled under the Howard government and student debt is projected to hit a record $13 billion by 2006. The number of students per teaching staff has blown out by more than 30 per cent since the Howard government took office and at some universities this blow-out is more than 50 per cent.

Of course that means overcrowded classrooms, infrastructure in serious disrepair and insufficient student support—all of these things have become very common features in our universities. To address these problems, indexation of university funding has been identified by universities as the priority issue. The Group of Eight’s submission to the Senate inquiry states:

... the package is ... silent on the issue of the indexation of Commonwealth funding for universities and ... this is one significant initiative announced in the ALP policy.

Griffith University told the Senate inquiry in Brisbane that the $312 million indexation element alone in Labor’s $2.34 billion package would deliver more money for most universities than they can extract from students through HECS increases. So most universities will be much better off under Labor’s package than they will ever be under that of the Howard government. The Vice-Chancellor of the University of Sydney, one of the universities that could expect to benefit from the government’s university changes, similarly told the Senate inquiry that without including an indexation measure comparable to Labor’s the government’s package was unsustainable. Yet the Howard government’s package offers nothing in the way of indexation.

As part of these bills, the Howard government also want to limit the amount of time that students have a HECS place. They want to limit it to five years. This so-called learning entitlement—more accurately described as a learning limit—will push students either into a full fee place or out of higher education entirely. But figures reveal that Australian students already spend the shortest amount of time at university of students in any OECD country. Once again we are right down at the bottom. The minister even informed us in his second reading speech that only four per cent of students enrolled last year already had an undergraduate degree. The learning limit is just another cynical bid by this government. It will penalise those students who want to upgrade their skills and get new qualifications. Labor will not support this latest attempt to limit the
right of Australians to get a decent university degree.

The industrial relations changes included in this legislation are nothing short of pure Liberal ideology. This bill holds $404 million of desperately needed funding conditional upon meeting the government’s industrial relations requirements. The government is effectively blackmailing universities into implementing this government’s industrial relations agenda. At the very petty end, we have absurd requirements and extraordinary attempts at micromanagement by the previous minister for workplace relations and the education minister. Universities are not going to be allowed to distribute union material at induction programs.

Ms Roxon—This is the government that doesn’t want to regulate.

Ms MACKLIN—That is right. At the other end of the spectrum the government is pushing to diminish conditions in areas such as redundancy pay and maternity leave and to allow AWAs to override existing agreements. Not one of these industrial relations conditions has an iota of relevance to universities’ core functions of teaching and research. They have already caused massive disruption on our university campuses across the country. University management, staff and unions have been productively negotiating their enterprise agreements. Labor strongly opposes linking desperately needed university funding to what can only be described as the government’s fanatical industrial relations agenda.

The level of direct control given to the minister by this legislation is one of the most serious attacks on academic independence of universities in Australia’s history. The minister, through this legislation, has carte blanche to micromanage every university down to the level of course, to blackmail universities to adopt anti-union and antiworker industrial relations policies and to determine that one size does fit all when it comes to membership of university governing bodies. The level of ministerial discretion is unprecedented. There are 10 separate sets of ministerial guidelines covering issues as important as the three proposed loan schemes, requirements to be deemed a higher education provider, allocations under the proposed Commonwealth Grants Scheme and the details of how the minister’s learning limit will be extended. Labor will not support this level of government interference or discretion given to the minister to dictate the minutiae and detail about how our universities will be run.

This extraordinary piece of legislation is already riddled with many loopholes and escape clauses. Maybe that is what explains the absence of the minister from this debate. He seems to have completely gone to ground. When was the last time that you heard him take a question on higher education in the House of Representatives? He does not want to talk about higher education. He does not want to talk about university degrees costing $40,000 or $50,000. He does not want to own up to the fact that many, many more students than he has previously told us will be paying more than $100,000 for a university degree. No wonder he has given up trying to sell these university changes.

This is supposed to be his big reform. This is supposed to be the thing that puts this minister on the map. We know none of it is his idea. We know it all goes back to John Hewson and Fightback, Amanda Vanstone and David Kemp. We know none of it is original, but we did think he might at least put a bit of effort into selling it. We do not have the Prime Minister selling it either. He too seems to realise that this is as unpopular as a dead cat.
The only time we have seen this minister actually put his head up in recent months has in fact been when he has had to execute backflip after backflip. It became clear to universities that there were going to be a number of losers, a number of universities that were going to be worse off as a result of this government’s changes. We know that the Victoria University in Melbourne is going to be one of the worst off in the country. The University of Western Sydney will be one of the worst off in this country. These universities are delivering outstanding education to some of the most disadvantaged people in our country. Trying to make sure that young people in the western suburbs of Melbourne, in the western suburbs of Sydney, get the chance for a great university education is being seriously jeopardised as a result of this legislation. I am very pleased to say that both of those universities are taking the fight up to this government. They are making it plain that they do not intend to stay silent while this minister attempts to destroy the opportunities for young people in those areas of our cities to get access to an outstanding education.

In the last remaining minutes of my speech I indicate to the government that we will be moving a number of amendments to this bill at the committee stage. Of course, there will be further amendments when the bill goes to the Senate following the finalisation of the Senate inquiry into these major changes. We will attempt to remove what we consider to be the most offensive elements of this bill, many of which I have highlighted today. If the Prime Minister were a man of his word, parliament would not be debating a bill to deregulate university fees. I am sure many of you remember the promises that were made by our Prime Minister before the last election. He categorically ruled out deregulating university fees. This is what he told the parliament in 1999:

We have no intention of deregulating university fees.
He then went on to say:
There will be no $100,000 university fees under this government.
Further, he said:
We have no intention of altering the current HECS arrangements.
Those are three more examples of this Prime Minister not being a man of his word, not being someone that we can believe when he gives commitments to the Australian people.

Today we call on the Prime Minister to honour these commitments that were given prior to the last election and work with Labor to make sure that the funds our universities desperately need get to them. We call on the Prime Minister and the latest education minister to drop these ideological proposals, not deregulate fees and make sure that universities get the funding they need from this government.

Labor do want to see that the limited funds contained in this package get to the universities, but the deregulation in these bills is permanent. We will not be blackmailed—as the government is trying to blackmail universities—into sacrificing the educational opportunities for so many Australians who want a great university education. Labor will not be blackmailed by this government into introducing the most significant changes to our university system in 30 years. We will not be blackmailed into allowing universities open slather to increase university fees. We will not be blackmailed into seeing the number of full fee paying places double or go even higher. We will not be blackmailed into agreeing to this government’s industrial relations agenda. I call on the government, once again, to drop this ideological package, make sure that our universities are properly funded and make sure that universities have the places for those
students who want to get a decent education so that our country and our young people can go forward in the way we know they want to.

Ms LEY (Farrer) (12.24 p.m.)—I rise today in support of the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. The opposition would probably agree that education is no less a national priority than defence or health. They would probably agree with G. K. Chesterton, who said that education is simply the soul of society as it passes from one generation to another, or indeed with Aristotle, who said that it is ‘an ornament in prosperity and a refuge in adversity’. There is no doubt about the commitment on this side of the House to education generally. These bills are introduced as an integrated package of reforms as announced in Our Universities: Backing Australia’s Future. The main items of the bills are well known. The substance and philosophy of the government’s higher education reforms have been much discussed since their introduction by the minister.

I would like to speak about the package in general and its importance to regional Australia, to regional universities and particularly to the people I represent. We should remember two things: under these reforms, no eligible student will be denied a university place on the basis of their ability to pay up front and HECS will remain. University students currently contribute an average of 26 per cent towards the total cost of their education. Under these reforms, that will increase to approximately 26.8 per cent. The Commonwealth will continue to be the major investor in higher education.

The Australian higher education sector has grown so significantly that universities need to access more funding and greater flexibility—particularly in setting student contribution and tuition fee levels—to sustain their growth and maintain the academic standards we expect from them. The higher education sector makes a substantial contribution to export earnings and national and regional economic growth and development. It provides jobs for regional Australians and is responsible for much of our economic success in regional Australia.

Charles Sturt University, located in Albury in my electorate and also in other regional centres throughout New South Wales, is a truly regional university. It is one of Australia’s largest non-metropolitan higher education institutions and I am very proud of it. The university carries out research in environmental, agricultural and wine sciences, as well as in cultural studies. It holds collaborative industry partnerships and some of its research projects are funded by industry partnership grants. It undertakes work that is highly relevant for our region. For example, researchers are studying the ability of lucerne to extract water from the soil to limit dryland salinity. This uses a lysimeter—an underground facility that allows researchers to study how plants use water. Charles Sturt University’s approach is ‘train in the country, for the country’. It has a strong record of success in providing professional education for rural based students who become professionals and end up practising in regional areas.

I would like to concentrate on a couple of aspects of the package that are particularly important to my electorate and also deal with some of the criticisms of it. Firstly, the Commonwealth Grants Scheme includes provision for a regional loading for places at regional campuses because we recognise that regional campuses generally face higher costs as a result of their location and size. From 2004 the government will provide an additional $122.6 million over four years in support of regional campuses like Charles
Sturt University. Many regional universities are involved in creating an overseas community of graduates. Educational services bring $4.2 billion annually to Australia and they are our eighth largest export.

The government will provide additional support for key areas of national priority. This allows us to address shortages in particular areas of the labour market. Teaching and nursing have been identified as initial national priority areas. Commencing in 2004, we will provide an additional 574 new nursing places in regional campuses over four years. This fits in with the Commonwealth Grants Scheme, which means that, in return for grants, universities will agree with government about the number of places and the discipline mix that will be supported. This, of course, helps match the needs of the nation with the courses that are being provided.

It is important that we do not become fixated with universities as the only or best educational option for our children. Well over 70 per cent of constituents in my electorate do not have a tertiary education. I am not sure that the shearers, the packers and the skilled and unskilled tradesmen I represent who have trained at TAFE or on the job should subsidise to a high degree the university educations of the rest. If you think that education is a public good, as many on the other side do, and you think it should be free for all, that is okay. That is a perfectly valid philosophical view, but it is not my view and it is not the view of this government. But please consider the cost to the rest of society of a free education for those who put their hand up. Where would it end? Should students be able to attend university at taxpayers’ expense for 10 years, studying the classics, archaeology, fine arts and other topics that may take their fancy, without a realistic prospect of being gainfully employed in these fields? Clearly, they should not.

Education is a wonderful thing—as Victor Hugo said, he who opens a school door closes a prison—but it should not necessarily take place at university. We should not be sending subliminal messages to our children that it is the option they should strive for and that everything else is second best. A great body of people who would not last a semester of most university courses have enormous ability in other areas. They might be mechanics or inventors, or they may be creative in a practical way. There are people who, through whatever accidents of fate, find it difficult to hold down any sort of basic job but who show determination, application and courage and manage to turn up and work from nine to five, five days a week. In some ways, I am sure that makes them better than the rest of us.

There has certainly been some criticism of this package, as would be expected, from the National Union of Students. They in part identify a problem when they say that higher education is struggling in many of its core functions and that there needs to be substantial investment to meet the challenges. That is quite correct. We recognise that universities need to access a lot more money in the long term. The NUS talk about the challenges of globalisation and rapid social and technological change. These are the challenges that face all sectors—farming and manufacturing as well as education. It means that our education system must be able to stand alongside other education systems worldwide and match them, because, in many respects, the graduates we produce are competing with graduates from overseas.

As I left Albury to come to Canberra for this parliamentary sitting, I met a constituent who works for a multinational company based in regional Australia. She was flying to Dubai for two days of meetings, then to Frankfurt for a conference and then calling in to America to give a two-hour presentation at
the head office of the company on her way back home to Albury. This is the international nature of work in the 21st century and this is the type of work we need to prepare our graduates for. The point is that universities must produce graduates who match this. This government’s higher education measures allow them to access the necessary funds to do this.

One criticism that has been levelled against the package is that it will stratify education so that only the rich can afford it. I think this criticism comes from the view that, if you are a full fee paying student, you can buy your way into a place. Yes, the government is increasing the number of full fee paying places in any undergraduate course from 25 per cent to 50 per cent, but these are in addition to those places which are already subsidised by the government. If Commonwealth supported places are there and academic standards are met, there is no reason why a fee-paying place cannot be offered. A student who just misses out on a course they had always hoped to do—perhaps a highly competitive course such as vet science—can now take a fee-paying position and still fulfill their ambition. They can get started on the course they really want to do. If they do not have the resources to pay up front, they can access a student loan scheme. I fail to see how this can be described as education for the rich.

The overall level of support for Commonwealth funded places is increasing. From 2005 there will be additional funding for 25,000 new student places, increasing funding by $347.6 million over three years. Not all courses will be supported in all universities to the same level they are now, but, by focusing on where the education needs are in the economy, we will ensure that taxpayers’ dollars are going where they can add most value. If they are adding most value to the economy, they are also adding most value to the lives of the students, who, of course, are able to get good jobs in these fields once they graduate.

The National Union of Students have also discussed the workplace relations and governance aspects of this package. They have complained about the commercialisation of many of the activities of universities and have said that this presents students and staff with huge challenges of building university governance structures that keep commercial activities accountable and transparent. What is wrong with that? We should have accountability and transparency in our university governance structures.

Remember that students are investing in a lifetime of earning potential when they go to university. If universities increase fees to the maximum they are able to under these reforms—that is, 30 per cent—a combined arts-law degree under the new student contribution arrangements will cost around $34,500 for five years of full-time study. Dentistry students would contribute just over $40,000 to the cost of their education. Neither has to pay up front, so, if you do not have the money in the bank or parents who are prepared to fund you, you are not prevented from getting a start.

I do not know how much the lifetime earning potential of a dentist or a lawyer is. Clearly, it varies enormously from person to person. But I do know that, if such a professional has contributed only $35,000 to $40,000 for the cost of their education, it is an exceptionally good investment. The Commonwealth has made an investment too, as it should, in the future education of its citizens and there is no doubt that that is a substantial amount also. Yes, it is true that those without a university education who work in the shearing shed or on the factory floor will benefit from the services of a den-
tist and may even benefit from the services of a lawyer.

There is both public and private good in the provision of education. It is always a question of how the cost of this is balanced between the student and everyone else. I am sure that the apprentices who struggle for four years on ridiculously low incomes would like a bit more taxpayer support towards the cost of living. In fact, apprentices used to start at the age of 15 when they were still living at home and they could probably manage more easily on lower wages. Now they are often the same age as university students—they may have finished year 12. While I agree that both groups do manage on very low dollars, I am fairly confident that government support for the cost of education at university is a great deal higher than it is for those learning a trade.

As an example of what I have been talking about, I would like to mention a constituent in the west of New South Wales, Hume Colville from Barham. I first met Hume when he showed me a pump that he had designed. He was born in Barham, New South Wales. He is an engineer but he has no formal education and no university degrees. He comes from a family of bridge builders. His brother builds concrete bridges—in fact, he has built all the bridges, I believe, between Mooroopna and Shepparton in Victoria. Mr Colville repairs and restores old steam engines for paddle-steamers. He has worked on the Canberra, the Adelaide and other paddle-steamers. He has invented a revolutionary pump. It is a three-point linkage, self-primed, centrifugal irrigation pump, built to three feet in diameter. It is used at Tandou Station in far west New South Wales, which has 50,000 to 60,000 acres under irrigation. I understand that the pump has never broken down and never stopped functioning—it really is a revolutionary design. I understand that it is a high-speed, low moving parts pump but, clearly, I am not an engineer. Mr Colville is also a self-taught musician. He plays the guitar and the piano accordion at different local functions. He is an incredibly talented person and, I repeat, he has never been to university.

We are building a modern intelligent nation and we are already an educated nation. Our universities are leading the way in innovation. The development of skills, knowledge and intellectual property will make a prosperous and secure future for our country in a new century of globalisation, competition and opportunity. Frank Rhodes of Cornell University said:

Universities are not just about serving their students, they are about the creation of the future. Regional universities bring the world to small communities like the ones I represent and they ensure their future.

There is an unfortunate storyline running through the Labor Party’s objections to this bill and this government’s higher education reforms: unless you have made it to university you have not really made it at all. We saw the unfortunate beginnings to this in Knowledge Nation, where university education was enshrined as the centrepiece of an R&D and innovation based future for this country. No-one else really fitted in. We are seeing the story continue with the response to these higher education reforms: again, undue and unnecessary emphasis on university education and a determination that taxpayers pay a disproportionate share of the cost of Australian universities becoming world competitive and Australian students receiving whatever education they might like.

Like many members on this side of the House, I come to this place from a varied background. I hold three university qualifications but I have worked for long periods in the most unskilled of jobs—and I am not saying I enjoyed them all. Much of what I
learned in university I have forgotten, and that is probably a good thing. Life teaches us the most important lessons and they are patience, persistence and hard work. I think one of the most important things that we as members can bring to the parliament is the appreciation that there is no type of work, lifestyle or occupation that is any better or more deserving of support than another. I commend these bills to the House.

Ms ROXON (Gellibrand) (12.39 p.m.)—I am very pleased to be speaking in this debate on the Higher Education Support Bill 2003 and on the related Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 because I am a big believer in the value of education. Unlike the way that the member who has just spoken before me would like to paint this, it is not because I believe that the only people who have any value in our community are those who went to university. It is quite the opposite: it is because I believe that every single person in this country should have the opportunity to make choices about their lives and the opportunity to fulfil their potential. Whether it be at university or TAFE or in the work force or as a parent, there is a huge range of ways that people can meet their potential. But the Labor Party is concerned that these bills and the government’s plans for the higher education area are going to cut a whole lot of people out of ever being able to make a choice about whether they might go to university or TAFE or get a job in some area that is different from that in the past. So I find it really quite offensive that the government’s defence for attacking our higher education system is that not everybody is going to go into it. The government is making sure that even more people are not going to be able to go to university, and that is what I want to speak about today.

The member for Jagajaga, our deputy leader and spokesperson on education, has set out Labor’s position on this bill and has identified that we oppose the thrust of this bill. We oppose the whole way that the government has approached dealing with tertiary education. I want to focus on and highlight for the House the impact that this will have on my local university in the electorate of Gellibrand, Victoria University. When I go through all the facts you will see, just by my highlighting one example, the devastating impact that these reforms could have on our community.

I am in the very lucky position that Victoria University is a dual campus institution in that it is an amalgamation of TAFE and university, so Victoria University is able to promote and provide within the region the widest range of courses and opportunities for people in Melbourne who attend it. Within the region there are 11 campuses in Melbourne’s western suburbs and one campus in the CBD. I am very concerned, and I am going to take some time to go through this, about the sorts of impacts that Victoria University says these changes will have on its operations.

I want to focus on Victoria University not just because it is our university and our TAFE and locally we are very proud of it but also because it does have a special responsibility for servicing the needs of western Melbourne. This responsibility is set out in the act that established it, the Victoria University of Technology Act 1990. I might say, in referring to the act that established this university of technology, that we need to acknowledge that a university like Victoria University, for all the fantastic opportunities that it provides, is still a very new university. It is not one of the wealthy establishment universities that have been around for 150 years; it does not have the benefits of wealthy alumni that might raise money for particular projects that come up. So the core funding—the day-to-day funding that is also
provided to other universities—is often the sole funding that the university relies on. We see examples of many other university campuses being able to have a special project whereby they will build a new building, introduce a new course or appoint a new professor with funds that have been raised from past students. When you have not been around for a long time, that does make things a little more difficult, and I think that these changes bring that into stark relief.

Victoria University’s establishing act gives it a social charter. It commits the university to provide equality of access to education. It makes a special commitment to those that are socially disadvantaged and a special commitment to those within the western suburbs of Melbourne. Whilst it is true that these reforms are going to severely undermine the principle of equality of access to education generally, the very great concern is the additional devastating impact that they will have on Victoria University. This government has a pretty terrible record of support for higher education in Melbourne’s western suburbs. In the period 1996 to 2002 direct cuts to funding, substitution of HECS for Commonwealth funding and a lack of indexation have resulted in the federal government’s contribution to Victoria University being down by $166 million. Can you believe that? That is a huge amount of money. Victoria University anticipates that in just one year—that is, 2004—it will be forced to cut 400 places because of a lack of funding. Who knows what will happen in the future? We know that under this government average HECS fees have nearly doubled and that student debt has blown out to more than $9 billion. On top of that, this government has said, ‘We’ll deal with this issue by allowing you to introduce full fee paying places, so that a student can buy a place at university ahead of others with higher marks.’ Add these new reforms to all of that, and it is going to get even worse. Some students will be paying 240 per cent more than students paid in 1996. Universities will be permitted to increase HECS fees by 30 per cent. There appears to be no restriction on the proportion of full fee paying places that a university can offer. I note here, given that I want to particularly focus on Victoria University, that we have concerns about our universities being able to put up their HECS fees and being able to offer full fee paying places, and about who might miss out as a result of that. Just look at Victoria University. It may well be in the position that, even though it is allowed by the government’s reforms to put up its fees, it would be completely unrealistic for it to do so. It would be completely unrealistic for students who otherwise get places in universities to be able to pay for them, and it would be unrealistic for them to be able to sustain those sorts of rates. The government has paid no attention at all to the fact that universities are in different positions in raising their own money, even if they believed that that was the right thing to do.

These reforms will mean that, for average and low-income families, higher education is going to be increasingly out of their reach, as places are taken up by those who have the ability to pay and as those families are put off if they do not have sufficient money to make a commitment to their children’s education. This is going to have a devastating impact on Victoria University and on the members of my community who were hoping that their children could go on to further education. Victoria University’s research has shown that, in its catchment area in Melbourne’s west, there is a very low participation rate in higher education, as a result of the relatively low socioeconomic indicators. We can in fact look at the last census in 2002, which shows us that only 18 per cent
of residents in Gellibrand have acquired a tertiary education. This government’s program will ensure that that number remains static or decreases. Labor wants to be able to meet the aims, hopes and aspirations of those parents and grandparents who want their children and grandchildren to have opportunities to go forward and fulfil their potential. Whether that is through their working life, family life, getting an apprenticeship or getting a university education, we do not want those doors closed. This reform package is going to close doors to many people in my electorate.

Just as a contrast to those census figures I used for Gellibrand—that is, only 18 per cent of residents acquire tertiary qualifications—listeners or members of the House should to be aware that, in the minister’s own electorate, 43 per cent of his constituents have tertiary qualifications. He lives in a world where he thinks it is easy for people to get to university, to get the money to go to TAFE or to make the decision that they will return to education later in life, perhaps after having children. That figure of 43 per cent is more than double the number in my electorate, and he is putting forward proposals that will make it even harder for my local university, my local TAFE and my constituents to get those numbers to change.

The government’s reforms are going to further divide those who have access to education because they can pay for it and those denied access because they cannot. This is going to hit VU very hard, as an institution that has a vital responsibility for lifting education participation levels among families of low income and particularly among families from non-English speaking backgrounds. VU’s important responsibility for Melbourne’s western suburbs is completely at odds with the government’s user pays idea of the education system.

At the recent inquiries held by the Senate Employment, Workplace Relations and Education References Committee, the new Vice-Chancellor of Victoria University, Elizabeth Harman, said that Victoria University would be the ‘biggest loser’ among the higher education sector from the government’s package. My university, my local TAFE and my constituents who were proud that VU offered their children and grandchildren a better future than they had are going to be the biggest losers under this government’s plan. What does that tell you about the government’s priorities? In their submission to the inquiry, Victoria University said:

The appropriateness of charging higher fees to students who are both socially disadvantaged and whose participation in higher education is already low by state and national comparisons is contrary to the legislative mission of Victoria University ... because of the proposed funding changes Victoria University will be caught in the unenviable position of having to substantially raise the fees that it charges.

They go on to say that the reforms have:

... the potential to condemn an increasingly large number of socially and educationally disadvantaged students to further disadvantage by not being able to participate in higher education.

The link between higher fees and lower participation in higher education has been researched extensively by Melbourne University’s Centre for the Study of Higher Education. The report showed that 70 per cent of high school students from high socioeconomic backgrounds were confident about going to university, while only 42 per cent from poorer backgrounds felt the same way. But this is what we in this parliament should be committed to changing. By the very fact that we are elected here and by making the most of opportunities that were offered to us, we should be committed to giving others in our communities an opportunity to go further in life, not condemn them to a particular
mind-set or a particular category. I will come
to some of the quotes from the minister for
education in a moment. He seems to have
already slotted people into categories: ‘These
have the potential to go to university and the
rest do not; we’re not going to worry if our
government’s changes keep those people
out.’ That is not how we view the world. In
the Labor Party we think that everybody
should have opportunities, but that view does
not seem to be shared by those opposite.

The same research from Melbourne Uni-
versity concluded that the anticipated cost of
higher education is a significant concern for
secondary students who were much more
likely to believe that the cost of university
would stop them attending university be-
cause their families could not afford the cost
of supporting them. This study probably
states the obvious, and it is certainly sup-
ported by my experience in my electorate
talking to secondary students. At a recent
forum that I held for a number of 15-, 16-
and 17-year old students in my electorate,
they commented, ‘It scares us that we’ll no
longer be able to afford further study beyond
secondary school,’ and ‘It’s terrible that aca-
demic standards and qualifications can be
put aside or lowered for full fee paying stu-
dents.’

Some students even said to me that they
were worried about telling their parents that
they might like to go on to further education,
because of the impact that it would have on
their parents’ saving or retirement provisions.
What a devastating thing to be told at that
age. They regularly expressed those sorts of
concerns to me and were acutely aware of
the financial burden that any extra costs
would put on their parents. So it is undeni-
able that the skyrocketing cost of education,
and particularly higher education, is an ac-
tive deterrent from continuing on in that edu-
cation. We know that this will just compound
and entrench educational disadvantage in
different regions—particularly in those, like
mine, that have low participation rates.

It is clear that this is an issue that the gov-
ernment is not that interested in addressing.
The Minister for Education, Science and
Training was quoted in the Age recently as
saying:

We need to ask ourselves as a society: are all of
our children biologically and socially equipped to
complete year 12 and immediately continue to
university?

Speaking as a member of parliament who
represents an electorate where there is a sig-
nificant proportion of young people who do
not finish year 12, who do not go to univer-
sity, who come from low-income and aver-
age-income families, I believe it is time that
we stopped this minister from peddling a
myth that we are undervaluing those who do
not attend university as a way of justifying
this government’s horrendous attacks on the
spending that is provided to universities. I
think what the minister is saying is in code
and is not at all about whether young chil-
dren or young adults are biologically and
socially equipped; what the minister really
means is: are they economically and finan-
cially equipped to be able to go to univer-
sity? Isn’t that the measure that the govern-
ment is really talking about?

It is extraordinary that a minister for edu-
cation—who you would think would invest
so much in opportunities for our young chil-
dren and young adults and would want them
to go on to do their best in whatever field
they might choose—is actually saying: ‘We
can write off those people. It does not matter
if they don’t get to university, because they
are not biologically capable of it.’ There is
no doubt in my mind that the young people
living in my electorate are just as biologi-
cally and socially able to go on to university
as those living in Bradfield. They do not al-
ways have the economic capacity to do it.
They do not always have parents who have been to TAFE or university. They might be scared about the money that they are going to have to pay, or the time that it will take, but we in this place should be spending our time convincing people of the value of it and putting our money and priorities into further education—not just into universities but into all sorts of opportunities for young people. We should not be writing them off as somehow biologically or socially different. Those were some of the most disgusting comments I have seen from a minister for education in some time.

In direct contrast to this sort of philosophy, Labor’s higher education package, Aim Higher, is looking at addressing the underfunding of universities without a hike in HECS fees or introducing $150,000 up-front fee courses. Importantly for Melbourne’s west, Labor’s policy would also enshrine the principle that all Australians have an equal opportunity to earn a place at a university and to go on to other types of education. That is a commitment that we make. That means that, no matter where you live or what you earn, you and your children can be assured that you will have an opportunity to further your education in some way. We believe that the advantages an education give you mean that you should contribute to its cost. That is why Labor introduced HECS to start with. But we do have to make sure that it is working equitably, that it is actually an enabling provision and is not something that puts people off going to university because of exorbitant fees.

Given that we are short of time, I want to go quickly to comments that Victoria University made following the launch of Labor’s Aim Higher education policy. The policy is something that would have a great impact on our local university and would mean that the university would not have to abandon its vital and legislative role of lifting the participation rate in the local area so that it can chase high-fee paying students from elsewhere in order to properly fund itself. Labor’s fully costed policy would see an additional $7 million in funding to Victoria University. It would make a significant difference to Victoria University that they would be able to access the extra funding without having to bump up fees, which would put off so many of its current students, let alone its future students.

I am pleased to say that, in contrast to their response to the government’s bills, Victoria University’s response to Labor’s package was very positive. They put out a release at the time which quoted the outgoing vice-chancellor, Jarlath Ronayne. He said that Labor’s package:

…appears to create considerably more fully funded places to meet the increasing demand for university places in Australia, without requiring full fees.

He went on:

Victoria University is required to pay special attention to the provision of services in ways that reflect principals of equity and social justice. ‘Aim Higher’ abolishes the potentially substantial fee rises above current HECS for undergraduate places which underprivileged students would find hard to pay. ‘Aim Higher’ also gives comfort to students by raising the threshold for repayment of HECS debt and by not charging a real rate of interest. These initiatives eliminate a disincentive for students to enter Higher Education.

We particularly welcome the provision in ‘Aim Higher’ for $150 million for regional campuses. Unlike the Federal Government package which does not currently recognise the need, ‘Aim Higher’ explicitly notes that the outer suburban campuses of Universities like Victoria University … need to be supported from these funds.

I do not think I could say it any better myself. The difference between the Labor Party’s policy on education and the government’s policy may make the difference to people living in my electorate as to whether
they have a local university in the future, whether they have local opportunities to go to TAFE and whether they have a chance to actually make the difference that their parents and grandparents were hoping that they could make by moving to western Melbourne to start with. *(Time expired)*

**Mr BILLSON** (Dunkley) *(12.59 p.m.)*—I rise to speak on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. The member for Gellibrand has just illustrated how the Labor Party policy can kill with kindness. Here is a myopic account of the needs of higher education extended only out to the most recent press release. What else could you expect from the member for Gellibrand? Those over here had great hopes for her intellectual capability, but she has been swept up in the short-termism that the Labor Party exhibits in most of its policy areas, not focusing on the broader needs of the higher education sector or onremedying the longer term deficiencies, which are widely recognised right across all the universities—all the universities recognise the deficiencies in the current structure. She cannot come to grips with those fundamental deficiencies that stand in the way of higher education being a driver of economic growth and prosperity, an opportunity to provide choice, options. What does she come up with? ‘Let’s keep it just the way it is and throw more money at it.’

What else would you expect? We are underwhelmed again and disappointed because, while the member for Gellibrand shows great promise in this place, she has not added one new idea, has not recognised the problem that is going on and has gone for the local newspaper headlines. I stand here disappointed. As an advocate of a bright future for the member for Gellibrand, I feel like I have been pushing a product that has not performed. Never mind, I will move through what really needs to be done on higher education and tackle the reasons why Australia, one of the leading OECD countries, does not have a higher education sector that reflects our economy’s standing.

We do not have a higher education sector that offers the very choice that the member for Gellibrand talks about but then seeks to deny to the higher education sector. It is a most inconsistent, intellectually incomprehensible argument that Labor is putting forward on higher education—talking about Victoria University, saying that they might offer the same courses as some other program but they are somehow different. To offensively infer, as the member for Gellibrand does, that Victoria University is the only university with an equity and social justice agenda is utter nonsense. She comes in here parading the Victoria University case, yet they are currently receiving a higher rate of funding for the same courses provided more cheaply at other universities that also have the equity and social justice motivations which the minister outlined in this place.

So what is the member for Gellibrand’s argument? Her argument is: let us put aside the entire higher education sector to throw more money at one particular university that claims to be doing something unique—she is suggesting they need more money to do something other universities are doing for less money—and that somehow amounts to a higher education policy. It shows you the dearth of ideas and capacity of the Labor Party and why Australia just looks and shakes its head. That is not policy from the Labor Party; it is bandaid short-termism that is undermining the higher education sector. That is why the opposition the government keeps running into is being held accountable for rendering the higher education sector in Australia one of great mediocrity when it should be one of diversity, of robustness and...
of vitality. There should be an opportunity for universities to position themselves and pursue a future that suits the university and the student body that they are chasing.

Let me remind those listening to this debate today of a few simple facts: there are more Australians at university now than at any time in our nation’s history; and the resources now available to the higher education sector are greater than at any time in Australia’s history. Every graduate in Australia has had their degree funded to about 75 per cent by the taxpayer—that is, we are looking for a contribution from people benefiting remarkably in terms of their wealth, employment circumstances and personal development from a 75 per cent investment by the taxpayers of this country. The taxpayers are not the ones gaining the higher income, they are not the ones that are infinitely less likely to be unemployed and they are not the ones able to accumulate great wealth over time because a person has gone through the university sector. They are taxpayers who are rightly making a contribution because there is public good in a robust higher education system. It is good for our economy. It is good for our nation. It is a driver of economic and regional success. It is about creating a work force that can tackle the global challenges of the international economy. It produces future leaders. It is an important trade and cultural link.

All of those things are public good outcomes and that is why it is appropriate that the taxpayer, through the Australian government, provide a substantial amount of funding for higher education. That is what is occurring under this government. But it also needs to be recognised that the student that graduates from higher education is infinitely better off personally. For their 25 per cent, on average, contribution to their degree they are infinitely better off personally. When you look at the research and the evidence of their added income-earning capability over their working life, it amounts to hundreds of thousands of extra dollars for people who have secured a higher education qualification for the investment of their 25 per cent, on average, contribution to their degree. That is the maths. In terms of investment, it is a no-brainer. If you are inclined and able and choose to go through higher education, you are likely to receive enormous personal benefits. That is the equation.

Today we are talking about trying to provide the university sector, the higher education sector in Australia, with the opportunity and the flexibility to provide courses that students are after and that respond to the needs of our nation, and to shape the delivery and the price of those courses in a way that suits the universities’ vision. We are not talking about what the Labor Party is suggesting—it does not matter where the university is or what the composition of the course should be or how the degree is recognised, one size fits all. The government under a Labor vision would snuff out the very dynamism that is needed to take our higher education forward.

When you look at the data on our country we do not have a university in the top 60 in the world. A country of our wealth, our talent and our innovation does not have a university in the top 60 in the world. Have we gone to sleep? What happens is that the structure under which the universities function snuffs out the key criteria that enable universities to be the best. What the member for Gellibrand was saying was that Victoria University has a particular plan. They are to be acknowledged for that but what they are trying to do is not rocket science. There are other campuses and other universities doing the very same thing.

If you look at the response of the Minister for Education, Science and Training yesterday you will see that the kind of equity and
social justice rationale that the member for Gellibrand talks about as a justification for throwing more money at the current arrangement—under the current terms and conditions to get the same kind of outcome—is being pursued in universities right across Australia. What is being argued is that universities should have the scope and flexibility to decide how equity and social justice imperatives, if that is the key to their existence, are implemented. You heard yesterday how even private universities are pursuing those goals in a way that they see fit and that students are accepted into courses not purely on merit. It is not a static, sterile application of tertiary entrance results. ‘It should only be on merit’—that is the argument of the Labor Party. We do not think so.

The system is not based only on merit now. It needs some flexibility overall to pursue the goals being articulated by the member for Gellibrand as the primary justification for the existence of Victoria University. If raw tertiary entrance results are used, how is account taken of educationally disadvantaged communities with neighbourhoods where higher education involvement is not the norm or what people see as being a regular part of their future and where there are families from which nobody before has gone on to higher education? How do you take account of those things? You take account of them by providing the institutions with the flexibility to do so. It is happening now. The argument put forward by the member for Gellibrand is that we should have less flexibility—even though flexibility is the very key that delivers what she has described as her primary goal or nirvana for higher education, which is equity and social justice. But that is only a part of the picture.

Eighty per cent of the young people in the community that I represent in the Greater Frankston-Mornington Peninsula area do not go on to tertiary education; they pursue other meaningful, worthwhile careers and ambitions in their lives. The member for Gellibrand comes in here seeking to deceive the parliament and the people of Australia about what the Minister for Education, Science and Training has had to say about the 80 per cent of people from communities like mine who do not go on to higher education. The minister was not being critical of those people. He was recognising and encouraging all sides of politics to recognise that gifted, skilled people do not necessarily have to be academically brilliant; they can pursue other careers. They might pursue a trade. They might run their own business. They might become entrepreneurs. They might win the America’s Cup for us. Who knows? Instead of recognising the central point being put by the minister for education that life’s pathways do not always take people through a university campus, the member for Gellibrand comes in here and distorts his words to make it sound like the minister for education is critical of those people. That is wrong. That is to deceive and mislead people.

The minister was making the clear point that not everybody’s pathway to a brighter future is through a university campus. He was making that point because the Labor Party in successive election platforms has hardly been able to say the words ‘apprenticeship’ and ‘vocational education and training’. What the Labor Party can say is, ‘Isn’t it appalling that a university might have the flexibility to adjust its fees?’ That is what the Labor Party says in this place. Do you know what the Labor Party says in other places? ‘It’s okay to bump fees up 300 per cent if you’re a TAFE student in New South Wales. It is okay to have full fee paying degrees if you’re a TAFE student in Victoria.’ It seems to be okay there, but what happens here? It does not suit; it is inconvenient.

The Labor Party hope the people of Australia will ignore the fact that what they de-
scribe as being so horrendous it will bring the very fabric of our nation down is what is going on and being perpetuated by Labor governments at a state and territory level. But what is the difference? The difference is in not providing the student with the tools to accommodate what the Labor Party is doing at a state level. You do not go into a TAFE and get an income-contingent loan to cover the cost of your fee. You do not get told, ‘The taxpayer will loan you this money and you won’t have to pay it back until you’re earning $30,000 a year; and we’ll ask you then to pay it back at the rate of once a week going out to a movie and having a bite to eat.’ They do not tell you that; they just put the fees up. If they are worried about the link between costs and educational opportunity, they should have a look at what the Labor Party is doing in state and territory governments around the country.

Contrast what is happening there with what this package involves. This package is not talking about—again as the member for Gellibrand would mislead people—an overnight increase in the cost of all courses by 30 per cent; it is not saying that. It is saying, ‘Let us put in place some scope for the universities to decide how to price their courses.’ They can do nothing at all with that flexibility, just as Victoria University seems to want to do—‘Just give us more money. We don’t want to use any of these tools. We’ll turn our back on the flexibility that enables us to pursue what we say we’re on about. We’re not going to use any of those tools; just give us more money.’ That is a neat change management strategy. You do not change at all; you make someone pay for it.

This package, though, gives other universities some tools to make those choices. In the case of Monash, which has its Peninsula campus in my electorate, under this scenario it will gain an extra $43 million over the three years of the package for its activities—an extra $43 million using those same tools. It can then decide how it wants to price its courses. If Monash has established a reputation for excellence in a particular area which talks to employers who might say ‘Oh, a commerce degree from Monash is fantastic’ and a student wants to go into banking or finance or something like that, that Monash degree is highly recognised as a passport into that industry and the university can make a decision about at what price they offer that course. But the price does not have to be paid, it is covered by HECS—an income-contingent loan. The price may not move at all or it might go down or up. But there is a cap on how far it might go up and, if it does, it is still covered by an income-contingent loan. So the repayment on the investment an individual is making to remarkably improve their employment prospects—to enjoy hundreds of thousands of dollars of additional income over their working life, to reduce the possibility of them being unemployed—does not need to be made at the beginning of the course, it does not even need to be made at the end, it does not have to be paid until there is $30,000 being earned and then there is a repayment which, on average, is only 25 per cent of the actual course costs. That sounds like a good proposition, and people can choose to participate in that or not.

The member for Gellibrand came in here saying, ‘I’ve been talking with young people in my electorate.’ Why did she not tell them the truth? Why did she not tell those young people in her electorate worried about getting into higher education the truth? If she had told them the truth, they probably would not be worried, because they would know there will be more HECS funded places under this package. They would know that they are not incurring up-front fees if they do not choose to and that, if they are incurring fees, there are income-contingent loans. She could
have told them to go home to their parents and ask them, ‘How is this costing you anything?’ She said that parents are terrified that they are going to have to pay more. How? These are HECS funded places and income-contingent loans. Where does the parent fit into that picture? Maybe as a gift a kind parent might cover that HECS fee for the student. That is wonderful. That is very kind. But again that is a choice. There is no parent obligation to do that.

The tools are here to strengthen our higher education sector, to give Victoria University scope to develop its courses, to present them to potential students, to argue that the value that that course represents is reflected in the HECS fee and to provide students with an income-contingent loan to cover the cost of that—a loan which is repayable only when that student is earning over $30,000 a year. How does that amount to denial of educational opportunity? The Labor Party are talking nonsense. Thankfully, most people who choose to inform themselves about this debate recognise that it is nonsense.

