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

INTELLIGENCE SERVICES AMENDMENT BILL 2003

First Reading

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

Second Reading

Mr DOWNER (Mayo—Minister for Foreign Affairs) (9.01 a.m.)—I move:

That this bill be now read a second time.

The Intelligence Services Amendment Bill 2003 seeks to amend the Intelligence Services Act 2001 to allow the Australian Secret Intelligence Service (ASIS) to undertake its functions more effectively, while maintaining appropriate legislative limitations on the functions of the agency.

In 2001, I introduced to the House the Intelligence Services Bill 2001. It represented an historic step forward in enhancing the accountability of particular agencies dealing with intelligence and security matters.

The Intelligence Services Act 2001 relates to three agencies within the Australian intelligence community—ASIS, the Defence Signals Directorate (DSD) and the Australian Security Intelligence Organisation (ASIO).

The act placed ASIS on a statutory footing for the first time and details its functions, lines of authority and accountability, including under extensive oversight mechanisms including through the establishment of the Parliamentary Joint Committee on ASIO, ASIS and DSD.

The act has provided increased assurance to the public in regard to the control and conduct of these agencies. Its successful first two years of operation vindicates the water-shed decision by this government to bring it forward.

The passing into law of the act came at a crucial time, with the growing threats from terrorism and proliferation of weapons of mass destruction making the already critically important work of the intelligence agencies even more necessary in a global security environment undergoing fundamental change.

More than ever, Australia has needed quality intelligence to protect its interests, and competent and effective intelligence agencies to collect and deliver that intelligence, and to work closely with other agencies in the fight against terrorism and other transnational crime.

ASIS is the only agency which will be affected by the proposed amendment.

ASIS is highly focused on its core function, to protect and promote Australia’s vital interests through the provision of unique foreign intelligence services as directed by government.

In my 7½ years as foreign minister I have found the intelligence it provides to be invaluable.

In the face of complex intelligence challenges since the act came into force in 2001, ASIS has maintained and enhanced its performance of its functions. Its work is essential in developing our approach to key foreign relations and national security issues, and in conjunction with the work of ASIO, DSD and other intelligence and security agencies, goes to the heart of the protection and promotion of Australia’s national interests.

ASIS is a cost effective organisation and it is responsive to Australia’s needs. Its continued high-level performance will be a necessary part of the whole-of-government effort required to combat terrorism and the other
intelligence and security challenges which confront us.

In placing ASIS on a statutory footing, parliament gave ASIS the necessary authority to protect the secrecy of its information and the identity of its staff members. It also established a framework within which ASIS must operate, detailing arrangements for ministerial control and extensive accountability and oversight mechanisms, which work in conjunction with the oversight of the Office of the Inspector-General of Intelligence and Security.

The act outlines the functions of ASIS. Those functions are: to obtain and communicate intelligence about the capabilities, intentions or activities of people or organisations outside Australia in accordance with the government requirements; to conduct counterintelligence activities to maintain its own security, and that of Australia, in conjunction with other relevant Australian agencies; and to liaise with other intelligence or security services of other authorities of other countries. The act also provides the government of the day with the ability to direct ASIS to perform other strictly defined tasks.

ASIS’s functions under the act would not be changed by this bill.

At the time the act commenced operation, it was expressly stated that ASIS was not to conduct paramilitary activities, and in the planning and performance of its functions was not allowed to undertake activities involving violence against the person or the use of weapons.

Since that time, however, the aftermath of the tragic events of 11 September 2001, and the Bali bombing on 12 October 2002, have contributed to a fundamental change in the environments in which ASIS must work. These changes could not have been predicted at the time the act was prepared. As a result, this amendment bill is now required to allow ASIS to provide more adequately for the protection of its staff members and agents, and to enable it to work more closely with other agencies. It is important to note, however, the bill retains the restraint on ASIS undertaking in its own right activities involving the use of force, including use of weapons, other than for the limited purposes of protection. ASIS will continue to conduct its activities in a non-violent way.

ASIS is presently empowered to cooperate with Commonwealth, and state authorities, and foreign authorities with my approval as responsible minister, in order to perform its functions or to facilitate the performance of its functions.

Given the requirement to have a coordinated whole-of-government, regional and global response to terrorism and other transnational crime, this cooperation is essential. Currently the act can prevent the agency from effectively cooperating with other authorities who might use force as a legitimate part of their functions. The amendment addresses this issue.

That is not to say the agency should itself be able to use force as part of its functions. The amendment would retain the limitation on ASIS itself initiating or carrying out activities involving paramilitary activities, violence against the person or the use of weapons. It would only allow ASIS to be involved in the planning or undertaking of such activities legitimately carried out by other organisations, provided ASIS’s staff members and agents did not themselves undertake those activities.

This would, for example, allow ASIS to provide operational advice or support for a legitimate activity which might involve the use of force. The actual use of force being planned for, however, could not be carried out by ASIS personnel.
The bill does not change the requirement that for ASIS to cooperate with a foreign organisation, there is first a need for a written approval from me as the responsible minister. That approval is available for scrutiny of the Inspector-General of Intelligence and Security.

The environments in which ASIS must work, and the issues on which it must work, have, in some cases made working for ASIS far more dangerous in the last two years. Sending ASIS personnel into situations without adequate protection is a problem ASIS has faced, and may face more frequently until the bill is passed into law.

Importantly, the bill provides a mechanism to allow for the protection of ASIS personnel in the conduct of their legitimate functions under the act. The bill would allow for ASIS staff members and agents to be provided with close personal protection by a cooperating agency, when conducting activities as part of their ASIS function.

The bill would also allow an ASIS staff member or agent to use a weapon under strict conditions, which would require that it be used only to protect ASIS staff members, agents, and those who cooperate with ASIS under section 13 of the act.

The bill would only allow the use of weapons or a self-defence technique outside Australia, and they could not be used for any purpose other than protection. The only exception to use of weapons inside Australia would be for training purposes. I emphasise that the use of weapons and self-defence techniques are only to protect the life and safety of people carrying out agency functions. The exception to the use of weapons and force do not expand agency functions and do not change the fact that ASIS is required to carry out its functions in a non-violent way.

Currently ASIS is not able to provide weapons or training in the use of weapons to staff members or agents. The amendment specifies that ASIS is not prevented from providing weapons, training in the use of weapons or self-defence training. Provision of weapons is limited in the bill to ASIS staff members and agents, including those providing training for other staff members or agents.

The legislative oversight regime requires that weapons or training may be provided only in accordance with a ministerial approval from the responsible minister. The approval would set out the purpose of the provision of the weapon or training, and any conditions to be complied with in relation to the provision of the weapon or training. All such approvals would be passed to the Inspector-General of Intelligence and Security. In addition the Director-General would also be required to issue guidelines on the use of weapons and self-defence techniques. A copy of those guidelines would be provided to the Inspector-General of Intelligence and Security. These requirements are stipulated in the proposed schedule 2.

The bill would exempt ASIS staff members and agents from requirements under state and territory laws, to obtain a licence or permission when acting in accordance with the bill, or registering a weapon provided in accordance with the bill.

This exemption does not in any way allow for the use of a weapon inside Australia other than for training purposes. Rather, it is designed to ensure that inappropriate communication or publication of information about ASIS or ASIS staff does not occur. This is consistent with the intent of sections 39 and 41 of the act, which prohibit the identification of a staff member or agent of ASIS, other than the Director-General of ASIS, and provide protection for information produced...
by or on behalf of ASIS in connection with its functions.

The functions performed by ASIS are essential and highly valued, and in the current environment have perhaps never been more important to Australia. This bill strikes a balance between the need to allow ASIS to protect its people adequately and cooperate with other agencies effectively, and the need to maintain ASIS as an organisation which carries out its own functions in a non-violent way.

I commend the bill to the House.

The SPEAKER—I thank the minister. Does he have an explanatory memorandum?

Mr DOWNER—I present the explanatory memorandum to this bill.

Debate (on motion by Mr Cox) adjourned.

COMMITTEES
ASIO, ASIS and DSD Committee
Reference

Mr DOWNER (Mayo—Minister for Foreign Affairs) (9.14 a.m.)—by leave—I move:

That so much of the standing and sessional orders be suspended as would prevent the Minister for Foreign Affairs moving a motion to refer the Intelligence Services Amendment Bill 2003 to the Parliamentary Joint Committee on ASIO, ASIS and DSD for consideration and an advisory report as soon as practicable.

Question agreed to.

Mr DOWNER (Mayo—Minister for Foreign Affairs) (9.14 a.m.)—I move:

(1) That:

(a) the Intelligence Services Amendment Bill 2003 be referred to the Parliamentary Joint Committee on ASIO, ASIS and DSD for consideration and an advisory report as soon as practicable; and

(b) the terms of this resolution, so far as they are inconsistent with the standing and sessional orders, have effect notwithstanding anything contained in the standing and sessional orders.

(2) That a message be sent to the Senate acquainting it of this reference to the committee.

Question agreed to.

HIGHER EDUCATION SUPPORT BILL 2003

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

Second Reading

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

That this bill be now read a second time.

Mr SIDEBOTTOM (Braddon) (9.14 a.m.)—In rising to speak on the Higher Education Support Bill 2003 and the related Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003, may I say good morning, Mr Speaker and colleagues. Yesterday I was speaking about this government’s miserly approach to the University of Tasmania—

Mr Truss interjecting—

Mr SIDEBOTTOM—Minister Truss, I do regard you as a colleague. The financial data indicates that the cumulative funding cut to the University of Tasmania from when this government came to office, in 1996, until 2002 was in the order of $119 million. That is part and parcel of the $5 billion cut to higher education under this government.

In contrast, under Labor there will be additional funding of $8 million for the University of Tasmania from the indexation clause in Labor’s policy. During this government’s term, since 1996, there has been a student-staff ratio increase of 36 per cent, and that is by no means the highest increase in student-staff ratios of our universities throughout
Australia. The solution to meeting unmet demand for places at our universities could therefore not be more stark. The Nelson proposal will not even meet demographic growth after 2007. On the other hand, by 2008 Labor will create over 20,000 new full-time and part-time university places every year for Australians starting an undergraduate degree, as well as 20,000 TAFE places.