You hear those in the Labor Party say, ‘Oh, a degree is going to cost you $150,000 up front.’ At the moment, I think about 98.2 per cent of the student population in universities across Australia are in HECS funded places. Less than two per cent are paying fees. In technical terms, a pooh-dee of the student population are paying up-front fees—and guess where the majority of those students come from? Not here, because under the old regime we could offer an up-front fee course to anybody except an Australian. Where is the sense in that? If you commit yourself to a career path and your academic application does not quite reach this dry, old tertiary entrance result that the Labor Party want to use as the Armageddon of all course opportunities, what are your options under the Labor Party model? Tough—you do something else. All your life you might have wanted to be a vet or a physiotherapist or to study commerce. That might have been your goal. But under the Labor Party model, if you just miss out on your university result, what are your options? They are not that flash.

Under this package individuals can make a choice. If they are able to go to a university—which is concerned about its credibility because it has an impact on the value of the degrees that the university offers and, therefore, of the HECS rate at which it offers those courses—and say, ‘Yeah, I missed out on the tertiary entrance result by a smidgeon, but here is some evidence of my passion for that career path; I will be a good student; I will not be one of the 40 per cent of students who do not finish the course they start; I’ll be a student who can work within this education entitlement that says, if it is a three-year course, the taxpayer will support me to do it in four; I’m one of those people who can make those grades; give me the opportunity and I will invest in my future and pursue that career opportunity,’ under this model we will then offer them an income contingent loan to cover that cost. This is a package that is overdue. Its time is well and truly here, and we need to give our higher education the opportunity to do some good for our citizens. The Peninsula campus of Monash has some great opportunities. I am working with the vice-chancellor and the campus to develop for that campus a very particular, very attractive and very purposeful vision which works within the flexibility that this package offers. I think we can do a lot of good for our nation, the higher education sector and our students. We should support this bill. (Time expired)

Mr ANDREN (Calare) (1.19 p.m.)—I rise to speak on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. There is no doubt
our universities are ailing, and the debate is over how we fund that ailment. Class sizes and lecture halls are overflowing, with the days of eight to 15 students to a tutorial class a thing well in the past. Student services are on the decline, the maintenance of buildings and the upkeep of grounds are being reduced to save money, the acquisition of the latest resources is being put on hold and the cost of accommodation for students a long way from home is crippling. Academic standards are under attack. Lecturers face enormous pressure to pass full fee paying students, thus compromising quality, and time is spent competing for scarce dollars at the expense of research and teaching. Students are struggling to balance study with the need to earn income to support their studies, because receipt of a scholarship is counted as income or their parents are deemed to earn too much if they brush past the combined income of $50,000 a year, making them ineligible for student income support.

The government claims the university funding framework is too rigid. It is said that the one size fits all approach, where universities receive the same funding for each student place within each of the three current bands, has stifled diversity and created a certain stagnation and unwillingness to explore innovation and to compete on the international stage. But I must admit I am having some difficulty reconciling this claim with the fact that our universities have created Australia’s seventh largest export in educational services—valued at some $4 billion to $5 billion a year—that during the last decade our universities have doubled their share of the world market for foreign students and that our universities’ faculties are up there with the world’s best and brightest in many fields of endeavour. I would also suggest that, driven by a scarcity of funds, our universities have been getting a lot of practice in entrepreneurship and innovation, but I am also aware, for instance, of faculties losing teaching staff to places like Singapore, where facilities are out of this world—or at least out of our universities’ world here in Australia.

Charles Sturt University in my electorate is a recognised specialist in areas such as teaching, nursing viticulture and spatial science. CSU already engages in strategic partnerships that are bearing fruit in innovative program delivery and research that informs the region. Playing to their strengths and ongoing engagement with the needs of the local community already form an intrinsic part of CSU operations. CSU students are winning prestigious awards, and CSU communication graduates, especially in journalism, are highly sought after. But this is happening at a very long stretch. Under the Keating Labor government, the salary component of government funding was unhooked in 1995 from real price increases in the sector and linked with the safety net wage movements instead. This began the road to the increase in staff to student ratios, the creeping casualisation of the university workforce and the necessary commercialisation of universities to snare the elusive dollar.

Under this government, public funding has plummeted from 60 per cent to 39 per cent since 1996. Only three OECD countries lag behind us in public spending on higher education. Public funding for higher education in this country accounts for just 0.6 per cent of GDP—that is down from 0.9 per cent in 1996—and the budget papers show it will fall to 0.5 per cent in 2004-05. With student fees and charges already making up a large proportion of universities’ incomes and with these set to rise under these proposed reforms, some of the changes in this bill represent another example of cost shifting from government to students. It is patently obvious that there is not enough money in the
higher education sector to sustain it in the long term.

Whilst this debate originally promised to be about sustaining excellence in our higher education sector, it is essentially about funding and who pays for it. The question is whether higher education should be seen as a public investment, a private cost or, indeed, a mix of both—that is, whether it should be treated like any other market-driven commodity available primarily to those who can afford to pay for it, or whether it is to be viewed as something that carries its own intrinsic value that adds to our overall social capital and is available to those who meet the merit requirements.

Under this bill, an impressive 25,000 marginally funded overenrolled places will be converted to 25,000 fully funded places from 2004-07, with an additional 4,250 growth places in 2007 and 2008. Fourteen hundred extra HECS funded medical school places are provided over the next five years. Another 745 nursing and teaching places, which will incur no HECS fee increases, are also provided. There are 574 nursing specific places in regional unis, starting with 210 places in 2004. It should be pointed out, however, that Charles Sturt University, the campus best placed to deliver rural nurses, received none of the initial 210 extra places. Despite CSU’s nationally recognised expertise in nurse training, its innovative in-place distance nursing training and its specialisation in rural and remote nursing—which is an area that faces a critical shortage of nurses and allied health professionals—and although CSU meets the criteria of being a regional campus, running a successful existing program and having the infrastructure to take on new places, it received not one of those 210 extra places. I look forward to an explanation from the minister as to how that can be.

The minister’s recognition that the overenrolment cap needed to be raised from two per cent to five per cent also provides welcome leeway with which to manage student numbers by taking into account general attrition rates of students. Four thousand new scholarships for rural, regional, low-income and Indigenous students will be spread across the board, and there is an easing of the burden of the repayment of HECS debts, with the repayment threshold increased from $24,000 to $30,000 per year. With these welcome changes comes a gradual increase in funds to the tune of some $1.4 billion spread across the whole sector over the next three years. But without the proper indexation of government grants the sector will always be struggling, taking one step forward and two steps back—unless, of course, as I will point out in a moment, there is provision here for a substantial increase in the number of full fee paying students that, to this point, has not been properly explained.

These changes, along with the increased flexibility to raise badly needed funds and the promise of some extra funding, come at a cost. Hooked to the extra funding of $404 million over the basic grants is a demand that universities adopt the government’s national governance protocols and change workplace policies to suit the government’s overall industrial relations processes. The governance protocols essentially provide a framework for the states to follow, moving the university sector closer to requirements for private corporations. I understand that some points about how to implement these changes, such as reducing the size of university councils, remain a sticking point, but, overall, I have no great problem with specifying obligations that clarify roles and responsibilities in the governance of our universities.

I am concerned, however, that the workplace demands are so inextricably linked to increases in funding. In themselves, the
clauses allowing universities the choice to offer AWAs to staff do not seem particularly onerous, particularly given a lower uptake of AWAs. I accept that universities should be able to offer more to entice the very best, but I understand that common law contracts are already used to this effect. Indeed, the Vice-Chancellor of CSU has pointed that out to me very clearly and expressed his concerns about these new proposals.

The new guidelines could allow the minister down the track to demand an increasing percentage of Australian workplace agreements on a campus, with bargaining power diminished for the less informed or lower paid employees and a drain on the resources that would be necessary for a uni to negotiate a large number of AWAs, should the minister eventually demand it. I cannot at this point, given what I have been informed on, accept that. Nor can I support guidelines that disallow caps on numbers of casual workers or that might hold back negotiated improvements to workers’ entitlements, such as better maternity leave provisions. The stated guidelines also determine that working arrangements and practices are to progressively displace all previous agreements and relevant awards. The award is the employees’ safety net, guaranteeing rights and employers’ responsibilities to which AWAs must refer as a bare minimum. One can ask what happens when the award is gone.

I have great concerns that such far-reaching guidelines can be issued as disallowable instruments rather than debated and set in legislation. Indeed, in the bill itself, towards the back, under chapter 7, headed ‘Miscellaneous’, we have a list of 10 guidelines. Every section of this bill depends on the operation of these guidelines, yet we have no details for administration guidelines, other grants guidelines, FEE-HELP guidelines, or indeed any of the 10 guidelines. We have no detail. We have sweeping powers that are basic to the operation of the whole bill but no details at this point.

The minister says that he is prepared to accept recommendations and changes made in the Senate. I say: why not negotiate those before this bill is presented in this place and before we are expected to vote on it? I cannot, at this point, support this—we are being asked to buy a pig in a poke at this stage—when the detail, particularly around those guidelines, is not available.

As we see today, section 36-35 also gives the minister—or, as I understand it, the department secretary—the power to exempt entire courses from the supposed 50 per cent full fee limit. To my mind, that leaves the door wide open to increasing and accelerating user pays higher education, in contradiction of the guarantees that the minister has been giving this parliament.

Underlying the bill is the removal of any legal requirement for the minister to report how more than $4 billion in grant funding per year is distributed and under what criteria. Under section 30-25 the secretary of the department may attach any conditions to a grant that he or she sees fit, additional to the generally applicable conditions for such grants. This is extraordinary power over the operations of universities and, incredibly, there are no requirements in this bill for these agreements to even be published, let alone be subject to parliamentary scrutiny. It is secretive and it is unacceptable.

Even though the current requirements for the annual reporting of ministerial determinations to dispense higher education grants are barely adhered to—the last report was tabled in 1998—the current act at least allows a residual mechanism for accountability through the tabling of determinations on grants as disallowable instruments. While the various guidelines, including the national governance protocols and workplace rela-
tions requirements, will be disallowable instru-
mens under this legislation, it is recog-
nised that the nexus between such determina-
tions and extra funding will deter parliamen-
tarians moving to disallow them. That is the
-catch—indeed, the clever catch—that puts
the onus on the parliament to give the money
in contradiction of the quite negative aspects
of the determinations.

One mainstay of the government’s pro-
posal is that the universities may charge and
keep up to 30 per cent more than the current
HECS fees for publicly funded places. As
well, they may offer full fee paying places
for half their undergraduate students—up
from 25 per cent—once their HECS places
are full and once they have met the funding
agreements and those regulations. I have no
problem with the ‘user contributes as you
can afford’ model of tertiary education and I
believe the current level of HECS is just
about right. But I am concerned about what
appears to be the decreasing affordability of
higher education for the less well off. I have
yet to be convinced that a flexible HECS will
not disadvantage regional universities com-
pared with the city based sandstone universi-
ties, which already have the advantages of
location, history and prestige as well as a
larger and deeper pool of family income—
and, indeed, corporate income—to draw
from.

Compare such a sandstone university with
a regional university like CSU, whose stu-
dents largely come from rural and regional
areas and a corresponding lower income
base. CSU has pledged to not raise its fees.
Its students, by and large, would not be able
to afford it. But the university, like many of
the other 37 around Australia, is stuck be-
tween a rock and a hard place. It would be
naive in the extreme to think a continuing
shortfall in funds will allow the university to
keep its HECS fees at the lowest rate and
that the temptation—indeed, the necessity—
of trading public places for private full fee
paying places will not prove too pressing.
How will a university like CSU compete?
How will a university like CSU attract the
very best in teachers and students without the
money to pay for them? How will regional
universities continue to provide their essen-
tial contribution to their communities and
sustain research and postgraduate education
while struggling to survive on a shrinking
public dollar?

Even though the 2½ per cent extra loading
per student for Charles Sturt goes nowhere
near to covering overall costs, I am pleased
the minister has now recognised distance
education students in this formula—as in-
deed he always should have. It is only right
that distance students are counted in a re-
gional university like CSU, where a mixed
mode of delivery for a course often is made
up of three subjects on campus and one
online.

Many students have left home to take a
uni place, and there are many mature aged
students in the city seeking to update skills
and increase employability, and they struggle
to stay afloat financially. Many students at-
tending CSU in Bathurst work the nightshift
at a local factory five to seven nights a week
while trying to attend to their studies, be-
cause they are ineligible for youth allowance
or Austudy. Currently, a student under 25
whose parents’ combined income is just over
$52,000 is not eligible for any federal stu-
dent income support; a student over 25 who
is eligible for Austudy is not eligible for rent
assistance; and a student who has earned any
scholarship to help cover the costs of their
higher education may not treat that scholar-
ship as income towards qualification for in-
dependent status for youth allowance but
does have it treated as income for income
and assets tests and youth allowance eligibil-
ity. This offsets the amount of any govern-
ment benefit they may have been entitled to
without the scholarship money. This is a nonsense. While the proposal to remove non-monetary scholarships from this formula is positive, I hardly see the point in proudly offering the 2,500 to 5,000-odd Commonwealth scholarships when they will immediately affect a student’s entitlement to Austudy or youth allowance. I would suggest that only those whose parents can already afford to pick up the tab for daily living expenses over and beyond any scholarship amount will be able to accept them.

Unlike HECS or the FEE-HELP loan, the cost of living is non-deferrable and is an upfront barrier to taking up a higher education place in the first place. Students’ accommodation and living costs are a significant burden for low-income parents. Around 10,000 students from rural and isolated areas, many from low socioeconomic backgrounds, move away from home each year for higher education. So, while welcome, 1,500 accommodation scholarships will not go far to overcome the enormous disadvantage poorer rural students face compared with those living at home in the city.

The prospect of having to pay back a FEE-HELP loan with accruing interest as well as HECS, and having to cope with living costs, pretty well places a sandstone university degree out of reach for rural and regional students, even with a Commonwealth scholarship. Many more needs based Commonwealth scholarships are required and the criteria for student income support under social security legislation should be realistically amended.

We need to resist the market cry that higher education meet the needs of industry above academic engagement and that only those who can pay may receive the very best in teachers and resources or undertake the most rigorous research. We need to ensure that excellence in student work is demanded and delivered and that students are able to concentrate on providing excellence. But most of all we must provide equal access to higher education for all Australians who have the necessary talent.

These bills at the moment do not meet those criteria. The crucial guidelines are not available. It is a pig in a poke at the moment, as I said. The minister has indicated he will consider changes in the Senate. Why not here? I cannot support this legislation at this point, and look forward to its sensible amendment in the Senate. I only wish those amendments occurred here.

The Senate being the instrument of that amendment is a good argument if ever one was needed for why the proportionally elected upper house is our only legislative chamber and why this House is but a rubber stamp for the executive—a warning indeed as to why Australians would never countenance tampering with the sensible reform and amending role of the other place. Under the Howard and Lavarch constitutional reforms these flawed and unfair bills could pass into law unamended, and that would be entirely unacceptable.

**Mr CIOBO (Moncrieff) (1.39 p.m.)—**I am exceptionally pleased to rise in the chamber to speak to the Crossroads package, and more particularly to the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. What we are debating here in the chamber today is the fruition of months of hard work and of comprehensive and thorough consultation between the Howard government and the stakeholders that exist in the tertiary education sector. The bills we are discussing here today recognise that tertiary education in this country has been ailing for some time. The Howard government—having comprehensively and fully consulted with stake-
holders—has developed a policy that we know is warmly accepted by those who are in the industry.

The reason it is accepted is that at the core of what we are discussing here today lies $10 billion of new funding that will go into Australia’s tertiary education sector—$10 billion worth of funding that will directly assist our tertiary education sector to continue to be one of the best in the world. The government recognises that education is not only a private good but a public good as well. Not only does the individual who is the recipient of a tertiary education benefit but the community as a whole benefits.

One of the reasons there is this dual nature to the benefits is that we know that those who have the opportunity and the good fortune and who have worked hard to attend a tertiary institution will take less time in finding a job when they go out into the community after completing their degree. We know that when they do find a job it will pay higher than the jobs of those who have not completed tertiary education. We know that if that person should happen to become unemployed the period for which they are unemployed will be shorter than it would be for someone who has not had the opportunity to be tertiary educated.

As a consequence of these three things in isolation—without even embracing the other tangential aspects and benefits that flow as a consequence of tertiary education—the community as a whole is better off. Those people earn more; those people, when they are unemployed, are unemployed for less time; and those people also, studies demonstrate, have a generally higher level of health than those who do not have tertiary education. The community benefits in two respects: because of the increased income and earning potential and the consequent effect that has on Australia’s GDP and also because of reduced costs to those taxpayers who contribute to our social welfare system. This is because the system is less utilised by those who study in a tertiary institution.

It is also important that I state on the record at the outset that I recognise that the majority of Australians do not have the good fortune or the opportunity to go to a tertiary institution. That is quite okay. In fact, those who do not want to go to university should not feel the need or the compulsion to go to university. We on this side of the chamber are not interested in engaging in a class warfare debate that says, ‘If you do not go to a tertiary institution you are not worth as much or you do not provide as much value to the Australian community as someone who does.’

The Howard government is a government that appropriately balances the needs of those people who want to undertake apprenticeships or vocational work with the needs of people who choose and have the opportunity to study in a tertiary institution. The Howard government recognises that funding needs to go into tertiary institutions but also into vocational employment opportunities for people who would like to undertake vocational employment and education.

I have had the great fortune of having had the opportunity to study both at an undergraduate and postgraduate level. I have also had the good fortune of being able to undertake my undergraduate studies at a private institution and my postgraduate studies at a public institution. That has—uniquely, I believe, in this chamber—provided me with some insight into the relative merits of private tertiary institutions such as the one I attended, Bond University, for my undergraduate studies versus public institutions like QUT, which I attended for my Master of Laws.
From my perspective it is very clear that in Australia today there is more than enough scope for strong, robust, viable, successful, research based private tertiary institutions. Private tertiary institutions provide great scope for Australians to seek an education and move forward. The fact is that we accept private primary and secondary education but, for some reason, when it comes to private tertiary education we still face an ideological barrier from the opposition, who take the view that in any way supporting private tertiary education would somehow be seen to be catering to the elites. It is absolute rubbish. The fact is that Australia as a nation stands to benefit from solid and robust education in both the private and public tertiary systems.

Having had the opportunity to observe first-hand both sides of the tertiary model, I would like to highlight some of the challenges that I have seen. The first is the ALP’s ideological resistance to the notion of allowing private tertiary providers access to, for example, the Postgraduate Education Loans Scheme. The PELS system was introduced by this government, which wanted to make loans available to students who sought to undertake tertiary postgraduate studies at both public and private institutions. And the ALP stood opposed to it. The ALP took an ideological position that said: ‘We do not want postgraduate students to have the ability to use the PEL scheme—the loans scheme for postgraduate studies—at private institutions.’ I know first-hand that Bond University, which is a very successful university with excellent, comprehensively trained staff, had to fight long and hard to secure the passage of the PELS bill through the upper house because the Labor Party, the Democrats and the Greens stood ideologically opposed to private tertiary institutions. It is a joke.

It is also important to recognise that that is only one small strand—and we see it more broadly than that. We also see it in this debate, when we as a government are looking at injecting $10 billion of new funding into the tertiary education sector, and we see it in a number of areas. We see it with regard to this government’s moves in consultation with industry to deregulate HECS to a certain extent. We moved to make the funding scheme more flexible, recognising that the consequent effect of institutions having greater flexibility to alter their HECS rate would be that more revenue could flow in. But I would highlight that that additional revenue stands outside of the $10 billion of new funding that is afforded by this bill.

Making HECS more flexible promises a greater opportunity for Australians who would like to undertake tertiary study to have courses available to them, because there is more money flowing into the system. In particular, by making the HECS scheme more flexible the market will be able to recognise courses that are in high demand, which are generally the courses that better remunerate graduates when they complete their studies. In addition to that, courses that generally have very high levels of demand are at sandstone institutions—among the most elite institutions in our nation. They are courses such as law and medicine: the kinds of courses that many high school graduates clamour for because they are prestigious courses offered by prestigious institutions. In those sandstone institutions and for those kinds of degrees, why is it inappropriate if the institution sees fit to raise its HECS contribution? It will mean more funding for that institution and I absolutely, totally and fundamentally know that those students successful enough to get into a course where HECS is increased will not even blink at the additional cost, because they know it will be more than compensated for when they graduate. Any increased HECS cost will be more than offset by their remuneration when
they graduate in law from the University of Melbourne or UQ or, indeed, in medicine from the University of New South Wales. They are all high-quality courses that pay very well for their graduates.

For students who want to undertake these courses of study, this government provide an undertaking to Australian taxpayers that we will keep in proportion the expenditure that we make for those who undertake tertiary education against the expenditure that we make for the majority, who do not undertake tertiary education. We will keep a balance and a sense of proportion about it. If Australian students who undertake medicine or law or commerce at sandstone institutions can pay and are willing to pay a little more because it means that the system will remain more robust and on a more sustainable footing, then so be it. It is the right step to take. From many students that I speak with I know there is not a concern about an offset HECS liability, because they recognise that when they graduate they will be far better off than the vast majority of Australians, who do not have the same opportunities afforded to them.

I would also highlight the Labor Party’s ideological barriers to reform of the tertiary education system. Their stated policy position is that Australians should not be able to undertake tertiary education if they are fee paying students. This is the absurdity of the Labor Party’s position. The Labor Party say that, if you are a student from overseas and you would like to study in Australia as a full fee paying student, you are welcome. If you are an overseas-born national who wants to undertake a bachelor course in Australia and pay fees to do so, you are welcome. But, if you are an Australian citizen who would like to study at a tertiary institution and pay the fees, according to the Labor Party you should not have that right. It is an absolutely absurd situation and it is completely and totally inequitable for those Australian students who would like to undertake tertiary studies at an Australian tertiary institution when the Labor Party policy says that international students can go and international students can pay but Australian students cannot. It is absolutely absurd.

More importantly, the Labor Party hold up, as the guiding principle in all of this, the tertiary education rank. The Labor Party hold up the TER mark and say, ‘I’m sorry, but in order to be equitable, if you do not get a tertiary education score of 990’—using the old scale that I am most familiar with, but it has application today—to get into medicine at UQ, for example, ‘then you should not be studying it.’ That is their measure, in some way correlating the tertiary education rank with the degree of difficulty of the course. I have got news for the Labor Party: it does not reflect that. What it does reflect is demand for that particular course. In this particular instance, the Labor Party are saying that, if you were a student who got a TE score of 985 but unfortunately you were one person short of the HECS funded cut-off, then bad luck—you cannot do medicine. There might be 100 funded places available to do medicine, law or any other tertiary course, but if you happen to be person No. 101, and you happen to be the person who is willing to pay to go, the Labor Party say no. You are not allowed to go, because that is inequitable. That is totally and completely absurd. It highlights the way in which the Labor Party are totally myopic when it comes to tertiary policy and when it comes to developing a sustainable footing for Australia’s tertiary institutions.

I would like to highlight some of the positives that are flowing as a consequence of this government’s bill—a bill that I sincerely hope, for the benefit of all Australians, is passed in the upper house. I know it will be passed in this House, because we have a
mandate from the Australian people to make the kinds of reforms that are required, but I hope that the Labor Party, the Democrats and the Greens see commonsense when this bill goes before the Senate for debate.

I can talk about my own piece of turf. I represent parts of the city of the Gold Coast—a city that has been Australia’s fastest-growing city for 30 years and is anticipated to be Australia’s fastest-growing city for the next 25 years. Largely as a consequence of Labor Party policy, our city is severely underrepresented when it comes to the number of fully funded tertiary education spots that are available for Gold Coast students to study at our local institution of Griffith University and some of the other institutions that have campuses there. As a consequence of this legislation that has been put forward by the Minister for Education, Science and Training, Brendan Nelson, we have a policy that will ensure that an institution such as Griffith University—ably led by Vice-Chancellor Glyn Davis—will be in a far more sustainable setting going forward, a setting that recognises the high demand and the high population growth on the Gold Coast.

The new base funding that will flow from this bill will ensure that those students who want to undertake tertiary studies on the Gold Coast will be more able to do that, because those students will be in a position to utilise the additional places that are a consequence of population growth in Queensland—population growth that is occurring, and population growth that this bill provides for by providing new tertiary places for students. For the people and the students of the Gold Coast, this bill represents a really fantastic opportunity to have new places available for those students and an increased number of fully funded places at Griffith University and other campuses. The only thing that stands in the way of Gold Coast students undertaking their tertiary studies on the Gold Coast at local universities is the combination of the Australian Labor Party, the Australian Democrats and the Greens. They are the people who stand in the way, and I want the people of the Gold Coast to know about it.

One final point I would like to touch upon—an important part of this bill, in my view, because it goes to a fundamental human right—is this government’s move, under the Higher Education Support Amendment (Abolition of Compulsory Up-front Student Union Fees) Bill 2003, to abolish compulsory student unionism. This is another example of the way in which the Labor Party are ideologically driven and have an ideological barrier to providing a very basic right, and that is the freedom of association. The Labor Party sit there and absolutely enforce, under legislation, requirements for students to pay sometimes as much as $160 a semester to undertake tertiary education. They sit there and cry crocodile tears about how hard it is for Australian students to undertake tertiary studies. They cry crocodile tears about how concerned they are about ensuring that Australian students have additional dollars in their pockets, yet there is a very simple and direct way in which the Australian Labor Party could make a positive contribution to giving Australian students an additional $200 or $300 immediately.

Why don’t the Australian Labor Party support, in the Senate, this government’s moves to introduce voluntary student unionism? If you allow freedom of association—the most basic human right available, the right to choose which organisations you would like to be a member of—then why not allow this to be passed in the Senate so that Australian students are not burdened by your ideological anchor to the union movement? I know many thousands of students would be grateful for the opportunity to have an addi-
tional $300 or $400 a year by removing the Labor Party’s requirement for them to be union members. The fact is that, if the Labor Party know that compulsory student unionism offers so much service and goodwill to Australian students, then they would know that Australian students would join voluntarily. Australian students would happily join if there were value in it for them. It is a very basic argument. If there were value in this at campuses, then Australian students would happily join; but they will not, because there is no value provided by the majority of student unions, and your ideological anchor to compulsory student unionism betrays you.

The SPEAKER—Order! The member for Moncrieff will know the use of the term ‘you’ is inappropriate.

Mrs CROSIO (Prospect) (1.59 p.m.)—In the limited time I have before I really get into my speech, I would like to say to the member for Moncrieff that, if he had an honest bone in his body, he would agree with this side of the House that if these bills—the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003—are passed in their present form they will go down in history as some of the most destructive pieces of legislation that our nation’s higher education sector has ever encountered. Why do I have a feeling of deja vu with this package? I seem to remember that the former Minister for Employment, Education and Youth Affairs, Dr Kemp, presented a similar model to the cabinet in 1999. It was only after that submission was leaked, which led to such a massive public outcry, that this Howard government retreated and allowed that member to suffer the ignominy of defeat. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

INDONESIA: TERRORIST ATTACKS

Mr McGauran (Gippsland—Deputy Leader of the House) (2.00 p.m.)—I ask leave of the House to move a motion to suspend so much of the standing and sessional orders as would prevent the Prime Minister moving forthwith a motion to observe the anniversary of the Bali tragedy, and to fix speech time limits for the debate.

Leave granted.

Mr McGauran—I move:

That so much of the standing and sessional orders be suspended as would prevent:

(a) the Prime Minister moving forthwith a motion to observe the anniversary of the Bali tragedy; and

(b) debate on the motion ensuing with speech time limits being as follows:

Prime Minister—not specified;

Leader of the Opposition—a period of time equal to that taken by the Prime Minister, and

Other Members—10 minutes each.

Question agreed to.

Mr Howard (Bennelong—Prime Minister) (2.01 p.m.)—I move:

That this House:

(1) marks the first anniversary of the Bali tragedy by honouring those who lost their lives or were injured in the horrific terrorist attacks of 12 October 2002;

(2) offers its continuing support and compassion to all those who have been hurt by this terrible event, especially the bereaved and the injured;

(3) sends its heartfelt sympathy to the people and Government of Indonesia and the other nations whose citizens were killed or injured in the attacks;

(4) conveys its deep appreciation to those who volunteered to assist in the terrible aftermath of the attacks;

(5) expresses its gratitude to the Indonesian Government and authorities for their
cooperation and support in bringing those who perpetrated this horrendous crime to justice;

(6) reiterates its condemnation of those who employ terror and indiscriminate violence against innocent people; and

(7) reaffirms Australia’s commitment to continue the fight against terrorism in our region and in the rest of the world.

Mr Speaker, 12 October 2002 is a day that will ever be remembered as a day on which evil struck with indiscriminate and indescribable savagery. Today, almost a year on from the terrible attack in Bali that claimed the lives of 88 Australian citizens and three people who had chosen to make this nation their permanent home, it is appropriate that this parliament pause for a moment and remember those who died, think about and express our compassion to those who were left bereaved and try and contemplate, as a national parliament, the significance of that event, both then and in a continuing sense, on the life of our nation. Especially today, we think of those who lost their children— their sons or their daughters—we think of those who lost their husbands or their wives, their mothers or their fathers, their brothers or their sisters, their mates or other loved ones.

We are reminded, as we have been over the past two weeks, that this is the end of season for the football codes of our country with the exception of one. It is an occasion when so many young men and their friends go abroad to let off some steam and to celebrate the successful end in some cases, but generally the end of a football season. Forever there will be linked with the terrible deeds in Bali the loss of so many young sporting lives, people who were doing nothing more provocative and nothing worse than having a bit of fun in a holiday resort at the end of a hard season.

This has been a very hard year for those touched by the Bali tragedy. It has been a very hard year for the families of those who died. Their grief and their loss, and their sense of injustice and alienation will go on for years. It is our task and responsibility, as their fellow Australians and as a nation, to offer as much support and compassion in an ongoing sense as we can but to understand that grief, by its nature, is intensely private; no one person handles it the same as another. Each handles it in a different way; some more readily than others. It is our responsibility, as friends and fellow Australians, to do what we can to lighten their personal burden.

It has also been a hard year for the people of Bali because inevitably this terrorist attack inflicted enormous economic cost on the people of that lovely island. Of all of the reactions I have had from Australians over the last year about the attack in Bali, one very deep impression that has been left with me is the fact that no malice is felt towards the lovely people of Bali. Nobody feels any hatred for the people of Bali. They all feel that the people of Bali suffered along with the rest, as they did, and that they have paid a terrible price for the terrible and foul deeds of those who were responsible for this terrible crime.

The last year has also told us something about the Australian character, something about the Australian personality. It was a terrible event and it brought forth an outpouring of national mourning and grief, the like of which I have not seen in peacetime in this country. But it also demonstrated that nothing will break the Australian spirit. It demonstrated that we are a remarkable people, that we are tough and durable and resilient—indeed, I have said on many occasions, as tough as tungsten. But we are also a warm and embracing people, and the compassion that we displayed towards our fellow Austra-
lians, the instantaneous marshalling of all of the efforts of the agencies of this country that were required to bring the horribly injured out of Bali and back to Australia, was quite astonishing. We saw in the days and weeks that followed, and we will see again over the coming weekend, a great coming together of national mourning and grief and a common expression of outrage, but also a common expression of compassion and love towards those of our fellow countrymen and countrywomen who have lost so much.

In the last year, we have had scores of touching, tearful and very emotional human stories of tremendous courage of people like Peter Hughes, Jason McCartney and the lady, whose name escapes me, who was only released from hospital for the first time but three days ago, having been in burns treatment for almost a year as a result of the burns that she suffered on that night. We can reflect with grief, anger, a sense of injustice and a proper sense of revulsion about what occurred, but we can also look back with a sense of pride in the resilience of the Australian nation and of the Australian character.

We can thank the people of Australia for demonstrating their basic humanity. We can thank all of those who did so much. There are the men and women of the Australian Defence Force and those wonderful people who were there on the spot immediately it happened. There was the work of our consul in Bali, Ross Tysoe, who carried the immediate administrative load. There was the work of course of those who were involved in the gruesome task of identifying the victims, having to carry out their task according to the dictates of international law governing the identification of victims of mass attacks of this kind. There was the assistance they received from volunteers—Balinese schoolchildren, Mr Speaker—who made their time and effort available to help in this extraordinary endeavour.

In the presence of Mr Bambang Yudhoyono, the senior coordinating minister in the Indonesian government, on behalf of the people of Australia, I want to thank the response of the Indonesian government to this particular tragedy.

Honourable members—Hear, hear!

Mr HOWARD—The Indonesian government responded immediately. There was the work of the Indonesian police and the work of the Indonesian military. There was the willingness as a result of a meeting which was held within two days of the tragedy between the foreign minister, the Minister for Justice and the President of Indonesia that resulted in the unprecedented formation of a joint team of investigation and cooperation with the Australian Federal Police. I pay a special tribute to the Australian Federal Police. Their forensic skills and their assistance were made available to their counterparts in Indonesia. Without the application and the commitment of the government and the people of Indonesia, those responsible for these terrible crimes would not have been brought to justice. I want to say to the senior representative of the Indonesian government present in the chamber today how much we are in your debt, how much the Australian people, especially the relatives of those who died, appreciate the commitment, dedication and application of your police force and your military in the ongoing determination to bring these criminals and terrorists to justice.

Honourable members—Hear, hear!

Mr HOWARD—I also wish, in that context, to pay a particular tribute to the foreign minister and the justice minister whose early seeking of a meeting with the Indonesian government led to the formation of that joint investigation. It is impossible on an occasion like this to remember and record gratitude to all of those who played a part in responding. I want to say that those who offered com-
fort—those chaplains and others who offered comfort—immediately to the people who lost their loved ones deserve our special thanks. I know that the Deputy Prime Minister and the Leader of the Opposition who accompanied me to Bali within a few days of the attack will know how important that assistance and that provision of support and comfort were to those people.

As we reflect on what happened and as we join as a nation, both here and in Bali on Sunday, and again on the 16th of the month in the Great Hall where there will be a commemoration service to mark the event, we have to try and assess as best we can the impact of this event, because it will not quickly recede—indeed, it will never recede—from the memory and the consciousness of the Australian people. It will become one of those sadly landmark events that, as the years go by, will be remembered as representative of international evil, international terrorism and international malice. But it will also be remembered, as other days which have represented tragedy in the history of our country and our people, as a day when Australians displayed remarkable courage, remarkable strength, remarkable compassion and remarkable affection to those who had been so badly injured and so badly hurt.

I think it has brought home to us for the first time in the experience of many Australians a collective sense of national grief and mourning about a particular event. We have grown used, in long years of freedom from world war, to prolonged periods of peace and the idea that the deaths of people other than in accidents or in relatively small numbers in different parts of the world is something that does not affect us. To lose 88 Australian citizens and three residents in one event so close to this country did give us a jolt. It did remind us of our essential vulnerability. It did remind us that nobody anywhere in the world is beyond the reach of terrorism.

Terrorism is not anything that is calculated in the sense of whom it singles out. It is random as well as being barbaric. None of us are beyond the reach of it. This country is relatively safer than others but, as I have said repeatedly and I will say again, nobody in my position can responsibly purport to guarantee that this country will not be the subject of a terrorist attack, and indeed there are parts of the world in which travel for Australians remains difficult and dangerous.

Bali brought home to us a reassuring reminder of the great duality of the Australian character. It is strong and soft; it is tough and caring, all at the same time. We are neither just direct, laconic people with no touch of warmth and softness to our character any more than we are a people who are totally preoccupied with sentimentality. We are a remarkable, impressive combination of the two. I think that, more than anything else, that came through in the aftermath of the Bali attack. To me, it is a very warming reassurance of just how fine a people the Australian nation represents.

I think Bali has brought us closer to our neighbours. It has reminded all of us that we are together in this fight against terrorism, that terrorism is the enemy of Indonesia as much as it is the enemy of Australia. Terrorism has as one of its goals the undermining of the democratic Indonesian state. Terrorism has as its goal, through intimidation, the imposition on governments of radical, bigoted and intolerant notions of governance and religious belief.

Bali has also brought home to all of us the need to re-emphasise the virtues of tolerance and harmony within our own community. I had the opportunity last Saturday morning of opening some extensions to the Islamic School of Brisbane. Sadly, just two years ago, students from that school travelling in a bus were stoned by some rather foolish and
ignorant people in the aftermath of the attack on the World Trade Centre in New York. This is an occasion for me as Prime Minister to say to Australians of Islamic descent: your place, your role and your rights as Australians are as important to me as the rights, the role and the place of Australians of other religious beliefs. This is a country which respects people’s religious difference. We also respect those who have no religious belief. We are a nation founded on the Judaeo-Christian ethic and instructed in many of our mores and habits, properly, by the Judaeo-Christian ethic, but we are a nation which is not blind to the values and virtues of other religions and other beliefs. When I visited that school, the reading may have been from the Koran but the accents of the children were the same as those you would find at Canterbury Boys High School—if I may borrow some examples—Scotch College or indeed Perth Modern School. It was a very vivid reminder to me of just how important common citizenship of this country really is. So this is a time to emphasise the virtues of tolerance and harmony among the Australian people.

The events in Bali reminded us that the war against terrorism must go on however long that period may be. At the very least, we owe it to those who died in Bali to never desist in our attempts, along with our allies, to destroy terrorism around the world. If we do not do that, we will have failed in one of our most basic duties to those people. We are reminded not only that terrorism is barbaric and random but also that over the last six months it is the case that more Muslims have died at the hands of terrorists than have Christians or Jews. That is a reminder of how abhorrent to the Islamic faith is terrorism—as it is abhorrent to Christianity and Judaism.

To those who died, we remember them. To those who lost so much, we try as best we can, and however inadequately, to feel for them and to continue to support them. As a nation we collectively acknowledge our vulnerability, but we resolutely determine to continue the fight against terrorism and to maintain the values of this country—the values of tolerance, openness and harmony, and of welcome to those who believe in the values and aspirations of this country. We were changed by Bali. We were not weakened; indeed, we were strengthened. But we have gone through an experience that will be forever part of the national consciousness. It is appropriate as we reflect on the terrible deeds of that night that we honour those who died, we renew our friendship with the people of Indonesia, especially the people of Bali, and we continue to express our love and compassion to those who lost their loved ones.

Mr CREAN (Hotham—Leader of the Opposition) (2.20 p.m.)—I second the motion moved by the Prime Minister. As this is the last day before October 12 that the parliament will sit, it is an opportunity for us as a parliament to remember an event that involved the single greatest loss of Australian life since World War II. We also remember the 21 other nations whose citizens lost their lives, including many Indonesians. No-one can forget that day 12 months ago. All of us will have memories of waking up to the news, of hearing it unfold on that day and feeling the shock, the horror, the anger and the grief at the shocking loss of life of so many people.

Of course, those feelings have been with us for a year now. Time and again we are reminded of that event, because of victims recovering, because of their families talking about the events, because of the people brought to justice through the trials that are televised and of course because of the stories of courage not just about the survivors but about those who helped save them. There probably would not be a day go by in which...
we as a nation have not thought about it. I suppose what 12 months did most of all was to bring home the stark reality that it could happen to us and that it could happen to us so close to home in a place that so many hold dear to them and that so many have been to, while so many know people who go there on a regular basis. Therefore it could have been any one of us.

So this weekend, despite the continued travel warnings, hundreds of Australians will be going to Bali to commemorate the victims and to celebrate the survivors. The Prime Minister and I will return, this time with our wives, and we will be joining them. It will be difficult, as the Prime Minister says. We do not go to impose on the families but to be with them, because I think both of us understood the importance to them of our presence, along with that of the Deputy Prime Minister, a little less than 12 months ago.

But there is something typically wonderful about the ceremonies that are organised and planned for this weekend. There will be official services, of course: solemn ceremonies, wreath layings, church services. We are going back to the Sari Club—at least to where it once stood. The events will be sombre, as they should be. But there are unofficial ceremonies as well. There will be a game of football. It evokes the memory of that famous photograph of those young diggers playing cricket on the beach at Gallipoli. But it is a typical Australian reaction to a crisis, a poignant way for members of football clubs to remember their dead mates. The reaction says a lot about our people, their determination and their spirit. It is a symbol of our toughness and compassion. But do you know what these ceremonies and the football game say for me? They say what so many of the families have said to me: ‘We’re not going to let the bastards beat us.’ That is a typical Australian response, showing courage, determination, forthrightness and a preparedness to get on with life but not to forget.

In that context, let us not forget how devastating the weekend will be. It will be hard for the survivors. But let us put ourselves in the place of the families and the victims. How hard is it going to be for them? So many of the dead were young Australians. No parent should have to bury their kids—not one. But many of these have. How will the parents of the loved ones, the victims, cope? What is going to sustain them? It must be the certainty that Australians will never forget those who have died.

What also gives the Bali bombing meaning for me is the stories of how people reacted at the time. There are some wonderful stories about those who made the effort, those who volunteered. All of them make you proud to be Australian. Some of them I would like to read. On Sunday evening, the hospital in Bali struggled to cope with the hundreds of injured and dying, and friends and family began to despair. Glenn Cosman recounted the moment when the first Australian military personnel arrived at 6 p.m. He said:

The feeling was just fantastic. When the Australian armed forces walked in that door and sang out, it was just, ‘We’re Australian. We’re here. We’ll protect you.’ It was like being back in Australia.

Squadron Leader Steve Cook was on the tarmac at Denpasar, evacuating the most seriously injured when a 19-year-old girl arrived with severe fractures and burns. I quote again:

The surgeon says, ‘The only way to save those legs is to operate on them in the aircraft hangar.’ She was very composed; she didn’t argue. She said, ‘Yep. Get the worst out first.’

Finally, there is the story of Dr Len Notaras, the medical superintendent at the Royal Darwin Hospital, who described how every-

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one was pressed into service to cope with the
flood of casualties that had happened. He
said:
As this patient is being pushed in in the trolley up
to the operating room, a senior nurse comes out
and says to the trolley pusher, ‘Could I have a
patient handover please?’ The person pushing the
trolley says, ‘I’m just the gardener. I don’t know
any more. I’m just pushing the trolley.’ The senior
nurse says, ‘Great handover. Thank you.’

These are the quiet heroes of Bali. Despite
their modesty, we know who some of them
are. Some, like Peter Hughes, Jason
McCartney, Brian Deegan and Spike Stuart,
have become prominent through their efforts
either to raise money for medical aid or to
speak for the families and the victims. But
some will always be the silent heroes for
security reasons. They are the intelligence
officers and the Federal Police officers who
tracked down the killers and brought them to
justice so swiftly. They are the ones busying
themselves with the most crucial task of all:
making sure this can never happen again. We
have to back them as well, by acknowledg-
ing that the fight against terrorism can only
be won through sustained cooperation with
police and intelligence services in our region
and throughout the world.

Those were the issues that I discussed in
my meetings with security officials in Ja-
karta, including Minister Yudhoyono, who is
in the chamber as we speak. The approach
worked in Bali. We must take that coopera-
tion and build upon it, because it has worked.
We must build upon it; we owe it to the vic-
tims and their families. I join with the Prime
Minister in acknowledging the work of the
Indonesian government—their authorities,
their police and their intelligence gatherers—
in bringing the perpetrators to justice, and
hopefully more to come.

Typically, of course, one of the immediate
reactions to Bali was concern for the Bal-
inese. They are a lovely people. Those of us
who have been there know that. The Prime
Minister has referred to this. Australians
have built a great affection for the Balinese
people over decades. We will never forget
their dead either. Nor should we forget the 33
Indonesians who were killed at the Marriott
bombing recently. The Balinese and the In-
donesians will also be remembered this
weekend, as will the victims from other
countries around the world.

One of the great tragedies of the Bali
bombing has been the devastating effect it
has had on the Balinese community. I hope
that over time, as the terrorist threat recedes,
that island can return to its previous prosper-
ity and happiness. In the meantime, there is
much that can be done and that we are doing
for the people of Bali—giving cash grants to
the Indonesian Red Cross, building new fa-
cilities at the Sangla Hospital, creating a new
community eye treatment centre and estab-
lishing a scholarship scheme for Balinese
doctors, nurses and health workers. The best
memorial we can give though is a determina-
tion never to let the terrorists achieve their
goal of turning the peoples of Indonesia and
Australia against each other. Let us keep our
friendship with the Balinese and the Indone-
sians strong. Let us help them to rebuild.
They need us and we need them. Let us re-
solve not to let each other down.

So this weekend we have a twofold duty:
to commemorate loss and to grieve with the
parents and the loved ones of the dead. There
will be memories; there will be anger. The
whole nation will be on edge. But let us use
it as an opportunity to make it plain that the
Australian people will never forget, that we
will never rest until the terrorists who did it,
especially those who are still at large, are
brought to justice and that the victims are not
only remembered but our commitment to
ensuring it does not happen again is sus-
tained.
Mr HOWARD (Bennelong—Prime Minister) (2.32 p.m.)—Mr Speaker, on indulgence, I wonder if the House might excuse me for a brief period. I regret to do this but Mr Yudhoyono and I only can only find the next little while for a meeting, which I think is important to take place. I will return as soon as that meeting is finished and rejoin the discussion.

The SPEAKER—I thank the Prime Minister for that indication.

Mr ANDERSON (Gwydir—Deputy Prime Minister) (2.32 p.m.)—I join with the Prime Minister and the Leader of the Opposition in remembering the events of almost 12 months ago. Like them, I remember only too well wondering what it was that we were flying to when we went up together. We returned having realised what it was that we were flying to when we went up together. We returned having realised it was every bit as bad as our worst nightmares could have led us to understand it might be. Looking back on it all, it was not until one year, one month and one day after the attacks on the World Trade Centre in New York, when the tropical night of Bali’s tourist strip was riven in pieces by terrible blasts, that we realised just how much the world really had changed on September 11, 2001, because Bali brought terrorism home to Australia. It was on our doorstep, in our neighbourhood and in our playground.

The Balinese are our friends but that in no way detracts from the fact that most of all it was our people—not only our young people—who bore so much of the death, the suffering and the loss. We all felt the horror of Bali like a blow. We all wanted it to be some dreadful nightmare, not a dreadful reality. We struggled to understand why and how. We shared the grief of those who lost loved ones. We have done what we can to support them and to stand with them—to help them in every way that we can. We have helped those with broken bodies recover. We share the joy and relief, and some amazing personal stories, of recovery. We have helped to track down the perpetrators. We have seen some of them brought to justice. I too pay tribute to the work of the Indonesians in their various authorities and capacities in that regard.

But on Sunday as we mark the first anniversary of this evil act, we will reflect. When we reflect, the first thing we know is that whatever objective, apart from wanton destruction, these foul murderers had in mind they have not succeeded. They have not changed the world. They have not destroyed the Western economies. They have not undermined our core values. They have won nothing. Indeed, the murderers of Bali have strengthened Australia and Australians.

It is certainly true that we have changed to some extent. Things are not quite as they were. We now have in place security measures around our borders and within this country that only a short while ago we would never have thought necessary. It is more difficult to travel around. There is more obvious security at our public events. Our security services have been expanded and have been placed on higher levels of readiness. We are being, because we must be, more careful, and we have learnt harsh lessons around the world.

We have learned that some people see our openness and our freedoms as weaknesses, not as our strengths. We have learned that some people see our values as something to be reviled rather than admired, and our high standard—indeed, I would say, even our higher quality of life—as something to be destroyed rather than something to be emulated and sought out for the benefit of their own people. More than anything we have learnt that living in peace is not enough to bring peace to the world, but we cannot defeat evil by example alone. We now know
that we must defend peace if it is to triumph over evil, and we know that when it becomes necessary we must be prepared to attack evil at its roots.

The events of October 12, 2002 in Bali were so horrendous that it is at first difficult to think that anything good could come of them. Yet, as we reflect, there is much that came out of that tragedy in which we can feel great pride. We can be proud of the selflessness with which so many people on that dreadful night ignored their own shock and fear, in many cases their own dreadful injuries, and turned to help those around them— their mates. We can be proud of the way our defence, police and emergency forces reacted with great speed and with real professionalism to come to the assistance of their fellow Australians. We can proud—as we are amazed—at the work done in our hospitals in the days, weeks and months after the tragedy to speed the recovery of so many victims, just as we take pride in the extraordinary courage and strength shown by so many of the victims themselves. And we should take pride in the determination of our police officers and security forces, and indeed those of our neighbours in the region—foremost including those from Indonesia—in their efforts to track down the perpetrators, while we recognise that their task will not be complete until all these base murderers have been found and brought to justice.

Bali has strengthened us as a nation and as a people. October 12 will always have a special place in our hearts. God willing, it will always have that place because there will be nothing worse to take its place. It will be a day of special remembrance. It will never replace Anzac Day—that most special of days when we remember how this nation’s character was forged and first recognised—but it will be a day when we recognise that the Anzac spirit still lives; a day that marks, if you like, our maturity. I cannot in closing express that feeling better than by the words spoken by Bondi resident David Byron in an interview broadcast on Lateline last night. Mr Byron lost his daughter Chloe in Bali. At the end of the interview he had this to say about his feelings:

Everything’s changed. Everything is different. We don’t like the change, we don’t like the difference. And, yeah, all we can do is our best. One day at a time do our best.

He speaks for all of us. I commend the motion to the House.

Ms MACKLIN (Jagajaga) (2.39 p.m.)—

The ceremonies that will be held to mark the first anniversary of the tragic events of 12 October last year in Bali are a chance for all of us to convey to the survivors and families of the victims that their sorrow is shared by our nation and that Australians have not and will not forget the horror of that event and those who lost their lives. The heartbreaking events that occurred in Bali have left unfilled gaps in the lives of so many. For those who so tragically lost loved ones and those who have been harmed by the devastation, the past year has been very difficult, most likely agony. It is important that we use this first anniversary to recognise the hardship that has been endured. I hope the establishment of the memorial in Bali helps the survivors and families of the victims to find greater peace.

The first anniversary is also an opportunity to honour the many heroes who courageously pulled victims from the flames and wreckage of the bombed nightclubs. It is a chance to recognise the heroic work of the doctors, nurses and emergency workers, both here in Australia and in Bali, who cared for the injured and through their work saved so many lives. It is an opportunity to praise the magnificent effort that went into evacuating the injured and managing the aftermath. The speed with which they responded minimised the casualties and lessened the trauma.
The response was a united effort involving Qantas staff, RAAF personnel, Federal Police, officials from the Department of Foreign Affairs and Trade, and all the Indonesian emergency workers, doctors and nurses. It was a terribly difficult time, and they all worked under harrowing conditions. This anniversary is an opportunity for all of us in Australia to acknowledge their deeds. There is no doubt that many of those involved in the response will also take the opportunity to reflect on how their lives have been affected by what they all personally experienced.

In addition to the very many people who lost their lives, following the bombing a number of people were evacuated from Bali and, fortunately, 61 of them are still alive today. Fifty-five of them experienced terrible burns. I am told—I am glad I have never experienced it—that burns injuries are dreadfully painful and heal very slowly. I think we should stop for a moment to acknowledge the strength it takes to recover from such injuries. Many of the Bali bombing survivors have spent much of the past year in hospital, very slowly getting better. As the Prime Minister said, it was just a short time ago that the last burns victim was discharged from hospital and, for many of those people, the healing will continue for a long time. It is also a time to recognise the great work our public hospitals do and the miracles their staff perform.

A year ago we all called for the perpetrators of this horrible crime to be brought to justice. At the time I was worried, like many, that they would not be found. Fortunately, many have. This is a credit to the Indonesian police and to the Australian Federal Police who assisted them throughout the investigation.

The people of Bali, of course, also lost so much. Thirty-eight Balinese people lost their lives in the bombings, but this represents only part of the disaster for these people. Bali’s tourism industry, which supports 70 per cent of the population’s livelihood, is still struggling to recover. On this first anniversary the Balinese people should know that the people of Australia are thinking of them and sending our best wishes to them.

The many harrowing stories following the bombing have brought terrorism so much closer to home for everybody in Australia. The threat of terrorism is real. On this anniversary it is very important that we recommit our efforts to making the world a safer place. Nothing less should come from such a terrible tragedy. The year that has passed has been difficult for so many. While the raw pain and emotion will ease with each passing year, the tragic events of 12 October in Bali and the lives lost will always be remembered.

Mr COSTELLO (Higgins—Treasurer)
(2.44 p.m.)—We are used to loss. Through drought, through depression, through war, we have lost sons and daughters, fathers, mothers, brothers and sisters. We have, many of us, suffered the personal loss of friends and loved ones through illness and accident. We know the pain of grief and we know the sadness of death. But before 12 October last year we had not experienced anything like the Bali bombing—the terrible loss caused by cold, stark and deliberate terror.

David Attenborough was recently asked to nominate the most beautiful place on earth that he had visited. He said it was Bali. It was one of the reasons so many Australians were drawn there. The great natural beauty of the place and the gentleness of the local people was a magnet for families, for honeymooners and for those who wanted to relax at the end of a sporting year. They were the kinds of people who had been visiting for decades. They were the kinds of people among the 88 Australians who lost their lives on 12 October. They are the people we re-
member today, as well as the 114 others, including Balinese and Indonesians.

Today we also remember those who were terribly injured and who will bear the physical and mental trauma for the rest of their lives. They were not soldiers in a war. This was not some accident. They were holiday-makers and waitresses and ice-cream vendors, footballers and young married couples. And, unknown to them, they became the target of twisted fanatics. Thankfully, some of those fanatics have been caught and they now await their own fate.

The lives of those Australians and their loved ones, the lives that were ended so cruelly, have also changed the way we see ourselves and our prospects. Those who were lost on that day were given no chance to farewell their loved ones. We do not know what their last words were to one another, but we know that each one of them was treasured.

Terrorism cast its fearful shadow across our nation, and that will not be forgotten. If we ever needed proof that the security of Australia and Australians depends on security in Asia, we had it dramatically illustrated on 12 October. The full resources of both the Australian and the Indonesian authorities have been employed to bring the perpetrators to justice. As a nation, we will not give up until all those responsible have been captured and tried. This the victims and their families are owed at least.

And we will not give up in the war against terror. This is the prime responsibility of a national government—to protect our citizens and to take the steps needed and employ the measures necessary, within our powers, to secure the safety of our people. It is a responsibility which we take seriously, which Australians demand and Australians deserve. No-one can guarantee there will never be another outrage, but we can promise that, as a government, we will do our utmost to guard against it.

This will be a difficult weekend for the families of the victims and for those injured. And so today we remember those who died and those who were injured. We say to their loved ones that their memory will be enshrined forever in permanent memorials in the hearts of those who knew them. Long after all of us have gone from this parliament, they will still be remembered.

Australians will still travel overseas and they will still continue to seek out exotic locations. They will holiday and make pilgrimages to Turkey or France or New Guinea or Bali, and we hope and pray they will travel safely. But they will try to understand what it all means. They will try to put together what there is to come out of it and remember the stories of strength and courage and remember what happened to those who were lost, on 12 October 2002, to their families and their loved ones.

Mr RUDD (Griffith) (2.50 p.m.)—This morning I spoke with Brian Deegan. Many honourable members will know Brian. He is from Adelaide. He was one of the dozens of dads left in desperate grief by the death of a son or a daughter in Bali a year ago. Brian is one of those blokes who just refuses to give in because, in his own words, he shares and believes we all share a collective responsibility, as a country where compassion has not been extinguished yet, to help put battered lives back together. Many lives have been battered—many young lives.

We often talk of the 91 Australians whose lives were lost. For them and for their families that tragedy is final. We talk less often of the 300 to 400 who were injured at Bali. For them and for their families the tragedy is continuing. Some have lost limbs, some have lost sight, some have lost hearing. All have lost—but hopefully not forever—the ability
to close their eyes, their minds and their memories to the horror of what they saw that night, now one year past. Psychological trauma is real, it is not imagined. Anxiety attacks are real, they are not imagined. For many, the cold, hard truth is that they have been financially affected as well. In Brian Deegan’s words, lots of the kids affected by Bali are struggling. Work has been interrupted or lost. Studies have been interrupted—sometimes terminally. As a country and as a community where compassion is not yet dead, we must all do better on this score as well.

Mr Speaker, with Brian Deegan’s permission, let me tell you a little bit about his son Josh and Josh’s friend Angela, because their stories are in part representative of the tragedy that befell so many families on October 12, each of whose stories are personal, precious and unique. Josh’s story is just one of them. In his father’s eyes, Josh scored 75 per cent academic, 75 per cent sport and 120 per cent heart. Josh did not have a best friend but a hundred kids each regarded him as their best friend. His friends called him ‘Deegs’ or ‘Guru’. He abhorred violence from the time he was a child. Even when he encountered violence on the football field, playing for the Sturt Football Club, he would just walk away. It was, of course, the Sturt Football Club that took Josh to Bali, along with 22 of his mates and the team chaperone, Bob Marshall—who also perished that October.

Josh had finished his BSc at the University of South Australia and, after Bali, was returning to Adelaide to take up a partnership specialising in physical education. Josh and his dad had many plans. Upon his return, they were about to renovate a house together in Glen Osmond. He was the perfect apprentice chippie. Josh did not have a girlfriend at the time but his father notes with some approval that he had had many girlfriends over the years, and his heart may well have been lost to another, whose name was Angela, in the hours before he and she died.

Angela Golotta was just one week shy of her 20th birthday. Josh and Angela met at the Sari Club that night. Both were from Adelaide but they had not met before. They were introduced by a mutual friend who was a member of the Sturt Football Club, a friend of Angela’s family—who were holidaying in Bali with her—and a friend of Josh as well. The House may recall a photograph painstakingly recovered from Josh’s battered camera. It was a photo taken less than an hour before the bombing, showing a smiling Josh and Angela together with Angela’s brother and dad. Because Angela’s family trusted Josh and the friend who had introduced them, the Golottas left their Angela with Josh when they went home to their hotel.

Many people had that experience in Bali that night: arriving late at the Sari Club—later than they intended—and after the bombing, or leaving early for reasons which neither they nor anyone else could explain. Josh and Angela remained and were last seen, hand in hand, heading to the dance floor. Josh and Angela suffered the full impact of the blast from the bomb planted by Amrozi and his fellow murderers in the white Mitsubishi van parked outside. Josh’s parents, like Angela’s, mourn many things. But what Brian Deegan mourns most is not seeing his son unfold further into the good and gentle human being he had already become, not seeing his son’s potential realised and not seeing his friendship with his son deepen even further.

I relate this story of Josh Deegan and his friend Angela Golotta as a tribute to them and, through them, to all who suffered personally through Bali. Of course, we in this country are not alone in our grief. Many countries lost their citizens, none more so than Indonesia itself. Let us not forget in this
place that, in the war against terrorism, one of the foremost victims of terrorism in our region is Indonesia.

I do not think this is the time and the place to thank all those who helped to deal with Bali; others have done that. This day and Sunday should be about those who suffered, those who died and those who care for the people who suffered and died. The one exception I make are the men and women of the Australian Federal Police, whose work in Bali, and since Bali and the Marriott bombing, has been simply outstanding and should be commended by all in this place.

What of terrorism? Let none of us here pretend there is an easy fix, because there is no easy fix. What is needed is clear-sighted, practical and long-term policy which supports, at every level, hardline policing on the ground and is committed to destroying terrorism organisations, root and branch. We need policy which deals also with the education and employment conditions in the region, which have assisted the recruitment task of terrorists who are hardened already.

What of the future? That is where I turn to the Sturt Football Club. In the week following Bali, surviving members of the club—bandages and all—took to the streets of Adelaide to rattle the tin for the Red Cross Bali appeal. That says something about them, their club and their country as well. In the year following Bali, Julian Burton—still in a bodysuit—has established the Julian Burton Burns Trust, which has already raised $100,000 to $200,000 for the burns unit at Royal Adelaide Hospital. As the Leader of the Opposition said well in his remarks, ‘Never, never let the bastards beat you.’ I commend this motion to the House.

Mr DOWNER (Mayo—Minister for Foreign Affairs) (2.57 p.m.)—I would like to join others in supporting the Prime Minister’s motion. In the lead-up to the first anniversary of the Bali bombing, on Sunday, our hearts are again with the relatives and friends of those killed and injured and with the survivors of last year’s senseless act of grotesque brutality. Many of these people have gone to Bali to commemorate this first anniversary. We hope that, in this difficult time, they find there some measure of closure, some easing of the heartache. Those of us who did not lose family or friends cannot even pretend to know the great depths of pain this tragedy has caused. But to those people in Bali and those who could not make the journey, let me say that you are not alone in your grief.

This week we also remember the other nationalities killed and maimed one year ago. In particular, we remember the 38 Indonesians killed and the great many more injured. The Bali bombing was not just an Australian tragedy; it was an Indonesian tragedy as well. Today, Indonesia—and Bali in particular—continues to feel the impact of this senseless and indiscriminate act of brutality. As the bombing of the Marriott Hotel in Jakarta in August demonstrated, Indonesia is still not free of the scourge of terrorism. We also remember today those who selflessly threw themselves into the relief effort in the immediate aftermath of the bombing, both in Bali and here in Australia. These people, whether Australian, Indonesian or of other nationalities, epitomise the spirit of mateship and community which we celebrate as our national virtue.

I am proud of the role my department played, in close concert with other parts of the government and with the Indonesian authorities, in responding to the crisis. Literally on the front line, officials from our Bali consulate worked tirelessly under the most difficult of circumstances to deal with the tragedy, accounting for Australians who were caught up in the attacks, comforting and supporting the victims—many of whom had
been horrifically injured—and helping to organise the recovery of remains and the return to Australia of the injured.

In Canberra, the emergency call unit handled over 30,000 telephone calls from families and friends of victims desperate to locate loved ones in the first days of the crisis. Over 700 staff volunteered to work in the crisis centre and emergency call unit. An additional 32 departmental officers from Canberra and from our embassy in Jakarta were quickly dispatched to supplement the consulate in Bali to assist grieving families in the grisly, agonising task of locating and identifying victims. For these staff, this was their job and they performed it, let me say, to the highest order.

For many of these staff, the bombing has had a profound and lasting impact. Some staff have returned to Bali this week to participate in the commemoration ceremony with the families of the victims and survivors. The Department of Foreign Affairs and Trade has also taken a lead role in the preparations for the weekend’s ceremony. Uppermost in our minds has been the security and welfare of those attending. Together with other agencies and the Indonesian government, we have put in place detailed contingency plans and, I think, the best possible security arrangements.

It is difficult to offer solace to families that have lost husbands, wives, partners, children, parents, brothers and sisters. But what they can be offered is a measure of justice and the knowledge that, in the year since the bombing, 36 of those directly or indirectly involved are in custody and only five suspects remain at large. Twenty-one of those people have been convicted and sentenced, including key figures in the bombing. Today, Jemaah Islamiah is an internationally proscribed organisation, hunted throughout the region and the world. Over 200 suspected JI members have now been detained, including the key figure, Hambali. This is a great credit to the government of Indonesia. It is also testament to the quick, effective and practical cooperation between the law enforcement and intelligence agencies of our two countries.

I can also offer to families of the victims—and, indeed, to all Australians—the firm and unrelenting resolve of the Australian government in the war against terror. In the year since the Bali bombing we have done everything in our power to ensure that we defeat the scourge of terrorism in our region. Cooperation with Indonesia has been at the core of these efforts. Our bilateral counter-terrorism memorandum of understanding has facilitated practical operational level cooperation that has seen terror attacks prevented, terror networks disrupted and terrorists arrested.

Our shared tragedy in Bali has also spurred joint efforts to fight terror more broadly in our region. Together we have already cohosted a conference on money laundering and terrorist financing, which are the lifeblood of terrorist operations. In Bali in February next year, I will be cohosting with the Indonesian foreign minister a major regional ministerial conference on counter-terrorism. That meeting will examine practical and effective ways that governments in the region can strengthen efforts to combat terrorism. Our four-year assistance package to strengthen counter-terrorism capacity in Indonesia has also been important in assisting the Indonesians to deal with this problem. I would like to take the opportunity, as the Prime Minister, the Leader of the Opposition and others have done, to welcome Indonesia’s Coordinating Minister for Political and Security Affairs, Mr Susilo Bambang Yudhoyono, and say that his visit, I think, underlines the ongoing strong cooperation
between Indonesia and Australia in the fight against terrorism.

In conclusion, let me say that this week we should rightly focus our attention on the events of a year ago. We should remember those who have died or been injured. We should extend our hands and our hearts to those who continue to suffer the effects of this terrible tragedy. But we also need to continue our fight against terror. We are winning this war, but it is not a war that we have yet won. We did not choose this fight. We were never under any illusions that it would be easy or short. The war will take time and effort, and we can expect further setbacks. But we will never allow our policies, the policies of Australia or the people of Australia to be dictated to by terrorists, nor will we abandon our values and friendships in the face of their threats. The government must continue to control foreign policy in our national interest. So, spurred on by the memories of those killed and injured in Bali, we will continue the fight for as long as it takes.

Mr EDWARDS (Cowan) (3.05 p.m.)—This weekend and the coming days will be a time of great anguish for those who lost loved ones in Bali. This anniversary—this time of heightened hurt and sorrow—comes on top of a year of incredible sadness and trauma that many who lost loved ones or suffered direct physical injury as a result of that savage and cowardly ambush have already endured. I know that some families will not be going to Bali or coming to Canberra because of a range of personal circumstances which are private to them and which prevent them from doing so. I know that some families and survivors are going to the service in Bali despite the travel warnings. That trip will be one of the hardest and most difficult journeys of their lives. There is also to be a major service in Perth, where a memorial in Kings Park will be dedicated to those who were victims of the Bali bombing.

I will be attending that dedication, representing Simon Crean, who will be in Bali.

So, whether those to whom this time will mean so much are in Canberra, Perth or Bali, whether they choose to attend services or just remember in the privacy of their own homes, this will be a difficult and trying time for them. At this time we should send a united message to all victims of the Bali bombing that we, their elected representatives, and all Australians suffer with them and share their sadness, sorrow, hurt and loss.

Their loved ones, the mums or dads, brothers or sisters or sons or daughters who lost their lives, were not related to us but they are a part of us; they are a part of our nation and our people, and we mourn for them. The coming days will be days of great sadness for this country. We mourn too for those Balinese who lost their lives or suffered as a result of that horrific attack, and we should say to the Balinese people that we know that you suffer too, that we as a nation appreciate all that you have been through and that we appreciate all that you did to look after those Australians who were hurt or injured; for that you have our eternal gratitude. I know this is a clear message of support that the Prime Minister and Simon Crean will take to Bali on behalf of all Australians.

It has been 12 months since that attack and we as a nation must take stock of where we are. What appears to be a widening gap between Australia and Indonesia must be viewed with real concern. Why do the political gaps continue to widen between us and other parts of South-East Asia, not just Indonesia, and what must we do as a nation to bridge those gaps? We must review and assess our attitudes and our policies in our own region of the world. Our mutual enemies are those who perpetrate random acts of terrorism and we must unite to strike effectively against those who would murder our citizens.
Equally, our friends are those who populate the countries of this region and who seek to live their lives, as we do, in peace and in security. We must unite in friendship with them, for they are our greatest allies. And we must unite as friends with mutual economic, social and cultural ties and as people whose governments must work together to defeat the forces of terrorism.

I want to particularly recognise those members of the Kingsley Football Club in my electorate who lost loved ones and who have battled to overcome the tragedy of Bali. To Laurie Kerr and Phil Britten, who were so badly burnt but who have confronted their injuries with courage and determination, and those who seek to rebuild the club in body and in spirit, I say well done. I also want to recognise the very compassionate support given to members of the Kingsley Football Club by the member for Pearce, Judi Moylan. One of the families who lost a son lived in her electorate and I know she was very supportive of them and she responded to the tragedy in a very strong bipartisan way. To all of the emergency service workers—doctors, nurses, the Australian Federal Police, the Australian Defence Force, the Army Reserve, state police, civilians and public servants—who performed so valiantly, I say well done. To my mate Cuthy, who served with me in Vietnam as a tough Infanteer and who was called to Bali as a member of the Australian Federal Police and who was visibly shaken by what he saw then and is still traumatised by it today, and to all of his mates who worked so hard to do everything they could for the victims and their families: I salute you all for you are true heroes. I want to close by quoting a poem written by David Hancock, whose son played for Kingsley and was killed in Bali. David dedicated this poem to his son and recently read it on the ABC in Perth:

Poetry for Byron

They didn’t know you, Byron
How could they do this to you
And all your footy mates.
What is it that makes men do such things?
Is it insanity, blind faith or hate?
Byron, they simply didn’t know you
Like those that knew you true
Because if they knew you, Byron boy
This act they could not do.
Had they known of your great courage
To win a hard ball and chase
Had they known what a good sport you were
Could they’ve looked you in the face.
Had they seen us on grand final day
A crowd of fun and cheer
Had they been there to say ‘hello’
You’d likely have bought a beer
Had they visited your workplace
And seen your skills employed
Had they sensed the fun and mateship
Their shameful work surely never deployed
If they’d known your fine young friends
Your family strong and true
Had they understood your sister’s love
Such cowardly acts, they could not pursue
But even if you’d never met
They’d only watched you from afar
To see you surf the cranking break
They couldn’t have bombed that bar
If they too had seen you born my son
Heard your first breath and cry
Seen your perfect form and features
Could they stand to see you die?
If they too had watched your every move
Your fine balance and casual gait
And seen you grow and prosper
To kill you, no way mate
They could not have known your beautiful smile
Or seen you hug your mother
Had they read the words of Tammy’s poem
They’d have loved you like a brother
That they did this to you, Byron
Is nearly more than we can bear
But justice will be served one day
On those who didn’t care
Byron, my son, all of us here
Now share a special place
A place they can never reach
For they did not know you, Byron
You precious and wondrous young man,
They can never hold these feelings
Of the deepest goodness and respect,
For they’ll forever burn with hate
And on their choices to reflect
They thought that they could break us
And bring us to our knees
But they did not know you, Byron
Nor understand your style.
‘Cos when we’re down, you’ll lift us
With the power of your smile
They chose not to know you, Byron
How different things could have been
Now you’re only ours to share
For they did not love you, Byron
Not like we love you still
For they did not know you, Byron
And now they never will
I wanted to share that poem with the House
because it captures all the sadness, the anguish and the sorrow that so many parents around our nation will feel this weekend.
Just remember the words of his poem—‘they thought that they could break us and bring us to our knees’. I want to say to all members of this House who will not get the chance to speak today that the greatest enduring principle known to Australians is the principle of freedom. We know that, and those terrorists who seek to bring us to our knees will come to learn it.

The SPEAKER—The question is that the motion moved by the Prime Minister be agreed to. I ask all honourable members to signify their approval by rising in their places.

Honourable members having stood in their places—

The SPEAKER—I thank the House.

Mr ABBOTT (Warringah—Leader of the House) (3.15 p.m.)—Mr Speaker, to enable further debate to take place in the Main Committee on the motion by the Prime Minister relating to the anniversary of the Bali tragedy, I present a copy of the motion which was agreed to by the House just now and I move:

That the House take note of the paper.

Debate (on motion by Mr Latham) adjourned.

MAIN COMMITTEE
Indonesia: Terrorist Attacks
Reference
Mr ABBOTT (Warringah—Leader of the House) (3.15 p.m.)—by leave—I move:

That the following order of the day be referred to the Main Committee for debate:
Anniversary of the Bali tragedy—Copy of motion by the Prime Minister—Motion to take note of paper: Resumption of debate.

Question agreed to.

QUESTIONS WITHOUT NOTICE
Insurance: Medical Indemnity
Ms GILLARD (3.16 p.m.)—My question is to the Minister for Health and Ageing. I refer to the government’s refusal to release the report from the Government Actuary entitled Report for the Minister for Health and Ageing—the Commonwealth’s IBNR scheme for medical defender organisations—UMP Ltd given to the government on 30 May this year. Doesn’t this secret report state in rela-
tion to the liability on which the medical indemnity levy is based:
However, this may change as, for example, the impacts of tort reform flow through.
Minister, isn’t it the case that the government was advised as far back as 30 May, before levy notices were sent to doctors, that the amount being levied was likely to be too high?

Mr ABBOTT—As I told the House yesterday, the reason why the report has not been released is that the report is based on actuarial calculations provided to the government by UMP, and the government is not entitled to release publicly information which it does not own. We are not going to release the report.

Ms Gillard—Mr Speaker, I rise on a point of order. I think the minister must have misunderstood me—

The SPEAKER—The member for Lalor will resume her seat. There is no point of order.

Mr ABBOTT—I accept that the matter that was given to us by the UMP actuaries was then reviewed by the Government Actuary. But all the essential material was provided to us by UMP, and it would be quite improper for the government to publicly release information that it does not own. The intellectual property in that information belongs to UMP. The levy notices that have been sent to doctors were sent out on the basis of legislation passed by this parliament. I can understand why doctors are concerned about the quantum of the IBNR liabilities. It is precisely to meet those concerns that the government announced last Friday a moratorium on all IBNR levies over $1,000 and an ongoing policy review process to keep tabs on this, at the end of which the actuarial liabilities will be recalculated and the question of the levies will be revisited.

Employment: Statistics

Mr BARTLETT (3.19 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister advise the House of the September quarter employment figures released by the Australian Bureau of Statistics this morning?

Mr ANDREWS—I thank the honourable member for Macquarie for his question. I say to him and to other members of the House that today is a great day for Australian workers and their families because this government welcomes the excellent news that the unemployment rate for September is 5.8 per cent. This is the second consecutive month that the unemployment rate has been below six per cent. In fact, it is 13½ years since Australia had two consecutive months of unemployment below six per cent. Better still, the number of Australians in full-time employment is the highest in the history of Australia. Full-time employment in September increased by 43,300. Indeed, almost 75 per cent of the growth in jobs over the past 12 months has been in full-time employment.

What these figures once again confirm is the strong economic policies of the Australian government. This is despite the drought, which still afflicts some parts of Australia, and despite a weak global economy. The figure also reflects the taxation and the workplace relations reforms of the Howard government. Unemployment figures do vary from month to month, but they are a far cry today from the 10.9 per cent that they were under the Australian Labor Party in government in 1992. Indeed, when the current Leader of the Opposition was the Minister for Employment, Education and Training in the Keating government—for almost two years—unemployment in Australia averaged 8.8 per cent.
This is a government which has now created 1.2 million jobs since coming to office. We know that having a job is important for Australian families and for individuals in this country. We are committed to continuing to build the Australian economy to ensure that Australia continues to be a prosperous nation. It is about time that the Australian Labor Party stopped obstructing measures in the Senate that would actually allow us to create more jobs in this country for the men and women of Australia. We are committed to reforms to create more jobs, to improve people’s choices and to provide greater flexibility. We are doing what the Australian people want—that is, providing real outcomes in terms of real jobs. Why are we so committed to creating more jobs? Because more jobs means stronger, healthier and happier Australian families.

Insurance: Medical Indemnity

Ms JACKSON (3.23 p.m.)—My question is to the Minister for Health and Ageing. Is the minister aware of the case of one doctor in my electorate, who works part time as a GP for the Royal Flying Doctor Service, who has received a medical indemnity levy of almost $5,000? Is the minister aware that this GP’s gross part-time income for this year is expected to be between $6,000 and $8,000? Does the minister stand by the secret calculation used to arrive at this amount of the medical indemnity levy to be paid by this GP? Why won’t the minister now table the formula for the government’s calculation of this medical indemnity levy?

Mr ABBOTT—I suggest to the member for Hasluck that she should give good news to the GP she mentioned, and the good news is that, as a result of the moratorium which the government announced last Friday, the GP in question will not face a levy of more than $1,000 for 18 months. His levy is capped at $1,000 for the next 18 months.

Mr Gavan O’Connor interjecting—

Mr Crean interjecting—

Mr Sidebottom interjecting—

The SPEAKER—The member for Corio, the Leader of the Opposition and the member for Braddon, the minister has the call. He is entitled to be heard in silence.

Mr ABBOTT—that doctor’s levy is capped at $1,000 for the next 18 months. As for future levies, those levies will depend upon a recalculated IBNR, and that will happen in the course of the 18 months when we have had a chance to review the actual experience of the new tort law liabilities which have been put in place by the several states.

Economy: Employment

Mr BARRESI (3.25 p.m.)—My question is addressed to the Treasurer. Would the Treasurer inform the House what today’s labour force figures indicate about the Australian economy? Can the unemployment rate fall further?

Mr COSTELLO—I thank the honourable member for Deakin for his question and his interest in the employment prospects of the people of Deakin, because I know he works very hard on that. As the Minister for Employment and Workplace Relations has just indicated, unemployment is at a 13-year low at 5.8 per cent. The good news about this month’s labour force figures was not only that the rate stayed low but that we had 43,000 new full-time jobs reported in the month of September. When you consider that we have been, in the course of this year, through an American downturn, through a war, through SARS, and through the worst drought in Australian history, the fact that the economy kept growing and kept producing jobs I think is a very remarkable outcome.

I was representing Australia at the IMF-World Bank meetings in Dubai two weeks ago and I can report to the House that the...
Australian economy is seen as one of the strongest economies in the world. In the *Economist* magazine this week, the *Economist* poll of forecasters says that, of all the countries of the developed world, Australia is forecast to have the strongest growth in 2003, and in 2004 the second strongest growth after the United States. It is actually a good thing that the US economy is coming back, because for many years now we have been outperforming the world. The world has been weak. We have been the strongest economy of the developed world. What that has meant is a lot of pressure on our current account, but to see the US economy coming back in 2004 is very welcome news, and it should help our exporters.

How times have changed, because for 28 straight months under the Australian Labor Party the unemployment rate was more than 10 per cent. This took me back to an opinion piece that was written by my good friend the shadow minister for finance, who back in the Labor days represented Australia at some of the IMF meetings. The member for Fraser came back from the IMF meeting in May 1991 and he said:

Last week, I had the opportunity to represent Australia at meetings of the IMF and the World Bank in Washington. Such occasions tend to put domestic concerns into perspective. Three things struck me during the course of these meetings: first, we should never forget our relatively favourable situation... when compared to the problems of Mali, Peru or Bangladesh, all Australians should rejoice in our good fortune.

Back in 1991, with a budget in deep deficit, with unemployment above 10 per cent, the good news from the Australian Labor Party was that we were doing better than Mali, Peru and Bangladesh! We do not tend to compare ourselves with Mali, Peru or Bangladesh anymore.

Mr Latham—Mr Speaker, I rise on a point of order. I seem to recall that the question was about employment numbers today, not about what was written or said some 12 years ago. If he goes back any further, he will be back in Young Labor days himself.

The SPEAKER—The question was about labour force figures—

Mr Martin Ferguson interjecting—

The SPEAKER—Order! The member for Batman.

Mr COSTELLO—Mr Speaker—

The SPEAKER—I have not recognised the Treasurer. I was asked to respond to a point of order. I am indicating to the member for Werriwa that the Treasurer was asked about labour force figures. He was also asked a question about their influence on unemployment, what factors would keep unemployment down and could it go lower. I am listening for the relevance of his recent illustration to those questions.

Mr COSTELLO—I was asked what the labour force figures say about the Australian economy. What they show is that the Australian economy is strong and that it is strong compared to other world economies, as the *Economist* poll shows. We can compare our economy these days to economies like the UK, France or Germany; we do not have to compare them to Mali, Peru or Bangladesh—Third World countries which, it did strike me, have some problems that might be akin to those in Australia. I understand that they have terrible crime problems in Mali, Peru and Bangladesh. Taxi drivers are not always safe as they take fares in those sorts of countries. But we can compare ourselves to countries like the UK and the US and, as the *Economist* poll shows, we compare very favourably indeed.

I pay tribute to the Minister for Employment and Workplace Relations, who, after three days, has already equalled the achievements of his predecessor, the member...
for Warringah—who himself was a star in the portfolio. Could unemployment go lower? If we keep the Australian economy growing and if we put in place structural reform, it could. But it will not happen unless we put in place structural reform. What could we do to take unemployment lower in this country? The first thing we could do is improve our industrial relations system. We could get rid of these unfair dismissal laws which are making small business employment conservative because they do not want to find themselves in the hands of lawyers if they have a downturn in their business and they have to be flexible in their employment practices. We could make sure that we have secret ballots on industrial action so that employers could be confident that they were not going to be held to ransom. What has to be done in this country to improve those structural blockages is that the Australian Labor Party, now running a spoiling tactic in the Senate, ought to get out of the way. It ought to allow this government to get on with structural reform, to let us reform the labour system and the welfare system—

Mr Kelvin Thomson interjecting—

The SPEAKER—I will bear the interjection of the member for Wills in mind.

Mr COSTELLO—and give Australians the kinds of job opportunities that they deserve. Labor had its go for 13 years and now, in opposition, it is trying to keep unemployment higher than need be. The coalition is the party of jobs; let Labor get out of the way so we can get on with the business.

Insurance: Medical Indemnity

Ms PLIBERSEK (3.33 p.m.)—My question is to the Minister for Health and Ageing. Is the minister aware that children’s orthopaedic services in Sydney are in jeopardy? Is the minister aware that one children’s orthopaedic surgeon closed the doors of his private practice two months after receiving his $50,000 insurance bill because he could not pay it, let alone face the yearly bill of $23,000 for the next 10 years, which he would have been liable for under the government’s new medical indemnity levy? What can the minister say to the parents of seriously ill children whose doctors are walking away from medical practice because of the medical indemnity crisis?

Mr ABBOTT—In response to the member for Sydney, let me say that obviously it is most unfortunate that this paediatrician is apparently no longer in practice and is apparently no longer treating his patients. I want to make this point to the member for Sydney: any decision that that doctor has made ought not to be based on the IBNR levy because, as of Friday—

Mr Crean interjecting—

Mr ABBOTT—the government announced an 18-month moratorium on IBNR levies over $1,000. What I want, what the government wants and what all members of this House should want is for doctors to stay at their posts and to continue to treat their patients in the best and finest traditions of the medical profession. The government is determined to continue to work with reasonable members of the medical profession to find answers to the long-running issues of medical indemnity liability and insurance. We want to find reasonable answers, and we will find them, but it requires the medical profession to continue to talk to us in good faith. In that way we can go forward.