Another key policy difference concerns fees. Since 1996, students and their families have already been faced with massive increases in HECS fees. Indeed, as Lincoln Wright pointed out in the Sunday Tasmanian on 12 October, student HECS debts are set to top $13 billion in three years, as low-income graduates struggle to pay off what they owe. They currently owe as much as $10 billion. The Nelson plan proposes, in proposed section 93-10 of the main bill, to deregulate HECS, allowing universities to set their fees at 30 per cent higher than existing rates, with the exception of teaching and nursing, which are capped at existing rates. That is recognition of the dangers of increasing fees, because it will have a detrimental effect on important professions and courses, such as teaching and nursing.

Will these fees be capped at 30 per cent? The bill provides the minister with the ability to vary them, and we know that HECS debts could reach $50,000. Already, too many students and their families are burdened with debt. Too many students have to take up more part-time employment or, indeed, almost full-time employment. They carry more debt and, under this government’s proposals for higher education, that will increase.

In deference to my colleagues, because they all wish to speak, I quickly point out that a Labor government will remove the 30 per cent increase in HECS fees; we will remove the provisions that allow full fees to be charged to Australian undergraduate students; we will limit FEE-HELP loans for postgraduate study; we will remove the insidious 3.5 per cent surcharge, above the consumer price index, on FEE-HELP loans; we will increase by 20,000 the number of full-time and part-time funded places, as I mentioned earlier; we will remove the industrial relations and governance conditions and the caveats on the $404 million of Commonwealth Grants Scheme funding; we will increase the HECS repayment threshold to $35,000 in 2004-05; we will include Labor’s indexation formula based on wage cost indexation, which is a far more equitable system of indexing formulas; and we will make the scope of funding agreements less prescriptive and more of an incentive rather than a stick.

There is a stark contrast between our policy on higher education and this government’s policy. We believe in investing in Australia’s future and its social and economic capital, and we do not necessarily see it as a cost.

Mr NEVILLE (Hinkler) (9.19 a.m.)—The Higher Education Support Bill 2003 and its accompanying bill, the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003, mark a new evolutionary era for Australian higher education institutions. The provision of higher education services is a demanding, dynamic and highly competitive sector, and almost all stakeholders realise that, in order to meet the rigours of competition in the 21st century, the current system is in need of reform. The Australian public also understand that no government can afford to provide all the resources that universities may need in the future and that, unless there are contributions from private sources, we will not be able to meet the demands of universities in the coming century.
The main bill contains a number of elements. Crucially, it proposes a new Commonwealth Grants Scheme for universities whereby, from 2005 onwards, grants for universities will be based on a new funding regime premised on student numbers and discipline mix. Why are we introducing this new format? We are doing so because it will allow greater flexibility, increase the quality and effectiveness of our education, training and research facilities, and allow for future growth.

I approach this debate cognizant of the fact that universities have been transformed into something of a catch-all. They once existed almost solely for research and purely academic pursuits. It is true that, if it were not for universities, we would not come across some of the great truths of art and science. Yet university studies are now assumed to be a logical and practical extension of an individual’s education, and not necessarily an avenue to higher learning for purely academic purposes. More often than not, universities are now seen as the gateway to securing a great job, qualifying for a promotion or nailing a pay rise. Whilst I do not condemn the transformation in the particular purpose of higher education, it is clear that universities and the higher education sector in general must move with the times and perhaps shape themselves into something more relevant to today’s society. That is the purpose of this legislation.

We cannot underestimate the social and economic contribution that the higher education sector makes to Australian life. Its partial deregulation will go further to foster those benefits. In terms of sheer numbers, 295,000 international students choose to study with Australian higher education institutions and schools every year—130,000 of them at universities. In dollar terms, this translates to more than $5.2 billion in the sector of education services—our third largest export sector. Further to this, our higher education regime employs tens of thousands of Australians—81,000 in 2002—and generates a total revenue of $11.2 billion per year.

The government recognise that there is room for further growth in the education and training sector as an export industry. We are actively seeking to develop that sector further. To that end, the government will invest $1.5 billion in the sector over the next four years and provide a total support package of $10.6 billion over the next decade. Those significant sums will not be thrown at the sector in the haphazard way that the ALP proposes. There is a clear structure in this funding, which is tied to reforms which need to be introduced.

From 2006, Australian universities will be able to access new funding under a range of programs. Those programs include the two-year $138.5 million learning and teaching performance fund, the two-year workplace productivity program worth $55.2 million, and the collaboration and structural reform program comprising $36.6 million between 2005 and 2007. On top of this, our universities will have upwards of 25,000 marginal places converted to fully funded places allocated to them by 2007, including 210 new fully funded nursing places which will be brought on line next year. Further investments include $42 million to promote our education and training sector in the international market and $36 million to set up international centres of excellence.

An OECD report released last month recognised that this government spends above the OECD average on education. It currently spends about six per cent of gross domestic product on education compared with 5.8 per cent in 2002 and the average OECD national level of 5.5 per cent. In fact, it is spending well above the OECD average in all areas of education—primary, secondary and tertiary.
This government is investing $US4,967 per student per year compared with the OECD average of $US4,381. For high schools, Australia is putting in $US6,894 per secondary student compared with the OECD average of $US5,957. For tertiary students, it is investing $US12,854 per student compared with the OECD average of $US9,571. In fact, the OECD report showed that the government is spending 1.6 per cent of GDP on education alone, against an average in the OECD of 1.3 per cent. That final figure alone is a clear signal of this government’s commitment to providing excellence in higher education services and facilities, but it is not prepared to rest on its laurels. This government knows that, by reforming the higher education sector, Australia and the students who choose to study in our country will reap even richer benefits.

As I have previously mentioned, this legislation will allow for 25,000 marginally funded places to be fully funded over the next three years, whilst 1,400 additional student places will be provided in 2007. These measures will cost $139 million in 2003-04, $252 million in 2005-06 and $384 million in 2006-07—substantial investments in the future of our higher education sector. In part, the government will help fund these initiatives by restructuring the education services for overseas students fee and increasing the international education contribution within the student visa application charge. The reform package also places special emphasis on regional universities because of the difficulties they face due to their location and size. From 2004, the federal government will start distributing $122.6 million over four years in additional funding to support regional campuses, and I for one particularly welcome these measures which will mean greater higher education opportunities in my electorate of Hinkler.

My electorate is fortunate to have two Central Queensland University campuses within its boundaries: one at Bundaberg and one at Gladstone. CQU also has regional campuses at Rockhampton, Mackay, Emerald and Noosa, along with international campuses in Sydney, Brisbane, Melbourne, the Gold Coast and Fiji. It operates multifunctional delivery sites in Hong Kong, Singapore and Malaysia. Under this legislation, CQU will receive a five per cent increase in base funding per student across all campuses to help it deliver courses. This will help CQU continue its success in attracting both domestic and international students, as acknowledged by the CQU Vice-Chancellor, Professor Glenice Hancock, earlier this year. Professor Hancock was amongst a group of vice-chancellors who visited parliament midyear and who delivered a strong message to the government. That message was this: by investing in Australia’s universities we are investing in securing the nation’s future. CQU has been in the game for more than 35 years, so I can assure you that those who oversee its governance know what they are talking about.

CQU began life in 1967 as the Queensland Institute of Technology, Capricornia and four years later became the Capricornia Institute of Advanced Education. By 1990, the institute had completed a transition phase and became the University College of Central Queensland. I am proud to say that I was a member of the council of the institute and the college at that exciting time. Two years later, in January 1992, UCCQ achieved full university status. By the end of last year, after 10 years of being a fully-fledged university, CQU had a total enrolment of 19,405 students, with 47 per cent being international—a truly remarkable figure. This made CQU the highest ranking Australian university in terms of the percentage of enrolled international students, with the second rank-
ing public university coming in at 35 per cent.

It is telling that the Central Queensland University’s figure of 47 per cent international enrolments is more than double the sector-wide average of 20.6 per cent. Between 1997 and 2001, CQU’s revenue generated by student fees and charges increased from 17.5 per cent to 42.2 per cent. This compared with the average for the sector as a whole increasing from 14.9 per cent to only 19.8 per cent over the same period. Quite clearly, this is one institution which is going from strength to strength on the basis of full fee paying international students, while managing to maintain its core presence and service delivery to the rural and regional areas of Central Queensland.

We pride ourselves on being the lucky country—an egalitarian society where everyone gets a fair go—but it seems this particular raft of legislation has copped a real belting, despite the fact that the Australian Vice-Chancellors Committee recognises the importance of HECS in ensuring equity of university access. The committee president, Deryck Schreuder, is on the record as saying: We’re broadly very pleased with the direction that the government has struck with the new policy. ... Universities have increasingly been underfunded and overregulated and the government has begun to give attention to that.

Unless reform comes soon, Australia’s universities will face serious financial and educational difficulties. One of the principal areas of reform revolves around the Higher Education Contribution Scheme—HECS, as we know it—where students can defer the costs of their education until they are in paid employment. HECS is a remarkable equity provision which spreads the cost of higher education and produces stronger outcomes for the wider community as well as private benefits for those who go on to higher education.

As it stands under the current arrangements, our university graduates have enjoyed subsidies from the Australian taxpayer of around 75 per cent. We should also recognise that a graduate has an 80 per cent chance of a permanent job within four months of degree completion. A male graduate can expect to earn $622,000 more over his working life than a nongraduate, and a female, in comparable circumstances, $412,000. But a point that should never be lost on us is that the Aussie battler is not assured of such an outcome, despite being the chief financier of our tertiary students. So we are looking to make some changes to HECS, although the basic scheme will remain in place.

We have heard a tremendous hue and cry about the adjustment to HECS payments, but precious little has been said about university graduates who choose to delay their HECS payments. They will not repay a single, solitary cent until they are in paid employment and reach the earnings threshold of $30,000 a year. Under the current arrangements, HECS debt repayments kick in once a university student reaches an annual earnings threshold of $24,365. So we are in fact providing a ‘grace’ earnings gap of around $5,500 per annum. The top-end repayment threshold also rises to $60,000 from the current $44,000.

This legislation also offers further assistance measures to students by way of two new scholarship schemes. From next year, 2004, the government will invest around $84 million over four years in the Commonwealth Education Costs Scholarships, which will provide $2,000 each year for low SES students and Indigenous students undertaking full-time tertiary studies. The second scholarships scheme, the Commonwealth Accommodation Scholarships, focuses on students from rural and regional areas, providing $4,000 a year for up to four years to cover the costs associated with relocation.
This particular scholarship could be of enormous assistance to prospective students in Central Queensland, especially in the more remote areas. There will be 1,500 accommodation scholarships available next year under these bills and that will rise to 2,000 in 2007.

I have no doubt that these two measures will open a few doors to students who might otherwise not fulfill their academic potential. But it is not only students who have the right to reach their full potential; I believe higher education institutions also deserve that right. To that end, these reforms will allow universities the discretionary power to increase their fees by up to 30 per cent above HECS rates, exempting teaching and nursing from that agenda. I stress the word ‘discretionary’, because not all universities will increase their fees. I have heard of a couple of universities who are actually going to decrease them—an option which they do not have at present.

All Australian tertiary students, including those who choose to study at an institution which takes up the opportunity to raise its charges, will be able to access a loans scheme—the Higher Education Loans Program. Loans will be capped at $50,000 and an interest rate will be levied at 3.5 per cent above the rate of inflation for the first 10 years. They will be repaid in a similar way to a HECS payment.

Having detailed the reforms and assistance available to the higher education sector, I feel I should make clear that not all Australian high school graduates are destined for university studies. In fact, seven out of 10 high school leavers will choose other methods to build their skills bases. They might choose to take up vocational training through an apprenticeship or traineeship or enter the TAFE system, run by the various state governments of Australia.

The opposition has had very little to say about the monstrous fee increases the various ALP governments have introduced to these institutions. Has the opposition voiced its concern or outrage about the fact that the New South Wales government has hiked its TAFE fees by 300 per cent? Have we heard a peep out of the opposition about the fact that Victorian TAFE students will confront full fee paying courses at around $8,000 to $12,000 per year or that the South Australian government has increased TAFE fees by 50 per cent? Have we heard so much as a whisper from the ALP about the way its state colleagues have treated the working men and women of Australia and their sons and daughters who are trying to obtain basic technical and trade qualifications? No, we have not.

We have in these bills a new, proactive regime for universities—one which will expand the sector and give universities more, but not unbridled, flexibility. It recognises that the potential graduate has a distinct advantage in the marketplace and makes a modest contribution to his or her future. This regime does not deserve the scare tactics and odium heaped on it by the opposition. Australia is still one of the most generous countries in the world in the treatment of its tertiary students, and interestingly—and I close on this point—the Blair Labour government in the UK has itself proposed measures not unlike those that have been proposed in these bills by the Howard government. I commend the bills to the House.

Mr CREAN (Hotham—Leader of the Opposition) (9.39 a.m.)—This debate is crucially important for this nation, but these bills do not show the way forward for us. Education is the bridge to the future for Australia. It is the lifeblood of the nation. It is the basis of opportunity for individuals. A nation that will not invest in education is a nation which is doomed—doomed to eco-
nomic decline and social inequality. It is a nation that will not go forward. The Howard government claims that it is strengthening our higher education system; it is doing exactly the opposite. Its education policies are betraying the nation. Just as in health, the Howard government’s philosophy is simple—it wants to shift the cost of education from government to the individual. It wants our education system to become a user-pays system.

I think that we are in danger of losing in education one of the foundations of egalitarianism in Australia. It used to be that any bright kid in Australia not only could dream of going to university but could get there, and their parents could encourage them without worrying whether they could afford it. Today, how many potential scientists, teachers or business leaders are facing the decision about whether they can afford to go to university? Their parents’ income is now more important than their ability, their drive and their dreams. Labor have a different view from that of the government. It is a better view. We believe that education is overwhelmingly a public good. That is why we believe that, as a nation, we must invest in it.

Today I want to speak specifically on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. I pose this question at the beginning: could these bills be any more incorrectly named? Far from being the higher education support bills, they are the higher education destruction bills. If they are passed, the great Australian dream that every child will have the chance to go to university and get a good career will be destroyed. Labor believes that our great universities and TAFEs need more assistance, but they do not get it from these bills. The member for Jagajaga, the Deputy Leader of the Opposition, has foreshadowed a comprehensive series of amendments that will remove the negative features of these bills. They are amendments that, with our policy proposals, will create a stronger education system and a better future for our nation.

Before I detail Labor’s solution, let us understand the magnitude of the problem that has been left to us by the Howard government. After seven years of that government, Australians are paying the highest taxes in our nation’s history but are getting less in return. The government is not only taxing families more, it is charging them more for the services they depend upon—in particular, health and education. It is no wonder families are struggling under increased financial pressure, not just in health but in education as well. The record of the Howard government in education is a national scandal. When John Howard became Prime Minister, he cut $5 billion in investment from our universities. Between 1995 and 2000, public investment in education fell by 11 per cent—more than in any other country in the OECD. As a result, public education investment in universities is now the sixth lowest in the OECD. The rest of the world is leaving us behind.

Each year, 20,000 qualified young Australians are missing out on a tertiary place. There are now 120,000 fewer places in our universities than would have been the case had Labor still been in office. That is what the forward estimates projected—120,000 more places than this government is currently overseeing. Student fees have risen by over 85 per cent, and university class sizes have risen by more than 30 per cent. Student debt has more than doubled. It now stands at $9 billion and will soon rise to $13 billion. How will our young people ever be able to afford to buy a home and start a family with
up to $100,000 in compounding debt hanging over their heads? Yet that is the legacy of the Howard government so far.

In the recent budget, John Howard expected the Australian people to thank him for giving them a $4 sandwich and milkshake tax cut. But the tax cut came at a terribly high price, including pricing average Australians out of tertiary education and reducing the productive capacity of our nation. It is a new tax, a knowledge tax, a tax on our nation’s future. Once again, John Howard is giving with one hand and slugging Australians with the other. Also, the education minister constantly asks why Australian students cannot pay full fees to get into courses, just like overseas students. There is a simple answer: Australians and their families pay taxes here. They have contributed already. The real question for this government is: why does the Howard government want Australian students and their families treated like foreigners in their own country? I make no excuse for treating Australian students differently and making education accessible and affordable for them.

But as bad as the system has become under the 7½ years of the Howard government to date, these bills that are before us are going to make it worse. Under this legislation, universities will be free to increase their fees by 30 per cent. That is another 30 per cent on top of the 85 per cent rises since 1996. This means huge HECS debts: $15,000 for arts, $21,000 for science and $41,000 for law. And worse, there is no guarantee in this legislation that the fee rise will be capped at 30 per cent. There is nothing to stop the fees going up even higher again. I ask Australian families and students to contemplate that. This horrendous increase that we have seen in the last 7½ years will only escalate further if this government is returned.

Half of all university courses will now be eligible for full fees. And, if he chooses to, the minister for education can simply deem entire courses to be 100 per cent full fee paying. What sort of an opportunity does that present for students from struggling families, for kids that have ability but whose parents cannot afford to put them through university? Some degrees, like medicine, will cost up to $150,000. That is not our figure; it is the figure of the Vice-Chancellor of the University of Melbourne, Professor Alan Gilbert. We talk about doctor shortages and now we are pricing them out of the market. Average Australian families will never be able to afford to send their children to university if this becomes law. It is the end of the Australian dream of a fair go for every young person.

But the Howard government is not just content with putting up fees. It also intends to put up the cost of servicing the loans to pay for them. Real rates of interest—currently at six per cent—will see student debts compound year after year. What a burden to place on our young people just as they are starting their working lives. Our young people are being left with the choice of missing out on higher education or drowning in debt. It is a choice that they should never have to make.

But the changes will not just hurt the students and their families; they will also hurt the universities. Under the bills, universities will be blackmailed into accepting unfair industrial relations changes or losing $400 million in funds. If they refuse to accept these impositions on their independence, that is $400 million less that will be available for investment in extra staff, extra buildings and extra resources for their libraries. It just highlights the ideological nature of the government. It is a government that talks about freedom for our universities but now, through this industrial relations agenda and new funding system, wants to impose new
restrictions on them. This is not just an attack on intellectual freedom; it is an attack on institutional autonomy.

Students and parents have condemned this package. The only endorsement that this package has got is from some of our vice-chancellors, who have been forced to accept it as their only lifeline after seven years of cuts. But now that they have seen the details, even these vice-chancellors are backing off. And also, now that they have seen Labor’s alternative, they are embracing that. Labor’s package offers them a real alternative.

Australian people do not want these changes to their higher education system. They offend a core Australian value: a fair go. Labor’s approach is based on the principle that access to education should be on ability, not ability to pay. Today, Labor make these pledges to Australian families. We will not allow this government to slug you and your children with a 30 per cent increase in university fees. Labor will make higher education more affordable. We will not only stop John Howard making half of all university places liable for full fees; we will also abolish full fees for Australian undergraduates altogether. There will be no $100,000 degrees under a Labor government. We will not allow this government to saddle you and your children with $800 million of new debt at real interest rates. We will abolish real interest rates for these loans. And we will not allow the wealthy to jump the queue and take the university places that rightly belong to the hardest working and the most able young Australians.

I have outlined what is wrong with the government’s approach. Let me tell you about my vision for the future of our education system. The world is changing—changing so rapidly, in fact, that our children will be working in jobs that they have not even imagined yet. They will have to update their skills throughout their lives, not just when they are young. This requires no less than a revolution in the way we think about our education and the education of our kids. Our goal must be the creation of a world-leading system of lifelong learning. That means learning must start with the crucial early years; it must be developed intensively during the school years and it must continue throughout life.

Instead of educating just some of our children to the highest possible standard at the start of their lives, we must educate every person to that same high standard right throughout their lives. We cannot afford to leave a single child behind if we want this nation to become all that it can be. Too many of our children are slipping through the net because they are not getting the help they need to develop their learning skills when they are young. That is why Labor will expand early learning programs so that every child gets the help that they need in the vital early years. It is the best investment our country can make in its future. Every dollar we spend in the early years will save up to $5 down the track.

Opportunities are also being lost because not enough money is being invested in our schools. Labor will repair this damage by increasing investment in our public schools. While we encourage everyone to get a year 12 qualification, we do not provide enough apprenticeships or enough places at university or TAFE for them. That is why Labor will create 20,000 more TAFE places and it is why we will create 20,000 extra university places. This will include extra investment in our teachers and nurses through the creation of over 3,000 new full- and part-time places for nurses and around 4,600 places for teachers. Our universities will benefit from Labor’s plans for the better indexation of their operating grants—a policy that will deliver an extra $312 million over four years to our
universities. We will reform and modernise our universities with a $450 million universities of the 21st century investment fund—again, a commitment over four years—and we will boost our nation’s research potential through 300 new postdoctoral fellowships.