Mr Crean interjecting—

ASEAN Business and Investment Summit

Mrs MOYLAN (3.37 p.m.)—My question is addressed to the Prime Minister.
Would the Prime Minister comment on the accuracy of media reports that he was snubbed by the organisers of the ASEAN business and investment summit?

Mr Howard—I thank the member for Pearce for her question. I must say that I did read with some amusement media reports this morning that I had been snubbed by not being invited to the ASEAN business and investment summit held in Bali this week. These reports are very hard to reconcile with the letter of invitation I received last month from the chairman of the organising committee of the business summit inviting me to attend. It was dated 1 September 2003, and it was signed by the chairman of the ASEAN BIS organising committee inviting me to attend the summit. It was an invitation which, owing self-evidently to my parliamentary and other commitments this week and last week, I was unable to accept.

I want to put on the record that those reports are wrong. According to my understanding no attempt was made by the correspondent in question to check the veracity of the claim with my office or with anybody in my department, which I think is regrettable. These media reports are of a piece with reports earlier this week that Australia had been rebuffed in our alleged efforts to have an ASEAN-Australia leaders summit. The only problem is that we have not been doing any such lobbying. Indeed, we had advised our ASEAN friends that this was an issue for ASEAN to decide in its own time and in its own way. I put on record the fact that the claim that some attempt was made to snub me in relation to this gathering is plainly wrong.

Insurance: Medical Indemnity

Ms Plibersek (3.38 p.m.)—My question is to the Minister for Health and Ageing. Is the minister aware of the case of a gynaecologist who works in my electorate who had only been in private practice for 18 months before his insurer collapsed and who had just received a notice to pay the government’s medical indemnity levy of $14,000 per year for the next 10 years? Does the minister think it is fair that this gynaecologist will pay around $140,000 of the government’s medical indemnity levy for coverage which lasted just 18 months? Why won’t the minister explain to this doctor and all other doctors the government’s secret formula for calculating the incurred but not reported debt?

Mr Abbott—The government can understand why people have significant and serious concerns about the whole IBNR situation, and that is why last Friday we announced a moratorium on IBNR levies above $1,000. That is why we announced a moratorium. Not only did we announce a moratorium but we announced a policy review process that will consider this whole issue, including the quantum of the total IBNR liabilities. At the end of the 18-month moratorium period, the levies will be recalculated on the basis of our actual experience of how the reformed tort law system will operate and what it will do to medical indemnity liabilities.

Insurance: Medical Indemnity

Mr Billson (3.40 p.m.)—My question is to the Minister for Health and Ageing. Would the minister inform the House of the progress of talks with the Australian Medical Association conducted this morning?

Mr Abbott—I thank the member for Dunkley for his question. Obviously, it is a most unfortunate situation where you have up to 100 doctors resigning from public hospitals in New South Wales and doctors in other areas in other circumstances withdrawing from practice. This government wants doctors to stay at their posts and it wants them to continue to treat their patients in the best and finest traditions of the medical pro-
fession. We do not just want them to do it, we are assisting them to do it. The government has already announced $350 million worth of funding over five years to subsidise the insurance premiums of obstetricians and neurosurgeons and to meet 50 per cent of high-cost medical indemnity claims over $2 million.

As I have said already repeatedly—and let me say it again for the benefit of members opposite—last Friday the government announced an 18-month moratorium on IBNR levies over $1,000, and we also announced a policy review process to see how we could best achieve an affordable, sustainable system of medical indemnity insurance. At the end of that 18 months, we will recalculate the IBNR liabilities based on our actual experience of the reformed tort laws in New South Wales and the other states. Today, I had further discussions with the Australian Medical Association about medical indemnity issues. I can inform the member for Dunkley that I will continue to talk with the AMA. I want to talk with the AMA.

**Dr Emerson**—In good faith?

**Mr ABBOTT**—Yes, in good faith, and I am sure they are talking to me in good faith, because this government accepts that there are significant issues in medical indemnity. This government accepts that doctors have many reasons for feeling unhappy with the system that has evolved through our courts, through our legal culture and through our tort laws over the last few years. I want to make three points. The first point is that governments have to make decisions based on the national interest and not the medical interest. The second point is that no government will submit to ultimatums from any group no matter how important. The third point is that the government will not give a blank cheque to any group however worthy that group might be. I want to make this very clear: we will do whatever we reasonably can to produce a fair, sustainable and affordable medical insurance system. We will work to find answers but those answers have to be fair to patients, be fair to taxpayers as well as be fair to doctors.

**The SPEAKER**—Before I recognise the member for Lalor, for the information of all members the House may have noticed I consulted the Clerk. It struck me that in the member for Sydney’s last question, which I would not have ruled out of order, she used the term ‘does the minister think it is fair’. Of course in terms of seeking an opinion, that could reasonably be said to have been seeking an opinion. If other members have questions they are planning to ask, I would ask them to watch the degree to which they are seeking an opinion.

**Ms GILLARD** (3.44 p.m.)—My question is to the Minister for Health and Ageing. It refers to his last answer and his acknowledgment that the government has failed to resolve the medical indemnity crisis. Has the minister sought the permission of UMP to release the calculations on which the medical indemnity levy is based? If not, why not, and will the minister now do so?

**Mr ABBOTT**—Let me make it very clear—

*Mr Adams interjecting—*

**The SPEAKER**—Member for Lyons. The minister has the call.

**Mr ABBOTT**—that the IBNR levy was calculated on the basis of actuarial material that was provided to the government by UMP. It would be wholly improper of the government to release material provided to us by third parties who have the intellectual property in that material. That is the first point I want to make.

*Mr Adams interjecting—*
The SPEAKER—I warn the member for Lyons!

Mr ABBOTT—The second point I want to make is that the situation has moved on.

Honourable members interjecting—

Mr ABBOTT—It has. Last Friday the government announced an 18-month moratorium on IBNR levies over $1,000. The IBNR liabilities will be recalculated. That old calculation will no longer be relevant, because they will be recalculated on the basis of new actuarial information provided, once we have had some serious experience of the operation of the new tort laws.

Indonesia: Terrorist Attacks

Mr KING (3.46 p.m.)—My question is addressed to the Minister for Foreign Affairs.

Government members interjecting—

The SPEAKER—I am sure the member for Wentworth is grateful for the support, but he has the call and he is entitled to be heard in silence.

Mr Melham interjecting—

Mr KING—Grow up, Daryl. Would the minister advise the House of the arrangements for the security and welfare of Australians visiting Bali for the memorial services on 12 October?

Mr DOWNER—I thank the honourable member for Wentworth for his question and acknowledge the good job that he does as the representative for the people of Wentworth.

Dr Emerson interjecting—

Mr DOWNER—Don’t be so sure about that, son. You are speaking for the Queensland Labor Party, are you?

Honourable members interjecting—

The SPEAKER—The minister has the call. He will be heard in silence.

Mr DOWNER—Moving on to the substance of the question, I think the House would be aware that travel advice for Indonesia recommends that Australians defer non-essential travel. Of course, we recognise that many of the families who are going to attend the Bali commemoration this weekend judge that a visit to Bali for the first anniversary of the Bali tragedy is indeed essential travel. We understand that several hundred family members and the seriously injured have taken up the government’s offer of assistance to travel to Bali. They will join as many as 2,000 other Australians, Indonesians and people of other nationalities for the service.

The government has been working very closely with the Indonesian authorities to organise the memorial service. The security and welfare of Australians have been uppermost in our minds in planning the commemoration. As I think the House knows from previous discussions about Bali, this morning I met with the Indonesian Coordinating Minister for Political and Security Affairs, Susilo Bambang Yudhoyono. The Prime Minister has met with him during the course of the afternoon. Security arrangements have been discussed more broadly with him.

Australian security professionals conducted two advance visits to Bali to look at security arrangements and to work with their Indonesian counterparts. A substantial team is in Bali at this moment to finalise the arrangements. There will be a strong security presence at the main venue for the memorial service, and at other locations across Bali which are likely to attract Australians. This includes 2,000 Indonesian police officers and special forces. All vehicles entering the site will be screened, and bag checks will be conducted on all people attending the service. Indonesian special forces will have two helicopters on standby as part of its readiness for any counter-terrorist response. The Indonesian military is also assisting the police in
securing the outer perimeter of the main venue. My department, together with other Australian agencies, has put in place detailed contingency plans in the event that there are any incidents around the time of the anniversary. Of course, we would always endeavour to do this for major international events in any case.

It is only honest to say that no government can provide an absolute guarantee of security, particularly in an environment where we know terrorist groups remain active. But, working with the Indonesians, we have put in place the best possible security arrangements. The government will continue to monitor the security situation. We will keep any Australian travellers to Bali fully informed through our travel advisories as to the security situation. As I have often said about our travel advisories, it is very important that people look at them on a fairly constant basis if they are travelling, because they change from time to time. They are readily available on the Internet.

Veterans: Medals

Mr EDWARDS (3.51 p.m.)—My question is to the Minister for Veterans’ Affairs. Can the minister advise why she refuses to recognise the claim from the Ubon veterans for the Vietnam Logistics and Support Medal? Why does she refuse to grant approval for the Long Tan veterans to wear their Vietnamese bravery awards? Why do the veterans of Gading 5 still await their awards? Why do 40,000 national servicemen still await the processing of their applications for their medals, despite applying in some cases more than 12 months ago? Can the minister also confirm that she received the Centenary Medal? For what service was this medal awarded to her and why is she in receipt of such a medal when thousands of deserving veterans are yet to receive their just recognition?

Mrs VALE—I thank the honourable member for his question. First of all, I would like to address the Ubon medal question. There was a letter to the editor in the Australian earlier this week. I table that letter, because it covers the fact that my refusal to recognise the Ubon service with the Vietnam Logistics and Support Medal was not something I just decided myself. This has been looked at by two comprehensive reviews. In 1993-94, there was a committee of inquiry into defence and defence related awards by General Peter Gration. General Peter Gration, as I am sure the honourable member for Cowan is aware, is a former Chief of the Australian Defence Force. In 1999 there was a review of service entitlement anomalies in respect of South-East Asian service between 1955 and 1975. This was chaired by Major-General the Hon. Bob Mohr, who was a former justice of the Supreme Court of South Australia. The issue was also considered more recently, in 2002, by the review into veterans’ entitlements which was chaired by the Hon. John Clarke, who is a Supreme Court justice of New South Wales and a justice of the Court of Appeal. More importantly, on that committee was Air Marshal Douglas Riding, who is a former Vice Chief of the Australian Defence Force and himself a senior RAAF executive officer.

This medal has not been awarded to the people in Ubon because they did not meet the criteria that are required by the legislation to award this medal. They were never in Vietnam. They were never in an operational area. That has been made very clear. It is a matter of fact.

Mr Tanner interjecting—

The SPEAKER—Melbourne for Melbourne!

Mrs VALE—I also make the point, and I make it with great respect, that neither this government nor any other government has
ever given medals on demand. They have actually had to be earned.

Mr Tanner interjecting—

The SPEAKER—The member for Melbourne is warned!

Mrs VALE—One of the reasons we do not give medals on demand—

Ms King interjecting—

The SPEAKER—The member for Ballarat is warned!

Mrs VALE—is that it demeans the value of the contribution and the sacrifice of all those Australians who have earned medals and done it the hard way—who have been there, given service, given up their lives, in many cases, and given up their youth. In Vietnam, we lost 520 Australian service men and women. There are still six Australian heroes who are missing in action. There are many thousands of Australians who did service in Vietnam and who are still suffering from the results of that service—and we all know many of them, because many of them are in our electorates. They are TPIs or they have psychiatric problems because of their service. If we gave medals to people just because they demanded it, it would devalue and demean the service of those outstanding veterans. With great respect, I say that this government have never ever given medals on demand and we never will. I would like to table that letter.

Further, I think the honourable member raised the issue of the medals in the Strait of Malacca. We have searched our records and we would be very grateful for some further advice. The member said he has given me the information; I am unaware that it has been received.

Also, the Long Tan medal was a medal that, purportedly, that particular South Vietnam government at the time wanted to give. We cannot award a Long Tan medal. It is not our medal. It was a medal that came from South Vietnam. I also understand that there were protocols required for that medal to be given, which was an approach to the government for approval to grant the medal. The government of the day never approached our government. That particular South Vietnamese government never approached our government to award that medal. That is a matter of fact, and it is a matter of fact on the face of the record. It is not a medal that this government can award.

Mr Swan—What about the national service backlog?

Mrs VALE—Mr Speaker, I did address the issue of the national service medal for the honourable member the last time I answered this question. I understand that there was a backlog of 25,000 of those national service medals. I also understand from the department that that backlog will be cleared by Anzac Day next year so those national servicemen will have their medals to wear on Anzac Day.

Education: Teachers

Mr CADMAN (3.57 p.m.)—My question is addressed to the Minister for Education, Science and Training. Would the minister update the House on the state of the teacher workforce in Australia? What measures is the government taking to encourage young people into the teaching profession? Is the minister aware of other statements or policies which would have a detrimental impact on teacher numbers?

Dr NELSON—I thank the member for Mitchell for his question and his very strong support that values education and especially teachers in the Hills district of Sydney. This government recognises that Australia’s economic and social development for this century will essentially be driven by what happens in education, by our ability to learn how to learn and to develop ideas and, from them,
technologies we apply to our traditional and emerging industries. This government invested $3 billion in science, innovation and research, and one of the key initiatives of that was to review what constitutes quality teaching in Australia. After 15 months, Professor Kwong Lee Dow, the Deputy Vice-Chancellor of Melbourne University, has today delivered a three-volume report which canvasses the issues in terms of attracting, retaining, preparing and inspiring the best teachers that we can possibly have. I think that most of us as parents realise that, apart from us as parents, it is teachers who will most inform and influence the development of our children. That is why this government places such a high priority on the quality of teachers in Australian schools.

There are three principal issues that are addressed by the report, which I commend to every member of the House for reading. I have dispatched a copy of the report today to every state and territory education minister and to those who run non-government education authorities. The first of the three themes is quality. What really makes a difference in a school is not the size of the sandstone out the front of the school or the size of the playing grounds. It is the quality of the teaching that occurs in the classroom that accounts for the difference between and within schools. On behalf of the government I announced in July this year that we will commit the first $10 million to the establishment of a national institute for quality teaching and school leadership to see that we bring national consistency to the quality of teachers that are teaching our children.

The second theme of the report is leadership. What really makes a difference in a school—government or non-government—is the quality of the principal, and his or her ability to inspire the teachers in that school. The third issue addressed principally in the report is that of the teacher work force. There are 376,000 teachers in Australia and disturbingly 117,000 are not teaching. Within five years of graduating from university, a quarter of Australia’s teachers have left the teaching work force. Disturbingly, in the report you will find that four months after graduating from university only 60 per cent of teachers are actually teaching in a classroom.

So the arguments in relation to teacher shortages cannot be responded to by simply turning on the tap in terms of training even more teachers. This government has announced an extra $81 million investment for the training of teachers in universities and has increased places over the next five years for the training of teachers.

I was asked about alternative policies. The Australian Labor Party’s attitude to this is simply to reduce the HECS charges on 57,000 students studying science subjects at universities. What will happen is that if the Labor Party should ever come to office the head of the Commonwealth Department of Finance and Administration will say to the new Treasurer that he will have three choices: firstly, he will have to find another $262 million because the Labor Party has underfunded its commitments; secondly, he will have to apply a $262 million tax on Australia’s 38 universities; or, thirdly, he will have to be honest with the Australian people and say that the Labor Party cannot do its maths and cannot adequately fund its commitments. This report released today is all about our future and I commend it to the parliament.

Education: Teachers

Ms MACKLIN (4.02 p.m.)—My question is to the Minister for Education, Science and Training and follows his discussion of this report, Australia’s Teachers: Australia’s Future. Will the minister adopt recommendation 14 of this report on page 20, which says that teachers of science, technology and
Dr NELSON—The specific reason why this issue has been canvassed in this report is because I raised with the chairman of the committee a year ago—

Ms Macklin interjecting—

Dr NELSON—the issue of HECS contributions made by science and mathematics graduates who subsequently go on to teach.

The SPEAKER—The member for Jagajaga has asked her question—

Ms Macklin—I would like an answer.

The SPEAKER—and the answer is being given. Any defiance of the chair will be dealt with.

Dr NELSON—This government not only appropriately and fully accounts for whatever commitments it makes but also does things methodically. I asked Professor Kwong Lee Dow and his reference group to carefully consider the merits of such a policy application. Today they have made a recommendation in that regard and of course the government will be considering it.

My challenge to the Australian Labor Party is to recommend two of the other recommendations to their cousins who currently run state and territory governments. If you want quality education in Australian schools, there are two things that need to be done. The first is that schools themselves need more freedom to run their own affairs instead of having a centralised education bureaucracy telling a school who it should employ and what it should do. How can a principal offer a quality education to our children if he or she has to take 10 teachers that are sent to him or her from head office despite the fact that two or three might be pretty ordinary?

The second recommendation from the report that I put to the Labor Party is that of performance based pay for teachers. The problem in Australia at the moment is that the most mediocre teacher receives the same rate of pay as a teacher who works his or her tail off for our kids.

Ms Jackson interjecting—

The SPEAKER—The member for Hasluck is warned!

Dr NELSON—The teacher who turns up at seven o’clock in the morning, goes home at six o’clock at night, comes in at weekends, prepares lessons and does all kinds of things to support our children receives the same rate of pay as the most mediocre, disinterested, disengaged teacher in the school. One of the key challenges for state governments in particular, which we as a government and as parents put to the education authorities, is to introduce performance based pay for teachers, and then the legitimate industrial concerns of the teachers and their union representatives will be more likely to be met sympathetically by governments and the Australian public.

Industry: Development

Mr HAASE (4.05 p.m.)—My question is addressed to the Minister for Industry, Tourism and Resources. Would the minister inform the House of recent developments in the government’s efforts to attract major international resource projects to Australia and in particular to my electorate of Kalgoorlie?

Mr IAN MACFARLANE—I thank the member for Kalgoorlie for his question. He is obviously a very staunch proponent not only in the seat of Kalgoorlie but in all of Australia for the development of our resources. This government, unlike the opposition, stands for investments, exports and jobs. If we look at today’s job figures, you need no further proof. We have the lowest unemployment for almost 14 years. Part of our job-creating formula is our Invest Australia agency. Invest Australia has attracted
some 28 projects into Australia through its work and they are projects that would have gone elsewhere in the world were it not for our efforts. Projects like Comalco’s Gladstone refinery and Holden’s V6 engine plant will bring some 1,400 jobs to Australia and see some $300 million worth of investment in Australia over the next three years.

Today it is Western Australia’s turn. This morning I announced a grant to fund the establishment of a joint user infrastructure of some $35.4 million on the Burrup Peninsula. That will see the establishment of infrastructure like a seawater pipeline, the establishment of a desalination plant, the connection of electricity and, of course, port services. The response to that has been immediate from the company GTL Resources.

Ms Burke—What about the Mallee pipeline?

Mr IAN MACFARLANE—The investment by GTL Resources is substantially larger than the Mallee pipeline. The investment is some $700 million in the Burrup Peninsula. It will create some 600 jobs during its construction. It will earn this country some $350 million per year in exports. Those are the sorts of things that we do for regional Australia: we encourage investment in regional Australia; we create jobs in regional Australia; we create exports from regional Australia; and we, of course, encourage the introduction of new technology into regional Australia. These actions by this government are not only good for Western Australia—not only good for the member for Kalgoorlie and his seat—but good for all of Australia.

Drought: Assistance

Mr ANDREN (4.08 p.m.)—My question is to the Minister for Agriculture, Fisheries and Forestry. In light of last week’s EC declaration to cover livestock producers in the Central Tablelands Rural Lands Protection Board area, can the minister explain why this declaration does not extend to crop producers—including orchardists, other horticulturalists and grape growers—when they have experienced the same drought as the livestock producers and in light of the EC declaration for the Forbes RLPB earlier this year that did not exclude that area’s cherry growers, other fruit growers and crop producers?

Mr TRUSS—In answer to the honourable member for Calare, the federal government considers recommendations from the National Rural Advisory Council, which independently assesses all of the applications that are put to it for exceptional circumstances relief. It considers the information provided by the respective state governments and deals with the specific requests by the state governments in relation to the declaration. In some instances the states request the declaration only for certain industries. That will often be because they have made an assessment themselves that a particular industry does not qualify or because, for some other reason, they do not have adequate data to support the case.

The National Rural Advisory Council deals independently with the information that is put to it. It also seeks additional advice where it can from the Australian Bureau of Agricultural Resource Economics, BRS and other relevant organisations. Invariably, the government accepts their recommendations. If the honourable member wants more specific details about a particular application, I am more than happy to respond specifically to the honourable member, but my expectation is that the National Rural Advisory Council has made a recommendation on the basis of the request provided by the New South Wales government with the application.

Small Business: Growth

Mr BRUCE SCOTT (4.10 p.m.)—My question is addressed to the Minister for
Small Business and Tourism. Would the minister inform the House how exempting Australia’s 1.1 million small businesses from the unfair dismissal laws will generate jobs and growth? Are there any alternative proposals?

Mr HOCKEY—I thank the member for Maranoa for his question and recognise the large number of regional and remote small businesses in his very large electorate and how well he services their needs. Small business employs 3.2 million Australians—and even more after the great figure this month. Thirty-four per cent of Australia’s 1.1 million small businesses are in regional Australia. To create small business jobs, it is crucial for the unfair dismissal law reforms to pass through the Senate. There have now been 17 separate occasions on which the Labor Party has refused to remove the application of the unfair dismissal laws to Australia’s 1.1 million small businesses.

You would have thought that the member for Werriwa, who has expressed an opinion on just about everything, would have said something about the application of unfair dismissal laws to small business. Well, he has said very little. In fact, he has said nothing. I went back over 150 articles he has written since 2000—I was suffering insomnia—and there was nothing there about unfair dismissal laws. There was nothing about payroll tax, which is imposed by the states on small business. There was nothing about the imposition of land tax on small business by the states. There was nothing about stamp duty, which is a huge impediment for small business in the states. But he has written six articles about online democracy and other ‘top of mind’ issues. He has written an article about the new political correctness; he has written about why the IT revolution is undermining statism; and—how about this old one, another justification for the Whitlam government—he wrote an article on Jackson Pollock’s Blue Poles. There was nothing about small business.

If the Labor Party would for just one milisecond care for the interests of Australia’s 1.1 million small businesses, they would pass the reforms to the unfair dismissal laws and they would call on their mates in the states to pass the reforms to the law of negligence, because there are still some states that have not passed reforms to the law of negligence. Everywhere I go, Australia’s small businesses say to me, ‘We want reform to the law of negligence by the states so that we can go back to the days when people would accept some responsibility for their own actions.’ That is what we want—that is what the coalition believe in—and sooner or later the Labor Party have to do something for small business instead of just hating small business.

Trade: Live Animal Exports

Mr SIDEBOTTOM (4.14 p.m.)—My question is to the Minister for Agriculture, Fisheries and Forestry and concerns the very serious MV Cormo Express crisis involving more than 50,000 Australian sheep stranded in the Middle East. Can the minister confirm that the sheep, on leaving Kuwait, will be bound for Australian shores? Does the minister maintain his opposition to the slaughter of these sheep at sea? Will the minister release the import risk assessment report which reveals the quarantine risks associated with the return of these sheep to Australia?

Mr TRUSS—I can provide some updated information for the House in relation to the situation confronting the sheep on board the MV Cormo Express. The vessel is currently in Kuwait, taking on additional feed and other provisions. There have been significant delays in putting that feed on board. Early in the week there was a small fire on board, which held up the process. Subsequently there have been equipment breakdowns.
There have also been problems in securing the required quantities of feed from the various Kuwaiti authorities. We anticipate that taking on board the feed will take at least another 24 hours—probably 48 hours. At that particular stage a further decision can be made about where the vessel will sail.

We have three teams of people working on options as to what might occur in relation to the future of the shipment. One group is dealing with seeking a satisfactory destination in the region where the sheep can be unloaded. That remains by far the government’s priority. We believe the best option is to find a place where the sheep can be unloaded, preferably as near as possible to where they are currently located. But because we have already made contacts with more than 30 countries—we have exhausted 50 or more various options and ideas that have been put forward as to how the sheep might be able to be placed in various locations—we have to consider, realistically, the alternatives. There are essentially two alternatives: the first is slaughter at sea or at some other location offshore; the second option is for them to be brought back to Australia under strict quarantine conditions. There are two teams of people working on each of those options, neither of which is attractive. There are all sorts of difficulties associated with each option. We have not ruled out either. We are looking at what needs to be done in each particular case. If they are to be brought back to Australia, it will require that that occur under strict quarantine conditions.

Work is being done on the development of a risk evaluation process, on the identification of diseases and on other issues that have to be addressed. That work is quite advanced. In addition to that, to complete a full risk evaluation obviously we have to know what type of arrangements would be put in place in relation to quarantine. If a decision is made that the sheep should be returned to Australia, that kind of information obviously will be made available. Considerable consultation is already occurring with industry. It is not being done privately or in secret. I welcome the cooperation of industry, but a lot more work will still have to be done before a final decision is made in that regard.

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

SPORT: RUGBY WORLD CUP 2003

Mr Howard (Bennelong—Prime Minister) (4.18 p.m.)—Mr Speaker, on indulgence, I wish to briefly mention that tomorrow night will see the commencement of the third largest sporting event in the world—the Rugby World Cup. For those many Australians who are ardent followers of the game they play in heaven, can I say that I know that Australia will give a magnificent welcome to the participants from around the world. It will be a great competition. It is a great tribute to Australian rugby union that it has won the opportunity of hosting this event. It is a great tribute to the people of Australia. There are going to be 48 games played around the country, many played in areas that do not normally host rugby union matches. May I particularly, on behalf of all members of the House, convey the very best of luck to George Gregan, the captain of the Wallabies, and to Eddie Jones, their coach. We look forward to a great competition. We express our hope that the Wallabies retain the World Cup, but whatever the outcome it will be great for sport and great for the reputation of Australia.

Mr Crean (Hotham—Leader of the Opposition) (4.19 p.m.)—Mr Speaker, on indulgence, it gives me great pleasure to conclude, as this session began, by agreeing with the Prime Minister. I share with him our best wishes for a great series for the Australian team. They won the cup on the last occasion and we as a nation have won the right to
host this one. Australia will do us proud both on and off the field. I join with the Prime Minister in wishing the Australian team the very best and every success.

QUESTIONS TO THE SPEAKER
Parliament: Disorder

Mr TUCKEY (4.20 p.m.)—Mr Speaker, under standing order 152, I wish to address a question to you. I refer to a transcript of interview dated 8 October 2003 quoting the member for Franklin on ABC’s The World Today program, of which I have just given you a copy. In raising my question, I am cognisant of standing orders 52, 58 and disorder provisions 303 through to 311. I ask you: do the statements in this interview represent a deliberate, premeditated commitment by a member of this House to an act of disorder? Further, considering the reference therein to ‘hopefully more people’ and ‘15 or 16 of us’, does this represent a conspiracy to commit such a disorder?

Mr Latham—Mr Speaker, I raise a point of order. Surely it is out of order to ask a question of this kind about something that has not even happened in the House. The policing of the standing orders is up to you—

The SPEAKER—The member for Werriwa will be aware that the Speaker is often asked to anticipate events; in fact, I am about to respond to a question from the member for Denison that similarly asks me about a matter that anticipates events.

Mr TUCKEY—As this transcript also claims that your office has been contacted on this matter, can you advise the House of any efforts you have made to conciliate on this matter—for instance, through the office of the Leader of the Opposition seeking a binding caucus decision opposing any act of premeditated disorder in this place in the absence of appropriate undertakings from those involved? In the interests of common courtesy, the precedents of this parliament, the reputation of the parliament and our nation, and the responsibility of the chair as prescribed in the standing orders, will you advise the House of such action as you might take consequent to any premeditated disorder, particularly on the occasion mentioned?

The SPEAKER—Let me indicate in response to the member for O’Connor that it is of course the obligation of the occupier of the chair to discharge the standing orders and, along with all members of the Speaker’s panel and the deputy speakers, that is what I consistently do. I would have thought that the issue he has just raised has been most responsibly addressed in the last 24 hours—or perhaps longer than in the last 24 hours, from my point of view—by the Leader of the Opposition, whom I commend for the comments he has made. I indicate to the member for O’Connor that I am not aware of any contact with my office on this matter.

Joint House Department: Certified Agreement

The SPEAKER (4.23 p.m.)—Yesterday, the member for Denison asked me a question relating to negotiations that are currently under way on a new certified agreement for parliamentary security staff. The particular issue raised was whether staff were being requested to trade off rights to return to work under maternity leave provisions for increased wages. Staff were never asked to trade off maternity leave provisions for increased wages; the issue was the availability of part-time work on their return from maternity leave. I have been advised that the management negotiating team is agreeable to retaining in the new agreement the terms in the existing agreement, which states that an employee returning to work from maternity or parental leave will, on application, be given access to part-time employment. I am not sure whether the member for Denison had seen this statement. It came out just be-
fore question time, and the opportunity to make it available to him was therefore restricted. As he is aware, I would normally have given him preliminary notice.

PAPERS

Mr McGauran (Gippsland—Deputy Leader of the House) (4.24 p.m.)—Papers are tabled in accordance with the list circulated to honourable members earlier today. Details of the papers will be recorded in the Votes and Proceedings.

MATTERS OF PUBLIC IMPORTANCE

Aged Care: Accommodation Bonds

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

The failure of the government to adequately protect the accommodation bonds of residents of aged care facilities.

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—

Ms Ellis (Canberra) (4.25 p.m.)—I am very pleased to have the opportunity this afternoon—during what, it appears, will be a very brief period for consideration of matters of public importance—to talk in a little more detail about what exactly has been happening in the last few days in our attempts to highlight a problem within the aged care area. I would like to begin my comments by referring to part of the debate that occurred in the House earlier this week. In particular, I would like to draw attention to a question I asked yesterday and, more specifically, to the minister’s answer in response to that question.

What we have been attempting to do is to concentrate on a deficiency within the aged care legislation—in particular, the part that looks after the security of bonds. In an answer to a question yesterday, the minister attempted, in this place, to give the illusion that the bond system was secure and that the prudential requirements were working. She stated that there had been no default on the payment of a bond since 1997. She said:

So there is in place a clear and enforceable legislative prudential framework to ensure that the residents of aged care homes and their interests are protected.

If that is the case, I wonder why we have on our hands the problem that we have. In the debate through the week, I have been highlighting a particular case in Victoria, which is a very real one. The family concerned have, by going public last night—at their own wish, I might add, not mine—in a very genuine manner attempted to say that they did not want any other family to go through the upset and trauma that they have endured as a result of the circumstances in which they find themselves.

I will remind the House of the circumstances. The situation was that the elderly aunt entered a nursing home back in 2001. In about May of this year, notice was given that that particular enterprise had gone into receivership. The lady in question passed away on 1 July and, from then on, the family have been given a bit of a rough time. I acknowledge that some members of the department have worked hard to correct any misinformation that has previously been given to this family, but the problem is that the act, as the minister said in this House yesterday, requires that bonds be paid within the time specified in the act. That part of the act specifies payment within two months, in the case of a person passing on. Section 57.21(3)(b) says:
… in any other case—within 2 months after the
day on which the event referred to in paragraph
(1)(a), (b) or (c) (whichever is applicable) hap-
pened.
That is, in fact, the event of death. The fam-
ily concerned in Melbourne has gone beyond
two months. But the issue is more than that:
not only has it gone beyond two months; it is
very indefinite exactly when the bond money
will be available. The reason for that is that
the bond money is going to be repayable on
the successful sale of the enterprise in ques-
tion, which has been placed into receiver-
ship.

The minister has given the impression that
there is really no problem. I am aware, and I
am sure the minister is too, that major parts
of the sector have been in close consultation
with the previous minister for some months
now in an attempt to solve what has been
seen as an issue. So if the issue is there, why
deny that it exists? Why accuse me of scare-
mongering when, in fact, our questions have
given the minister the opportunity to come
into this House and say what I have just said:
the issue is there, it does matter, and discus-
sions and work are under way in an attempt
to correct the problem. Even ACSA—the
Aged and Community Services Associa-
tion—who put out a press release yesterday
in relation to the bonds—

Debate interrupted.

ADJOURNMENT

The DEPUTY SPEAKER (Hon. I.R.
Causley)—Order! It being 4.30 p.m., I pro-
pose the question:

That the House do now adjourn.

Sport: Surf Lifesaving

Ms LIVERMORE (Capricornia) (4.30
p.m.)—With the surfing season kicking off
around Australia right now, I wish to bring to
the attention of the House the continuing
financial crisis facing the surf lifesaving
movement in Australia and in my home state
of Queensland in particular. I should preface
my comments by declaring that I have a very
real personal interest in the surf lifesaving
movement as I have been involved in surf
lifesaving for most of my life and have been
an active member of the Yeppoon surf club
since 1997. I have spent many weekends
going out on patrol and working with the
other volunteers who help keep our beaches
safe for all Australians and visiting tourists.

I do understand the needs of our lifesavers
and how difficult it has been for them to
maintain their morale in the recent past. In
Queensland alone, we have 59 surf lifesaving
clubs made up of 25,000 volunteer members.
In total for those clubs, the annual cost for
public liability and personal protection insur-
ance has now reached $750,000 per annum.
The figure for Australia now stands at $1.5
million annually. Total insurance costs for
our lifesavers have increased by 500 per cent
over the past five years. This is despite com-
prehensive risk management programs, re-
duced claims and legislative reforms. Surf
lifesaving clubs cannot afford these cost
hikes year in and year out. But, at the same
time, surf lifesaving clubs will not compro-
mise on the welfare of lifesavers or allow
their volunteers to be exposed to personal
liability.

In Queensland alone, there are an esti-
mated 30 million beach visits per year.
Tragically, on average, 15 drownings occur
each year and approximately half of these are
international tourists. All occur outside the
times and areas that are under guard by life-
savers. In response to those statistics, it is the
goal of Surf Life Saving Queensland to put
more beaches under guard more often. How-
ever, increases in insurance costs, combined
with the normal increase in operational costs
of clubs, are limiting the ability to provide
for this much-needed expansion in surf life-
saving services. Already clubs are committed
to increasing mobile surveillance patrols,
extra wave-runners and extra services in the peak holiday periods such as Schoolies Week and during international events such as the Rugby World Cup, which is starting this evening.

However, further plans for the expansion of other necessary lifesaving services are having to be reviewed because of the financial crisis now gripping this important volunteer movement. It is a great credit to the dedication and commitment of our volunteer surf lifesavers that they continue to remain so focused on the job when many are going to be paying increased membership fees to cover some of the increased insurance costs. It is true: the volunteer members of our surf lifesaving clubs, who give so much of their own time, actually pay membership fees for the work they do. But in the true Australian spirit, club membership is holding up, thankfully, even though the clubs continue to battle to improve their financial position.

This brings us to the core of the problem—that is, the skyrocketing insurance premiums that have persisted despite the clubs introducing comprehensive risk management programs, policies and practices across all areas of their operations. The clubs, in a very responsible manner, have undertaken a significant investment in safety audits, claims management and all other compliance requirements. Governments at both state and federal levels have provided the legislative reforms requested of them by the insurance industry, although the Labor Party calls on the government to do more in that respect. Still, the insurance companies continue to increase premiums.

Unfortunately, the insurance companies do not appear to want to acknowledge the millions of dollars that surf lifesavers save their companies by preventing payouts. In Queensland alone, some 4,000 lives are saved annually by the volunteer efforts of surf lifesaving clubs. This translates to 4,000 life policies that insurance companies do not have to pay out on. This saves the companies millions of dollars every year. But they will not recognise this saving and reduce the insurance premiums for surf lifesaving clubs as a result. Surf lifesaving clubs cannot sustain these never-ending insurance cost hikes.

I call on the members of the Insurance Council of Australia to start acting like responsible corporate citizens and help the surf lifesaving movement to survive by recognising the worth of their volunteer work and reducing their premium costs immediately. (Time expired)

Waltzing Matilda

Mr BRUCE SCOTT (Maranoa) (4.35 p.m.)—As the Prime Minister said at the end of question time—comments which were supported in a bipartisan way by the Leader of the Opposition—tomorrow night will see the start of the Rugby World Cup in Sydney. What a great few weeks we have in front of us in terms of rugby. I know that all members of this House would want to support George Gregan and his team, the Wallabies. We certainly look forward to the success of the Wallabies in retaining the Rugby World Cup.

I think we will find one thing very interesting as events unfold over the next few weeks. The International Rugby Board has determined that audiences at the games and the team will not be allowed to sing what I believe is our great national song—that is, *Waltzing Matilda*—once the teams are on the field. *Waltzing Matilda* is one of our great national songs. I believe that, no matter what the occasion—either on the sporting field, as will be the case with our Wallabies over the next few weeks, or whenever Australians are celebrating or commemorating—many Australians invariably break into the well-known words of *Waltzing Matilda*. But how many
Australians actually know all the verses of *Waltzing Matilda* or the history behind this great song about the Australian outback?

*Waltzing Matilda* was originally written in 1895 by Banjo Paterson while he was staying with the Macpherson family at Dagworth station near Winton, in north-west Queensland. During this time he learnt of the volatile disputes between the local shearsers and the pastoralists in the Diamantina River country. In January 1895, after an evening dinner, Christina Macpherson, the daughter of the owner of Dagworth station, performed a dreamy rendition of the old Scottish tune *Craigielee*. Inspired by the music and the local events, A.B. Paterson penned the words of *Waltzing Matilda*. This renowned bush ballad is widely regarded as Australia’s unofficial national anthem. It has become part of Australia’s heritage and our identity, uniting all Australians wherever they meet, either at home or travelling overseas. In fact it was as long ago as 1899, prior to Federation, that Australian soldiers in the Boer War in South Africa sang *Waltzing Matilda* to stir national pride. This year, 2003, is an important year in the history of *Waltzing Matilda*, marking the centenary of the first publication of this bush ballad, adapted by Marie Cowan and used in an advertisement for Billy Tea in 1903.

Winton, as the birthplace of *Waltzing Matilda*, boasts the world’s only centre dedicated to a song. So I encourage all Australians who seek to identify with *Waltzing Matilda* and wish to understand better the history and the words to take the time to travel to Winton’s Matilda Centre to hear the facts behind Australia’s own jolly swagman. Once they have done that, they should take the road to Kynuna, north-west of Winton, where they will be able to visit the Combo waterhole. As legend has it, the swagman sprang into that waterhole after being confronted by the squatter and the troopers. If members of this parliament would perhaps like to take that trip, they too would learn more of the history of the words of this great national song.

In an effort to make sure that my constituents, particularly younger generations of Australians, are better informed about the history and the heritage of *Waltzing Matilda*, I have had a production done of the music of Marie Cowan, which she adapted from the Christina Macpherson rendition of the Scottish tune *Craigielee*. I have had the words that she used put into print and circulated to schools and aged care facilities in my electorate. I have also given out interpretations of waltzing Matilda, swagman, billabong, coolabah, billy, jumbuck, tuckerbag, squatter and troopers—all words that are not widely used today. They have been given meanings in a modern context for young people to perhaps understand a little bit more about the history of this amazing song. I believe it is our unofficial national anthem. In fact, at the Helsinki Olympic Games when Marjorie Jackson stood on the dais to receive her medal after winning the 100-yard event—in those days, so long ago was it that they were using imperial measurements—the officials played *Waltzing Matilda* as our national song. I commend playing *Waltzing Matilda* over the next several weeks in support of our Wallabies. *(Time expired)*

**Port Keats Wadeye Community**

Mr MARTIN FERGUSON (Batman) *(4.40 p.m.)*—Some of my colleagues would know of the Port Keats Wadeye community—a community of about 2½ thousand people, some 200 kilometres south-west of Darwin—a place that I was fortunate enough to visit last month. Some would also know that, due to the lack of an all-weather bitumen road, for around half the year during the wet season the Port Keats community is effectively isolated. This is not an unusual...
community in this respect and, indeed, there are many others like it in remote Australia. It is also not an example of a remote community with serious issues to address. The question that I pose to my colleagues this evening is whether they think that we are being serious in our efforts to address the issues that the Wadeye community confronts. How serious are we about addressing the severe housing shortage in Port Keats when there are, in some cases, 30 to 40 people sharing a house? Keep in mind that the Department of Transport and Regional Services has identified a shortage of almost 260 houses in the town and that that places demand at an extreme level in a community which has many serious issues confronting it. In a community of 2½ thousand people, where around 90 babies are born each year, we can only expect the housing problem to get worse and we can only expect serious problems on the domestic violence front.

How serious are we about ensuring proper health care services in Port Keats when they cannot attract a single doctor and can attract only three nurses to the region when they have funding for two and seven respectively? Are we serious about equipping remote communities with the resources they need to provide adequate health, education and community services when they cannot access reliable telecommunications? Are we content in the knowledge that Our Lady of the Sacred Heart School in Port Keats averages just over a 50 per cent attendance rate for enrolled students? Hopefully, they are just about to complete the construction of a swimming pool. In an endeavour to lift attendance rates, its use will be on the basis of no attendance at school means no access to the swimming pool.