Not only will we create more places and fund our universities better; we will make education more affordable for our students. We are going to do this by extending rent assistance to Austudy recipients; by reducing the age of independence for students on Youth Allowance to 23 years of age; by lifting the HECS repayment threshold to $35,000; and by lowering the cost for students of maths and science at our universities. Labor’s investment in education, outlined in this document, Aim Higher, is fully costed and fully funded, because budgets are about choices and Labor choose to invest in education—to make it more accessible and affordable for everyone, not just the wealthy.

Earlier this year I met with students at the Penrith campus of the University of Western Sydney, just as I met with many other students around the country, when we were developing this package. At that campus, two-thirds of the students are the first members of their families to make it to university. I am going to make sure they are not the last. Together with my vision for early education and early intervention, these new higher education policies will help us become the type of nation we want to be and must become: a richer, stronger, fairer and more tolerant place. Labor’s policy of investing in education will be good for our young people, good for families and good for our nation.

That is why these bills before the House should be rejected. That is why the amendments moved by the Deputy Leader of the Opposition should be supported. But that is only to stop the problem. What we have to do is build and build again as a nation. Labor has been the only party in this parliament that has seriously invested in education—that has understood the importance of opening up opportunity, making it available to everyone, and recognised that it has become a lifelong learning exercise. That is why it is not just a question of opposing these pieces of legislation; it is about proposing an alternative. Labor’s policies are outlined in this document, Aim Higher.

It is not just a question of blocking these bills that are going to put a further tax on knowledge in this country; it is the reason why we need a Labor government returned to office—a Labor government that is prepared to invest in education, a Labor government that understands that education is a public good and that is why we as a nation must invest in it. A nation investing in education is not just giving opportunity to young people; it is giving opportunity to us as a nation. It determines whether we advance. That is why this country needs a Labor government—because under 7½ years of a Howard government we have simply had a reduction in opportunity. We have had the introduction of fees and the pricing out of the reach of young people the opportunity to get an education in a university or TAFE college. Labor will not only oppose what the government is doing in these bills; we will propose the alternatives—the alternatives that give accessibility and opportunity. That is what the country needs. (Time expired)

Mr QUICK (Franklin) (9.59 a.m.)—I am delighted to follow my leader in this debate on higher education. As a former teacher, it is wonderful to hear the news, just announced by Simon Crean, of the application and dedication of funds to ensure that not only are universities looked after but TAFEs and the early education sector of our education system are looked after as well. I welcome the opportunity to speak to the Higher Education Support Bill 2003 and the Higher
Education Support (Transitional Provisions and Consequential Amendments) Bill 2003—bills that seek to disadvantage universities as institutions, strip university staff of their working conditions and place students and prospective students in a debt trap for years to come. These bills are examples of the lack of vision of this government with regard to education. They represent the ideological bent towards cost shifting from the government to the people. They represent a shift from affordable education to a system allowing only the rich to buy their way into a university education.

Labor does not support a system that favours full fee paying student places at the expense of HECS university places. Labor also does not support increases to HECS fees of up to 30 per cent. The 1996 changes to HECS by this government had the effect of reducing demand for higher education amongst our school leavers by around 9,000 students per year. The DEST paper on higher education found that around 17,000 mature age applicants had been discouraged from applying for university places. The fear of changes proposed in these bills will discourage even more students from applying for university places—fear of the debt, fear of the cost and, for many prospective students, fear of living on the breadline because they have no access to either Austudy or Youth Allowance. That, of course, is another sore point with this government.

The vision that people are looking for—the vision that Labor espouse—is that of equitable access to education so that the talents of Australian students can be further developed and nurtured. Ours is a vision where Australian students from all geographical areas, from all socioeconomic backgrounds and from all cultural experiences contribute to Australian society and build Australia’s economy. As the leader said, Labor will provide an additional 20,000 university places each year to allow all those who want to go to university to fulfil that dream. Labor will also reduce the HECS fees for science and mathematics courses by $1,600 per year. I have just come from a meeting with three scientists—we are all being lobbied this week by scientists—and they are delighted with Labor’s commitment to reducing fees in science and mathematics. These are measures that will revitalise the education sector and stimulate students to aim higher.

The accumulated HECS debt in this country is estimated to reach $13 billion by the year 2006. We all know the results of repaying HECS debts for new graduates: delays in purchasing homes, delays in having children and, for some, a brief visit to the poverty line. I can speak from personal experience of my two daughters, Sarah and Hannah. Sarah did a Bachelor of Arts degree in journalism at RMIT, and Hannah, who has just finished a diploma of education, is now teaching in her first year in the Victorian education system. I know what they went through. Labor supports the increase in the repayment threshold to $35,000 but the point needs to be made that it should never have been lowered in the first place.

On September 26 this year, the Vice-Chancellor of the University of Tasmania, Professor Daryl Le Grew, told the Senate Employment, Workplace Relations and Education References Committee:

We were looking for evidence that the system would become differentiated, that the University of Tasmania could see this package as a way of shaping its future.

He went on to say:

We have some problems with the package as it exists at the moment and as it is translated into projected legislation.

... ... ...
On the basis of the industrial relations reforms, we find that what is being proposed is unworkable.

... ... ...

We do not know why there is a continuing and obsessive commitment to something which appears to be more ideologically driven than logically driven at the present time.

These are strong words indeed that are now on the public record from the Vice-Chancellor of the University of Tasmania. What more can we say about a system devised by a government that is more intent on stripping the conditions and pay from academic staff in universities than it is on improving the system and thereby increasing the way we value those with the knowledge and skills to develop our children and our friends? All I can do is agree with the vice-chancellor and repeat: it is ideological and obsessive.

The former minister for workplace relations and the minister for education have agreed to tie workplace relations reforms to the university funding package. I am not sure what the two ministers were saying about academic staff when they dreamed up this stunt. Were they alleging that academic staff are overpaid? Were they alleging that academic staff have cushy jobs? Why have the ministers not come out and stated exactly how the staff of universities are overpaid and underworked, as they allege? Where do they think the savings should be made? The reason we do not hear details is that ideology has no detail, just the capacity to derail the proper functioning of an excellent university system. Professor Le Grew puts it very simply:

What it does not recognise, also, is that the staff of a university are its intellectual property, its intellectual capital. Without that intellectual capital nothing happens.

There is only one course of action open to the minister on the industrial relations front: cut the industrial relations dogma from the package; it serves only to aggravate what is already a contentious piece of legislation. Again the vice-chancellor is clear in his views:

There are unworkable provisions in here that are, frankly, unacceptable. The industrial relations precondition is unacceptable to the University of Tasmania. To that extent, it threatens the viability and sustainability of the government's package.

Hear, hear. These words from the specialists who know the industry speak volumes. I endorse these sentiments wholeheartedly. We should encourage universities to continue to be shrines of learning rather than tombs of disappointment and bitterness. With great regularity I mention the special problems of Tasmania, particularly the difficulties associated with our population distribution, and I agree with Professor Le Grew that the regional outreach of the University of Tasmania needs special and additional support. He and I both know that there are kids in schools who are desperate to get into university.

Tasmania’s participation rate is very low, and yet we are still 1,000 university places short. Nothing in this package will fix that shortfall—in fact, it is more likely that the formula will see Tasmania with even fewer places. It is outrageous that Tasmania should be faced with this prospect—the prospect of places being redistributed to other universities rather than it receiving funding for an increase in the number of places to take up the 1,000 students who want to come to the University of Tasmania but who cannot.

I reflect sometimes on the contest between the two ideologies: Labor’s belief in a system with equity against the government’s push for a system weighted in favour of those with wealth; Labor’s strongly held belief that a nation benefits from educating as many of its citizens as possible against this government’s wanting to educate only the elite; Labor’s belief in wealth distribution against the government’s support of wealth
accumulation. The differences are stark. You do not need a microscope to see that Labor are way out in front on education policy; take a look at what we will deliver when in government. As the Leader of the Opposition has said, there will be an additional 1,100 new undergraduate nursing places; 500 HECS funded postgraduate nursing places every year from 2005; an extra 1,700 undergraduate teaching places; and 500 additional HECS funded postgraduate teacher education places every year from 2005. More importantly, Labor will establish strategic settings for long-term reform. Labor will not ask students to pay more. We will provide the vision, investment and direction needed for a world-class Australian university system.

The universities themselves have spoken out against this reform package. All the arguments I would want to put here in this debate have already been put—before the Senate committee and in the media. The government seems to be unable to bring itself to fund the public sector. Across this great country of ours people are calling out for improvements in public health and public education. With some irony, we see that in health it is the doctors’ union speaking out and in education it is the vice-chancellors’ group. It is quite astonishing to see groups that traditionally align with conservative policies being transformed into advocates against this government’s policies. It seems that everyone in the country can see what needs to be done except this government. The government is driving education and health in a downward spiral. Labor stands for learning, training and better jobs for more Australians. Labor is about aiming higher, not lower.

Mr GAVAN O’CONNOR (Corio) (10.10 a.m.)—The bills we are debating here today, the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003, are the latest instalments in the Howard government’s plan to regress tertiary education in this great country and give effect to its higher education package, Backing Australia’s Future, announced in the 2003 budget. In a previous debate in this place I referred to the title of the government’s package as a misnomer because the government would want us to believe that, having ripped $5 billion out of tertiary education since coming to office, it is really in the business of backing Australia’s future. Only in the coalition of the Liberal Party and the Nationals that forms the government of this country could such a delusional exercise be undertaken without so much as a twinge of guilt for the damage they have already inflicted on Australia’s tertiary education sector by the withdrawal of that $5 billion.

The Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 repeal the Higher Education Funding Act 1998 and replace it with a similar base structure. However, there are important differences contained in these bills to make them quite different from the 1998 act. They indicate the absolute philosophical confusion of the Minister for Education, Science and Training, who, as I have said, has the gall to publicly masquerade these measures as reforms. For example, the minister seeks to deregulate tuition fees for undergraduate students for the first time in 30 years—in that particular initiative, he is on the deregulation kick—yet he reserves for himself substantial powers and control of the student profiles of universities and arms himself with the authority to add newer higher education providers to the system without any reference to this parliament.

On more than one occasion the minister has trumpeted the extensive process of con-
sultation he undertook to produce the initia-
tives that are contained in this legislation. It
is legitimate for members on this side of the
House to at least ask how anyone could have
gone through an extensive process of consul-
tation and produced such a bad, internally
inconsistent, philosophically confused and
poorly resourced package of educational ini-
tiatives. It is a matter of some regret that
members on this side of the House are not
going to be able to access their full debating
time on this legislation, because in my own
electorate this self-styled reform package
from this conservative government minister
will impact adversely and quite heavily in a
financial sense on many of my young con-
stituents and their families.

The implications of this legislation for the
tertiary education sector are not really too
hard to comprehend. Massive student fee
hikes will flow from this legislation and,
whether members opposite want to admit it
or not, there will be $100,000 degrees. There
is another simple reality, and that is that the
Howard government’s policies are going to
lead to a blow-out in student debt to more
than $9 billion—the transfer of resourcing
responsibility of an enormous magnitude
from the public to the private sector.

There are two consequences of this legis-
lation that I would like to deal with in greater
detail in the context of this debate, because
they say much about the ideological obses-
sions of the government and their blind in-
ability to acknowledge and change policy in
the face of mounting evidence of the damage
those policies are causing to this nation in
the long term. The first consequence is the
massive disruption across university cam-
puses as a result of the government’s attempt
to blackmail universities into implementing
the government’s extreme industrial relations
views. At stake is more than $400 million of
badly needed funds which are contingent on
the universities implementing over three
pages of conditions before they can access
those funds.

Let me outline for the House some exam-
pies of the more celebrated and stupid at-
ttempts by the minister to micromanage our
universities. These conditions include: insti-
tutions must not hand out union membership
forms during staff induction processes; re-
lated funding must not be used for union
salaries, facilities and activities; institutions
must not provide union offices on campus
free of charge; Australian workplace agree-
ments must prevail over certified agree-
ments; existing conditions, including current
levels of redundancy payouts and maternity
leave are threatened; limits to casual em-
ployment levels must be removed; and union
involvement in dispute resolution must be
reduced. Not one of these conditions has one
iota of relevance to the universities’ core
functions of teaching and research.

These are the policies of a control freak
minister. They are the policies of an egoma-
niac. They are the policies of a minister who
wants to establish himself as ‘mein Fuhrer’
of the Australian higher education system.
Thankfully, people within Australian univer-
sities are resisting the attempts of this minis-
ter to micromanage the affairs of their uni-
v universities and to poke his nose in an area
where he should not.

The second consequence of this legis-
lation is related to the fact that there is distur-
bng comparative data that suggests that Aus-
tralia is falling behind its competitors in key
performance areas in the tertiary education
sector. There is no doubt that our universities
are in crisis after seven years of this govern-
ment; how could they be in any other posi-
tion, given that $5 billion has been slashed
from their budgets? There is evidence that
Australia’s public investment in higher edu-
cation is falling backwards while other coun-
tries are increasing theirs, and the bald im-
plications of this trend are that our children—our future generations—will not enjoy the highest standard of living that they could; indeed, their standard of living might well be reduced.

According to the OECD report, *Education at a glance: 2003*, between 1995 and 2000 Australia’s public investment in universities declined by 11 per cent—more than any other country in the OECD. We are slowly being left behind as this government sacrifices the tertiary education sector on the altar of its own ideological obsessions. The result of this lack of investment is that we have seen a lowering of standards in our universities, with overcrowded classrooms, and infrastructure which is in a terrible state of disrepair.

The opposition have released, for public debate and comment, a raft of initiatives which we believe will substantially restore the fortunes of our tertiary education sector and put Australia on the best possible footing to maintain the standard of living of all Australians into the future. I urge members opposite to look at *Aim Higher: Learning, Training and Better Jobs for More Australians*. In it, we have taken the waste and the misplaced priorities of the Howard government and redirected that expenditure to the purposes for which it should be used in this sector. We will expand opportunities to get a qualification by creating 20,000 commencing full- and part-time university places and 20,000 full- and part-time TAFE places. That means that, by 2008, there will be 40,000 additional commencing TAFE and university students in the system each year.

We have provided $35 million for a program to support secondary school students from disadvantaged backgrounds to progress to university and TAFE. This particular funding is relevant to my electorate, which in certain areas has a very low socioeconomic profile, where families find it very difficult to send their children to university. More importantly, we are going to restore merit over money as the primary criterion for getting a university place and ensure that access to universities remains affordable. I urge members to read that document, because in it is the future of this country. Our country’s future is not in the regressive set of measures that are contained in these particular bills but in a broad, comprehensive program for the tertiary education sector that will put Australia on a sound footing in the future and will go a long way to maintaining the standards of living that we have enjoyed, and passing on those standards to our children.

Mr ALBANESE (Grayndler) (10.21 a.m.)—This legislation, the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 could not have come at a more important time. As I rise to speak today, you can be sure that there are hundreds of young Australians everywhere, sitting down in their homes trying to focus their minds away from the TV and onto their study books, with the heavy knowledge that their final school exams are just around the corner. Alongside these young Australians are their parents, who bear not only the role of study enforcers but also concern about what the end of the year will bring for their child, no matter what their final results are.

This time will be blissful for some lucky parents of year 12 students—not only are they sure their child will obtain the marks to get into the course of their choice but they know they can afford to support their child’s talents and ambitions. Young people preparing for their exams know that there are limited places for students at universities across Australia. They know that, even if they achieve higher than last year’s entry mark for their chosen course, there is no guarantee
they will get a place, because there are fewer places. They know that when they finish they are guaranteed to have a debt that will take them years to pay off. They know that other young people who may not be as intelligent as them or who may not have worked as hard will get their place because their parents have more money. How fair is this? How Australian is this?

Until recently Australians were regarded as one of the most highly educated societies on earth, but the rest of the world has caught up. Australia today invests only 6.15 per cent of its GDP in our most valuable asset—knowledge. The United States invests 8.73 per cent; Finland, 9.62 per cent; and Sweden, 10.8 per cent. For our nation to be all that it can be, we must invest not just in some of them occasionally but in all of them continually and according to opportunity. We must not let any group or any disadvantage area be left behind. Only a generation ago it was common for people to rise from the shop floor to the boardroom in the span of their working life.

Education has always been one of the biggest political issues for women. But one of the reasons education is now a big issue for men as well is that many fathers realise their children will not have the same opportunity they had to get ahead in life unless they get a trade or a university education. They know that university or TAFE qualifications have become their sons’ and daughters’ passports to a secure future, as well as guaranteeing a secure future for our nation. If we want high incomes and growth we have to be skilled. We have to be educated. These things will not fall into our laps. Australia’s education spending is certainly at odds with international trends.

As well as opening up education opportunities in the fields that industry need, Labor is committed to supporting disadvantaged students’ aspirations. Our Bright Futures program will encourage students from disadvantaged areas to consider future learning and training. This is a fundamental element of our education package. We want to open their eyes to opportunities, to plant the potential seed of ambition, in the early years of high school. Bright Futures will cost $35 million over four years. The money will go to schools, universities and TAFEs to encourage young people to keep learning. It will involve visits by TAFE and university students to tell school students first-hand about their training options. Labor will not increase the HECS burden on students or their families. Overly large prospective debt discourages participation, particularly of those from poorer backgrounds.

The government knows all about this—and not only chooses to ignore it but also hides the facts. The ‘more honest than thou’ Minister Nelson tried to bury a report, which the government had been sitting on for months, by releasing it one Friday afternoon at 5.30 p.m. The data showed the government’s 1996 HECS increases turned an annual 9,000 school leavers and 17,000 mature age prospective students away from furthering their education at university. The government hid this report because it killed its defence of the planned 30 per cent fee increase. The government’s plan is not just an exercise in pushing responsibility off its books but also a lazy policy. By contrast Labor will invest more in TAFEs and universities to increase the number of places.

We must also improve the quality of higher education. Labor’s 21st century fund will create a world-class university system. Our indexation fund will stabilise funding in real terms to relieve the pressure that now gives students standing room only at lectures and sees tutorials disappearing. We will raise the annual salary threshold at which graduates repay HECS to $35,000, providing relief
to low- and middle-income graduates. Our 300 three-year postdoctoral fellowships are designed to slow the brain drain. At a time when we are hosting Science Meets Parliament in this House, it is appropriate to reflect on the drain from this nation of some of our best minds in research and science who have chosen to go overseas because of the financial cutbacks that have occurred in higher education and research in this country.

The total cost of our package is $2.34 billion over four years. It is fully funded. Parents believe that they have to start saving from the time their child is born if they want them to have the opportunity to go to university. According to one report, the Australian Scholarships Group has put the cost of a four-year science HECS degree, including living costs, at $143,506 by 2015. The same degree is projected to cost $255,000 in full fees, including living costs. These developments are frightening. Parents are right to be worried. These developments mean that a university education will be limited to those who can pay. What is more, the considerable social and economic spin-offs of a strong university sector—tax receipts, skilled professionals, increased productivity and international competitiveness—will all diminish.

The Howard government wants to let universities increase HECS fees by 30 per cent. An increase on that scale will mean that students’ contributions will have more than doubled since 1996. Already the University of Sydney has decided to increase fees by 30 per cent in all possible courses. Labor is committed to making university a prospect for all Australians. We will not increase HECS for students and we will lower HECS fees for maths and science. Labor believe we need to encourage more students to pursue maths and science, and we will cut the cost of a three-year degree in these fields by nearly $5,000. Labor will abolish full fees for domestic undergraduates, whereby people buy a university place ahead of someone with higher marks and pay as much as $150,000 for a degree.

The Howard government wants to double the number of full fee places at Australian universities. This government is about education for the elite. That is why it has provided such substantial increases in funding for category 1 schools. Australians should not have to pay exorbitant fees to buy a university place when they are already contributing to our tertiary system through their tax and HECS. All Australians should have an equal opportunity to get into university, based entirely on ability. Under Labor, merit will be the only criterion for getting a university place. The size of your wallet should not be a factor.

Forty per cent of our teaching workforce is due to retire in the next 10 years, yet the Howard government turned away nearly 30,000 prospective teachers from university between 1996 and 2001. There is not one extra teaching place in the Howard government’s higher education package for our public universities. Labor will create 500 new HECS funded postgraduate teaching places in areas of specialisation and professional development and provide additional funding to increase the quality of teacher education, including meeting the costs of classroom teacher training. By contrast, the Howard government’s higher education package has one main policy objective: making students pay more.