The former Minister for Immigration and Multicultural and Indigenous Affairs, Mr Ruddock, should know only too well of these problems, with housing, health, telecommunications and education being the tip of the iceberg of the problems confronting the Port Keats community, because he visited the community earlier this year. I pose this question this evening: what serious progress has been made since that visit? How serious was the minister when he told the people of Port Keats that he understood the challenges they are facing?

This is not about throwing a bucket of money at a remote community and offering a panacea for its problems. It is about waking up to the fact that we as a nation should start to accept some of our responsibilities when it comes to equality of opportunity and what we do as a nation to address some of the significant disadvantages faced by our remote black communities. It is also about listening to what people are telling us about how they see their community in the future and what our role should be in helping them to achieve it—and then delivering. It goes to the essential needs of housing, health, education and telecommunications provisions and an acceptance that those provisions should not stop at the capital city limits or in the outskirts of our regional centres. I simply say that remote Australia, especially black Australia, is also entitled to equality of access to those services.

As I mentioned at the outset, Port Keats is unfortunately not an isolated example of the challenges facing remote communities in Australia. Instead it is a case in point of a complex problem that we as a nation have to front up to. I will, however, take this opportunity today to recognise Port Keats Council, Our Lady of the Sacred Heart School, the community health centre and the many community workers for their efforts and the optimism they feel for the future of their region. They are well aware of the challenges that people in the Port Keats community face, but they know—and it is time that we
all recognised this—that those challenges, however daunting, are not insurmountable.

So I simply say to the Australian community this evening, on the eve of the Rugby World Cup, that, yes, it is a huge international event. Enjoy it but let us start to front up to our challenges which are far more important than a Rugby World Cup celebration. Let us start thinking about the real disadvantage that operates in the Australian community and the fact that many of those people in Port Keats will not be able to enjoy the world cup because of the inadequate communications systems. Let us front up to our challenges for the first time ever. *(Time expired)*

Port Keats Wadeye Community

FRAN BAILEY (McEwen—Parliamentary Secretary to the Minister for Defence) *(4.45 p.m.)*—I ask the member for Batman, if he has a moment, not to leave the chamber. I rarely get an opportunity to speak in the adjournment debate, and tonight I am very pleased to have the opportunity to do so. Many people would probably be very surprised to find that I am in agreement with what the member for Batman has just been talking about. I was busy with my papers at the desk but, when I heard him mention the Wadeye community, I immediately put my papers aside. It gives me very great pleasure to tell not only the member for Batman but also those listening to this debate tonight that I readily acknowledge the circumstances and the conditions that the member for Batman described in the Wadeye community.

I am very disappointed that, while he was visiting the Wadeye community, he did not get the opportunity to meet the wonderful people who are running the Indigenous cadet unit. We started this cadet unit just a few months ago. In fact, I went up there and launched the cadet unit. At that stage it had only 14 members. Like the no school, no pool policy that the Wadeye community have started, we also have a no school, no cadet policy. Through the cadet program we are improving the literacy standard of those young people. We now have 28 people, many of whom are young women. The literacy and numeracy level of those young people is being improved. As a former teacher, I know that it goes without saying that, the greater the attendance at school, the greater the opportunities that young people have to improve their literacy. The cadet organisation is not only providing this impetus for young people to attend school but also providing opportunities for these young people to learn about and gain a whole new range of life experiences. The cadets are doing an absolutely fantastic job there.

The member for Batman paid credit to the local authority at Wadeye. I too give credit for what they are doing. Again, one of the people that he omitted to mention in his speech was the traditional owner—a most wonderful woman called Theodora Narnabu. I have now met Theodora on two separate occasions. The very first time I went there I had a speech that I had thought about giving to the community, but on meeting Theodora I invited her to address the assembled guests. After listening to her speech, I threw away my prepared speech and responded to some of the issues that she had raised.

It goes without saying that there are enormous challenges and difficulties to be overcome within this community. Government certainly has a responsibility. The Wadeye community is now one of 18 communities around Australia that have been picked up as a result of the COAG agenda to get a number of communities to return to the traditional means of running themselves. Central to these communities succeeding in the future—and I am sure the member for Batman would agree with me—is empowering these people and giving them the means to help themselves. This is where the traditional
owner, Theodora, is doing an absolutely superb job in women’s health. She is teaching a lot of young women how to address a number of issues, such as what to do in cases of domestic violence. Also, as the member for Batman said, the number of babies born per year—90—is posing an enormous challenge. If we can do our part in the community, the community will prosper. (Time expired)

Aviation: Sydney (Kingsford Smith) Airport

Mr MURPHY (Lowe) (4.50 p.m.)—As someone who has also been to Wadeye, I endorse the contributions made by the member for Batman and the member for McEwen this evening. This evening I wish to speak again on the preliminary draft master plan for Sydney airport prepared by Sydney Airport Corporation Ltd. The preliminary draft master plan has been publicly advertised and submissions are being sought from the public up to and until 29 October 2003.

I am compelled to bring to the attention of the House, in particular the Minister for Transport and Regional Services, a number of matters of grave importance during this period of consultation on the preliminary draft master plan. As the House is aware, the PDMP is a response by SACL to its statutory obligations under the Airports Act 1996 to have a master plan for Sydney airport. However, in every other respect, the preliminary draft master plan pays reckless disregard to the eight recommendations of the Senate Rural and Regional Affairs and Transport References Committee report on the inquiry into the development of the Brisbane Airport Corporation master plan. These recommendations were made in June 2000 and as yet have not been incorporated into amendments to the Airports Act.

Critically, these recommendations include: (1) the Airports Act be amended to include an ‘object and purpose’ statement for master plans, (2) the Airports Act be amended to specify the relationship a major development plan has to a master plan, and (3) the Airports Act be amended to place a responsibility on airports to disclose draft flight path information prepared by Airservices Australia to the public as part of draft master plans.

We are still well within the community consultation phase. The PDMP predicts, at figure 16.1, that daily jet aircraft movements to the north of Sydney airport, which affect my electorate, will be: track A—which includes tracks B and C—31 per cent of all movements; and track D, eight per cent of all movements. The total of tracks A and D is 39 per cent air traffic movements to the north.

The long-term operating plan, which—as you would be aware, Mr Deputy Speaker Causley—is a ministerial direction originally issued by the government, directs Airservices Australia to implement the long-term operating plan with a total movements target to the north of Sydney airport of 17 per cent. As a member of the Sydney Airport Community Forum, I am responsible for advocating the interests of my constituents against the intolerable levels of aircraft noise from Sydney airport. So this evening I make the point again that the long-term operating plan is not in itself the administrative responsibility of SACL and Max Moore-Wilton. However, like any other public instrument, SACL is both morally and legally bound by regulatory and other instruments governing Sydney airport. So I ask: why is SACL publishing statistics within its PDMP which anticipate air traffic movements to the north of the airport that are well over 100 per cent higher than the current ministerial direction in relation to the long-term operating plan target of 17 per cent air traffic movements to the north of Sydney airport?

SACL has actual and full knowledge of the long-term operating targets. It cannot
ignore the minister’s direction issued under section 16 of the Air Services Act 1995. I am shocked that SACL has published these predictions relating to air traffic movements in full knowledge of the ministerial direction relating to the long-term operating plan. Thirty-nine per cent is a huge increase on the 17 per cent target under the long-term operating plan for Sydney airport. It is so significant that it demands an explanation by the government.

Tonight I call upon the House to voice its serious concerns to the Minister for Transport and Regional Services. I call upon the minister to direct SACL to verify the methodology and accuracy of its projected statistics and to explain how the PDMP conforms to his ministerial direction and the long-term operating plan’s published air traffic movements. Moreover, I seek an immediate explanation of why SACL is promoting a serious expansion of air traffic movements to the north of Sydney airport that makes a mockery of the long-term operating plan. Finally, the constituents I represent who live in the inner west of Sydney, in my electorate of Lowe, demand an explanation of these important matters now.

**Insurance: Medical Indemnity**

Dr SOUTHCOTT (Boothby) (4.55 p.m.)—Much of the House’s time this week has been given over to the issue of medical indemnity. I want to speak briefly on this issue. The causes of what we are currently seeing with UMP are quite complex. They go to the management of a medical defence organisation—that was UMP—the overall situation in insurance and the increase in premiums that we have seen over the last 15 years. In any response that the government considers, it is very important that we look at the state jurisdictions’ laws of negligence, addressing things like the statute of limitations—which are leading to these very long time frames and the incurred but not reported liabilities—and that we address the whole safety culture in health care. We have the Australian Council for Safety and Quality in Health Care, chaired by Bruce Barracough, which is doing a good job of starting to address some of the things relating to information flows and so on in health care.

But I take exception when I hear the shadow minister for health say that the current medical indemnity crisis is 100 per cent the responsibility of the Commonwealth government. The shadow minister for health lays the blame completely at the door of the Commonwealth government. It is a bit like the biblical story of the person who cannot see for the log in their own eye. I raise two issues: firstly, don’t the state governments at least have a role in addressing their own rules of negligence and their own tort laws? Secondly, in my opinion there is a very clear role played by the use of contingency fees by plaintiff law firms and the change in the legal culture that we have seen over the last decade. It may interest the House to know that the pioneering law firm in this respect has been Slater and Gordon of Melbourne. Slater and Gordon have been probably the best known plaintiff law firm and probably the pioneer. That is what they say on their website: they have been controversial but they have been pioneering.

I was interested to discover that Slater and Gordon have taken out a trademark on their ‘no win, no fee’ scheme. They were the first firm in Victoria to do this. So they really pioneered the use of contingency fees—and contingency fees, together with uncapped awards, have really exacerbated this problem with rising premiums. But what also interested me was that the opposition’s white knight—the person who is going to solve the medical indemnity crisis—was a partner of Slater and Gordon when they introduced the ‘no win, no fee’ scheme. In 1994 Slater and
Gordon introduced the ‘no win, no fee’ trademark scheme while the shadow minister for health was a partner at Slater and Gordon.

This is like putting an arsonist in charge of the fire brigade—sending out a person who in her previous occupation was a plaintiff lawyer. While she may not have worked in the area of medical negligence, she was certainly a partner at Slater and Gordon, and Slater and Gordon introduced ‘no win, no fee’, which has been adopted by law firms right around Australia and has exacerbated the problem in medical indemnity. The shadow minister for health should be ashamed when she tries to put all of the blame on the federal government.

Petrie Electorate: Buffalo Memorial Home for the Aged

Ms GAMBARO (Petrie) (4.59 p.m.)—I just want to place on the record my great pleasure in awarding $900,000 in Commonwealth funding for 16 additional places at the Buffalo Memorial Home for the Aged in Redcliffe.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! It being 5 p.m., the debate is interrupted.

House adjourned at 5.00 p.m.
The DEPUTY SPEAKER (Hon. I.R. Causley) took the chair at 9.40 a.m.

STATEMENTS BY MEMBERS

Textiles, Clothing and Footwear Industries

Mr GAVAN O’CONNOR (Corio) (9.40 a.m.)—On Tuesday a delegation from Geelong visited Canberra to lobby on behalf of Geelong’s TCF industries. The delegation consisted of my state colleague Ian Trezise, MLA for Geelong; Peter Loney, MLA for Lara; Barbara Abley, the Mayor of the City of Greater Geelong; John Kranz, the secretary of the Geelong and Region Trades and Labour Council; Beth McPherson of the Textile Clothing and Footwear Union of Australia; Darren Gray, the industrial officer of the City of Greater Geelong; Peter Howard, owner of the Australian Bluey Company; and Laurie Miller, the Geelong Chamber of Commerce. The delegation was hosted by the member for Corangamite and me.

While the major part of Geelong’s TCF industries are located in the electorate of Corio and the majority of workers live there, I acknowledge the assistance of the member for Corangamite in organising appointments with relevant government ministers. The position of the Geelong community is an unequivocal one: they do not want TCF tariffs lowered and they are requesting a continuation of government support for industrial research, development and restructuring. This is the message the delegation delivered to the government.

TCF employment in Geelong has been reduced significantly as tariffs have been progressively lowered over the past 30 years. They are now at a relatively low level compared to past years and in my view are at a tolerable level as far as consumers are concerned. There are very compelling reasons in an economic and social sense for calling a halt to further tariff reductions in the TCF area. The government’s own economic advisory body, the Productivity Commission, has indicated there are few net economic benefits to the overall national economy of further reductions. Furthermore, we have encouraged many of our local producers, such as Godfrey Hirst in Geelong, into the exporting ring to diversify their businesses but they face enormous tariffs and non-tariff barriers in accessing many regional and critical markets.

The Geelong community asks why its enterprises and the employment they generate ought to be put at further risk when the situation I have just described continues to exist. Geelong TCF enterprises have restructured in the past and shed many jobs in the process. However we find many displaced workers—middle-aged and migrants—have had real difficulty in finding new employment. We are asking the government to understand that Geelong’s TCF industries and the Geelong community have done what has been asked of them in the past. They have restructured and worn the social and economic pain and now have a critical mass of operations and employment that the community is anxious to preserve. Despite reasonably strong local economic growth, the Geelong regional economy does not have the capacity to absorb workers who may be displaced, if lowering tariffs further creates intolerable market conditions to the remaining enterprises that comprise Geelong’s TCF industries. (Time expired)

Kalgoorlie Electorate: Volunteer Small Equipment Grants

Mr HAASE (Kalgoorlie) (9.43 a.m.)—I rise this morning to highlight an outstanding program of this coalition government, the Volunteer Small Equipment Grants 2003. These are grants available to not-for-profit organisations in our communities for up to $5,000 for
equipment that will make volunteer efforts more effective and perhaps ease the burden. The grant can be for anything, from necessary computer equipment through to communications equipment or fridges, going into an organisation that will ease the burden for volunteers.

I am pleased to report that in the Kalgoorlie electorate I have been very successful this year. I have 13 small equipment grants and they have gone to very deserving parts of my community. These days volunteers put in a great deal of effort in small communities and often wear many hats and anything I can do to help is beneficial. For instance in Carnarvon, the Apex Club has received $4,300 for a trailer to transport their emergency tree lopping tools and equipment. The Hot Rod Club in Carnarvon has received over $1,700 worth of radio equipment. The Police and Citizens Youth Club has received $3,900 for foam matting to replace the threadbare carpet to cover the concrete in their sports and dance room. The Senior Citizens Inc. received almost $2,000 for wall-mounted fans.

In Esperance, the emergency support unit got $3,950 in air con and generators for the caravans. The Pink Lake Fire Brigade, Quarry Road Rural Fire Brigade, the Six Mile Hill Fire Brigade and the Gibson Volunteer Bushfire Brigade have received almost $9,000 between them for a laptop computer, radio equipment, a barbecue, a hot-water system and a heater. The RFDS in Kalgoorlie has got $1,200 worth of communications equipment to ensure essential contact between staff and crew when in remote areas. The Hedland Playgroup Association in South Hedland received $1,900 for a photocopier. The Marble Bar Community Art Centre has received $2,824 for a computer system and digital camera. The Safer WA group in Pannawonica has received $3,310 for a laptop computer and accessories.

I am pleased to report that, thanks to this John Howard led coalition federal government, volunteer organisations from a wide cross-section of the Kalgoorlie electorate can continue their vital community based work in regional areas. I want this House to note that I value the contribution that volunteers make and I will do all I can to continue to highlight these small equipment grants to those community groups, to ease the burden of their workload.

Aviation: Brisbane Airport

Mr SWAN (Lilley) (9.46 a.m.)—This morning I urge residents on Brisbane’s north side affected by the Brisbane Airport Corporation’s new draft master plan to have their say. Residents of suburbs fringing the airport, such as Ascot, Hamilton, Hendra, Nundah, Northgate, Banyo, Nudgee and Nudgee Beach, are right to be concerned about the plan’s support for a second parallel runway. Indeed, residents right across the north side have strong reason to be sceptical about the BAC’s claims of a new improved plan for a second runway. This plan is identical to that released in 1999. I am particularly disappointed that the BAC’s draft plan does not disclose the new flight paths required for the parallel runway. This is like building a train station before telling anyone where the lines are about to go.

Objections to the BAC’s draft master plan can be made before 11 December 2003—although this fact is being hidden from the public scrutiny. So tomorrow I will be holding a meeting with some local residents who are concerned about the airport to map out a plan to discuss its impact on our community and to urge residents to be involved and to make submissions about the plan. I am particularly disappointed that the Brisbane Airport Corporation’s plan for public consultation only involves a PO Box and little else. There seem to be no plans for public meetings to inform locals of the impact of the 2003 draft master plan. In fact, the BAC does not really seem to be keen to engage the community in any meaningful way. A
bare minimum of communication between the BAC and north side locals is just not good enough. So far there is no real plan to actually consult with the public. I would urge residents to make submissions directly to the BAC which should highlight the inadequate public consultation, the sheer scale of the proposed development, the failure to move the proposed parallel runway further away from nearby residents and the omission of new flight paths.

Airports can only expand if they live in harmony and work with their local communities. This sort of secretive approach that is emerging from the BAC is simply not good enough. The problem we have here is that residents have made submissions about the master plan, calling for the proposed parallel runway to be moved further away from local residents. Locals come to me and say, ‘Wayne, if this new parallel runway has to go ahead, why does it have to be 2.1 kilometres west of the existing runway? Why can’t it be one kilometre? Why can’t it be 1.2 kilometres? Why can’t it be 1.5 kilometres?’ The problem is that these submissions have been made, but these points are not addressed in the new draft master plan. So the BAC seems to want to snow local residents, not address their concerns and ram through a master plan which will have a dramatic impact on the quality of life of tens of thousands of residents on Brisbane’s north side.

Queensland: Transport

Ms GAMBARO (Petrie) (9.49 a.m.)—Yesterday in the heart of my electorate of Petrie the reality of south-east Queensland’s crippling transport crisis came back to haunt a state government determined to ignore it. Just two months ago, I spoke in this House about Queensland Transport’s refusal to fund two urgently needed infrastructure projects. The first is the long promised Redcliffe rail link promoted by Queensland Transport’s own integrated 2007 plan. The second is the urgent replacement of the overcapacity, malfunctioning and frighteningly unsafe Houghton Highway bridge. At the time I said:

People are outraged by the latest betrayal by Queensland Transport. They are outraged that 24 hours after the axing of the rail link, the Queensland Premier vetoed a hoped-for alternative to the rail link: the replacement for the dangerously inadequate, three-lane ‘tidal flow’ Houghton Highway bridge. The Houghton Highway is actually a state road and it is the scene of daily traffic chaos, regular horror smashes and malfunctioning electronic lane signals which regularly close down one of the three lanes, with heart-stopping results for motorists.

I went on to say that the crisis had led me to launch a petition to the Queensland Premier, calling on him to reverse his decision to axe the rail link and to reconsider the upgrading of the bridge. The petition was delivered to the Premier on 12 September. Last night, he finally tabled it in state parliament. That was fateful timing because, just hours before that, the Houghton Highway—which 7,000 Queensland voters have demanded the state transport minister replace—demonstrated dramatically what happens when a minister announces that it is all too hard and opts for retirement, leaving commuters at the mercy of ageing, obsolete and unsafe infrastructure. To illustrate exactly what happened, I will quote from page 3 of today’s Courier-Mail. The article reads:

It was an unusually long journey home last night for motorists using the Hornibrook (Houghton) Bridge and the main roads it serves after a power cut shut down the bridge’s tidal flow traffic system. … Traffic banked up in both Redcliffe and Sandgate directions off the bridge, leaving hundreds of motorists to endure a horror peak hour run just before dark.

‘A horror peak hour run’. The article continues:
Traffic on the bridge, which links the Redcliffe peninsula to Brisbane, was reduced to two lanes for almost 10 hours yesterday after the power outage just before 10am. Congestion built up in both directions—

The member for Lilley has gone, but I can tell him that the traffic was banked up all the way to Sandgate. The article goes on:

Peak hour motorists were stranded in congestion for hours until Energex workers restored power just before 8 pm. A spokesperson for Transport Minister Steve Bredhauer said a full investigation would be held.

I hope that what happened last night will wake him up, because 4BC radio reported that he had fallen asleep at a transport crisis public meeting held in Brisbane on Tuesday night. It is not good enough. I think that the transport minister should take a ride over the Houghton Highway bridge. There are plenty of people stuck out there with time to kill and lots of issues that they would like to talk to him about.

Distinguished Visitors

The DEPUTY SPEAKER (Hon. I.R. Causley)—Before I call the member for Canning, I inform the Committee that we have present in the gallery this morning members of a parliamentary delegation from the United Kingdom, led by the Rt. Hon. Gavin Strang. On behalf of the Committee I extend a very warm welcome to our visitors.

Honourable members—Hear, hear!

Statements by Members

Canning Electorate: Peel Region

Mr RANDALL (Canning) (9.52 a.m.)—I would like to bring to the attention of the House the fact that the Peel region of my electorate of Canning is certainly on the federal government’s radar. In the previous two weeks, during which we were not sitting, three significant announcements were made in my electorate which are going to substantially benefit the residents of my electorate. This is great news for the residents of Canning, particularly those in the Peel region. The first announcement was made by me on behalf of the Minister for Education, Science and Training, and that is the Peel campus of Murdoch University will receive 64 nursing places, funded by the federal government. This is in addition to $2.5 million in capital grants from the federal government last year to build the university, and the government has committed to giving the balance of about $2.1 million. I would also like to thank the Peel Development Commission and the Mandurah City Council for their support in this initiative. It is great news for jobs in the Peel region and it is great news for my region, which currently has a shortage of nurses. It is fantastic that we have been able to attract the federal education minister’s support to the Peel region for this project.

The second significant announcement was made last Wednesday by the Minister for the Environment and Heritage, Senator Kemp. He announced a $1.8 million federal government initiative for the coastal catchment plans for the Peel region, which has one of the largest inland waterways in Western Australia. It is a very sensitive wetlands area. The state government gave $300,000, bringing to $2.1 million the investment in environmental care in that region.

The final visit was by the Minister for Transport and Regional Services, John Anderson, to Mandurah to speak to a stakeholders’ group regarding the Peel deviation. There is a terrible
situation in the electorate where the major artery through the electorate is very clogged and needs remedial attention immediately. However, the state minister, Alannah MacTiernan, has seen fit not to apply for any federal government funding to help support this Peel deviation. She is stuck on building a rail line from Perth to Mandurah, which has blown out from $941 million to $1.4 billion. She has now rerouted the rail line so it does not go where people are—it does not actually pick up people from Leeming to Perth. She has taken the most expensive option for ideological reasons—because the former Liberal government had one route, and she decided that she would reroute it where there where no people because it was a Labor initiative to do so. I urge the minister to get on with finishing the Kwinana Freeway, as the previous government intended to do by 2007, and finish the Peel deviation, because the federal transport minister had committed the federal government to examining this under the AusLink program. *(Time expired)*

**United Kingdom Constitution**

*Mr HATTON (Blaxland) (9.55 a.m.)*—Being parliamentarians, our visiting delegation from the United Kingdom would know how difficult it is to come into a parliament and not be able to look at the issues that are most pressing in any particular place and have a say. I want to say a few things about the conjunction between the Australian and British systems, the unwritten constitution of the United Kingdom and the problems that are created for a place like Australia in having a written constitution.

Yesterday, the Prime Minister opened the formal debate on the possibility of a referendum to section 57 of the Constitution and about what happens when bills pass through the House of Representatives, the government House, and are twice rejected by the Senate. Currently, our only mechanism for dealing with that is to have a double dissolution. Yesterday, the Prime Minister proposed the foreshortening of that.

If his proposal is taken up, it will be possible to deal with these matters without having a double dissolution. If they have been twice rejected, the Constitution should be changed so that we can simply have a joint sitting. The constraints of having a written constitution—we are attempting to change that by putting it to a referendum to gain a majority of votes not only Australia wide but in a majority of states—is a problem that the British parliament does not experience at all. Why? Because the British parliament’s constitution is not written, except in the acts of parliament itself. So their constitution can always be contemporary, whereas the written Constitution of Australia and the written constitution of the United States of America must always be shackled by what the founding fathers originally said. So the oldest of parliaments has the benefit of being the most contemporary as well, whereas we have to attempt to deal with the introduction of new technologies and new problems. We have to deal with the fact that new technologies can create extensive problems.

I have just been speaking about the Spam Bill 2003. Prior to 1995 and the development of widespread use of the Internet you had to use Australia Post or British post or whatever and spend a fair amount of money if you were going to try and defraud people by effectively sending scam letters of demand. Now you can do it at virtually no cost. I would hope that in this legislature, even bound as we are by the strictures of a written constitution, the legislation we are putting in to modernise our approach and assist our constituents could in fact be mirrored by the British parliament and other parliaments around the world with both a written and unwritten constitutions so that the scourge of unsolicited mail can be dealt with. *(Time expired)*
The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! In accordance with standing order 275A the time for members’ statements has concluded.

PETROLEUM (SUBMERGED LANDS) AMENDMENT BILL 2003

Cognate bill:

OFFSHORE PETROLEUM (SAFETY LEVIES) BILL 2003

Second Reading

Debate resumed from 17 September, on motion by Mr Ian Macfarlane:

That this bill be now read a second time.

Mr SIDEBOTTOM (Braddon) (9.59 a.m.)—The Petroleum (Submerged Lands) Amendment Bill 2003 will establish a National Offshore Petroleum Safety Authority, the NOPSA, to regulate safety in Commonwealth waters and state and Northern Territory coastal waters as agreed by the Commonwealth and its states and territories. The offshore petroleum industry is strategically and economically important to Australia and any serious disruption to supply due to an accident would have major economic consequences.

The authority, to be established by Commonwealth legislation, will deliver a uniform, national safety regulatory regime for Australia’s offshore petroleum industry and will reduce the regulatory burden faced by industry participants. It is to be an independent agency, accountable to the Commonwealth, state and Northern Territory ministers and will be established via an amendment to the Petroleum (Submerged Lands) Act 1967.

The bill also contains amendments to the occupational health and safety provisions of the act. These amendments will improve safety, administration and outcomes for offshore petroleum facilities and pipelines and will also, importantly, reduce risks to the environment. Amendments in the bill, when mirrored by state and Northern Territory legislation, will also provide a consistent safety regulatory regime across all Commonwealth waters and state and Northern Territory coastal waters.

There are two further sets of amendments in the bill. Schedule 2 seeks to amend section 129 of the act to rectify an anomaly whereby the full amount of fees paid by the offshore petroleum industry needs to be redirected back to the states and the Northern Territory; yet the goods and services tax legislation requires GST deductions from some of these fees. Schedule 3 seeks to amend the data and management provisions in the act. These provisions cover the submission of data by petroleum owners to the regulator and the later releases of some of that data to the public. The amendments will enable the machinery provisions covering both submission and release of this data to be placed in new objective based data management regulations under the act.

Since 1967 the act has provided for the regulation of all aspects of offshore petroleum and mining, including titles, exploration, production, pipelines and safety regulation. Following a High Court decision in 1975 that confirmed Commonwealth jurisdiction offshore—that is, below the low watermark—in June 1979 the Commonwealth and the states agreed to a division of offshore powers and responsibilities, known collectively as the offshore constitutional settlement. The purpose of the settlement was to generally maintain the role of the states in the management of offshore areas.
In relation to offshore petroleum arrangements post OCS, the states and the Northern Territory have been granted by the Commonwealth title to all waters, including seabed, and landward of the three-nautical-mile limit and have the same power to legislate over those coastal waters as they do over their land territory. Another significant outcome of the OCS was an amendment to confine the application of the Commonwealth act to waters outside the three-nautical-mile limit, with the states and Northern Territory enacting mirror legislation applying in waters landward of that boundary.

Beyond the coastal waters, cooperative governance of the Commonwealth’s legislation vests executive powers jointly in a joint authority—which is the Commonwealth minister and the relevant state or Northern Territory minister in respect of each adjacent area—on all major decisions affecting petroleum exploration and development, with the Commonwealth minister’s view to prevail in the event of disagreement. Day-to-day administrative duties and regulatory functions have been exercised by the designated authority, who is the relevant state or Northern Territory minister.

Until the safety authority commences operations on 1 January 2005, safety regulation will continue to be administered under the existing legislation and arrangement. A particular feature of the act in its present form—prior to 1 January 2005—is that the occupational health and safety requirements in schedule 7 of the act do not apply to Commonwealth waters adjacent to a state or the Northern Territory if the law of that state or territory provides, to any extent, for matters relating to the occupational health and safety of persons employed in the area. In that case, the OHS laws of the state or territory apply.

As a result, each jurisdiction except Western Australia has applied its own state or Northern Territory OHS law in its own coastal waters, and that law was applied by the Commonwealth act in Commonwealth waters. Western Australia has relied on the application of schedule 7 of the act. Each of these laws is different. Consequently, companies with offshore facilities in more than one state or in the Northern Territory adjacent area have had to meet the requirements of these different laws. Furthermore, those companies operating mobile facilities, such as drilling rigs, have had to comply with different requirements as their rigs move from job to job around Australia.

In response to the 1988 Piper Alpha disaster in the North Sea, the act was amended in 1992 to include schedule 7 and in 1995 to provide for implementation by regulations of a safety case regime. The term ‘safety case’ is used to describe a sophisticated, comprehensive and integrated risk management system. This is characterised by an acceptance that the ongoing management of safety on individual facilities is the direct responsibility of the operators and not the regulator, whose key function is to provide guidance as to the safety objectives to be achieved and an assessment of performance against those objectives.

The operators can achieve those objectives by developing systems and procedures that best suit their needs and agreeing these with the regulator. This safety case then forms the rules by which the operation of the facility is governed. The safety case also forms the basis for ongoing audits by the regulator of the facility and its operation throughout its life. The safety case regime has been fully operational since 1996, when detailed safety case regulations under the act, underpinned by guidelines for their preparation and submission, came into effect. The safety case regime remains as it is and is not altered by this bill. It is proposed, however, to revise the regulations to clarify the operation of the regulations.
In August 2001 the Commonwealth government report on offshore safety, entitled *Future arrangements for the regulation of offshore petroleum safety*, was delivered to the former Minister for Industry, Science and Resources. The primary conclusion of the review was:

The Australian legal and administrative framework, and the day to day application of this framework, for regulation of health, safety and environment in the offshore petroleum industry is complicated and insufficient to ensure appropriate, effective and cost efficient regulation of the industry. Much would require improvement for the regime to deliver world-class safety practice.

In particular, an independent review that formed part of the above report recommended that a national petroleum regulatory authority be developed to oversee the regulation of safety in Commonwealth offshore waters.

The Commonwealth view, strongly supported by industry and employees, was that it would be more efficient and effective—as well as reducing the regulatory burden—to have a single national agency covering both Commonwealth waters and state and Northern Territory coastal waters, a view subsequently shared by states and the Northern Territory. The Ministerial Council on Mineral and Petroleum Resources subsequently endorsed a set of principles for regulation of safety of petroleum activities in Commonwealth waters and state and Northern Territory coastal waters in Australia and agreed that the council’s standing committee of officials would examine how best to improve offshore safety outcomes, primarily through a single joint national safety agency. This work led to the agreement upon which this bill is based.

The safety authority will function as a regulator of occupational health and safety in relation to offshore petroleum facilities and offshore petroleum diving operations in Commonwealth and designated coastal waters. Individual states or the Northern Territory may also confer powers on the safety authority under the onshore legislation of the state or Territory in respect of particular petroleum operations. Where this occurs, this bill authorises the authority to exercise those powers. In acting under state or Northern Territory ‘onshore’ legislation, the authority will be entirely subject to the governance arrangements established by that legislation.

Labor supports this bill, which enjoys the support of all industry players, including the trade union movement. However, it is my view that amendments to the submerged lands act should not stop at these important safety issues. Certainly the industry believes that more needs to be done to encourage oil exploration. For example, it wants changes to the PRRT arrangements to promote exploration in deep water and frontier areas and to encourage gas production. The industry faces many impediments, including global competition for project capital, concentration of ownership, LNG market power, conflicts of interest and constraints within the domestic gas market itself.

Much of the focus of the industry has been on fiscal arrangements, but this is merely one component, albeit an important one. Labor’s economic reforms of the 1980s and 1990s opened up the financial and product markets and established Labor as the party of the market. This sets us apart from the government, which have been and are the party of business or, shall we say, business arrangements, where political mateship overrides broader competition issues. But while Labor backs the market, it also recognises the potential for market distortions and the need at times for government intervention. This is a source of competition policy and its enforcement through bodies like the ACCC.
The natural gas market is a relatively immature one, in which global corporate interests and community interests must be fairly reconciled. It is entirely proper that companies act in the best interests of their shareholders. But what happens when the shareholders’ interests and the country’s interests collide? There will always be a role here for government—that is, keeping some equilibrium in focus. The industry’s drive towards sustainability should have the right balance between community interests and the corporate interests of its members. Sustainability in a social sense is about more than simple employment generation and community benevolence. It is about ensuring the Australian community is getting a fair shake for the exploitation of its gas resources and a fair chance of adding to them. Given Australia’s rapidly declining oil self-sufficiency, the manner and timing of the exploitation of our natural gas resources are crucial to the nation’s future. It is estimated that our current oil reserves will last only about 40 more years, and it is generally believed that major new oil finds are unlikely. Even if we accept that new reserves are possible, we need to look further than oil exploration for the total solution.

For the seven years to 2002, Australia consumed oil three times faster than it added to its reserves. By 2010, Australia is likely to be importing 50 to 60 per cent of its crude oil. The adverse impact on our balance of trade will be in the order of $7 billion to $8 billion each year. This will make any balance in the trade in goods and services that much harder to achieve. Conversely, for the last 20 years Australia has discovered more natural gas than it has produced. It seems we have plenty of gas, but most of it is distant from the market and the LNG market is ultracompetitive. That said, I find it hard to accept that the industry and the government are doing enough to unlock the 100-plus TCF of reserves—that is more than 100 years of supply—that are remote from markets. Nor would I find it comfortable to be exporting gas at bargain basement prices—not in the absence of a medium- to long-term strategy which is tied in with our own domestic requirements.

According to Woodside, 60 per cent of Australia’s remaining undeveloped gas reserves are under the control of foreign companies. If Woodside were taken over by a foreign major, the figure would rise to over 90 per cent. Foreign ownership is not in itself a problem. Indeed, continuing foreign investment in Australia is essential to build the nation’s industrial base. But it is the degree of cross-ownership in competing joint ventures, not only in Australia but globally, that creates potential conflict between corporate and community interests. That is why the government must look at the way in which the Petroleum (Submerged Lands) Act deals with the property rights issue. Under the current arrangement it is too easy for companies to warehouse Australian reserves for global sequencing. Work programs for developing gas reserves need to be open to further public scrutiny and accountability. Labor was very pleased that the government-dominated House of Representatives Standing Committee on Industry and Resources agreed on that point in its inquiry into impediments to mineral and petroleum exploration in Australia. It also agreed with Labor that there is a need to review retention lease arrangements. The government does need to impose tougher resource title principles, but it must also do more to promote domestic gas markets to bring forward the commercial viability of offshore gas reserves for title holders.

Finally, I am pleased to say that natural gas is a very important Tasmanian resource, and fortunately without the difficult market constraints faced by those trying to develop northwest Australian reserves. According to Origin Energy, it is estimated that demand for natural

MAIN COMMITTEE
gas in Victoria will double over the next 20 years, and to meet this growing market new infra-
structure is required. The BassGas Project will bring the first alternate gas supply into south-
eastern Australia since the Gippsland gas fields were developed over 30 years ago. The Bass-
Gas Project will commercialise gas from the Yolla field and will meet approximately 10 per
cent of Victorian gas demand for 15 years. I look forward to that occurring. We on this side
support these bills.

Mr NAI RN (Eden-Monaro) (10.16 a.m.)—I am pleased to speak in support of the Petro-
leum (Submerged Lands) Amendment Bill 2003 and the Offshore Petroleum (Safety Levies)
Bill 2003. In particular, I would like to describe how the bills improve the safety outcomes for
operators and those working on facilities in Commonwealth waters and state and Northern
Territory coastal waters. For particular companies, the offshore petroleum industry offers high
rewards, of which the North West Shelf’s $25 billion LNG export deal with China is a notable
recent example. However, given the nature of the offshore environment, the high flammability
of oil and gas, and the high pressure and temperatures under which they are produced, ex-
tacted and processed, it is a major hazard industry. There are around 60 petroleum facilities
in Australian waters, including large, fixed production platforms such as the North Rankin
platform on the North West Shelf, floating production and storage facilities such as the Griffin
Venture on the North West Shelf and the Northern Endeavour in the Timor Sea, and mobile
drilling rigs and support facilities such as barges for pipeline laying, accommodation and con-
struction. I have a particular interest in this topic from my electorate point of view. Quite sub-
stantial numbers of people who live in the Eden area of my electorate fly out to rigs in Bass
Strait, work on the Bass Strait rigs in various ways and then come back into Eden. So the
safety aspects are of particular importance to me and those people in my electorate.

A typical production facility is, in effect, a mixture of hotel, chemical processing plant and
heliport, all within a confined structure that is separated from land by many kilometres of
ocean. Add some extreme weather, such as winter storms in Bass Strait or cyclones on the
North West Shelf, and you have a working environment with a high potential for danger and
with a complex set of risks to manage in order to ensure the safety of the work force and the
facility. While I do not quite have personal experience of that, many of my former colleagues
in the surveying and mapping industry—my profession during my time in the north of Austra-
ia—were involved in some very dangerous circumstances in the positioning of many of these
rigs and, particularly, in the exploration aspect of it. I personally was somewhat involved with
respect to the titling, the property rights, the lease holding and those sorts of things of that part
of the industry.

Fortunately, the Australian offshore petroleum industry has not experienced a catastrophic
accident involving significant loss of life and injury. However, we have experienced fatalities
and serious injuries from isolated accidents. In order to avoid catastrophic accidents and to
minimise other fatalities and injuries we have learned from overseas experience. Most nota-
bly, we have learned from the North Sea Piper Alpha disaster. The Piper Alpha disaster, which
occurred on the evening of 6 July 1988, claimed the lives of 167 of the 226 persons on board
the platform and two of the crew of a rescue craft. The death toll from the series of explo-
sions, the fire and the subsequent collapse of the platform was the highest in the history of
offshore petroleum operations. The UK public inquiry into the disaster recommended that a
different approach to safety regulation be adopted. As a result, safety case regulation, which
puts the onus on industry to identify risks and develop systems and strategies to manage those risks, was introduced for the offshore petroleum industry.

As part of Australia’s response to the Piper Alpha disaster, we also adopted a safety case approach for offshore facilities, through a series of amendments to the Petroleum (Submerged Lands) Act and regulations in the early 1990s. Now, all petroleum facilities, new and existing, are required to have a safety case. The safety case approach to regulation has significant advantages and benefits over more prescriptive regulation. For example, safety cases can be adapted or tailored for unique facilities and to accommodate technological advances, which is an important feature for an industry characterised by innovation and rapid change. By comparison, prescriptive regulation is inflexible and may present an obstacle to the adoption of new technology and processes, or can become outdated as new approaches and procedures are adopted.

I turn now to a number of important improvements in the legislative framework for occupational health and safety applying to the offshore petroleum industry. A particular feature of the current Petroleum (Submerged Lands) Act is that the occupational health and safety requirements of the act do not apply if the states and Northern Territory have their own OHS law that is capable of applying offshore. As a result, each jurisdiction except Western Australia has applied its own state or Northern Territory OHS law, while Western Australia has relied on the Commonwealth legislation. As each of these laws are different, companies with offshore facilities in more than one state or in the Northern Territory adjacent area have had to meet different requirements. This situation is particularly difficult for operators of mobile facilities, such as drilling rigs, which typically move from job to job around Australia.

The amendments to schedule 7 of the Commonwealth Petroleum (Submerged Lands) Act and the enactment of mirror provisions in state and Northern Territory legislation will provide for one body of occupational health and safety law to regulate all Australian waters and will improve and clarify the duty of care provisions. The duty of care provisions place all embracing duties on those controlling offshore petroleum activities to secure the health and safety of all people working offshore. The current law assumes that the only people primarily responsible are employers and that the people to whom employers owe a duty of care are primarily their employees.

This does not reflect how the offshore petroleum industry works. It does not recognise the prominence of contractor arrangements. It also does not reflect the key role played by the operator of the facility, who is the person in control of the facility and the person who submits the safety case, which is at the heart of the regulatory approach. The bill corrects this by assigning duties to the operator and ensuring that the duties protect all persons who are exposed to the risk. These duties are not unlimited. Removing all risk is impossible, so these duties are qualified by the term ‘reasonably practicable’.

This is an important concept and is widely understood in the offshore petroleum industry and more widely in the field of occupational health and safety both here and internationally. In the offshore petroleum industry, it is generally known as the ALARP concept—it sounds like somebody has been talking to Defence when you hear acronyms like that—or ‘as low as is reasonably practicable’. In a practical sense, the bill requires that risk has to be weighed against the cost of the measures necessary to eliminate the risk, taking account of the state of knowledge about the risk and the ways it may be reduced. The greater the risk, or the greater
the uncertainty, the less weight is given to the factor of cost. In recognition that a given duty holder may not be able to exercise control over all risks, this bill imposes duties on a range of persons, including manufacturers and suppliers as well as operators and employers.

The government takes the view that it is facility operators and their work forces who are best placed to deliver safe offshore petroleum operations. The active involvement of the work force is essential and, if a member of the work force sees a potential hazard, it is his or her responsibility to deal with it, if possible, and make sure the appropriate people on the operator’s staff are informed. There is a safeguard in the legislation. In the unlikely event that the operator does not take appropriate action, there is the option of the work force calling upon the regulatory body for additional expertise or, should this be necessary, from an appropriate union, described in the legislation as a ‘registered employee organisation’.

This bill does not seek to change in any fundamental way the existing arrangements, which have stood the test of time. But it does seek to further strengthen these arrangements by making them reflect the practical realities of the offshore petroleum industry. As an example, this has been done in relation to the election of health and safety representatives by making the operator of the facility responsible for organising the designated work groups. In a similar move to strengthen the health and safety representative system, any member of the work force, whether or not they are members of a union, can request an operator of a facility to enter into consultations to establish a designated working group and elect a health and safety representative.

These improvements to the duty of care, combined with the retention of the successful safety case approach and enhancements to the existing arrangements to involve the work force, will ensure that improved safety outcomes can be obtained in a more consistent, effective and efficient manner. For an industry whose participants operate across jurisdictions the benefits will include greater certainty and clarity and reduced compliance costs. I commend the bills to the House.

Mr HATTON (Blaxland) (10.26 a.m.)—I am very happy to be speaking to the Petroleum (Submerged Lands) Amendment Bill 2003 and the Offshore Petroleum (Safety Levies) Bill 2003, which have Labor’s full support because they have all the identifiable hallmarks of a piece of Labor legislation. This is about full cooperation between the Commonwealth, the state governments, the Northern Territory and industry. This is a national agency with a national approach. There has been an entire rejection at every level—almost incomprehensible at the Commonwealth level—of privatisation.

There were four possible models put up after 2001. When the Department of Industry, Science and Resources looked into the current safety concerns and regulations in relation to offshore platforms and close inshore platforms, they simply said the current system was inadequate. What we have in this legislation is a very considered set of approaches to fixing the problems and the inadequacies.

Four simple propositions were put up. But the amazing thing is that this government chose not to outsource it all to a private operator—that was option D. They chose not just the increased competency option—which was option B—which just said, ‘Let’s pour some more resources into what is currently there.’ The government has been known to do a bit of band-aiding here and there and to not really grapple with the difficulties in relation to this. They did not choose that either, which was passing strange. We also had option C, the cooperative
model, and that basically said, ‘We’ll have a single independent national agency but every-
body will still sort of operate in much the same way.’

Instead, all levels—Commonwealth, state, territory and industry—said, ‘Let’s have a na-
tional agency to deal with this. One single national agency; one single focus’. The cost of that
will be in the order of $6.6 million, as currently projected. It is expected that this will start
operation on 1 January 2005. The associated legislation in regard to the safety levies, which
covers four different levies for four different programs, I will come to shortly. Those conse-
quential arrangements are to be set by regulation but the general parameters in terms of the
cost of this have been agreed.

So I congratulate the government for doing this the Labor way; for doing it on the basis of
a national agenda; for seeing that these are national industries of national importance to Aus-
tralia and, for once, not being limited in the approach they have taken. It is my guess that the
reason for this is that industry drove most of this; that industry saw that there was no point
and purpose to continue to have difficulties in this area.

Since 1975—when we had the constitutional difficulties resolved as to who had jurisdiction
in terms of close offshore waters, the Commonwealth or the states—we have had a simplifica-
tion of the situation. But there has also been increasing complication because of the different
bodies—Northern Territory, state and Commonwealth—with legislation in place to attempt to
deal with something, as pointed out in the explanatory memorandum over paragraphs 20 to
24. All up, the bill is expected not only to improve occupational health and safety on rigs at
sea, on other platforms and in relation to pipelines coming from those to shore but also to
ameliorate the problems that have become apparent.

The ‘why’ for this goes back not only to the Department of Industry, Tourism and Re-
sources recognising the current inadequacies but also to a series of other examples that have
been alluded to by previous speakers, both from the Labor side and also from the government
side. The core of that has been the North Sea disasters, but of course one of these is home
grown. I will read the full paragraph from the explanatory memorandum because it adds in-
creased weight and emphasis to just how much is at stake here. Paragraph 144 reads:

Exploitation of offshore hydrocarbons is a very high cost activity but one producing very high returns
both for industry and the nation as a whole. From a safety perspective, it is characterised by a relatively
low probability of major events but ones which have dramatic effects in terms of loss of life, economic
consequences, public aversion and international reputation. The North Sea disasters, Alexander Kiel-
land, (123 dead), Piper Alpha (167 dead), the Brazilian loss of the P36 platform in 2001 and the Long-
ford gas plant explosion all demonstrate (in different proportions) the human and economic conse-
quences of poor safety performance.

So we have the major loss of life and the key question of public aversion pushing back any
close consideration—except rather an emotional response—of the fact that our key resource
industries can involve the loss of life and danger to the safety of the people working in those
industries. We as a country need to support our resource industries and the people who work
in them. We also need to utterly ensure their safety in the workplace.

Those examples in the explanatory memorandum are carried into the consequential
amendments with regard to the safety levies. What is under consideration when you come to
the safety levies—as shown at page 3 of the explanatory memorandum—is the question of
open-ended recoupment of moneys from companies that are responsible for any damage.
Even though the expectation is that it will cost only $6.6 million a year or so to run all of these different investigations, you must have cover for a major disaster as the costs can be high. It is pointed out in the legislation that, for most routine investigations, there is no charge to industry. What is also pointed out is that it is not a case of everyone having to cough up for the costs of major investigations—the whole of the industry is not going to be put to charge because one or two of the industry’s companies do the wrong thing or make mistakes. Why is that so significant and important? I will quote from the explanatory memorandum. It says:

As investigations could become extremely resource intensive (eg in the event of a Royal Commission), it is not intended that there will be any limit on the amount of levy that may apply to any accident or occurrence.

As far as I know, that has not been remarked upon in contributions so far. What is the core of that? We simply have to think of the dimensions of those North Sea events or the dimensions here in terms of the Longford gas plant.

Members from Victoria, Tasmania, me and others in New South Wales—the eastern seaboard—recognised the existence of Longford, its importance in terms of the local industrial capacity and wealth generation in Victoria and the problems associated with the safety at that plant, which all became utterly apparent when that major disaster happened. The cost of the royal commission into that was very high, so it is right and proper—and this bill properly foresees the dimension of this—that there is not any constraint in the proper allocation of costs.

The government is saying that this is not something that should be borne by the people as a whole—whether at Commonwealth, state or territory level—but properly, if a royal commission should find that there was culpability on the part of the operators, the costs should be borne by those operators. This is not only the cost of those people who have been injured, or the families of those who lost their lives, being recompensed but also the costs of the investigation. This is a set of arrangements based on full cost recovery and it can be open-ended in some circumstances that we expect would be extremely rare but that do happen. The core of what is being proposed here is that far-sighted legislation should fix the current inadequacies and move towards solving problems that otherwise would arise.

As I said, this just does not look like a conservative bill—a Liberal and National Party bill—because of the scope and nature, the inventiveness and the innovation and the foresightedness to look at that single national agency. Indeed, if one goes to the second reading speech that was given in relation to this, at both pages 8 and 10 I wondered who was actually in government when the relevant minister or parliamentary secretary was saying—

Mr Sidebottom—Some things rub off.

Mr HATTON—Some things do rub off after good practice and good example. It is almost osmotic, one could argue. At page 8 it says:

Governments will not allow the industry to operate without regulation.

It does not sound like the National Commission of Audit to me.

The regulation is like any other essential input into the industry’s offshore petroleum operations. This is a case with clear beneficiaries of a service being provided by the Government and the industry must pay for it.
The last part we could always expect from a Liberal-National government—a cash-and-carry government in terms of the expectation that somebody has to pay and it should not be the Commonwealth government. It can be the states, territories, industry, normal constituents but not the Commonwealth—not us. That is normal, we will take that for granted. But actually moving to a national body that is based on this is almost incomprehensible. And it gets better. At page 10, in the conclusion, the second reading speech says:

The decision to create the Authority, and the development of the legislation, has involved the Ministerial Council on Mineral and Petroleum Resources, a steering committee of Commonwealth and State and Northern Territory officials, industry participants and work force representatives. The role of the working groups comprising members of governments, industry and the workforce has been invaluable.

And what do we end up with?

The offshore petroleum industry and workforce have been strong advocates for the creation of a national safety authority.

So it wasn’t the Commonwealth at all. As we guessed, it was the industry which said: ‘This makes sense. We are willing to pay for it. We want a better regime; we want our workers to be covered. We don’t want the prospect of industrial manslaughter laws being passed at Commonwealth, state or territory level. We don’t want a situation anywhere where there is vast confusion as to who is responsible for what and where the buck passing can continue,’—something that has happened for more than 100 years. The general purpose, blindingly, is to create greater confidence in the regulation of safety in offshore interests, and that will be performed efficiently and effectively.

Maybe the government are starting to get it. It has taken more than 7½ years, but osmotically they have picked up quite a lot of what our approach has been. I have noted in the past, when we have been dealing with a series of different pieces of legislation, that they have rebadged a great deal but they have also taken the core elements and continued the core elements of our legislation with slight changes. They did not throw the legislation out of the window, because it was good, solid legislation in the national interest—as our government was.

What will the impact of these be on industry? They are willing to take up the costs and charges in regard to this. They are willing to have that national focus. They are willing to take that as part of their normal costs because they know it is a protective benefit to those industries. They know that the public aversion that is there when there is a major and significant impact, as there was with the explosion at Longford, and the disruption to the community as a whole, the disruption to the industry itself and the disruption to a particular company should be avoided as much as possible. The explanatory memorandum on this is, again, very good. Paragraph 142 states:

The impacts on business are predominantly beneficial. At present those petroleum companies operating in more than one State/NT adjacent waters, have to deal with a different regulator for each State/NT who in turn apply their own OHS laws. The complexity of the existing arrangements was discussed ... in paragraphs 20 to 24—

and I alluded to those. It continues:
The replacement of multiple regulators with one, applying a single OHS law rather than three or more, will simplify the regulatory structure without reducing safety outcomes. The advantage in these changes is self-evident and welcomed by industry. However, it has not proved possible to quantify the benefit. We should see the benefit come to fruition in the ensuing years. But we know that good legislation will fix problems that are apparent. I am very glad to say that the department moved in 2001 to address these problems. As a member of the Standing Committee on Industry, Science and Resources in the last parliament and as a member in this parliament of the Standing Committee on Industry and Resources, I know that there have been a series of areas in which, if the department has moved at all in a forward way, it has been a snail-like progress. However, in this it has done the right thing. It has initiated the right approach and sought to move forward strongly to get the right result. So Australia and all of those people who are dependent on our major resource projects—not only the people who hazard their lives by working on offshore rigs or those people who hazard their lives and safety working on shore, but also those who are affected by the four different levies that we have, dealing with the pipelines, the safety investigation and the major one in terms of the safety cases—will benefit from the fact that there is a new set of arrangements in place.

Part of its newness and uniqueness is also covered by the fact that these bills cover a provision that Labor normally would not support. This is a case where, although people will be employed under the Public Service Act, there are specific provisions to look at what the international market would pay with regard to their work. Their payments will not be regulated by the normal provisions of the Public Service Act; they will be greater than that. They will also not be bound by the normal restrictions in terms of people being able to contest and so on. Why is that the case, and why have Labor said that in this case we will accept this arrangement, while we would not in other cases? It is not just because this bill seeks a full national resolution to these problems, it is because of the specific nature of the problems in the industry. You cannot leave this up to people who are untrained or relatively not very well trained.

As the explanatory memorandum in terms of the levies points out—and I think it is also mentioned in the general background argument—you need very highly skilled people. You need people who are independent of government and industry to have a broad range of capacities and be willing, where necessary, to stand up to industry or the Commonwealth and state governments and say, ‘No, we’re not going to do it.’ You need people who are independent enough, well enough remunerated and comfortable enough in the position they are in to say, if necessary, that production needs to stop in order to fix the occupational health and safety problems that are apparent.

This is a clear example of when an exception needs to be made. The disasters in the North Sea and at Longford indicate that the nature of the industries and the dimensions of the problems when things go wrong demand that kind of approach.

This is a strong, positive, straightforward-looking bill that is in the national interest, in the interest of all those entities involved in the industry and of Australian constituents, whether they are in Blaxland, Kalgoorlie, Braddon or wherever.

In conclusion, I will go to the explanatory memorandum and talk about what this bill does. This bill will empower industry and the work force to: identify and report potential hazards; have a regular singular identity with a common culture and philosophy; assess safety cases, investigate incidents and audit in a consistent fashion. It will be the most cost-effective and,
therefore, efficient option; have actual and perceived independence from political influence and departmental controls in operational matters but also have an appropriate level of accountability to government and the parliament; be funded by the specific levies; attract quality staff, and so on. I commend this bill. It really is a Labor bill in its design and approach. It is a great thing and we support it fully.

Mr HAASE (Kalgoorlie) (10.46 a.m.)—The major function of both the Petroleum (Submerged Lands) Amendment Bill 2003 and the Offshore Petroleum (Safety Levies) Bill 2003 is to establish the National Offshore Petroleum Safety Authority, NOPSA. The drive to develop a single National Offshore Petroleum Safety Authority is a response to the Commonwealth government report on safety on offshore petroleum facilities in Commonwealth and state and Northern Territory waters.

With a dozen major project areas in my Kalgoorlie electorate affected by offshore safety issues, my support for this legislation is understandably keen. The government made the establishment of an offshore safety authority an election commitment in 2001 and agreed to funding of $6.1 million over three years to set it up. The Commonwealth, the states, the Northern Territory, industry and the work force have all recognised the need to address the currently complicated and insufficient regulation of health, safety and environment in the offshore petroleum industry.

Under the government’s arrangements for the authority, the advisory board will provide advice and recommendations directly to the Commonwealth, state and Northern Territory ministers on offshore safety policy and strategic matters and will report on the authority’s performance. Collectively we need to ensure appropriate, efficient and cost-effective regulation if we are to deliver world-class safety practice that will be admired by international project investors such as China. This requires a major effort on the part of all of the stakeholders—governments, industry and the work force.

The Australian offshore industry is strategically important and supplies a large component of Australia’s oil needs. A large proportion of the population also depend on it for their gas supply. Oil and gas provide 54 per cent of Australia’s primary energy consumption and 72 per cent of our final energy consumption. Yet to our detriment, the current safety regulation arrangements for the industry are complicated and inadequate.

The Commonwealth has legislative responsibility and it recognises the need to address this problem. Safety is of paramount importance to safeguard the lives of those working on these projects, to safeguard the enormous investment in infrastructure and equipment for offshore developments and also to protect sensitive environments, such as Barrow Island off Western Australia’s Pilbara coast. The bill does not seek to change the occupational health and safety provisions in any fundamental way but it does seek to further strengthen these arrangements by modifying them to reflect the practical realities of the offshore petroleum industry.

While the likelihood of accidents on these offshore facilities is low, if and when they do occur they can be catastrophic. For example, the 1998 UK Piper Alpha North Sea oil platform was totally destroyed by fire, taking 167 lives and costing the UK economy a reported $6 billion. The Victorian Longford gas plant explosion resulted in two deaths and deprived the Melbourne region of gas for two weeks, leaving the Victorian economy out of pocket to the tune of $2 billion. The Brazilian P36 oil rig sank in March 2001, with the loss of 10 lives and
the destruction of a petroleum facility worth $1 billion, effectively losing five per cent of Brazil’s oil production at that time.

The proposed new authority will regulate offshore petroleum safety in Commonwealth, state and Northern Territory coastal waters through the amendments being made to the Commonwealth Petroleum (Submerged Lands) Act 1967 and through mirror legislation in the states and the Northern Territory. The authority will ultimately deliver a uniform national safety regulation regime for Australia’s offshore petroleum industry, thereby reducing and simplifying the regulatory burden on the industry.

The amendments to schedule 7 of the Commonwealth Petroleum (Submerged Lands) Act and the enactment of mirror provisions in state and Northern Territory legislation will provide for one body of occupational health and safety law to regulate all Australian waters and improve and clarify the duty of care provisions of all concerned in offshore petroleum activity. The amended bill will disapply the state and Northern Territory occupational health and safety legislation and allow the revisions to the act to apply uniformly in Commonwealth waters and state and Northern Territory coastal waters.

The ministerial council approved the establishment of the authority and agreed that the authority’s operations be fully funded on a cost recovery basis by an industry safety fee. A more effective safety regulator will further reduce the probability of incidents, and this itself is a benefit to the companies operating in the industry. It is a reasonable expectation that they contribute the full amount for this service. It is an inescapable fact that there is no need for a safety regulator if we do not have an offshore industry. The cost of safety regulation should be treated no differently from other costs the industry is required to meet. There is a strong case, therefore, for full cost recovery.

The Offshore Petroleum (Safety Levies) 2003 Bill gives effect to the decision of the Commonwealth, states and Northern Territory to fully recover from industry the costs of operating the authority. Both the Petroleum (Submerged Lands) Amendment Bill 2003 and the Offshore Petroleum (Safety Levies) Bill 2003 will provide the authority with the ability to fully recover through industry fees and levies the costs of its operations and activities. The final level and structure of fees and levies will be set by regulations in accordance with the government’s cost recovery policy before the authority commences its operations in 2005.

A key feature of the authority will be robust governance arrangements to ensure the independence, efficiency and effectiveness of the authority’s activities. Under this bill the authority will be a Commonwealth statutory authority. The arrangements that will be put in place will make the chief executive officer directly responsible to the Commonwealth minister and to state and Northern Territory ministers individually and collectively through the Ministerial Council on Mineral and Petroleum Resources.

There will be an expertise based advisory board that will provide advice to the CEO, the Commonwealth minister and the board. The board will also report to the minister on safety matters and the performance of the authority in carrying out its regulatory functions. In addition, the cost recovery arrangements will be formulated to comply with the government’s cost recovery guidelines, and a cost recovery impact statement will be prepared before the fees are set.
The cost recovery impact statement is not required in order to introduce this bill and will be completed prior to the commencement of the authority on 1 January 2005. The cost recovery impact statement, which will detail the exact fees and levies, will be prepared in accordance with the government’s cost recovery policy. There will be consultation with industry through the preparation of the cost recovery impact statement.

There are constitutional restrictions on the kinds of fees for services that can be levied under the Petroleum (Submerged Lands) Amendment Bill itself—essentially only services which the industry requests can be cost recovered under the bill. The majority of the authority’s activities will need to be undertaken at its own instigation rather than at the request of industry, and therefore charges for this activity cannot be categorised as fees for service nor recovered under the Petroleum (Submerged Lands) Amendment Bill. That is why there is an Offshore Petroleum (Safety Levies) Bill—a bill which will enable services provided by the authority to be cost recovered.

The safety case levy is an annual levy which will be payable by all operators of exploration, production and support facilities whilst there is a safety case in force for that facility. The safety case levy will be calculated based on the type of facility and in such a way as to ensure that any one operator’s contribution is proportionate to their level of activity within the offshore petroleum industry. This safety case levy will recover all of the authority’s ordinary regulatory costs in monitoring and enforcing compliance with the safety case and other safety requirements.

As with the safety case levy, an annual pipeline safety management plan levy will recover the costs of monitoring the safety of offshore pipelines. A safety investigation levy will be charged by the authority only in the event of a serious accident or dangerous occurrence at an operator’s facility which requires the authority to conduct an investigation. Through this bill, it is intended that there will be no levy for routine investigations, and levies will apply only once an investigation becomes major, which will be defined in the regulations. This charge is levied separately from the annual safety case fee, in order to avoid a situation where all operators are effectively subsidising the cost of lengthy investigations into incidents involving only one or two of the industry’s operators.

Every three years, starting from 1 January 2005, a review of the effectiveness of the authority will be carried out. Reviews will be conducted in conjunction with any state-Northern Territory review. The bill will make amendments to address the anomaly whereby the Commonwealth is currently required to remit to the states and Northern Territory an equivalent of the GST component of annual fees collected in respect of titles issued under the act. The bill also removes the mechanics of petroleum data submission from the act and places them in new objective based regulations.

The upstream oil and gas industry is extremely important for jobs and regional development in Western Australia, and I strongly support this initiative to improve safety outcomes offshore and to standardise regulation across the offshore petroleum industry. A consistent national approach to offshore safety regulation in Commonwealth, state and Northern Territory waters is essential for the most cost-effective delivery of safety outcomes in the offshore petroleum industry. This legislation will bring an end to the multiple regulatory requirements that have caused difficulties, particularly when companies operate across jurisdictions where regulatory approaches and applicable legislation have differed. This is a particular problem
off Western Australia, as rigs often move between state coastal waters and Commonwealth waters, where extensive petroleum operations lie either side of the boundary between these areas. This is further compounded when a rig moves to another jurisdiction.

It is also important that the regulatory regime for the Australian offshore petroleum industry allows the industry in Australia to keep pace with the rapid technological change in the international petroleum industry. There could be no better example of this than the proposed Gorgon development off the Pilbara coast, where innovative solutions will be needed to overcome the enormous technological challenges of this important development. The Gorgon development at Barrow Island represents the potential for future resource development in Australia. There are several major projects already well established in my electorate. Apart from Barrow Island, there are something like 10 oil fields in the Carnarvon Basin, including Harriet Fields, Buffalo and, of course, the ongoing Woodside North West Shelf project.

The 2002 deal to supply 3.3 million tonnes per annum of LNG to China’s Guangdong province is an important milestone in the trade and diplomatic relationships between Australia and China. This is one of Australia’s largest ever trade deals and is expected to increase exports by $1 billion per year over 25 years, reaping huge benefits in terms of jobs in the industry, jobs in industry related services, investment and revenue. The potential to cement trade alliances and diplomatic exchange with China will no doubt be a feature of the upcoming visit to Australia of Chinese President Hu Jintao. President Hu and other international diplomatic figures like him will be most impressed, I am sure, at Australia’s efforts to provide a greater guarantee of protection for workers and the environment at offshore development sites. We are a world-class trading nation with top-quality resources on offer. To be consistent, we must not be complacent about our safety legislation for these facilities. The future of our oil and gas contracts depends on us offering clear and workable offshore policies—policies which will bode well for the ongoing security and progress of our resources industry.

Speaking of policies, the Minister for Industry, Tourism and Resources, Ian Macfarlane, today announced the funding for much-needed infrastructure, including a seawater supply pipeline, a desalination plant, electricity connection and a contribution towards port services on the Burrup Peninsula. This commitment by the Australian government has already attracted UK based company GTL Resources, which plans to develop a major methanol production project on the Burrup Peninsula. The $A700 million GTL project is expected to produce one million tonnes of methanol a year, with exports of up to $350 million annually. Some 600 jobs are expected to be created during the construction phase, with 85 jobs available when the plant is operational. It will be the good policies of this government that determine the future of the Gorgon gas field. The development of this resource relies on policy and the strength of that policy to reflect our commitment to the resources industry, its employees and the environment.

With a sustainable responsible policy in place, we can protect the industry by alleviating its safety concerns. If we can protect the industry and its workers with a stable framework of legislation, then we can protect further investment in the industry. If we can protect investment in the industry, then we can secure jobs and, at the same time, secure the industry’s commitment to the environment. Only one per cent of the sensitive ecology on Barrow Island will be affected by resource development, and this bill seeks to ensure that all ecologies, all environments and all project locations are treated with responsibility and consideration.
The stakes are high in this industry in terms of investment in people and infrastructure, and this necessarily affects the economy. Since Western Australia contributes roughly a third of the nation’s economic input, safety and environmental concerns in the resources industry are necessarily a national issue. An improved regulatory regime can further encourage exploration and development opportunities in the Kalgoorlie electorate, leading to economic expansion and increased job opportunities for the industry. It is to the credit of all parties that they have come together to achieve this positive result for the offshore petroleum industry and its employees in Australia. I commend these bills to the House.

Mr IAN MACFARLANE (Groom—Minister for Industry, Tourism and Resources) (11.03 a.m.)—in reply—I thank members—including the member for Kalgoorlie, who is a well-known advocate of the resource industry particularly in the seat of Kalgoorlie but of course in all of Australia— for their comments, and I also thank those members of the opposition who have supported the Petroleum (Submerged Lands) Amendment Bill 2003 and the Offshore Petroleum (Safety Levies) Bill 2003. Their contributions to the debate have been both welcome and constructive.

I hope we will now see agreement to these bills which will lead to the establishment of the National Offshore Petroleum Safety Authority, more commonly known as NOPSA. In establishing the authority, these bills will provide increased certainty for a major Australian industry and a consistent safety regulatory regime across all Commonwealth waters and state and Northern Territory coastal waters. The establishment of NOPSA represents a major achievement by the government in responding to the wishes of the offshore petroleum industry and the workforce and will improve offshore petroleum safety regulation.

The specific election promise of 2001 made a commitment to the Australian offshore petroleum industry to deliver a uniform national safety regulatory regime which would improve safety outcomes and reduce the regulatory burden faced by the industry participants. Amendments to the occupational health and safety provisions of the act will improve safety administration on offshore petroleum facilities and pipelines and will reduce risks to the environment. These improvements in the safety of the working environment will provide an obvious benefit to the industry in the form of a greater level of confidence that their safety systems are robust. Operating as a 100 per cent cost recovery enterprise, NOPSA will be funded by the industry.

Operating funds will mainly come from safety case levies, with only the operator concerned required to pay the safety investigation levy in the event of a major accident or incident. This will avoid the situation where others are required to cross-subsidise lengthy and expensive investigations. It will be an independent national agency accountable to the Commonwealth minister and, through him or her, the state and Northern Territory ministers. It will also have an independent advisory board whose function will be to oversee NOPSA’s activities. Because of this, it will be very difficult for the industry to exert undue influence over the authority even though it is the source of the funding.

It is refreshing to see the Commonwealth, the states and the Northern Territory working together to establish an independent national regulatory body, which will operate seamlessly across two levels of government. All too often we have seen different governments operate only in their own narrow interests, so I welcome the agreement of the Ministerial Council on Minerals, Petroleum and Resources to focus on what must be best for the national interest. I
would particularly like to thank the Western Australian Minister for State Development, the Hon. Clive Brown MLA, for the valuable role he undertook as chair of the MCMPR during this important period. Again I congratulate everybody who has contributed to the establishment of this important new statutory authority.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Ordered that the bill be reported to the House without amendment.

OFFSHORE PETROLEUM (SAFETY LEVIES) BILL 2003

Second Reading

Debate resumed from 17 September, on motion by Mr Ian Macfarlane:

That this bill be now read a second time.

Question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment.

FARM HOUSEHOLD SUPPORT AMENDMENT BILL 2003

Second Reading

Debate resumed from 17 September, on motion by Mr Truss:

That this bill be now read a second time.

Mr SIDEBOTTOM (Braddon) (11.09 a.m.)—I am always happy to speak on matters rural—just like you, Mr Deputy Speaker Adams—as, again, just like you, I come from a veritable food bowl, on the north-west coast of Tasmania. It is a beautiful place. We have magnificent fertile soils. I like to say that, if you throw a toenail in the ground, you will grow a foot. It is truly, magnificently fertile. We have a thriving vegetable-growing, processing and merchandising industry. We also have dairying, dairy processing and of course a magnificent beef-growing industry. We have a mild, moderate climate with good rainfall and we have many successful farmers and producers. But the reality is that farming here, like farming throughout Australia, is a highly competitive and highly financially sensitive industry. Farming is a high-cost business—it is a risk industry—and hardships do occur. Some families experience increasing difficulty surviving on the farm. It is an unfortunate fact of life in Australia. It is very important that the Australian community appreciate that, although we benefit from the important produce from farming in our community, we sometimes take it for granted—I do not think we fully appreciate the difficulties that are associated with it.

A number of farming families, as I mentioned, unfortunately do experience financial hardship and they go through very difficult times—indeed, times of genuine need. Some families need assistance in the transition from making the decision that they are unable, for whatever reason, to continue farming to hopefully gaining a meaningful, productive and important employment opportunity elsewhere. So this legislation is about assisting people—assisting families; most notably, farming families. It is to be applauded and supported, and that is what we on this side are happy to do.
The Farm Household Support Amendment Bill 2003 amends the Farm Household Support Act 1992 to extend what has been termed the Farm Help—Supporting Families through Change program to 30 June 2004 and make other administrative changes to the operation of that program. Unlike a number of other programs implemented by this government which appear to be the opposite of what they are named, Farm Help literally is that: it is a help to farming families in need. Farm Help commenced in July 2000 as part of the Agriculture Advancing Australia—AAA—package and was the successor to the Farm Family Restart Scheme. Labor rightly supported the passage of this original assistance legislation, and we continue to do so.

Farm Help provides financial assistance to low-income farm families, who are unable to borrow against their assets, while they consider their future in farming—a very difficult transitional time, which impacts on individual members of the family, the family as a collective and even their own community and, in the long run, the industry itself. Current assistance under the Farm Help program includes: 12 months income support at the same rate as the New-start allowance; financial assistance for business advice—so important and necessary at that time and, of course, we all well know that getting proper financial advice nowadays is difficult but this program assists those families to get this—a re-establishment grant of up to $45,000 and retraining funding for farmers who decide eventually to sell their farm and leave farming. Again this is a very important component to assist those farmers and those families who make that very difficult decision.

The bill gives effect to the 2003-04 budget announcement that the application period for Farm Help would be extended. Under the terms of the bill, the closing date for applications for income support will be extended from 30 November 2003 to 30 June 2004. Income support payments will then be payable until 30 June 2005. Amendments to the Farm Help Re-establishment Grants Scheme 1997 instrument established under the act will extend the closing date for applications for the re-establishment grant to 30 June 2004. Other administrative changes include removing the requirement that farmers obtain a new certificate of inability to obtain finance every six months to remain on the program. Everyone would agree that, prior to that, that was a right regular administrative pain in the neck for the applicants and those administering. Rightly so, this has been dealt with and it will be a lot more efficient and effective and remove that pain.

A certificate will now remain valid for 13 months, as long as a farmer’s application is lodged with Centrelink within one month of receiving the certificate—that makes good sense—effectively covering the full 12 months that income assistance is available under the program. I am sure everyone would welcome that change. Farmers will be required to obtain a certificate of inability to obtain finance from their primary lender. This is intended to ensure the certificate is issued on the basis of the farmer’s current financial circumstances. Again, that is eminently sensible.

All farmers that join the program will be required to prepare an activity plan. Again, that is important; it is part and parcel of this difficult transition period. The activity plan allows those affected to prepare their future and of course gives them important flags by which to measure their decision making and the steps they are going to take in transitioning out of the industry. Existing professional advice and retraining grants will be combined and details of these activities will be specified in the Farm Help Re-establishment Grants Scheme 1997 instrument.
Again, it is very important that this professional advice and these retraining grants be made available, that those people who will benefit from them know about these and that they are professionally delivered and work effectively and efficiently.

According to Minister Truss’s second reading speech, the rationale for the extension of the Farm Help program is the desire to give farmers:

... continued access to Farm Help assistance while the government considers new arrangements in the context of the 2004 budget.

This minister has a record of considering new arrangements and then stopgapping until those new arrangements, finally, do not emerge. That is what happens, and that tends, unfortunately, to be what is associated with this sort of activity. Labor will, of course, continue its support of the scheme and specifically supports the provisions in this bill, as I mentioned earlier. But I have some brief observations and will pose a couple of questions for the minister. I would be very grateful if the minister would tackle some of these questions for me so that I can rest assured that all things are in process and this is not just another stopgap, haphazard advance towards nothing in the future.

It seems to me that the extension of the program points to an obvious failure on the part of the government to make a decision about the future of Farm Help or to develop a successor program. I understand there are a number of Agriculture Advancing Australia programs with a very large question mark over their future, and Farm Help is one of them. We on this side trust the government will get around to determining the future of Farm Help or similar, very important assistance in the near future. Perhaps the minister would enlighten us on his progress with this important matter.

Another observation I want to make concerns the administrative changes proposed in this bill. As I have mentioned, they clearly make sensible changes to the operation of the program. The changes involving the validity of certificates of inability to obtain finance, as mentioned earlier, and the requirement that all farmers complete an activity plan respond directly to the recent Australian National Audit Office performance audit on elements of the Agriculture Advancing Australia package. That report was presented to the House on 12 August this year.

Consistent with the opposition’s enduring and positive commitment to Australia’s rural producers and our demand—rightly—that taxpayers get the best value for their money, I would be very grateful if the minister could update the House on his response to other ANAO Farm Help audit recommendations, including some of the following: developing a performance measure for payment correctness, acting to prevent the duplication of financial support for advisory services to primary producers and developing performance information for industry adjustment. I would also like to seek details of the changes to instruments under the Farm Household Support Act 1992 foreshadowed in the minister’s second reading speech on 17 September 2003. We on this side would also like to seek an assurance from the minister that the proposed amendments will impose no additional costs on the Commonwealth, consistent with the financial impact statement in the explanatory memorandum tabled at the conclusion of the minister’s second reading speech, which I just mentioned.

Finally, I would like to again take the opportunity to support this scheme. It is very important that we assist farming families in transition. It is a difficult time. It is a fact of rural life that farming nowadays is not just a lifestyle; it is a business—a serious and risky business. Those families who unfortunately cannot make a go of it financially and decide to move out...
of farming need our assistance. It is not just a handout. It is an important investment in hard-
working families and individuals who have contributed a great deal to our economy, and we
want them to be able to seamlessly move into other employment and business opportunities
with the assistance of this scheme. So we commend the scheme. I ask the minister to look at
the questions that I proposed in my speech—done in good faith—and I look forward to a posi-
tive response from him.

Mrs ELSON (Forde) (11.24 a.m.)—As part of its ongoing concern for rural Australia, the
Howard government announced in its 2003 federal budget that it would extend its Farm
Help—Supporting Families Through Change program from 30 November 2003 until 30 June
2004. The main purpose of this bill, the Farm Household Support Amendment Bill 2003, is to
amend the Farm Household Support Act 1992 to give effect to that 2003 budget promise. The
bill also introduces a number of administrative changes to enable the Farm Help program to
operate more efficiently in supporting Australian farmers.

Good management and good government mean that, when you initiate a program or a re-
form, you then monitor its performance so that, if necessary, you can make adjustments to
ensure that it is achieving the desired outcomes. Because the Howard government is about
good government, that is what these amendments are all about. The changes in this bill have
emanated not only from the ongoing performance monitoring of the Farm Help program but
also from the performance audit of key Agriculture Advancing Australia programs undertaken
by the Australian National Audit Office in 2002 and 2003. We initiated a program, we have
monitored its performance and now, with this bill, we are finetuning it.

The government recognises that our rural communities and our farming communities are
vital to the economic and social wellbeing of Australia. This recognition meant that the Farm
Help program became a part of the government’s $800 million Agriculture Advancing Austra-
lia program. Its aim is to provide assistance for low-income farming families who are no
longer able to borrow against their assets to run their farm or to simply feed their families and
survive.

These farmers must already be very stressed, and my heart goes out to them. Most have
worked hard and have no income, capital or borrowing capacity with which to continue. Some
have made mistakes or wrong decisions, but the majority have failed as a result of long-term
problems over which they have little control—problems such as prolonged drought or
changed commodity markets—which can go beyond a season or a year and can eventually
erode all of their family’s capital and borrowing resources. But we are not looking at the
causes here; we are looking at helping people to get back on their feet. Farmers are the back-
bone of our great nation, and as a government we must lend assistance and support wherever
possible.

A great thing about the Farm Help program is that it does not apply pressure on participants
either to stay or to leave their land. Hasty decisions made under pressure when you are al-
ready stressed are not necessarily the best in the long term—they are often regretted. This
program provides support and assistance to the family while members consider their future. It
assists them in obtaining professional advice so that they can make informed decisions on
opinions for their future. It assists them in ascertaining whether or not they could make their
farm viable again, but it does not push these participants either to stay on the farm or to sell it.
The Farm Help program simply helps and encourages farmers to work towards improving their family’s financial situation. It helps them to help themselves.

Improving the family’s financial situation could mean improving the farm’s financial performance, it could mean obtaining additional off-farm income or it could mean re-establishing themselves outside of the farm altogether. So there are three basic options for the farmers to make—that is, making changes to the farm so that it is viable; one or more family members finding work in outside employment to help support the running of the farm; or, the last one, selling the farm. The assistance provided through Farm Help is flexible enough to cater for different circumstances, to meet the needs of individual farming families and to help those families make an important decision and then help them along the way on the path that they decide to take.

So what exactly is the government currently providing to eligible farmers under the Farm Help program? There is income support at the same rate as the Newstart allowance—the participant does not have to look for work to qualify but must, within three months, seek professional advice on the financial viability of their farm; up to $3,300 to obtain professional advice, which can include business management, legal, agricultural, personal and career advice; and, with assistance from the Centrelink Farm Help officer, the development of a pathways program to identify options and decide the best path for their future, whether it be on or off the farm.

A re-establishment grant of up to $45,000 is also available if the farm is then sold. This grant is subject to an asset test and certain conditions. For those who receive the re-establishment grant, a further grant of $3,500 for training is also then available to help prepare for a new career off that farm. Training or retraining play an important role in this key feature of the bill. Item 1 renames the Farm Help Advice Scheme to include the word ‘training’, so it becomes the Farm Help Advice and Training Scheme. This will mean the amalgamation of the existing professional advice grants and the retraining grants, both of which I have just mentioned and both of which are key components of the existing Farm Help assistance.

Currently professional advice grants are available to all income support recipients; however, retraining grants are only available to those who are eligible to receive the re-establishment grant, which means they must have sold their farms. Combining the two quite separate grants into a single one means that all farmers on the program will have access to the training package. All participants will have access to not just professional advice but also training assistance. I believe that this is an important addition to the Farm Help package.

The bill extends the closing date for applications for income support from 30 November 2003 until 30 June 2004, with payments then being made until 30 June 2005. The application date for re-establishment grants is also extended until 30 June 2004. As the minister said in his second reading speech:

The extension will allow farmers to have continued access to the Farm Help program while the government considers any new arrangements in the context of the 2004 budget. Participants are given some security, knowing there is continuity. As I have already mentioned, one of the key aims of the Farm Help program is to help farmers be better informed when deciding their future. To this end, all farmers who join the program are required to arrange viability assessments for their farm business within three months of joining. This means that they then have an independent appraisal of their farm’s financial situation. Currently, if a
farm business is assessed as being nonviable, the farmer is required to take further steps. One of those steps is to develop an activity plan, identifying future options best suited to that particular family. The purpose of this activity plan is to set out what actions are required to improve the farm’s financial viability, either by obtaining alternative income or by assessing the family’s re-establishment off the farm. It is a good tool, but currently it is only compulsory when the farm has been assessed as nonviable.

This bill broadens the requirements to develop an activity plan. All Farm Help applicants will be required to develop and to act on an activity plan, regardless of their farm’s viability. The benefit of this is that all farmers on the program will be better placed to identify strategies and actions that they can undertake now to improve their prospects for the future. It also opens doors for them to access the professional advice and training assistance available under this program. But more than that, as well as ensuring farmers are better informed about their positions, their options and the availability of professional advice and training, the activity plan process reinforces the need for farmers themselves to take action to improve their prospects. The problem is that, when you are worried and fearful, sometimes it can be hard to see a path—let alone find the right one. The activity plan is like a map that helps to find and follow that path to financial viability.

The aim of Farm Help is to assist low-income farmers who are no longer able to borrow against their assets and I believe it is only fair that, when distributing taxpayers’ money, applicants be asked in some way to verify that they meet the criteria. Currently applicants verify their inability to raise finance by obtaining a certificate from a bank or other financial institution, and they then must provide a new certificate every six months to remain on the program. This bill aims to streamline that process by removing the necessity for applicants to every six months renew the certificate of inability to obtain finance and instead have them provide a certificate and lodge it with Centrelink within one month of issue that will then remain valid for 13 months. This means that the certificate then covers the full 12 months that the income assistance package is available to them. However, to ensure the integrity of the program, the certificate will need to be issued not just by any financial institution but by the farmer’s primary lender—and that is the institution providing the bulk of the borrowings for that farm. Also it must be based on the farmer’s current financial circumstances.

The Farm Help program commenced as the Farm Family Restart Scheme in December 1997. Up until 30 June this year, over 8,100 farmers had received income support, nearly 1,000 had received re-establishment grants and 7,000 farmers had taken advantage of professional advice sessions. This program is not aimed at all farmers; it is particularly aimed at low-income farmers who have no further borrowing capacity. The Farm Help program and the amendments in this bill are aimed at helping them to help themselves to again become financially viable and independent, whether it be on or off that farm. The program is flexible enough to cater for individual families and individual circumstances. It is aimed at helping farmers analyse their situation with professional help, make informed decisions on their future and then assist them to draw up a plan and take the necessary steps to achieve financial viability.