Labor is committed to funding not just more university places but 20,000 more TAFE places as well. The government is offering nothing—not one extra dollar or TAFE place, despite the enormous need. Currently, up to 15,000 school leavers who are qualified and who want to do a TAFE course are turned away each year. There is nothing smart about this for anyone. There
are also those who look to go to TAFE later in life—those who need to retrain—who cannot get in. That is why we are adding 20,000 new TAFE places. We want them aimed at addressing skills shortages. Labor will deliver more places at more affordable prices at higher quality universities.

The differences come down to this: Labor believes in a society that creates more wealth by offering opportunities to everyone with talent; the coalition only want to make life easier for the well off. In the global knowledge economy, sustained long-term economic prosperity is unimaginable without an ever improving education system. The government proposals all point towards a future where educational opportunity is based on the size of your bank balance rather than the marks you get and the ability you have. Labor stands for a different future: one where a great university education is a prospect for all Australians from any background.

Mr LAURIE FERGUSON (Reid) (10.31 a.m.)—The defenders of privilege in this country—the people who are not concerned at the blow-out in managerial salary packages, those who seek to casualise our workforce and to force conditions down to Guatemalan or Honduran levels—often argue that if anyone criticises this it is the politics of envy and if you dare say there is too much inequity in this country and that it is growing you do so because you are personally envious.

But what we see in the debate about education in this country and on the Higher Education Support Bill 2003 and the Higher Education Support ( Transitional Provisions and Consequential Amendments) Bill 2003 is those very same people basing their arguments on innuendo and subterranean messages which say: ‘Why should you, who do not earn so much or are on a small pension, fund people to become doctors and lawyers? You should be envious of the possibilities that others might gain—more advantageous employment, the ability to go into a profession—and you should be greedy as taxpayers and do nothing to enhance their futures.’

They say that the current system favours those people living in the North Shore and in the eastern suburbs of Sydney, those in wealthy affluent suburbs, and that is what they aim to redress. But what they do not say is that the people in this government—the Deputy Prime Minister, who went to Kings School, the Minister for Finance and Administration, who went to Knox Grammar, the Minister for the Environment, who went to Scots College in Melbourne—and their families and associates will still be going to university, regardless of how much HECS costs. Essentially, those families will still be monopolising university places in this country because they can and will have the money to afford it.

The real target of this government policy is essentially to hit people in Western Sydney in particular, where 1.8 million Australians reside. We have one council out there in which one 60th of the Australian population resides, Blacktown council. It is a region that is characterised by unemployment higher than Sydney’s average. Some of the municipalities in the University of Western Sydney area are Auburn, with 3.7 per cent higher unemployment than the Sydney average, Fairfield is 4.3 per cent higher and Campbelltown is 2.8 per cent higher. They are areas that very much disproportionately utilise the University of Western Sydney’s services.

The government also speaks about aspirational people—people who no longer want to be in unions and who no longer want conditions and who want to go out there and get a larger house. But I have news for this government. Those people also aspire for their children to have a decent education and to be
part of the tertiary experience in this country, whether it is through universities or TAFE. The reality is that many of those same families that the government cites as being sub-contractors or self-employed and prospering—supposedly—and no longer wanting to be bound to organised labour are often people who did not go to university themselves and who would like their children to go. That is part of their aspirations. It is not simply about having a two-storey, five-bedroom home. This government’s legislation will certainly circumscribe their possibilities.

What we are seeing is a government that is trying to appeal to the lowest common denominator and people’s animal instincts by saying, ‘You should be selfish; you should not be interested in the nation’s future; you should reduce taxation devoted to education in this country.’ Basically, it is sink or swim. If families have not got enough money to pay for it they can essentially go jump. That is a very limited, a very short-term and a very ill- ADVISED policy.

We have already had a situation such that, according to the OECD, Australia had the second worst growth of the most advanced countries in university enrolments over the period 1995 to 2001—four times worse than the OECD average. We have had the largest fall in public—that is, government—investment in our education system.

The member for Corangamite came in here and asked, ‘What could be better than having thousands of foreign students basically funding our education system?’ The reality is that it is driving down standards in this country. We have seen example after example—particularly in New South Wales—where teachers and lecturers have been sacked, persecuted or demoted because they stood up for our standards in institutions where there is an increasing drive to decrease our standards so that people can remain the next year and keep paying the fees, regardless of how successful they are in university. The member for Corangamite asks, ‘What could be better?’ I think a few things could be better. What could be better is the devotion of government money—taxation—to essentially protecting the status and the accessibility of our universities.

I turn to the University of Western Sydney in particular because, as I said, it is a major focus for 1.8 million Australians—quite a few people. In that region we have seen the irresponsible conduct of the member for Lindsay. Quite frankly, her performance leaves her with very few friends—even within the Liberal Party in the region. Her comments have included:

How much more can you spoon-feed UWS? At the end of the day, you’ve just got to have a dynamic board and senior administration.

She says that the University of Western Sydney can equal Melbourne university, Sydney university, New South Wales university and the other sandstone universities in going out there and getting dollars off Australian corporations. That is fantasy island. There is no possibility whatsoever that Western Sydney university can be competitive with those universities. It has not existed for 20 years; it has not reached their status; and, essentially, it is not seen as cachet as those universities. So, to say that we can solve the problems of the universities of this country by getting BHP to kick in an extra $50 million or something to the University of Western Sydney is a pipedream.

The member for Lindsay has attempted to say that the University of Western Sydney’s criticism of the federal government has come about because they have a lot of Labor Party hacks on the board. It is interesting to note the comments of the acting chancellor, Geoff Roberson—a long-term Liberal Party member; the deputy major of Parramatta; a person
who is respected in the business sector of Western Sydney. He made the point:
We only started in 1989. Our first graduates would have only just paid off their HECS debts by now.

It is reported that he said that, as a member of the Liberal Party, he resented Ms Kelly’s remark that the board was full of Labor Party appointees. Geoff Roberson is also reported as saying that Ms Kelly was in danger of ‘losing every vote of every UWS graduate’. The situation is that, unlike the member for Lindsay, that Liberal Party alderman and the entire Parramatta City Council have voted to condemn the government’s attacks on that university—attacks which have seen a reduction of $270 million in its funding and a blow-out of 28 per cent in its ratio of students to teachers.

I have only 10 minutes to speak today, but I want to stress the importance of this regional facility. There are six campuses in the region—one at Rydalmere, very close to my electorate. The statistics show that that university is disproportionately made up of students whose parents and grandparents never went near a university. This university has practices and innovations which encourage students from non-English-speaking backgrounds and it has measures with a regional focus to try to ensure accessibility. I want to particularly associate myself with Professor Reid and the entire board in standing up to this government’s attacks on universities in this country.

The situation, as other members have said, is not only about the move towards $100,000 and $150,000 degrees—which, I concede, those ex-graduates of Knox, Grammar and Shore will still be able to afford—but also about this government’s determination to bully the universities into certain industrial relations practices. Members of the government often say in this House that they want freedom of association so as to protect the individual against powerful unions who bully them around. But what we are seeing in this legislation is extreme bullying by this government—saying that the universities of this country will not be able to make their own decisions with regard to work practices on their sites, otherwise this government will reduce their funding by $400 million. That is vital funding which these universities need to survive and enhance their performance. If you allow the union to have an office on campus that is not paid or you have functions where the union is allowed to give out pieces of paper, essentially you will have your funding circumscribed.

Today the Leader of the Opposition has very strongly stressed that Labor will not allow a 30 per cent increase in fees and that it will stop the move towards full fee paying courses in this country. I must confess that it surprised me at the launch of Labor’s last campaign that there was a huge cheer when Labor promised funding for the ABC but it went very unnoticed by the crowd that Labor promised major commitments to the TAFE sector. Labor is saying that 20,000 places will be devoted to that sector which has been so vital with regard to skills accrual in Western Sydney.

This legislation contains a variety of measures that are aimed at depriving people access to higher education. The size of the repayments and the move towards full fee paying are all trends of a government that wants to deny access to the majority of Australians and a government that basically subscribes to a preference towards those people—many of whom are on the frontbench of the government in this country—who will be able to afford to go to university regardless of how expensive it is.

Mr BRENDAN O’CONNOR (Burke) (10.42 a.m.)—If I were to pick an area where
there was a great divide between the Labor Party—which I represent today in this House—and the government, there would not be one area that I would choose before education. Education divides us fundamentally, and it does so because those in the government see education as something to be handed out to those with privilege and rarely be handed to those in need. The fact is that there is a major gulf between the political parties in this area—that was shown in the budget and the budget in reply speech by the Leader of the Opposition in May—and it will always be so.

Historically, Labor has always looked to increase access to education. It has always looked to broaden the base of entrance into the tertiary system. It has always looked to enable students from non-elite schools—that is, from government and non-elite independent schools—to gain access to tertiary education. It has always been Labor who has introduced reforms that have provided access to those people not traditionally able to get access to tertiary education. That will never change, and it is therefore a very important issue that the electorate at large will have to consider when we go to the next election.

Clearly, health is a very vital issue to be considered by the electorate, but I think education is an issue that fundamentally divides the two major parties. As I said, it was a Labor government that sought successfully to massively increase the number of entrants to the tertiary system in the 1980s and the early 1990s. Although it is true that Labor introduced the earlier version of today’s HECS—I think it is very important that we acknowledge that and note it—the fact is that the HECS introduced many years ago was of a totally different character, a totally different creature, to the one that is now being imposed upon students by this government.

In 1996 the HECS changed with the change of government. There was a dramatic increase in fees, which was a dramatic imposition on students, and therefore an increasing disincentive for ordinary working families and their children to consider tertiary education. That is a fact that most Australians know. The Leader of the Opposition has today clearly enunciated the alternative view to Howard’s legacy. Howard’s legacy goes to so many things. Overall there has been a $5 billion cut to education since the Howard government were elected. The Howard government would like to impose a fee increase of up to 30 per cent on the students of Australia.

The Howard government fail to ensure that those people eligible to enter university get to university. Each year 20,000 qualified Australians miss out on studying at university because of the policies of this government. These are people who are, quite clearly, qualified, capable and keen to undertake university education, but they fail to do so because this government has put a limit on the number of places available. As I said, there is a great divide in this area. I know that this is something that ordinary Australians will be looking at, and families across the nation will be considering, when we go to the next election. There is no doubt that, in the last seven or so years since the Howard government were elected to this place, there has been an incredible decline in services in this fundamental area. I support the views raised by the member for Reid when he said that this government tries to use the politics of envy and to say to those people who have not been able to get to university, ‘There is no reason for you to in any way contribute to our education system.’ That is patently untrue, and it is a blight on this government to allow such a line to be put. The fact is that education is about educating the nation. An education system is supposed to ensure that
the nation is educated for all of its citizens not just for those who are fortunate enough to participate in that system.

The Minister for Education, Science and Training likes to make reference—whether anecdotal or otherwise—to a cleaning woman he met on his way into a university who commented that she had never been in a university and could not see why she should have to pay anything. Labor is interested in ensuring that that cleaning lady has the opportunity to further her education; if not, that her children have the chance to enter university and obtain a tertiary education. Those children could be the first generation of her family able to enter an institution of higher learning. I have been a very fortunate beneficiary—along with many others on this side—of Labor’s policies of the seventies and eighties, which allowed me to be the first generation of my family to enter university. I am forever grateful for that opportunity; so much so that one of the reasons I chose to enter this place was to put something back into the system that supported me so well. I hope I can pay that back with some justice and that I am able, in some way, to help the system and help the country that provided me with so much assistance. I do not see education, first and foremost, as the development of individuals, the acquisition of skills or the increase in knowledge of a particular individual—though clearly that is one dimension to the education system. More importantly, I believe education is about making society a better place and ensuring that we have the necessary resources to look after our citizens—whether it be looking after them in the area of health or other areas. The fact is that education is vital and, when we consider the two major political parties in this country, only Labor focuses on the education system as being about improving the wellbeing of this nation’s citizens. I think that should be very clearly noted by all Australians when they contemplate who they would like to see preside over the executive government of this nation at the next election.

I think it is fair to say that there have been some really outrageous attempts by this government to privatise education. There is an old Redgum song with the lines:

Daddy bought me a Mercedes Benz
And he bought me a law degree

I can recall hearing that song in the seventies and thinking it was a bit over the top. I believe the singer of that song ran against a member opposite and almost beat him. In current circumstances, he might want to try again and challenge the Minister for Foreign Affairs in his seat. He could sing that song around the electorate because it resonates now. It seemed a bit fictitious in the past that daddy could buy his child a Mercedes Benz and a law degree, but now $100,000 degrees are being put on sale by this government. Clearly what we see here is a government that want to enable people with money, not necessarily with merit, to enter university. They want people who, I suppose, come from the same ilk as they do. What they are saying, through the minister, is that those people who have never been able to get university should not bother trying. They are effectively saying, ‘Feel resentful because you have not been able to get there. Don’t ever consider you will be able to, and nor will your children.’ That is what this government say when they make out there should be no reason for ordinary families to even contemplate entering a tertiary institution.

I think this really shows the contempt of this minister and his government for ordinary families who aspire to improve themselves and who aspire to give their children the same opportunities as the sons and daughters of those on the government frontbench. In
conclusion, there is a great divide between
the two major political parties with respect to
education. I think the Australian people
know that. I am clearly of the view, from
going round my electorate, that this issue is
being discussed, and I am sure it is going to
be a significant issue when the voters of this
nation get a chance to throw this mob out
and elect a government that makes education
a high priority.

Mr MARTIN FERGUSON (Batman)
(10.53 a.m.)—As the member for Burke in-
dicated, the government would have the Aus-
tralian community believe that the debate on
higher education is about the politics of
envy. I think it is about time the government
got the message from the Australian commu-
nity that it believes Australia should make a
decision that we are required, as a nation, to
invest in our future by putting more into the
education and skilling of our nation. The
government is presenting this debate as be-
ing about Backing Australia’s Future. Con-
trary to that, if the government has its way as
a result of this debate, it will really be about
Australia looking backwards, in terms of
both decency in life and also our investment
as a nation in making the economic cake in
the future bigger by skilling Australia to
maintain a competitive position both domes-
tically and internationally.

I hope that, just as we have a real debate
about health care in the Australian commu-
nity today because of announcements made
by the Leader of the Opposition in the May
budget, we will see a debate take off in the
lead-up to the next election about the funda-
mentals of life in schools, TAFE colleges and
universities. I hope that we accept that the
next election is about our requirement to in-
vest in our future; that it will not be an elec-
tion about border protection and Tampa but
an election about whether, in the 21st cen-
tury, Australia is prepared to take up the
challenges and provide adequate attention to
such fundamental services as health and edu-
cation and to our requirement to invest in
and improve the environment to overcome
some of the man-made damage we have in-
flicted in the past.

Let us go to the crux of the debate. The
Higher Education Support Bill 2003 and the
Higher Education Support (Transitional Pro-
visions and Consequential Amendments) Bill
2003 are not about backing Australia’s fu-
ture. They are a clear demonstration of gov-
ernment hypocrisy and doublespeak. They
are not about flexibility for our universities;
consider, for example, that the legislation
provides for much greater centralised control
and ministerial direction.

Let us go to some of the fundamentals of
these bills. Firstly, the bills provide for the
minister to determine the limits to which
universities can increase tuition charges.
Secondly, they provide for the minister to
determine how many students are taught in
individual courses at each university. So
much for flexibility at a campus level!
Thirdly, they provide for the minister to add
new higher education providers without ref-
erence to the parliament. Fourthly—and this
is even more concerning—there is an insidi-
ous proposal to tie core operating grants to
university compliance with extreme govern-
ment policies on industrial relations and gov-
ernance structure. I think back to the huge
improvements made in the industrial relat-
ions framework in Australia in the eighties
and nineties. They were about flexibility at a
workplace level and the right for workplaces
to determine their futures. These bills are
about big government directing universities
on the industrial relations front and are a
complete reversal of what we achieved in the
eighties and the nineties.

The debate is also about the opportunity
of many millions of Australians to access
university. It is no more important than a
previous debate, a couple of weeks ago, about the capacity of Australians to also access TAFE places. It does not matter whether it is an apprenticeship or a university opportunity; we, as a nation, have a requirement to provide opportunities for our young people, and some in later life, to pursue education—not only to ensure that they have an opportunity to be gainfully employed throughout their working lives but also to guarantee that we, as a nation, seize opportunities by educating and skilling Australia.

As you move around Australia, the facts show that there are simply not enough HECS places being funded by the government at the moment. I know that from the situation at La Trobe University, which will soon go into my electorate as a result of the recent redistribution in Victoria. La Trobe University has indicated that, because of this government, it will be forced to cut 500 HECS places in 2004. I contrast that to the Labor Party commitment to provide an additional 20,000 fully costed new full- and part-time places each year. That is the divide in the education debate in Australia. It is about us making sure that universities are able to offer to all in the Australian community an affordable opportunity to pursue a university degree.

In that context, let me say I actually support HECS. It is right that we as a community make a contribution to the cost of our education. But, having said that, I totally oppose the suggestion by the Howard government that as a result of these bills they will allow an increase in university HECS fees of about 30 per cent. That would be a barrier to education for a range of Australian people, especially people in the northern end of my electorate, close to La Trobe University. I want to create opportunities for those people to seize educational capacity. We should not be condemning our young people to a life of debt. How can we ever consider increasing HECS fees beyond what young people are capable of meeting? Having completed a degree, they are then expected to go out into life, commence work, think about purchasing a home and, in a country with a declining fertility rate, think about having a family. They are some of the considerations that are part and parcel of this debate. It is not simply a debate about higher education. It is a debate about Australia in the 21st century.

I simply say that the content of these bills proves how out of touch the Howard government is with the Australian community on the higher education front. If the government has its way—if the Prime Minister has his way—higher education will become the preserve of the rich and powerful in the Australian community, the elites. It will be a class determined question of whether or not a young person is able to go to university in the future. I thought that those days were gone in Australia. It was the debate in Australia in the lead-up to the 1972 election won by Gough Whitlam. We put that debate to bed, but here we are over 30 years later having to re-engage in it.

It brings to a head, as I indicated at the outset, a fundamental debate in the lead-up to the next election. It is about where we go with respect to a requirement as a community, a decent community that wants to invest in the future, to embrace the following type of policy agenda: firstly, as the Labor Party in opposition proposes, we should increase the supply of places in Australian universities; secondly, we should ensure that those places are affordable now and in the future; thirdly, we should guarantee that merit—yes, merit; why should we be ashamed of the issue of merit?—should be the only criterion for getting a university place; fourthly, we should provide a mechanism for restoring the quality of university education; and, fifthly, we should, as part of that debate, recognise.
the key role of apprenticeships in shaping Australia’s future.

A commitment to those fundamental requirements in our education system is also a commitment to returning to a productivity debate in Australia. A productivity debate is also about a bigger economic cake for all Australians to receive the benefit of. I note that skills growth was a driver of productivity in days gone by. It drove productivity through considerable improvements over the last couple of decades, but I note that it has fallen by 75 per cent in the last 10 years. The Productivity Commission is also warning that it will fall further, unless we embrace a government commitment to invest more in skills and training as a nation. It is not just about training lawyers and IT experts; it is also about training nurses, teachers, childcare workers, plumbers, electricians, bricklayers and carpenters, to name a few of the areas of skill that we require in Australia in 2003.

In conclusion, I say that this debate is important. I hope the government does not have its way in the Senate. I urge all Australians to think about the issues before the House today and to give a commitment that they will not allow the Australian government to sidetrack the Australian community on a debate about issues such as border protection and defence in the lead-up to the next election. Let us have a debate about the future of education and health, our requirement to clean up the environment, and doing something about productivity growth and creating a bigger economic cake. I commend the second reading amendment moved by the opposition and, in doing so, plead with the Australian community not to accept the lies that are perpetrated with respect to higher education and our future in the bills before the House today.

Mr MOSSFIELD (Greenway) (11.04 a.m.)—In commencing my remarks on the Higher Education Support Bill 2003 and associated bills, I would like to work through part of the submission that the vice-chancellor of the University of Western Sydney made to a Senate references committee on higher education funding and regulatory legislation. Professor Reid, as a member of the ministerial reference group, expressed the hope that the Nelson review would be the turning point not only for UWS but for similar universities which serve increasing populations in outer metropolitan regions of Australia, where great faith is placed on education and where families make considerable sacrifices to ensure that as many of their family members as possible gain a university degree.

The view was expressed that there should be additional public funding in the higher education sector, that there should be no further financial strain placed on students and their families and that Australia needs not only one or two world-class universities but a world-class university system. Professor Reid is supportive of several of the government’s reform proposals, but in relation to fees she said:

The measures relating to fees and interest-bearing loans I believe particularly reinforce the hidden faces of privilege and may increase the burden of disadvantage that characterises many of the communities in greater Western Sydney. I would not like to see this divide leading to differentiation in the sector based on individual or institutional privilege and wealth if there are no robust measures in place to counter this.