Farm Help is a worthwhile and practical program. It recognises that there are some problems particular to farming communities and tries to address them, instead of throwing farmers onto some unemployment scrap heap. It helps participating farmers help themselves up and
out of their current difficulties. It allows them to retain their dignity and their self-esteem while regaining their financial viability and independence.

I want to acknowledge the farmers in my electorate of Forde. They have had an extremely difficult few years. The drought has hit them hard, and it is only now that we are enjoying some rainfall. The past five years have been a battle. I admire their resilience, their courage and their positive outlook during this time and their ability to always bounce back. The Farm Help package lets them know that they are not alone in their fight to survive. I commend this bill to the House and acknowledge the support of the opposition for this bill.

Mr BRUCE SCOTT (Maranoa) (11.35 a.m.)—I rise in the Main Committee today to speak on the Farm Household Support Amendment Bill 2003. This bill seeks to extend the elements of assistance offered by this government to farmers who are in severe financial difficulties. Currently, the closing date for application for Farm Help income support is 30 November this year. However, the government would like to extend that deadline to 30 June 2004.

As outlined in the bill’s explanatory memorandum, the Farm Help—Supporting Families Through Change assistance is available to low-income farm families who can no longer borrow further against their assets whilst they consider their future. Farm Help encourages these farmers to work towards improving their farm’s financial situation through a combination of measures, whether by improving their farm’s financial performance, obtaining off farm income or re-establishing themselves outside of farming. In his second reading speech the Minister for Agriculture, Fisheries and Forestry said that the proposed Farm Help extension will allow farmers to have continued access to the Farm Help program while the government considers any new arrangements in the context of the budget for 2004.

Under this bill, the documentation required before farmers can receive Farm Help will be streamlined by removing the requirement for farmers to obtain a new certificate of inability to obtain finance every six months to remain under the program. Certainly, that is a very sensible move, which I know is going to be welcomed by many farmers and by people trying to help farmers in these financially difficult times.

The National and Liberal coalition government understands the plight of our agricultural producers. That is why the government initiated the Agriculture Advancing Australia package, which incorporates a number of Commonwealth programs—including the Farm Help program, which was designed to assist producers when the going gets tough. Certainly, it has got tough for many of our farmers, whether through commodity price collapses, the impact of corrupt world markets—and let me state that there is no level playing field on the international markets—or the exceptional drought. These things so often impact on our primary producers because they are at the end of the line, the end of the food chain, in many ways. When it comes to prices, they are price takers rather than price makers. Certainly, things are getting very tough for many of our farmers.

Since 1997 more than $800 million in federal funding has been committed to the Agriculture Advancing Australia programs. For the purposes of the debate and the Hansard record, I would like to mention the latest figures, to 31 August this year. Those figures show that some 695 people are currently being assisted under Farm Help, with Queensland the state having the third-highest number of farmers to receive help. Since December 1997 some 980 people have received re-establishment grants, and I think that underpins what I have been saying.
The going gets tough out there and is exacerbated by drought. The impact of corrupt world markets—the fact that there is not a level playing field—comes back and rests very squarely on our farmers. Farmers have had to make some very difficult decisions, and a measure of those decisions is in the assistance being provided: some 980 farmers have been helped since this program was brought in in 1997.

In fact, since 1997 we have spent some $37.6 million in Queensland on assisting farmers under this program and some $132.5 million nationally so far on Farm Help income, re-establishment grants, advice and retraining programs. I would like to add that this money is being made available because we understand the needs of our farming communities. We know we have to help them. We know as a government that it is important when structural adjustment occurs to be there with a compassionate heart and a hand to help these families through these difficult situations. I want to talk a little bit later about the impact this has on the region generally.

I note and commend the announcement by our Treasurer very recently that our federal budget for this year recorded an underlying cash surplus of $7.5 billion in the 2002-03 final budget outcome. That is certainly great news for the economy. The surplus was some $3.6 billion over and above the original amount that we estimated at the time of our 2003-04 budget. Whilst this is good news, I guess we have got to now look to the future, and in the time I have this morning I want to look at some options. I believe we have to address some of the more structural issues that are occurring in many of our farming communities.

As a coalition government we have our budget in surplus, we have our budget in order, we are managing the economy but, as the federal member for Maranoa, I think we have got an opportunity and an obligation to address the broader issue that is confronting people in the towns in my electorate and, I know, in the western region of the electorate of the member for Parkes, who is with me here today. The issue affects not only the people on the land but the people in the towns—the businesses—and the way that structural adjustment is impacting on our grazing regions, if I can separate them from our farming regions. There is a regional separation there. In much of our grazing lands, as I would refer to them, in the western lands of New South Wales and Queensland there are limited options to change enterprises. Some of our farming communities can move from livestock production to grain production and there are other options, but much of our grazing lands are limited to either sheep or cattle, and of course there has been a structural adjustment in the sheep and wool industry and that has been exacerbated by this exceptional drought.

Since 1990, with the collapse of the reserve price scheme for wool, we have seen a significant shift out of sheep and wool production into other economic uses for the land. The member for Parkes may correct me here, but I think we have almost seen a halving of our national sheep flock. This has had a tremendous and devastating impact on many of those country towns. In so many of the country towns in those grazing regions their economy was underpinned by the wealth that came from the wool industry. The shearsers and the shed hands lived in the towns. They worked on the properties during the week, but the money came back into the towns. They had their families there. Their children went to school there. So you needed teachers and store workers. The money that was spent by the shearsers themselves and by their families generated jobs in these towns.
I want to highlight what I am saying in relation to that by giving the example of the town of Blackall, a town renowned for its wool industry over more than a century. Not only because of the structural adjustment that has occurred but because of the exceptional drought and the impact that is having on the community, the mayor recently said that the Blackall Shire alone would normally have sent out, in an average year, in the past some 22,000 bales of wool, and this year they estimate that it will be fewer than 5,000 bales. That is a measure of what has happened in commodity output. But what he is not talking about here is the fact that the shearsers are not in the town and they are not out at the shearing sheds—nor are the roustabouts, the wool classers, the shed hands and those workers who drive the trucks that go out and bring the wool back into town and load it onto rail or larger trucks to take it to our capital cities for export. We have lost that income, that revenue, and the multiplier effect that it would have on the town of Blackall.

That scenario is repeated over and over in my electorate, in towns like Cunnamulla. Local producers were estimating with me the other day that some three and a half to four million dollars in the last 12 months has been lost from shearers’ wages in the community just because of drought. The shearsers have had to go to other towns and seek other jobs. They have taken their families with them. Going back to Blackall, in the last 12 months—in fact since the start of this school year—the school has lost 70 students: 230 kids started school in Blackall this year and 70 have gone. They are the children of those workers who would normally have worked in the shearing and wool industry or who may have been teachers or involved as shop assistants in the towns. That revenue has gone, and that is an issue that we as the government must address.

Those figures tell us a story and they paint a crude picture, perhaps: 70 children out of 230 have gone because their families have gone. One-third of the children that started at the school this year are no longer in the town, a town of approximately 1,500 people which, 20 years ago, was a town of 3,000 people. It gives you a measure, albeit a crude one, of the haemorrhaging that is occurring in many of our western grazing community towns which, for more than a century, built their wealth around the great sheep and wool industry. Through structural adjustment and the economic use of land, graziers, farmers and land-holders have moved into other enterprises.

As a government we need to consider the report that was commissioned by this government and see whether we can use it as the basis for some trials and pilot programs in the western region of my electorate. I am sure it would apply equally to the electorate of the member for Parkes. It is called *Regional business: a plan for action*. I seek leave to table this document.

Leave granted.

Mr BRUCE SCOTT—I thank the opposition for granting leave. This report is in response to what we said as a government prior to the last federal election, that is, we would be doing a business analysis of a range of suggestions that had come from the community; farming bodies; the New South Wales Farmers Federation, an organisation that the member for Parkes used to lead; the National Farmers Federation; and the Institute of Chartered Accountants—in fact, some businesses in my electorate had put up the proposition that what we need to do in these areas is establish enterprise zones.
We said we would do a business analysis of all those suggestions and, as a result of that, this document, *Regional business: a plan for action*, was given to the government some two or three months ago. It is about how we focus on these communities, how we know that there will be continual adjustment and how we can support those communities to grow as they go through structural adjustment and, of course, grow in a sustainable way. One of the comments I would like to repeat is something that the chairman of the committee, John Keniry, said in a letter to the Deputy Prime Minister:

There has been enough talk—regional Australians need action now.

I could not agree more. There has been enough talk. Regional Australia needs action now and I believe this report is a wonderful start.

The regional economic development framework goes through a range of options. It comments on programs overseas, in Canada. It looks at business, government and people, because they are all important. It addresses the anomalies in our current zone tax rebate scheme by suggesting the removal of the eligibility for the rebate from those people who are employed under a fly in, fly out arrangement. It also describes the areas that it should apply to as being remote or very remote—as classed by the Australian Bureau of Statistics.

There are some wonderful initiatives that are proposed in the plan for action and I will be asking our government and ministers to look at this. I will be seeking to have some of these initiatives trialled in this grazing region, which does need our support in looking to the future. Our regional communities and the people of regional Australia are very resilient and they will rebuild. They are showing tremendous initiative right now as we speak, even against the background of what I have said today. They are not going to give up; they are not quitters.

I often talk about the example of Longreach and its great community leadership and how some 20-odd years ago—against fierce opposition, I might say, from many—they had the vision to look at how regional tourism could bring greater economic wealth to the community and broaden their economic base. That vision ended up as the Stockman’s Hall of Fame, which has become like a magnet in attracting people to western Queensland. It builds on the heritage of the pioneers and displays this for visitors from all around the world. It has more than doubled the economic base of the community. Together with their own fundraising, they received financial assistance with the establishment of the hall of fame. They have recently had another $3 million from Commonwealth and state governments to refurbish the displays they have there.

Winton in western Queensland is another example. It is building on the fact that Winton is the home of *Waltzing Matilda*. I am sure there will be a few people over the next few weeks learning the words and making sure they are well up to date with the verses of *Waltzing Matilda*. Once again this is a great Australian heritage, which the people of Winton have used to their advantage and which has expanded their economic base. I know that the Workers Heritage Centre in Barcaldine is an icon for the Labor Party. Some $25 million was given to establish the Workers Heritage Centre, which is important to the history of our whole nation and is a tourist attraction.

These are just some of the ways that some of the people in our western communities have built tourist attractions around the wool and the beef cattle industries to grow their economies,
to diversify the base of their economies. They are not quitters. They are not going to walk away from hardship. But they are going to need some assistance from us.

There has to be a cooperative approach between Commonwealth and state and local governments and we will need good local leadership. I commend *Regional Business: A Plan for Action* to any member who has an interest in doing something for our regional communities. Members should read it because it is a good document. It will form the basis for some pilot programs and will positively address some issues that have been long left for the communities to deal with. We can make sure that, while they will go through structural adjustments and droughts, in the future they will be able to have a stronger local economy, better able to resist the forces of international commodity prices and of the droughts that will inevitably come.

I commend this to the House and to members of the committee. I certainly will be doing my bit and I am sure the member for Parkes will be doing his bit, as I hope we can get bipartisan support to do something for our rural grazing communities in western Queensland and New South Wales.

**Mr John Cobb**—Make it rain!

**Mr BRUCE SCOTT**—One thing we cannot do is make it rain. Maybe we can pray for it, but we cannot make it rain. But in the interests of all Australians we all should have at heart the heritage of Australia: the bush, the outback, *Waltzing Matilda*. It is part of our nation’s heritage. We cannot neglect it and we cannot neglect the people who want to remain there. I am calling on our own government, state governments and local governments to get in behind this report and see if we cannot get it to work to the benefit of these communities and ultimately all Australia.

**Mr JOHN COBB** (Parkes) (11.54 a.m.)—I have a great deal of knowledge of a lot of the things that the member for Maranoa just spoke about, and in a lot of ways we have very similar electorates. I know his electorate well—I was a jackaroo and an overseer in that area for some years. It is great country with great people.

**Mr Bruce Scott**—Whereabouts?

**Mr JOHN COBB**—I spent time around Blackall and Malvern, and the Gidgee and Mulga countries. The Farm Household Support Amendment Bill 2003 will make sure that people, who mostly through no fault of their own have fallen through the cracks, will have the opportunity to address their circumstances—whether they relate to training or to other concerns. It is an opportunity for them to keep body and soul together—or, more properly, to keep their family together—while they reassess what is happening to them and determine whether they need to exit the industry or just have breathing space and some help in looking at what is going on in their lives.

As the member for Maranoa mentioned, this is very diverse country. My electorate of Parkes makes up about a third of New South Wales. It is only half the size of Maranoa, but they are adjoining electorates and have a great deal in common. In agricultural and mining terms, we have the most diverse farming circumstances that you would ever see. Where the electorates join each other—around Camerons Corner—you could have sheep being run at 30 to 40 acres per sheep. Around Forbes and Narromine there are very intensive irrigation and farming techniques. When you are in an area like that—and this happens all around Australia—there are circumstances beyond your control. In south-western Queensland and western

MAIN COMMITTEE
New South Wales in the last decade we have had three major droughts. So what you would not normally see in 30 years we have seen in 10 years.

You get commodity downturns, such as the wool industry has had; and we have just heard the member for Maranoa articulate very correctly what that has done to some of our western towns. You also get floods such as we had in 2000. There is incredible community upheaval, and we must ensure—as this bill simply seeks to do—that we cover the cracks and not allow people who, through no fault of their own, are set up to fall by the wayside. That does not just hurt them; it hurts the whole community in which they live and affects the productive capacity of this country enormously.

This bill establishes a safety net. It gives 12 months breathing space for farmers to reassess their assets and plan for their futures. It provides 12 months in which they can have income support, paid as though it were Newstart, and up to $3,300 to obtain additional advice on whether or not they have a viable future and can keep body and soul and farm together. It provides career counselling if necessary. Those assessed as not viable have to develop an activity plan to maintain the 12 months of Newstart allowance and return their farm to a viable position or seek alternative employment. This bill also provides for a re-establishment grant of up to $45,000 should they choose to exit and they incur an enormous financial loss in doing so.

A retraining grant of $3,500 is available for farmers and/or their partners to help develop a career off the farm, and I have to say at this point that sometimes that is the best option. There is nothing worse than somebody hanging on to a farm simply because they believe they have to. The best thing about the Newstart system is that it gives people that opportunity to seek counselling if their future is not bright. Mostly I find that, when people have taken this opportunity to receive Newstart allowance and the re-establishment grant, within six or 12 months they are different people and far happier. That responsibility which has weighed so heavily on them and their families causes enormous psychological problems. When it is time to go it is better for people to take that opportunity than to simply hang on and have no chance for a fresh start at all. There is an enormous effect on the whole family—not just the mother and father—and I think one of the greatest things about this is that it gives people that breathing space of an opportunity to assess their future.

As I said, this is a scheme that is designed to help restructuring and to help individuals—those who need help in one sense or another. Financial hardship is a desperately lonely experience for people, especially farming people. It is no fun for anyone, but it is worse for people stuck out there on their own. It is a very high capital input situation. They have lost their ability to reinvest in their asset and, in the more remote parts of electorates like Parkes or Maranoa, as the member for Maranoa said, they could have children away and they are worried about that—they cannot afford to keep them there. They are looking at repossession of assets. When you are out on your own in the bush, life can be very lonely. While that may be a choice in the first place, when the finances are gone, when you are looking at that big brick wall in front of you with no way over it, the psychological aspect of this is not funny.

When you look at an area like the electorate of Parkes, which takes in a third of New South Wales, any number of instances can have an effect on it. Take the area south of Broken Hill: I have just mentioned that we have had three major droughts in a decade—normally you would expect that to be a 30- or 50-year sequence but in recent times it has not been. There is an area
south of Broken Hill that did not get out of drought until recently—after eight years of drought. That does lead to enormous family, financial and business problems. As I said before, in an electorate as diverse and different as mine there could be floods at one end and famine at the other.

Farm Help extends a hand to these people. It gives them a breathing space and an opportunity to try to sort out the future knowing that their family can still exist while they do so. This bill is simply extending the life of that very successful scheme. It honours the government’s 2003 budget commitment to extend the application date for the Farm Help program until 30 June 2004. The closing date for application for income support is extended from 30 November 2003 to 30 June 2004, with income support payments being made up to 30 June 2005. The amendment to the Farm Help Re-establishment Grants Scheme 1997 instrument will extend the closing date for applications until 30 June 2004. That gives the government a chance to assess what new arrangements it will make for Farm Help for the 2004 budget. This is streamlining a successful program. The bill proposes to change the requirement for application to provide a certificate of inability to obtain finance so that only one certificate is needed from the primary lender rather than certificates from everybody to whom money is owed.

I have to commend the ANAO for recommending that amendments be made to the legislation to make it easier to comply with. It is good to see that happen. It has made it less complicated, and so it should be. That is particularly important at a time like this, having come out of one of the most horrific droughts—especially for south-west Queensland and western New South Wales—that I have seen in my lifetime. I have seen some bad ones but this is up with them all. I am not into saying which is the worst—I will leave that to historians—but there are not any good ones. What we are really looking at now is the fact that the financial drought is far from over. I do not know anyone who has made money yet. In a lot of places—not all places but a lot—the physical drought might be over but the financial drought is far from over. It is now, as perhaps people start to reassess, that Farm Help and re-establishment become more of an issue than they were prior to the drought. Certainly there will be some fall-out—unfortunately and very sadly there will be people who will fall through the system—and probably re-establishment will involve a lot of work or some work over the next few months and years, as is always involved after a major shake-up in any industry, whether it be due to climate or commodity factors.

I commend this bill to the House. It simply continues those things that have worked in the past and makes a few changes to ensure that, where possible, things can be streamlined. Western New South Wales has one heck of a lot to look at at the moment. People might have some feed now, when they have not had a skerrick for two or three years, but they have an enormous problem: where do they find the finance to restock? Because of the duration of this drought, some of them have lost their equipment, and they have to look at how to finance getting back into farming. It is an enormous decision time for a lot of people. At this point in time, I would say to those whose job it is to advise people on how to cope with situations like this that they should be honest with them. We should publicise to everybody the things that are available, and we should not simply say to people, ‘Stay there because you have always been there.’ People must look at what is best for their lives in the future. That is what this bill is about: giving people a chance to see where they will be best placed in their lives from here on in.
Mr TRUSS (Wide Bay—Minister for Agriculture, Fisheries and Forestry) (12.06 p.m.)—in reply—I thank members who have made a contribution to the debate on the Farm Household Support Amendment Bill 2003, which extends the Farm Household Support Scheme, honouring a budget commitment, and makes a few other minor changes to the legislation. As the member for Parkes has pointed out, this scheme is providing very valuable assistance, particularly to farmers who are asking questions about whether they have a future in agriculture. It gives them some time to make some decisions and also the potential for some practical help if they do make the decision that they need to pursue a different career. I was interested to hear the member for Parkes’s comments about how well people have responded to the scheme, which has given them the opportunity for a new start in life.

The scheme has now provided benefits to a significant number of Australian farmers. There are currently around 695 farmers receiving income support. Between 1997 and 2003, 980 establishment grants have been paid to people who have chosen to leave agriculture. This $45,000 tax-free payment is a very helpful start for people who need to begin a new career because their opportunities in agriculture have come to an end.

I thank the opposition for their support for this legislation. The honourable member for Braddon asked a number of questions in his contribution. In particular, he asked about the future of the AAA program. The AAA program is due to expire on 30 June 2004, and its future will obviously have to be considered in the context of the next federal budget deliberations. The program was for four years, and it followed on from an earlier four-year program. It has run its cycle, and a lot of work is currently being done in consultation with industry as to what sort of program should be put in place to succeed the AAA package.

Many of the programs in the AAA package have delivered very worthwhile outcomes, and so there is some reasonable expectation that they will be continued. But it is appropriate that all government programs be subject to review on a periodic basis, and that is what is happening in relation to the AAA program at this time. In response to the member for Braddon, I encourage him to wait until the budget, when all will be revealed about the future of the AAA programs. However, the legislation before us today is a demonstration of the government’s commitment to the AAA program. Had we not introduced this legislation now, the AAA package would effectively have had to wind down now because no future expenditure would have been provided for after mid-2004. So this legislation throws out a bit of a hint that certain programs are likely to be continued after the review of the AAA package.

The member for Braddon also asked for details about responses to the ANAO recommendations in relation to Farm Help—and this legislation is, in part, a response to that ANAO report. Some of its recommendations are in fact taken up in this legislation. The department is working with Centrelink to develop a number of the other performance measures which were recognised as important under ANAO, and other elements of it are amongst the issues being considered in the AAA package that will be part of the considerations for the next federal budget. He also asked whether this legislation would incur any extra costs, and I am not quite sure what the intention of that question was because it is self-evident that by making the Farm Help program available to more farmers it will obviously cost more money and that is clearly intended. But the costs et cetera are outlined in the financial impact statement, and I am not aware of any other issues that might give rise to the member’s question.
The bill itself amends the Farm Help—Supporting Families Through Change program contained in the Farm Household Support Amendment Bill 2003 and reflects the government’s commitment to the development of self-reliant, competitive and sustainable rural industries. The Farm Help program provides a proven, effective safety net for farm families facing severe financial difficulties.

The amendment bill provides for enhancements to the program. These enhancements include extending the Farm Help income support application deadline to 30 June 2004 from the current deadline of 30 November 2003. It also introduces a 13-month validity period for the certificate of inability to obtain finance. That will be welcomed by farmers, who will no longer have to obtain repeat certificates. There is also a requirement that the certificate be provided by the farmer’s primary lender to ensure that there is not a requirement to get multiple certificates but, more importantly, that the certificate that is provided gives a genuine reflection of the financial circumstances of the farmer concerned.

There is also the requirement for the program recipients to develop an activity plan; some have done so in the past. But this bill will require that all recipients develop that kind of activity plan—and that is consistent with other programs of this nature that are provided by the government. There is also the provision now of a single advice and training grant, which will enable all recipients to access some training assistance. That extra flexibility will also be welcomed by the participants. There will also be a requirement to amend the Farm Household Support Act 1992 disallowable instruments to provide for the enhancements to the Farm Help program, and the honourable member for Braddon raised that issue. These instruments will be dealt with in the normal way and will be subject to the usual degree of parliamentary scrutiny.

The enhancements to the Farm Help program will commence upon the Farm Household Support Amendment Bill 2003 receiving royal assent. I hope the speedy passage of the legislation through this committee and then hopefully also through the other place will lead to there being no interruption to the availability of this very valuable program for Australian farmers. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Ordered that the bill be reported to the House without amendment.

TELECOMMUNICATIONS INTERCEPTION AND OTHER LEGISLATION AMENDMENT BILL 2003

Second Reading

Debate resumed from 18 September, on motion by Mr Williams:

That this bill be now read a second time.

Mr McCLELLAND (Barton) (12.14 p.m.)—The Telecommunications Interception and Other Legislation Amendment Bill 2003 is supported by the opposition. It makes a contribution both to the fight against terrorism and a number of areas concerning law and order. The first such area is to ensure that the Western Australian Corruption and Crime Commission and the Parliamentary Inspector, who will oversee it, have appropriate investigative powers conferred by Commonwealth laws. The bill amends the Telecommunications Interception Act 1979 to make the new commission and parliamentary inspector eligible authorities for the
purposes of that act. This will enable them to receive telecommunications interception products relevant to their functions.

In addition, the commission will be able to be declared an intercepting agency, enabling it to obtain executive telecommunications interception warrants in its own right. This latter process may be initiated by a request from the Premier of Western Australia and would require the Commonwealth Attorney-General—who I note is in the Main Committee—to be satisfied that the new commission meets the appropriate record-keeping requirements and accountability measures.

The bill also amends the Financial Transaction Reports Act 1988 to make the commission a law enforcement agency for the purposes of that act, which will give it access to financial transaction reports information. In addition, the bill amends the Crimes Act 1914 to make the commission a participating agency for the purposes of the assumed identities scheme under part 1AC of that act, which will enable the commission to acquire and use evidence of an assumed identity. By way of background, in May of this year the Gallop government introduced legislation into the Western Australian parliament to establish a new and better-resourced Corruption and Crime Commission to replace the existing Anti-Corruption Commission. That legislation passed the parliament and was assented to in July.

The creation of the new body implements a recommendation of royal commissioner Geoffrey Kennedy, who was tasked to investigate police corruption. In his interim report, delivered in December 2002, the royal commissioner said that it had been possible at an early stage:

… to conclude that the identifiable flaws in the structure and power of the ACC—
the Anti-Corruption Commission—

have brought about such a lack of public confidence in the current processes for the investigation of corrupt and criminal conduct that the establishment of a new permanent body is necessary.

The commission’s three main roles will be to investigate police corruption, to investigate public sector corruption and to play a role in the investigation by the police of organised crime. The amendments made in this bill will ensure that the new commission has all the powers of the outgoing Anti-Corruption Commission to tackle corruption and organised crime in that state. An important feature of the new commission is the enhanced accountability mechanisms, including a parliamentary inspector of the Corruption and Crime Commission, which can investigate allegations of misconduct against the commission. This bill will enhance the investigative powers of the inspector by enabling it to receive telecommunications interception product.

While no legislation that enhances law enforcement capacities is ever without controversy, may I congratulate the Gallop government and, in particular, the Attorney-General, the Hon. Jim McGinty, on the establishment of this new crime and corruption-fighting body. I acknowledge the cooperation of the Commonwealth government in ensuring that it has all the investigative powers of its predecessor.

The second main purpose of this bill is to amend the Telecommunications (Interception) Act 1979 to enable telecommunications interception warrants to be sought in the course of investigating slavery, sexual servitude, deceptive recruiting and aggravated people-smuggling offences contained in division 270 and section 73.2 of the Criminal Code. Again, some background is useful in understanding these amendments. In 1999, this parliament passed the
Criminal Code Amendment (Slavery and Sexual Servitude) Act to introduce the offences of slavery, sexual servitude and deceptive recruiting into Commonwealth criminal law. Furthermore, last year the parliament enacted the Crimes Legislation Amendment (People Smuggling, Firearms Trafficking and Other Measures) Act to create a new offence of aggravated people-smuggling. One aggravating factor in that legislation is exploitation, which includes conduct that forces the victim to enter into slavery or sexual servitude. This followed growing concern about the trafficking of women and children into Australia to work against their will in the sex industry. Regrettably, however, until this year there has not been a single prosecution under these offences.

It is commonsense, we submit, though not the whole story, that many victims of this evil trade will be afraid to speak out for fear of retribution against them or their loved ones. It is to be hoped that the capacity of law enforcement authorities to use telecommunications interception to investigate these offences will lead to greater success in bringing to justice those responsible for inflicting untold harm and misery on these women and children.

Equally, though, it must be acknowledged that there has been a lack of focus, we believe, on the part of the government until recently in combating this deplorable trade effectively. In particular, there have been grave concerns this year that the government appeared to be more intent on deporting women found to be caught up in the trade than on seeking to bring to justice those responsible for exploiting those women. We note that it is instructive to look at some of the statements in respect of these issues. For example, as far back as 12 December 1997 the then Minister for Justice, Senator Vanstone, when developing the legislation, said: Australia has been identified as a significant destination for the international trade in women and girls—implying they were underage, we believe—for the purpose of sexual exploitation.

Similarly, on 1 July 1998 the then Attorney-General, the member for Tangney, when introducing the Criminal Code Amendment (Slavery and Sexual Servitude) Bill, said: Intelligence from Australian and overseas sources confirms that the problem is a significant one for Australia. In August last year the AFP reported that, in the previous 18 months, it had received information of 14 possible cases in this country. The NCA also reported that it was aware of eight possible cases over the period from December 1992 to November 1996. The NCA cases involve 25 women, one of whom was allegedly a 13-year-old girl brought to this country from Thailand to work as a prostitute to repay her father’s debt.

Unfortunately, the strength of those comments was not appropriately acknowledged, we believe, until recently. However, thankfully, after sustained pressure by members of the parliament and the media, including the raising of the tragic case of Puangthong Simaplee, a number of charges have been brought under these Commonwealth laws. We do acknowledge that fact and indicate our support for the actions of the government—or, more specifically, law enforcement authorities—in trying to penalise those who are involved in this insidious trade and exploitation. As I have said, we hope that the amendments made by this bill will assist with the investigations and will hopefully lead to more charges being laid against those masterminding this evil trade.

In conclusion, it has always been important to bear in mind that the powers involved in this bill are intrusive and, to a large extent, extraordinary, and we must always approach proposals of this kind with a determination to ensure effective law enforcement, to protect review
mechanisms and to protect the privacy of Australians. That is fundamentally the approach of the Labor Party in this entire area of criminal law enforcement and, indeed, the fight against terrorism. Yes, flexible executive powers, law enforcement powers, are necessary. They must be given, but there must be, equally, effective review mechanisms and oversight mechanisms in place. Unless you get that balance right, the community—simply from a long-term perspective—will not accept greater powers being given to the executive arm of government.

I think it was Justice Dixon who said, in the Communist Party dissolution case, that the greatest intrusions on the liberty of subjects inevitably come from the executive itself. So in that sense it is imperative that we support legislation that strengthens executive powers, law enforcement capacities and the ability of agencies to fight against terrorism—which is fundamental to the security of all Australians—but that, for the long-term viability of those measures and for the public acceptance and, ultimately, their effectiveness, appropriate safeguards are in place. That is the approach of the Australian Labor Party, and I think it is welcomed by fair-minded Australians.

Having said that, the Labor Party believe that this bill and the pre-existing legislation do strike such a balance. In that context, we welcome this acknowledgment in the Attorney-General’s second reading speech. The opposition are satisfied that the measures contained in the bill are justified, for the reasons I have outlined. We are satisfied that the review mechanisms and the oversight mechanisms are adequate, that there is appropriate balance in these measures and that they will enhance law enforcement capacities in these important areas. Accordingly, we welcome the legislation and strongly support it.

Mr CIOBO (Moncrieff) (12.26 p.m.)—I am very pleased to speak on the Telecommunications Interception and Other Legislation Amendment Bill 2003. In the short period of time available to me I would like to highlight the importance of this bill and to provide a setting in which this bill comes into effect. In essence, as previous speakers have mentioned, the bill amends the Telecommunications (Interception) Act 1979, the Financial Transaction Reports Act 1988 and the Crimes Act 1914 to provide the proposed new Western Australian Corruption and Crime Commission with relevant law enforcement powers to perform its functions, consistent with the powers available to the body that it will replace—that is, the Western Australian Anti-Corruption Commission. It does so by making amendments to legislation in a number of areas, but the most important of these are the amendments to the Telecommunications (Interception) Act 1979.

In effect, it includes the proposed commission and the proposed Parliamentary Inspector of the Corruption and Crime Commission as eligible authorities for the purposes of the Telecommunications (Interception) Act. This will enable both the commission and the parliamentary inspector to receive intercepted information from intercepting agencies relevant to the performance of their functions. The fact is that in this day and age, more than ever before, there is an increased importance placed on intelligence gathering and telecommunications intercepts in order for bodies such as the Western Australian commission to engage in the full scope of the activities that are required to ensure they are adequately informed. They need to have an investment of resources and, more importantly, the plethora of powers required for them to perform their function most appropriately.

There are, of course, existing and adequate safeguards that continue in legislation to ensure that telecommunications intercepts are not abused. The amendments to this act simply pro-
vide the opportunity and scope to ensure that the Western Australian Corruption and Crime Commission is able to further perform that function which is expected of it. The Western Australian Corruption and Crime Commission must be empowered to ensure that it has adequate means to fight this new wave of crime that we see increasingly in the community and to face this new paradigm of threats that exists in the community, and telecommunications interception is a crucial part of that.

The bill also amends the Telecommunications (Interception) Act to include other crimes—that is, slavery, sexual servitude, deceptive recruiting and aggravated people-smuggling offences—of the Criminal Code. These offences are now incorporated into this act so that telecommunications interception may be used. All in all, it is an important piece of legislation that ensures the Western Australian Corruption and Crime Commission is able to perform its task adequately. I am sure that the people of the Gold Coast will be reassured that there will be less crime in Western Australia. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

**ADJOURNMENT**

Mrs ELSON (Forde) (12.30 p.m.)—I move:

That the Main Committee do now adjourn.

Stirling Electorate: Balga Family and Community Festival

Ms JANN McFARLANE (Stirling) (12.30 p.m.)—I rise today to draw to the attention of the House the fine work being done in my electorate of Stirling by the Balga Action Group. I have spoken about the great work this group do in the local Balga community before, but today I want to recognise the achievements of the group in organising the Balga Family and Community Festival. This event, which will be held this year on Saturday, 13 December from 3 p.m. to 9 p.m. at the Brian Burke Reserve in Princess Road, Balga, is now entering its sixth year. Over this period of time, the Balga Action Group have raised over $120,000 to run the event. They could not have done this without the support of the Lotteries Commission of Western Australia—now known as Lotterywest—the state department of multicultural affairs, the City of Stirling and the New North Project. Last year over 6,000 people attended the festival, which shows how important it has become in the local community. This year the theme will be a traditional Christmas theme, though keeping a strong multicultural flavour.

Alan Stafford, the President of the Balga Action Group, has told me about some of the activities and displays planned for this year’s festival. There is so much happening on the day that I might not be able to fit it all in in the time I have here today, but I will try. There will be many multicultural and ethnic displays, including Indigenous groups playing the didgeridoo, a local Maori group, the Vietnamese cultural association, the Malay seniors group, Chinese dragon dancers, the Egyptian cultural association, and the Eritrean community group. The City of Stirling will have displays featuring their ranger and security service, and family and children’s services will be present, as well as our local police and Neighbourhood Watch. Safer WA, which is very active in the Balga area, will also have a display, along with the fire brigade and State Emergency Service. But the day is not just about displays; it is about having a good time with the family, both young and not so young. We will be seeing some of our seniors from the Balga Autumn Centre doing a performance of line dancing. Kids from the local primary school are also expected to perform.
The day is great because a lot of the activities are free. These include a rock-climbing wall, bouncy castle, gym bus, fire engine and train rides, animal displays and of course the arrival of Father Christmas to hand out presents. Father Christmas has a habit of arriving at the festival on a Harley-Davidson motorbike with a sidecar full of presents. I am sure he will make a spectacular entrance again this year. In the evening, the Balga Salvation Army will do the traditional Carols by Candlelight, followed by a fireworks display at 8.30 p.m. The fireworks display is one of the great hits of the festival and the community have come to know and love their own local fireworks. I have attended all the festivals since I was elected, and both my grandson and I have enjoyed them thoroughly.

The beauty of the festival is that everything, apart from the famous Balga Action Group sausage sizzle and other food, is completely free. All the money raised by the group goes into making the event the huge success that it is. Alan Stafford, Keith Merritt and the other members of the organising committee do a superhuman job in organising this huge event. I would like to take this opportunity to publicly thank them for all the hard work they put in. The organisation of this festival is a 12-month job and takes hundreds of volunteer hours to organise.

The support of the local Balga ward councillors from the City of Stirling, June Copley and David Boothman, has been tremendous, particularly on the practical side of organising the infrastructure needed on the reserve. This event shows how volunteers in our community can really make a difference. Over the years, Balga has been much maligned in the media and by some public figures, most of whom have never visited the suburb.

I am proud to represent Balga, which is a vibrant, growing community that is not afraid to go out and make things happen. To those detractors I would like to send a clear message: open your eyes, Balga is not a stereotype—it has become a role model to other communities about how to take charge of your future and make changes for the better. I ask the people of Balga to support their community by attending the festival. I look forward to seeing them all there for a day that never fails to be fun for all the family. In particular, for my grandson, who is now seven, it is going to be a great day. To him I say: once again I will take you and once again the fireworks are going to be fun.

**Drought: Assistance**

Dr STONE (Murray—Parliamentary Secretary to the Minister for the Environment and Heritage) (12.35 p.m.)—In my electorate some 2,000 people are receiving full exceptional circumstances assistance, which is necessary because of the extraordinary drought that has been experienced—the worst in the region in written history. It is the first time the irrigation systems have collapsed. Another 900 people who were receiving interim exceptional circumstances assistance were equally drought affected, but due to the workings of the exceptional circumstances system they were due for review on 30 September this year. This was to see if they would progress from interim to full exceptional circumstances support. These people include irrigated croppers, people on mixed farms, people in the intensive livestock industry, dairy farmers in the Murray irrigation system and orchardists on the Goulburn and Murray systems—altogether, some 900 primary producers. At the moment some $1 million per week is going into the Goulburn Valley alone through drought support. This not only assists farmers with their household incomes but gives the small and larger business sectors some ability to survive this drought.
The problem with exceptional circumstances, which the Commonwealth acknowledges and Minister Truss is in the process of reviewing, is that we require the states to declare drought and then produce the data that goes to the National Rural Advisory Council for their consideration, and then if the data shows that there have been extraordinary circumstances—and there are special criteria—NRAC will recommend granting full exceptional circumstances support. Our problem in Victoria is that the Minister for Agriculture, Minister Bob Cameron, is somewhat embarrassed by the fact that he has never declared drought in parts of the state affected, particularly the Murray irrigation system, so we are steadfastly facing the situation where there has been no state data produced for the 30 September deadline, and that the data sent along to support these 900 orchardists, mixed farmers, dairy farmers and so on was so inadequate that NRAC ruled that the data was insufficient for them to be able to put forward a recommendation to the minister that the drought support continue. Hence, on 3 October, some 900 of the most needy drought-affected people were informed that, because of this lack of data, their cases could not receive proper consideration.

In a freak circumstance, on 28 September we had an extraordinary frost—the worst since September 1961—where temperatures went to minus two degrees Celsius. In fact, the temperatures were minus 3.5 degrees Celsius in the orchards of the Goulburn and Murray valleys and right through towards Swan Hill. These severe frosts burnt 100 per cent of the fresh and canning apricots of 95 per cent of growers in the Goulburn Valley. For one grower that represented a loss of at least $1½ million. The loss for the apricot growers has been calculated at nearly 8½ per cent of turnover. As profit is generally between eight per cent and 8½ per cent of turnover, apricot growers have lost any profit for this season. This is on top of the drought. There was a loss of 100 per cent of the early plums, which represents a significant loss. Fresh and canning peaches and fresh nectarines have been affected, with estimates that 30 per cent of the crops have been damaged. Clearly, on top of the drought this is an exceptionally difficult period of time. Lots of our younger and emerging growers—as with the dairy industry—face ruin. The expected loss is about $5,000 per hectare, and there are over 3,000 hectares of fresh and canning peaches in this area alone.

We have asked the state government to relent and bring forward the data which will enable these horticulturalists to have a new exceptional circumstances application brought forward, combining the drought data with the frost damage data. I am also asking the state government to have a heart and bring forward the data for the people in the Murray irrigation system—which would include orchardists in the Cobram region—because without that state data we will continue to have a situation where NRAC cannot make a decision. In the past we have had the same deplorable situation where the shire councils have paid for consultants to produce the necessary data which was then post-boxed through by the state. Maybe we will have to resort to that again. I just ask that the state government do what the regulation requires of it: acknowledge the hardship and bring forward the data. The data has to be detailed, accurate and case study based. It should not be descriptions or emails a few words long, but serious data sufficient for the Commonwealth to make a decision. (Time expired)

Health and Ageing: Reforms

Mr Rudd (Griffith) (12.40 p.m.)—The standard of health care provided by the Howard government on Brisbane’s south side continues to deteriorate. Last week the latest bulk-billing figures were released, showing that the proportion of services being bulk-billed on the
south side is now at 58.7 per cent. Three years ago, 88.6 per cent of services delivered by GPs on the south side were bulk-billed. That means that bulk-billing rates have dropped 30 per cent in three years in my electorate. Ironically, the day after the new bulk-billing figures appeared, John Howard visited Carindale in my electorate in Brisbane to release the government’s families policy. I think our Prime Minister has a rich sense of irony indeed, presiding over the collapse of bulk-billing rates for families in my electorate by 30 per cent in three years and then coming to my electorate to announce what he would describe as a pro-families policy. Nothing could be more opposed to the interests of families than causing families to think twice about whether or not they can afford to take their children to the doctor, and that is what has happened since bulk-billing has collapsed not just in my community but elsewhere in the country.

What has gone wrong with the federal health system? Over the last seven years John Howard has done his best to dismantle Medicare. Prior to the 1996 election, bulk-billing rates had climbed steadily until 80 per cent of all GP services nationwide were delivered free of charge across the country. Following that election they steadily plunged. At the end of June 2003 the national figure stood at 68.5 per cent, a decline of just over five per cent in one financial year. With fewer and fewer services being delivered free, the fee charge for the rest is climbing, reaching its highest ever average charge in June of $13.24 for a single GP service over and above the rebate. These figures are not just about the fee structure for the health system—not an elegant debate about public policy settings; this is a real debate for working families—but also mean the difference between whether you can go to the doctor or whether you cannot go to the doctor.

South side residents in Brisbane have had enough. I recently did a mail-out to my electorate asking residents for their thoughts on these matters. I will read out what some of them had to say. Ann, from Carindale, said:

I had to put off taking my younger daughter to the doctor when she was sick because I didn’t have the cash. She ended up having four days off school.

Ryan, from Coorparoo, wrote:

I’m having trouble coping with the increasing prices. Not long ago I was paying $25 for a visit to my doctor. Now it is $35 for a consultation.

Alan, from Carina, says:

I’m 70 years old and aside from the cost factor what I find difficult is having to travel so far to the local Medicare office. Because I’m getting old I have to go to the doctor more frequently. He doesn’t bulk bill so that means I’m forever waiting in long queues at the Medicare office to get my refund.

Geoff, of Highgate Hill, says:

I’m a strong supporter of a national health care system. I don’t mind paying the levy, and I wouldn’t mind paying more if that made for a better system.

Elma, from Holland Park, wrote:

I’m upset about the lack of Medicare offices in the area. I would like to go to a Medicare office for a refund but there very few around. I avoid the six week wait on mailed refund requests.

Finally, Deanne, from Carindale, says:

I recently needed to take my 4 year old daughter to the doctor but could find no bulk billing doctors available. I then had to make the choice between waiting for a doctor who bulk billed to become available or borrowing money to pay the bill.
So what is the government doing about this? I noticed with some concern a statement by the incoming Minister for Health and Ageing, Tony Abbott, about what he proposes to do about bulk-billing. In the *Sunday Telegraph* of 5 October, Tony Abbott is quoted as saying—or is referred to as having said:

... some sections of the community would never again have access to bulk-billing.

That was Tony Abbott in the *Sunday Telegraph* barely a week ago. That seems to be the maximal commitment we get from the Howard government about what it is now going to do about this problem.

Of course the problems in our health care system go beyond bulk-billing. When parents leave a doctor’s surgery with a sick child untreated because they cannot afford a $40 surcharge they then ask: what else is wrong with the system? Well, there is a hospital system under serious stress because there is not enough appropriate accommodation for acute frail aged people in nursing homes, and that shows that the system is also in need of reform. Emergency departments are being swamped by people who cannot afford to go to their GP. The system therefore needs reform. When the federal government’s only plan for medicines is to put up their price by 30 per cent, the system needs reform.

Labor has put forward a proposal for reform—a $1.9 billion plan which, on the key and critical question of bulk-billing, aims to restore bulk-billing levels to 80 per cent or more across the nation. This is of fundamental concern to Australian families and of fundamental concern to families in my electorate of Griffith on Brisbane’s south side.

**Indonesia: Terrorist Attacks**

*Miss Jackie Kelly* (Lindsay—Parliamentary Secretary to the Prime Minister) (12.45 p.m.)—Tragically, this Sunday marks the first anniversary of the Bali bombing in which 202 people lost their lives in a Bali nightclub area. Of those killed, 88 were Australian holiday-makers and three others had very strong connections to Australia. This Sunday the government is coordinating a service at the Garuda Wisnu Kencana Cultural Park, which is in quite a majestic setting at Bukit Ungasan in Jimbaran, about 30 minutes south of Kuta. It is high above the beaches of Kuta, and there is a view back over the Sari Club area as well as Kuta Beach. It is in an old quarry area that has some very imposing faces, as well as a large Garuda sculpture as the centrepiece.

The service will be between eight and nine o’clock this Sunday. It will have Christian, Hindu and Islamic elements and will be conducted by ADF chaplains who helped in the aftermath, in the hours following the Bali tragedy. It will be attended by the Prime Minister and the Leader of the Opposition. John Williamson will lead the singing of *Waltzing Matilda* at the end of the service. We expect that around 400 Australians will be assisted by the government to attend, in addition to hundreds and perhaps thousands of others who will also attend.

On his trip this Sunday, the Prime Minister will be dedicating the assistance package, which consists of a new intensive care and burns unit at the Sanglah Hospital, as well as laying the foundation stone at the site of a new eye clinic for the area. He will also meet the initial holders of scholarships for Indonesian doctors to study various specialities in Australia, and he will be recognising the role of several Indonesian police in the successful investigation of the perpetrators of the crime.
I have been involved in assisting the Prime Minister in the organisation of not only the service at GWK but also the service in Canberra next Thursday. One thing that has become obvious to me is that, although we have a comprehensive list of those killed and a relatively comprehensive list of those injured, according to a criterion of being in hospital for 48 hours, it appears there is no comprehensive list with any organisation—and I know there are privacy principles for the Red Cross and other groups involved in the effort post Bali—of those who were in Bali and who were not injured but did help out.

There are stories of expat Australians rushing to help from all over Bali in those first chaotic hours. One woman told me of how she and a handful of others, including French and American tourists, worked in a makeshift morgue, desperately trying to assist shaken friends and families identify remains. She has an enduring memory of a footballer trying to find the rest of his football team. She tried to help and has no idea what became of him or his team. I have wondered subsequently if the footballer she met was Simon Quayle from the Kingsley Football Club.

Obviously those who were on hand at the time and witnessed the aftermath have outstanding questions. By compiling a list as best we can, I think we will be able to facilitate contact between those volunteers who helped in the first hours after the blast. We will be able to help reunite people who first met in the terrible aftermath of the bomb blast. It will also offer the opportunity for some of those volunteers to talk through their experiences with people who understand exactly what they are going through. I have talked to numerous families, but I cannot even offer empathy. Certainly people who were there in those hours after Bali really can discuss those things in a fashion that others cannot. I also believe this list will provide a resource for future historians who will write on the Bali tragedy. So I strongly urge those who assisted in the immediate aftermath, or who know people who did who are not known to the government, to please contact the Centrelink Bali hotline on 136125. By doing so, we hope to establish as comprehensive a list as we can regarding those first chaotic hours, if for no other purpose than an archival record of a very tragic period of Australian history.

(Time expired)

Health: Pharmaceutical Benefits Scheme

Ms GEORGE (Throsby) (12.50 p.m.)—I want to use the time available to outline my concerns about the future of Australia’s Pharmaceutical Benefits Scheme within the context of current negotiations for a free trade agreement between Australia and the United States of America. Our PBS has been recognised by many people as probably the best drug pricing system in the world, because it allows the prices of medicines to be kept affordable for all our citizens. It works well because the government regulates the prices paid to the pharmaceutical companies for their drugs, generally based on the price of the cheapest equivalent drug. This measure is called ‘reference pricing’, and it is this principle of reference pricing that I believe could be at serious risk. The government subsidises the cost of drugs on top of that base price so that they are affordable for all.

A recent groundbreaking report into the impact of the Pharmaceutical Benefits Scheme found that it overwhelmingly benefits low-income earners and the aged. For that reason Labor has consistently opposed the price cost measures that the government wanted to introduce into the scheme. The study that I refer to was conducted by the University of Canberra’s National Centre for Social and Economic Modelling, and it showed that the poorest 20 per cent of Australians get 41 per cent of the benefits of the $4.5 billion spent on this important scheme.
Professor Ann Harding, one of the authors of the report, said that the scheme was ‘socially just’ because in fact it delivered maximum benefits towards low-income Australians and also helped those with poorer health who tended to be older Australians. She said:

The study shows clearly it is a very progressive, pro-poor scheme.

As part of the ongoing negotiations for a free trade agreement between Australia and the United States, attempts are being made to change the ground rules of how the costs of medicines are set so that the US pharmaceutical industry can charge the government higher prices for medicines. The industry lobbyists argue that the prices they receive when selling their medicines under the PBS are not high enough to recoup their investment in the development of new drugs.

As recently as August this year, the US Undersecretary of Commerce, Mr Grant Aldonan, was reported in the *Australian Financial Review* as saying that there is a ‘sense of unfairness in the United States’ because US consumers paid higher prices under a free market while consumers in Australia and elsewhere benefited from low reference prices under schemes like the PBS.

Recently the well-known body, the Australia Institute, undertook comprehensive research which compared the prices of the most common drugs in the United States and Australia. The study found that the wholesale prices of the 10 most commonly prescribed drugs are at least 74 per cent to a massive 306 per cent more expensive in the United States than they are in Australia. Let me give you a couple of examples. If you look at the drug, Celebrex, which treats arthritis and for which there are almost over five million prescriptions on an annual basis, you will see that the price tripled in cost from $24.97 wholesale in Australia to $101.48 in the United States—that is, a 306 per cent increase in the US price over the Australian price. The very common drug, Ventolin—often used as a treatment for asthma—costs $11.47 wholesale in Australia while in America that same drug costs $42.90—a 274 per cent price differential.

The report concluded that, if reference pricing was removed under the negotiations for a free trade agreement, prices for drugs in Australia would rise significantly. The government needs to state publicly that the benefits of the PBS for our citizens are not up for negotiation in the free trade talks. Important social policies such as these should not be traded away in secret trade negotiations. The Howard government should not bow to the demands of the US pharmaceutical industry. The PBS must be removed from the negotiating table. *(Time expired)*

**Cowper Electorate: Volunteer Small Equipment Grants**

Mr HARTSUYKER (Cowper) (12.55 p.m.)—I would like to speak on a program which is providing great benefits not only to my electorate but right around the country. The program I refer to is the Volunteer Small Equipment Grants Program, which was first announced on International Volunteers Day in December 2002. The Volunteer Small Equipment Grants have recently been announced for 2003, and the electorate of Cowper has received over $50,000 in funding to support the great work of volunteers in a range of organisations.

Community organisations that have volunteers were eligible to apply for a grant of up to $5,000 to purchase equipment that can make volunteering activities safer, easier and more enjoyable. There were over 5,000 applications for the grants Australia wide, and 1,400 groups were successful in obtaining funding totalling $3 million. I believe these grants are highly successful, because they build on the partnership between government and the community.

**MAIN COMMITTEE**
They build on and lever up the great work of volunteers, allowing volunteer groups to purchase equipment that they otherwise might have to save up for years to obtain. So it is a very well-targeted policy. I would like to give some examples, because some of the equipment purchased with volunteer grants is used to save lives.

The Rural Fire Service has been quite notable within Cowper, receiving a number of grants. For instance, the Moonee brigade of the Rural Fire Service received a grant of $1,105.40. They will use that money to purchase a Kestrel Pocket Weather Meter, which is a hand-held device that provides real-time weather information, such as temperature, wind speed, wind direction, humidity and dewpoint—all vital information for rural firefighters. Previously they were dependent on information that was sent to them from a remote area, such as back at base or some distance away. With this equipment they will also be able to relay vital information to other units in the field. So they now have real-time information, with vital statistics for fires, available to the actual fire unit.

Fire captain Wayne Brown, with Kevin Moon and Rudy Schuett, explained to me that for the first time they will have this vital information—something that was sadly lacking before and certainly something that they appreciated. Other Rural Fire Service units received grants, including those of Deer Vale, Baryulgil, Minnie Water, Wooli, Sherwood Creek, Urunga and Willawarrin. This funding was used to buy equipment such as chainsaws, generators, pumps, protective equipment, mobile phones and pagers, floodlights—a range of equipment that can make a difficult job a little bit safer and a little bit easier.

The Dorrigo CWA also received a grant of $4,563.20, and they are using that money to purchase 41 chairs. The CWA ladies in my electorate do a great job. This funding will be used to replace furniture that has been in service since 1949. I met with Rosemary Fredericks, the president of the Dorrigo evening branch; Nola Tyson; Ruth Malouney; and Nola Freeman, the president of the day branch at Dorrigo—and I must say they were delighted with this new furniture. The 1949 model furniture was looking a little tired. Like the Rural Fire Service, the CWA does a great job, and it is great that through these grants the government can assist.

Woolgoolga Surf Lifesaving Club received a grant of $4,235 to purchase rash shirts and two collapsible canopies for use on the beach. It is great to be supporting surf lifesaving, and particularly junior surf lifesaving, because this funding is being used to support the nippers, our lifesavers of the future. I know that Drew Martin of Woolgoolga Surf Lifesaving Club was delighted with the support that he was able to get through the volunteer grants. Grants were also made to organisations such as the Glenreagh Beautification Committee, and I know Dorothy Teale was pleased with the grant of almost $1,000 the committee received to purchase various tools to aid in the beautification of Glenreagh. Scotts Head Dune Care Group also received a grant, and they used that funding to buy a camera, some batteries and some other tools as well.

I think this program is effective. It is very well targeted to areas of need, allowing those volunteer groups to purchase much needed equipment which might otherwise take them years to obtain. The funding is leveraging the very important social capital we have out there in our communities. We cannot do enough to support our great volunteers, and with these volunteer grants the government is going some way towards recognising the great work that volunteers do.

Main Committee adjourned at 1.01 p.m.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Newcastle Electorate: Program Funding
(Question No. 1491)

Ms Grierson asked the Attorney-General, upon notice, on 13 February 2003:

(1) Does the Minister’s Department administer any Commonwealth funded programs for which community organisations, businesses or individuals in the electoral division of Newcastle can apply for funding; if so, what are the programs.

(2) Does the Minister’s Department advertise these funding opportunities; if so, (a) what print or other media outlets have been used for the advertising of each of these programs and (b) were these paid advertisements.

(3) With respect to each of the Commonwealth funded programs referred to in part (1), (a) what is its purpose and (b) who is responsible for allocating funds.

(4) With respect to each of the Commonwealth funded programs referred to in part (1), how many (a) community organisations, (b) businesses or (c) individuals in the electoral division of Newcastle received funding in 2001 and 2002.


(6) What is the name and address of each recipient.

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

The Attorney-General’s Department administers the following legal assistance programs and schemes under which community organisations, businesses or individuals in the electoral division of Newcastle may apply for funding.

Legal Aid

(1) The Attorney-General’s Department administers the Commonwealth Legal Aid Program. Under this program Legal Aid New South Wales is funded to provide assistance for Commonwealth law matters to people who live in New South Wales. Legal Aid New South Wales has a regional office located in Newcastle through which individuals and organisations living in the electoral division of Newcastle can apply for assistance.

(2) (a) and (b) No print or media advertising is undertaken by the Commonwealth. The promoting of the availability of services is the responsibility of Legal Aid New South Wales which is a statutory body established under State law.

(3) (a) The purpose of the Commonwealth Legal Aid Program is to improve access to the legal system for disadvantaged Australians who have a legal problem which has arisen under Commonwealth law. (b) Funds are allocated according to a legal aid funding agreement between the Commonwealth and New South Wales Governments.

(4) (a) (b) and (c) It is not possible to provide information on the number of community organisations, businesses and individuals in the electoral division of Newcastle that have received funding through the Commonwealth Legal Aid Program.

(5) and (6) It is not possible to provide information on the amount of funding each recipient of assistance received in 2001 and 2002. Financial information on the provision of Commonwealth funding through the Commonwealth legal aid program is maintained on a financial year basis and is only available on a State-wide basis. The Commonwealth provided $33.719m to Legal Aid New
South Wales in 2000-2001 and $36.337m in 2001-2002. Some proportion of these funds would have been used to provide legal aid to individuals living in the electoral division of Newcastle.

Community Legal Centres
(1) The Attorney-General’s Department administers Commonwealth funding provided to community legal centres under the Commonwealth Community Legal Services Funding Program.
(2) (a) and (b) When new funding opportunities arise they are normally advertised in relevant newspapers through paid advertisements. No new funding has been available under the program in the electoral division of Newcastle in recent years.
(3) (a) The purpose of the program is to support the provision of community legal services to disadvantaged members of the Australian community. (b) The allocation of funds under the program is decided by the Attorney-General.
(4) (5) and (6) Funding for centres is provided on a financial year basis. The Hunter Community Legal Service received $174,477 under the Commonwealth Community Legal Services Program in 2001-02 and $178,274 in 2002-03.

Financial Assistance Schemes
(1) The Attorney-General’s Department administers schemes for the provision of financial assistance for legal and associated costs. People and organisations in the electoral division of Newcastle can apply for assistance directly from the Commonwealth under these schemes.
(2) (a) and (b) Whilst no print or media advertising is used to disseminate information about the availability of funding under the schemes, they are well known to private legal practitioners, Community Legal Services and State and Territory Legal Aid Commissions. The availability of assistance under the two major schemes (being the Native Title Act scheme and the HIH and Building and Construction Industry Scheme) is set out on the Department’s website. The Department’s website address is www.ag.gov.au.
(3) (a) and (b) The purpose of the schemes is to provide legal or financial assistance in cases where legal aid is not generally available from legal aid commissions and where the circumstances give rise to a special Commonwealth interest. The allocation of funds to the schemes is made through the Budget process. Decisions about the allocation of funds under each of the schemes are made on my behalf under delegation by officers of the Attorney-General’s Department.
(4) (a) (b) (c) (5) and (6) The Department’s electronic financial information systems record information about the people to whom payments of financial assistance are made. In some cases, payments are made to the person who applied for the grant of assistance (the applicant); in other cases, payments are made to the applicant’s solicitor. Determining the address of every applicant on whose behalf payments were made to a solicitor would require a manual cross-check of the Department’s paper files. This would be an expensive and time-consuming undertaking, which could not be performed within the resources available without adversely affecting the work of the Family Law and Legal Assistance Division. Furthermore, in accordance with a long standing practice, endorsed by successive Attorneys-General, to treat applications for financial assistance in confidence, it would not be appropriate to provide information in relation to any individual application for financial assistance.

Family Relationships Services Program
(1) The Attorney-General’s Department has policy and funding responsibility for part of the Family Relationships Services Program. However, the Family Relationships Services Program is administered by the Department of Family and Community Services. The Family Relationships Services Program includes some services in the electoral division of Newcastle.
(2) From time to time the Government provides additional funds for the provision of services under the Family Relationships Services Program. Advertising and tender processes related to allocation of additional funding are managed by the Department of Family and Community Services as part of its role in administering the program.

(3) (a) The Family Relationships Services Program aims to enable children, young people and adults in all their diversity to develop and sustain safe, supportive and nurturing family relationships and minimise the emotional, social and economic costs associated with disruption to family relationships. (b) The Attorney-General is responsible for approving the allocation of funds for the service types funded through his portfolio under the Family Relationships Services Program. However, the Department of Family and Community Services is responsible for allocating the funds to the service providers under a funding agreement or contract.

(4) (a) Four received funding in the 2000-01 and 2001-02 financial years. (b) Nil. (c) Nil.

(5) The provision of funds to each of the four community organisations in the electoral division of Newcastle is the responsibility of the Department of Family and Community Services.

(6) The names and addresses of the recipients of this funding are:

**Relationships Australia NSW**
87 Denison Street
HAMILTON NSW 2303

Centacare Newcastle
845 Hunter Street
NEWCASTLE WEST NSW 2302

Interrelate
5 Lambton Road
BROADMEADOWS NSW 2292

Unifam Counselling and Mediation
22 Smith Street
CHARLESTOWN NSW 2290

**Emergency Management Australia**

(1) Emergency Management Australia administers the Emergency Management Australia Projects Program. Individuals, community groups, businesses, non-government organisations and agencies at all levels of government are encouraged to apply.

(2) The Attorney-General’s Department advertises the Emergency Management Australia Projects Program. (a) The Program is advertised annually in the major metropolitan newspapers and is also advertised via an extensive mail-out of brochures to emergency management and emergency services organisations, academics, non-government organisations, community groups and agencies at all levels of government. (b) The advertising for the Emergency Management Australia Projects Program is paid for.

(3) (a) The Emergency Management Australia Projects Program is aimed at enhancing national emergency management capability. (b) The Director General of Emergency Management Australia is responsible for allocating funds, based on the recommendation of a selection...
committee comprising government and industry representatives, emergency managers from a range of jurisdictions, and academics.

(4) Financial Year 2001/02 (a) Nil. (b) Nil. (c) Nil.
 Financial Year 2002/03 (a) One. (b) Nil. (c) Nil.

(5) Financial Year 2001/02 – nil.
 Financial Year 2002/03 - $27,302.

(6) Hunter Volunteer Centre, 56 Stuart Avenue, Hamilton, 2303.

**Military Detention: Australian Citizens**

*(Question No. 2143)*

**Mr McClelland** asked the Attorney-General, upon notice, on 11 August 2003:

(1) Does he recall stating on 4 July 2003 that “we understand that Mr Hicks may be able to retain an Australian lawyer as a consultant to his defence team”.

(2) On what did he base this understanding.

(3) Will Mr Hicks’ Australian lawyer be permitted to be present at the US military commission.

(4) What conditions would Mr Hicks’ Australian lawyer have to meet to be permitted to act as a consultant to the defence team.

(5) What public financial assistance is available to Mr Hicks to retain the services of an Australian lawyer as a consultant to his defence team.

(6) What rights does Mr Hicks have to communicate with his family if he is charged and tried by a US military commission.

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

(1) Yes.

(2) The understanding that Mr Hicks may be able to retain an Australian lawyer as a consultant to his defence team came out of discussions between Australian and US officials. During high level discussions in Washington between 21 and 23 July 2003, the US publicly confirmed that Mr Hicks may retain an Australian legal consultant.

(3) An Australian legal consultant’s access to Mr Hicks, and his exact role as a part of Mr Hicks’ defence team, are issues still under discussion with US authorities.

(4) To act as a legal consultant to Mr Hicks’ defence team, an Australian lawyer would have to be nominated to act as such by Mr Hicks. In accordance with the conditions set out in the Military Commission Order and Instructions, an Australian lawyer wishing to act as a consultant would be: (1) required to obtain a security clearance to the level of secret; (2) agree not to improperly disclose classified information, or state secrets, to an accused or potential accused or any other person not specifically authorised to receive such information; and (3) agree not to communicate with news media representatives regarding the case and other matters related to military commissions unless such communication is approved by the appointing authority or the general counsel of the US Department of Defence.

(5) Legal assistance to cover overseas legal costs is available in special circumstances under the Special Circumstances (Overseas) Scheme.

(6) The US has not detailed the “rights” Mr Hicks will have to communicate with his family if he is charged and tried by a US military commission. As a result of the 21 to 23 July 2003 discussions between Australian and US officials, the US has agreed to work on ways to allow Mr Hicks additional contact with his family, including via telephone, following approval of military
commission charges. Currently, detainees can send correspondence to their families through channels established by the International Committee of the Red Cross.

United States Military Commission Order
(Question No. 2144)

Mr McClelland asked the Attorney-General, upon notice, on 11 August 2003:

(1) Prior to the publication of the Military Commission Order by the United States Secretary of Defense on 21 March 2002, did the US Government consult the Australian Government on the contents of the order; if so, what form did these consultations take.

(2) Did the Australian Government seek changes to the order; if so, what changes did the Australian Government seek and were these agreed to or rejected by the US Government.

(3) Prior to the publication of the Military Commission Instructions by the United States Department of Defense on 30 April 2003, did the US Government consult the Australian Government on the contents of the instructions; if so, what form did these consultations take.

(4) Did the Australian Government seek changes to the instructions; if so, what changes did the Australian Government seek and were these agreed to or rejected by the US Government.

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

(1) No. The US military commissions have been established by the US Secretary of Defense acting in accordance with the US President’s Executive Order of 13 November 2001. Australia is in no way responsible for the establishment or running of the military commissions.

(2) No.

(3) No.

(4) No.

Military Detention: Australian Citizens
(Question No. 2145)

Mr McClelland asked the Attorney-General, upon notice, on 11 August 2003:

(1) Is he aware of an article published in the New York Times on 4 May 2003 entitled “A Drifter’s Odyssey: From the Outback to Guantanamo”, which stated: “But the United States no longer wants Mr. Hicks: seeking to winnow detainees from its campaign against terrorism, the Bush administration has asked the Australian government to take custody of him and prosecute him, Australian officials say. Australia, though, does not especially want him either: senior police and intelligence officials say there is no evidence that he violated Australian law. Even so, the government has not pressed the United States for his release, Australian and American officials say.”

(2) Can he say who the “Australian officials” referred to in the article are.

(3) Has the US Government at any stage requested the Australian Government to take custody of David Hicks or Mamdouh Habib; if so, when was the request made and what were the terms of the request.

(4) Has the US Government at any stage inquired of the Australian Government whether David Hicks or Mamdouh Habib could be prosecuted in Australia; if so, when was the inquiry made and what was the Australian Government’s response.

(5) Has the Australian Government at any stage requested that David Hicks or Mamdouh Habib be returned to Australia; if so, when was the request made and what were the terms of the request.
Questions on Notice

(6) How many times and on what dates have Australian authorities visited (a) David Hicks, and (b) Mamdouh Habib, and, in respect of each occasion, who visited and which Australian authority did they represent.

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

(1) Yes. The article was incorrect. The US has not asked Australia to take custody of and prosecute Mr Hicks.

(2) No. I am not aware who the officials are that were mentioned in the article.

(3) No.

(4) The progress of Australian law enforcement investigations and possible prosecution in Australia has, on occasion, been the subject of discussions between Australia and the US. The Government has informed the US that on the basis of the evidence available, the advice to Government from prosecuting and investigating authorities is that, as the law existed at the time of Mr Hicks’ activities in Afghanistan and Pakistan, there was no breach of Australian law.

(5) No.

(6) Mr Hicks has been visited five times. He was visited by members of the Australian Federal Police (AFP) and the Australian Security Intelligence Organisation (ASIO) in December 2001 and May 2002. In addition, Mr Hicks was visited by members of ASIO in August and November 2002 and May 2003.

Mr Habib has been visited five times. He was visited by members of the AFP and ASIO in October 2001 and May 2002, and by members of ASIO in August and November 2002 and May 2003.

During the May 2002 visit to Mr Hicks and Mr Habib, an official from the Department of Foreign Affairs and Trade accompanied the AFP and ASIO officers.

Health: Osteoporosis

(Question No. 2257)

Ms George asked the Minister representing the Minister for Health and Ageing, upon notice, on 13 August 2003:

(1) Is the Minister aware that the estimated direct cost of treating osteoporotic fractures in Australia is currently over $1.9 billion.

(2) Is the Minister aware of the drug Fosamax (alendronate) used in the treatment of osteoporosis.

(3) Is Fosamax a proven preventative treatment that reduces the likelihood of patients at high-risk of developing osteoporosis developing the disease as well as a proven treatment for those suffering from early and established osteoporosis and does the use of Fosamax for osteoporosis patients reduce the risk of fractures by allowing progressive gains in bone mass.

(4) Is it the case that Fosamax is available through the PBS to osteoporosis patients who have suffered a minimal trauma fracture that has been proven radiologically but not as a treatment for other sufferers; if so, can the Minister confirm that this is due to the prohibitive expense of wider PBS coverage.

(5) Would including Fosamax on the PBS as a preventative treatment prevent those at risk from developing osteoporosis and also prevent fractures in those already suffering from the disease; if not, why not.

(6) Would including Fosamax on the PBS reduce the expense of treating osteoporosis patients; if not, why not.

(7) Will the Minister direct the PBAC to place Fosamax on the PBS for all at risk of developing osteoporosis as well as sufferers of osteoporosis; if not, why not.
Mr Andrews—The Minister for Health and Ageing has provided the following answer to the honourable member’s question:

(1) I am aware that an Access Economics report, “The Burden of Brittle Bones - Costing Osteoporosis in Australia,” commissioned by Osteoporosis Australia in September 2001, has reported that the cost of treating osteoporosis in Australia is estimated to be $1.9 billion per annum.

The Government is seeking a new estimate of figures of the health system costs of osteoporosis. This costing is being prepared by the Australian Institute of Health and Welfare (AIHW). The most recent accurate estimate is based on 1993-94 figures provided by the AIHW, at $60 million in that year. Arriving at these figures is a complex exercise and methods vary significantly, both in their approach and in the outcomes.

(2) Yes.

(3) The Therapeutic Goods Administration has registered Fosamax for the following indications: for the treatment of confirmed osteoporosis including glucocorticoid induced; prevention of osteoporosis in postmenopausal women with low bone mass and patients on long-term glucocorticoids and Paget’s disease. These are the conditions for which Fosamax may be prescribed in Australia.

(4) There are a number of medicines, including Fosamax, listed on the PBS for the treatment of established osteoporosis following fracture due to minimal trauma. The listing of these medicines on the PBS has been recommended by the Pharmaceutical Benefits Advisory Committee on the basis of acceptable clinical effectiveness and cost effectiveness. To date, insufficient evidence of comparative effectiveness and cost effectiveness has been presented to the Pharmaceutical Benefits Advisory Committee to enable any of these drugs to be subsidised under the Pharmaceutical Benefits Scheme for use in the primary prevention setting.

(5) and (6) To date, insufficient evidence of the clinical and cost effectiveness of this medicine as a preventive treatment has been presented to the Pharmaceutical Benefits Advisory Committee.

(7) The Pharmaceutical Benefits Advisory Committee is an independent advisory body charged with the responsibility for assessing the clinical effectiveness and cost effectiveness of drugs recommended for listing on the Pharmaceutical Benefits Scheme. The Government acts on this advice. I will not direct the Pharmaceutical Benefits Advisory Committee to recommend the listing of a drug for a certain indication.

National Security: Infrastructure Protection

(Question No. 2275)

Mr McClelland asked the Attorney-General, upon notice, on 18 August 2003:

(1) Is he aware of the Engineers Australia report titled “Securing Critical Infrastructure and the Built Environment”.

(2) Is he aware of the Prime Minister’s statement on the Sunday program on 10 August 2003 that this report was done “in ignorance of some of the measures that have been taken as a result of a unit being set up in the Attorney-General’s Department to strengthen our infrastructure against terrorist attack”.

(3) Which measures, in place at the time the report was published, did the report fail to mention.

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

(1) I am aware that Engineers Australia recently released a report on 25 June 2003.

(2) I am aware of the Prime Minister’s statement on the Sunday program on 10 August 2003.

(3) The report fails to mention the following measures which were in place at the time the report was published:
• The role of AusCERT in providing an early warning system for E-Security had been enhanced by the creation of an incident reporting scheme.

• The Attorney-General’s Department had been actively engaged in discussions with regulators. These discussions have assisted in allaying the concerns of some Trusted Information Sharing Network (TISN) participants that their participation may have placed them in conflict with their respective regulatory obligations. The importance of this issue is not well appreciated in the Engineers Australia report.

• The Attorney-General’s Department had formed a productive partnership with Standards Australia International (SAI) to facilitate the development of best practice standards for business. SAI has indicated enthusiasm for future involvement in CIP related standards development assisted by Government.

• Drafting had commenced on a national critical infrastructure protection strategy document from an all hazards perspective.

**National Security: Infrastructure Protection**

*(Question No. 2276)*

Mr McClelland asked the Attorney-General, upon notice, on 18 August 2003:

(1) Which groups have been constituted to date in the Trusted Information Sharing Network (TISN).

(2) When was each of these groups constituted and which sectors do they cover.

(3) Which Commonwealth agencies were responsible for coordinating the creation of these groups.

(4) Which of these groups have held meetings and on what date(s) were those meetings held.

(5) Which groups are still in the process of being constituted, when does the Government aim to constitute these groups and which Commonwealth agencies are responsible for coordinating the creation of these groups.

(6) What have been the outcomes of consultations with regulating agencies on the recognition of TISN as an appropriate forum for owners and operators to work together to protect critical infrastructure.

(7) Have nominations been called for the Critical Infrastructure Advisory Council (CIAC); if not, when will nominations be called.

(8) In which month does the Government intend the CIAC to hold its first meeting.

(9) Have the terms of reference for the TISN been determined; if not, (a) when will they be determined, and (b) what work remains to be done.

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

(1) The Critical Infrastructure Advisory Council (CIAC) and Infrastructure Assurance Advisory Groups (IAAGs) for the water services, health services, communications, food chains, banking and finance sectors and energy sectors have been constituted in the Trusted Information Sharing Network for Critical Infrastructure Protection (TISN).

(2) Each of these groups were constituted at their inaugural meetings.

  The CIAC held its inaugural meeting on 27 August 2003.
  The communications IAAG held its inaugural meeting on 10 June 2003. Further meetings were held on 8 July and 16 September 2003.
  The banking and finance IAAG held its inaugural meeting on 22 August 2003.
  The food chain IAAG held its inaugural meeting on 29 August 2003.
  The energy IAAG held its inaugural meeting on 4 September 2003.
  The water services IAAG held its inaugural meeting on 8 September 2003.
The health IAAG held its inaugural meeting on 19 September 2003.

(3) The formation of the CIAC was the responsibility of the Attorney-General’s Department.

The formation of the communications IAAG was the responsibility of the Department of Communications, Information Technology and the Arts.

The formation of the banking and finance IAAG was the responsibility of the Treasury portfolio, through the Australian Prudential Regulation Authority, the Australian Securities and Investments Commission and the Reserve Bank of Australia.

The formation of the food chain IAAG was the responsibility of the Department of Agriculture, Fisheries and Forestry.

The formation of the energy IAAG was the responsibility of the Department of Industry, Tourism and Resources.

The formation of the water services IAAG was coordinated by the Attorney-General’s Department.

The formation of the health IAAG was the responsibility of the Department of Health and Ageing.

(4) See Responses to Questions 1 and 2

(5) The emergency services IAAG is still in the process of being constituted. The Australian Government aims to constitute this group by November 2003. The coordination of this group is the responsibility of Emergency Management Australia in the Attorney-General’s Department.

The transport IAAG is still in the process of being constituted. The Australian Government anticipates the constitution of this group by the end of 2003. The coordination of this group is the responsibility of the Department of Transport and Regional Services.

(6) The Attorney-General’s Department has been in consultation with the Australian Competition and Consumer Commission, the Australian Stock Exchange, the Office of the Federal Privacy Commissioner, the Australian Securities and Investments Commission and the Australian Prudential Regulation Authority throughout the process of the development of the TISN. The outcome of these consultations has been positive with the overall conclusion that participation in TISN of itself is not in conflict with legislative obligations. The Terms of Reference and Deed of Confidentiality for the CIAC and IAAGs have been drafted to address the regulators’ concerns.

(7) The Secretary of the Attorney-General’s Department wrote to relevant Australian Government agencies, each of the States and Territories and to the National Counter-Terrorism Committee seeking nominations for the CIAC in July 2003.

Formal nomination to the CIAC of sector representatives is currently underway. These nominations are expected to be finalised by the end of 2003.

(8) The CIAC held its inaugural meeting on 27 August 2003.

(9) The Terms of Reference for the CIAC have been drafted and were discussed by the CIAC at its first meeting on 27 August 2003. The final version of CIAC Terms of Reference are currently being prepared to incorporate feedback received at this meeting and are expected to be ratified by the CIAC in October 2003.

The Terms of Reference for each IAAG are being finalised by the sectors as each group is constituted.

Health: Medical Students

(Question No. 2315)

Mrs Crosio asked the Minister representing the Minister for Health and Ageing, upon notice, on 21 August 2003:

(1) How many bonded medical school places has the Government provided for 2003-2004.
(2) What are the conditions attached to these bonded medical places.

(3) Do students that accept these positions have to pay upfront fees or are they able to pay through the HECS system.

(4) Are scholarships available to talented students who apply for a medical degree; if not, why not.

(5) Will students who accept these bonded places receive any special dispensation; if not, why not.

(6) How many students are anticipated to apply for medical degrees in (a) 2003-2004, (b) 2004-2005, and (c) 2005-2006.

(7) Are there any Government policies that favour “mature age” applicants over students who have just completed the HSC or its equivalent.

Mr Andrews—The Minister for Health and Ageing has provided the following answer to the honourable member’s question:

(1) Under the Australian Government’s Regional Health Strategy of 2000-01, one hundred Medical Rural Bonded Scholarships are awarded annually. As part of the Government’s A Fairer Medicare Package, an additional 234 bonded medical school places will be available each year from 2004.

(2) Medical Rural Bonded Scholarships

The scholarship amount for 2003 students is $20,950 (indexed annually) for each year of medical school. Students accepting these scholarships agree to practice in rural areas of Australia for six years.

234 new medical school places

The 234 new medical school places created through this measure will be “bonded” to areas of workforce shortage. Under this arrangement, students taking these places will be required to work for a minimum of six years in a district of workforce shortage for their chosen speciality.

(3) Students accepting these positions are not required to pay upfront fees. They may access the HECS system in the same way that other domestic students do.

(4) Medical students have access to a range of assistance schemes offered by the Australian and State Governments and non-government organisations. The eligibility criteria for each scheme depend on the purpose for which it was established. For example, any student accepted into medicine can apply for a Medical Rural Bonded Scholarship, while the Rural Australia Medical Undergraduate Scholarship (RAMUS) Scheme is targeted at students with a rural background who have a demonstrated need for financial assistance.

(5) Offers of places at each medical school remain the responsibility of the individual university. Universities determine the allocation of places on a strict merit basis and will continue to ensure that the all students offered a place are suitable for a career in medicine. Students accepting bonded places will have the same experience at medical school as non-bonded students.

(6) (a), (b) and (c) I understand that some 12,500 people have sat either the Undergraduate Medicine and Health Science Admission Test (UMAT) or the Graduate Australian Medical Schools Admissions Test (GAMSAT) in recent months. These tests are the first step in the admissions procedure for most Australian Medical Schools. In addition James Cook University, which does not utilize the UMAT or GAMSAT process, claims to process some 1,000 applicants per year. I anticipate therefore that there will be around 13,500 applicants for medical school in 2004 and a similar number in 2005 and 2006.

(7) Entry into medical school is a highly competitive process. Universities determine their own admissions policies. A number of universities have graduate entry programs, which necessarily exclude those who have recently completed the HSC or its equivalent.
Health: Australian Health Care Agreements
(Question No. 2332)

Mr Martin Ferguson asked the Minister representing the Minister for Health and Ageing, upon notice, on 8 September 2003:

(1) In respect of the Government’s full-page advertisement relating to the Australian Health Care Agreements that appeared in newspapers on 29 August 2003, (a) how many newspapers carried this advertisement, (b) which newspapers were they, and (c) on which pages did the advertisement appear.

(2) What was the total cost to the Government of placing this newspaper advertisement.

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

(1) (a) The advertisements relating to the Australian Health Care Agreements placed by the Australian Government on 29 August 2003, were published in two newspapers. (b) and (c) The Age published the advertisement on page 8, and the Herald Sun published the advertisement on page 6.

(2) The total cost of these advertisements was $41,615.66.

Transport: Motor Vehicles
(Question No. 2481)

Mr Murphy asked the Minister for Industry, Tourism and Resources, upon notice, on 18 September 2003:

Further to the answer to question No. 2104 (Hansard, 13 August 2003, page 18321) does Australia’s tariff rate encourage the importation of larger numbers of four-wheel-drive passenger vehicles than would otherwise be the case if the rate of tariff for these vehicles and two-wheel-drive passenger vehicles were the same; if so, is he able to say how many more four-wheel-drive passenger vehicles have been imported than would otherwise have been the case.

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

The popularity of 4WDs as passenger vehicles is due to a range of reasons, including perceptions about lifestyle and safety. Average 4WD prices are higher than average two-wheel-drive passenger motor vehicle prices, and yet the popularity of 4WDs has grown in recent years indicating that price is not an overriding consideration in a consumer’s decision to purchase a 4WD. Consequently, it is not possible to say if the tariff differential between 4WDs and two-wheel-drive passenger vehicles has resulted in more 4WDs being imported than if the same tariff had applied to all vehicles.

It should be noted that the tariff on passenger motor vehicles is set to fall to 10 percent in 2005 and the Customs Tariff Amendment Bill (ACIS) 2003 which was recently passed by the Parliament, will cause this tariff to fall to 5 percent in 2010, thus eliminating the tariff differential between 4WDs and other passenger motor vehicles.

Transport: Motor Vehicles
(Question No. 2483)

Mr Murphy asked the Minister for Industry, Tourism and Resources, upon notice, on 13 August 2003:

Further to the answer to question No. 2107 (Hansard, 12 August 2003, page 18187), what is the outcome of the Government’s Automotive Competitiveness and Investment Scheme (ACIS) initiative in terms of encouraging new investment and innovation in the automotive industry.

Mr Ian Macfarlane—The answer to the honourable member’s question is as follows:
The Productivity Commission’s 2002 Review of Automotive Assistance, found that ACIS had “generated additional investment in plant and equipment and R&D”. The Federal Chamber of Automotive Industries (FCAI) and the Federation of Automotive Parts Manufacturers (FAPM) supported this view in their submissions to the Productivity Commission.

FCAI stated that:

Over the five-year life of ACIS, investment in plant and equipment and R&D by the four Australian vehicle manufacturers is anticipated to be over $2.5 billion higher than would have been the case in the absence of ACIS.

FAPM stated that expenditure by component producers on plant and equipment had averaged $293 million per year for the two years prior to ACIS and would average $442 million per year for the first two years of ACIS. On the same basis, expenditure on eligible R&D was projected to increase from an average of $276 million to $295 million.

The Government, in consultation with the automotive industry, has decided to further boost investment leading to innovation by setting up within ACIS a $150 million R&D Fund. This Fund will specifically encourage Australian motor vehicle producers to invest in high-end R&D activities which will further stimulate innovation in the automotive industry.