Surely this is a call for the political leaders of the region to stand behind our university and support its call for education services to be better resourced, but this has not happened. In fact, the UWS board has been castigated by the member for Lindsay in correspondence sent to the board for standing up to the government and seeking a better deal for ‘our university’. Indeed the chair of the hear-
ing of that references committee, Senator Carr, raised this issue with Professor Reid and indicated that the letter accuses UWS of mismanagement, indecisiveness, and immaturity—quite insulting remarks, I would suggest. As Senator Carr said:

It is an extraordinary document. I have never seen a member of parliament’s letter to a vice-chancellor like this in my 10 years in parliament.

The member for Lindsay continued her attack on the University of Western Sydney last week in the Main Committee. It is an ongoing and concerted effort to discredit the university for standing up against the proposed changes contained in this legislation. I am pleased to see that other government members in Western Sydney are not taking the same position. I note, however, that while there are some 46 Labor members and two independents contributing to this debate, there are only a dozen coalition members willing to speak out in defence of this bill. The member for Lindsay is not among those government members participating. She is very much conspicuous by her absence from this debate.

Professor Reid’s response to the Kelly letter was measured. She pointed out that UWS had rationalised all of its courses over the past three years, that it had successfully introduced a new student information system, that it had reviewed all of its international courses with overseas visits and audits and that it had reduced the number of courses where this was necessary. The university has been absolutely assiduous, to use Professor Reid’s words, in its management, in quality assurance and in finding efficiencies in order to position itself for the future.

Professor Reid also indicated that the ministerial reference group took the view that any government with a balanced policy agenda would ensure that any new funding would flow to those new generation universities—in at least in the same proportion to their size and community need—in the growing but educationally neglected urban frontiers of major cities. This has not happened in this round of funding, where the government has taken a one size fits all approach. It intends to fund students in the same way, in whatever institution they study, as long as they are studying the same degree. Professor Reid contends that the government’s package does not follow this principle. Professor Reid also referred to the widening gap in the number of university students from Western Sydney compared to the number from the rest of Sydney. She quoted the 2001 census, which shows that only half as many people who live in Western Sydney are graduates compared to those who live in the rest of Sydney. With Western Sydney seeing 25 percent of Australia’s population growth over the next 20 years, this gap will widen.

Under the previous funding arrangements, UWS turned away some 2,700 students this year who met the university’s entry requirements. These potential students were mainly in the teaching, nursing, communications and business fields. This is an enormous waste of talent. Professor Reid has indicated that UWS has done extensive calculations, based on the government’s revised offer, which suggest that the university will be $5.34 million worse off in the first year of operation of the package and just over $2 million worse off in the second year. This assumes that the 2.5 percent increase in funding is granted.

The University of Western Sydney is the jewel in the education crown of Greater Western Sydney, a region of Australia that has one-tenth of Australia’s population and a GDP of over $38 billion. UWS was founded in 1989 with the purpose of providing high quality and accessible higher education and research in a region which has historically been underresourced. UWS is now the fifth largest university in Australia and the second
largest in New South Wales—all achieved in just 14 years—with 60 percent of its students coming from Western Sydney. UWS has over 35,000 students, including more than 5,000 international students. There are six campuses located in Greater Western Sydney—at Campbelltown, Bankstown, Parramatta, Penrith, Richmond and, of course, Blacktown in my own electorate of Greenway. UWS has developed partnerships and agreements with other education groups such as TAFE, high schools, local government and private industry for the whole of the region of Greater Western Sydney.

The University of Western Sydney has suffered significant funding cuts over the seven years of the Howard government. The government has cut from it $270 million—the third largest cut to any university in Australia, behind Melbourne and Monash universities. Without over 100 years of building up investments in property and savings or the research base that can attract funding, UWS has been disproportionately hit by these funding cuts. UWS is situated in one of the fastest growing regions in Australia, and the demand for university places will increase year by year. It is interesting to note that the state of Western Australia has roughly the same population as Greater Western Sydney, yet that state has four public universities and a private university—Notre Dame. Members can see the sorts of pressures UWS will be under to find available places for our local young people who want a tertiary education. UWS trains our nurses and teachers. It trains our engineers and computer technicians. It trains our lawyers, accountants and business managers.

As the population of Western Sydney increases at a rapid pace—Western Sydney is expected to overtake the rest of Sydney in total population in just over a decade—there will be a need for more university places. The Senate estimates process has revealed that, unfortunately, there will be 510 fewer places available at UWS in 2005 than there are today if the current government policy is allowed to continue. With the changes being proposed in these bills, UWS has estimated that they will be a further $30 million worse off, so that will have an impact on the number of available places as well. The University lost half of its postgraduate research student places in the last round of changes, resulting in important economic, social and environmental research being curtailed. Fewer research places means less funding. There is an urgent need in Western Sydney, which I know you would fully support, Mr Deputy Speaker Price, to increase access and participation for all sections of the community and to provide students with educational opportunities regardless of circumstances, and this objective will not be achieved under the policies of the Howard government.

I will conclude my remarks by referring to a document produced by the University of Western Sydney. It states:

UWS does not support additional fee-paying arrangements. The UWS Board of Trustees has been consistent and clear in its view that the University would not offer fee-paying places in mainstream undergraduate programs in recognition of its concern not to substitute wealth for merit as a determinant for entry to University. Any scheme which encourages students to pay either part or full fees must be balanced to ensure that access to higher education is enhanced and does not lead to a two-tier system where wealth buys privilege.

I congratulate UWS and support the second reading amendments that will be moved by the Labor Party.

Mr ZAHRA (McMillan) (11.15 a.m.)—I rise today to speak on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003, which are being debated cognately. We are very fortunate in the Gippsland region to have out-
standing higher education institutions. We have Monash University’s Gippsland campus, operating in Churchill in the Latrobe Valley, and we have the Central Gippsland Institute of TAFE, operating mostly in the West and South Gippsland districts. We are also very fortunate to have Gippsland Group Training Ltd, which is one of the best group training companies in the country. It directly employs about 1,100 apprentices. Most people in this place would accept that it is one of the leading group training companies in Australia. There has been quite a bit of academic research done on and academic literature written about the great success of the group training model which has been pioneered in the Gippsland region by Gippsland Group Training Ltd. We are fortunate to have these great institutions in our district and we get great benefit from them.

When you speak to people who are in leadership positions within these institutions, they tell you that they would like to be doing more. They tell you that there is a lot more that is demanded of them than they are able to supply as a result of the funding with which they are provided. In our district we have a lot of identified skills shortages and we have these wonderful institutions which are in a position to resolve some of these skills shortages, yet this government does not provide these institutions with the funding that they need to be able to deliver on those courses or to provide the number of places being demanded by people in our local district.

In speaking about higher education generally, it is worth noting that the federal government’s approach to higher education is as far removed from meeting the needs of people in our district as it is possible to imagine. We are not a region that has a lot of millionaires and, Mr Deputy Speaker Price, I know that you know what it is like to represent an area where there are not too many people who have got big flash houses and hundreds of millions of dollars. We might not have a lot of millionaires and big flash houses, but our kids are just as smart as—or probably smarter than—those from the affluent North Shore of Sydney, for example. The kids who go to the secondary schools in our areas deserve to have the same chances and opportunities to go on to university, TAFE or other forms of higher education as the kids who come from families that have got a lot of money. This is a basic idea that has always been central to what Australia is about.

But the higher education system being developed by this government is not about providing opportunities for families from the Latrobe Valley, West Gippsland, Pakenham or the South Gippsland district to send their children to university. It is all about cementing privilege in Australia and making sure that the only kids who can go to university are those kids whose mums and dads went to university and who have quite a bit of money. That does not really work too well for us in the Gippsland region. In our district, we do not have a lot of people who have gone to university and who are working in professional, management or business positions. We have a lot of tradespeople; we have a lot of people who are working in services and in retail, in the power industry, in the pulp and paper industry, and in the agricultural sector. We do not have a lot of people who have gone to university. Cementing privilege as the key driver of who gets to go to university in real terms means that kids in the Gippsland region will miss out.

When I go und the district, I am continually impressed by the quality of the young people who are being produced by the schools in our region. It really is a tribute to people in the secondary school system in our district that so many outstanding young people are being produced. These students are getting incredibly high marks in their TERs
and their outlook towards their community is very civic minded. But although our secondary school system is producing outstanding leaders—people who are getting good marks, have a good world view and a sense of putting something back into the community—they are locked out of opportunity as a direct result of the federal government’s approach to higher education.

I graduated from year 12 in 1990, and shortly after I attended the ALP campaign launch for McMillan at the Traralgon hall. When I graduated in 1990, one of the great things that we loved and really enjoyed was that the kids whose mums and dads had lots of money but who were not smart and did not work hard would not be able to get a university place. We used to love this; it was a great equaliser. If you were smart and you worked hard, you could get a place at university. We loved the fact that, if you lived in a small house and did not have much money or your dad did not earn too much in a flash job, it did not matter. You were able to get ahead of other people based on who you were, not who your mum and dad were. We used to love it, and it was great thing.

But now when I visit secondary schools in my electorate and speak to the young kids in years 11 and 12 who are contemplating the move to higher education, they tell me how bitterly disappointed they are. They are angry and frustrated that their chance to go to university is not what it should be, that they have a restricted opportunity of going to university. Yet they know that some of the kids whose parents have got money will be able to go to university despite the students from less well-off families getting higher marks than the kids from rich families.

I think that is a disgrace. I think that is a disgusting thing. I think it is an offensive idea, considering what Australia has always been about. We are not just talking about one or two students; we are talking about some 9,500 students who have made their way into university using this crook method. And it is a crook method. It is the wrong way to go about determining who should go to university. The basic test for who should go to university or TAFE or anywhere else associated with higher education is that they should be people who are smart enough to get into those institutions and who work hard enough. Under the government’s system someone can get into university because mum and dad have a lot of money and can send them to university because they are able to pay their way in.

At the same time as these 9,500 people have been getting into the university sector using this crook method, the federal government has put in place policies which have made it harder and harder for people to afford to go to university by increasing the fees associated with courses. The government says, ‘It’s all just money they can pay back later on. It doesn’t matter if someone’s got to pay $100,000 for a degree through HECS; the main thing is that they can pay it back later on.’ That might be right if it were not for the way this thing has worked in terms of practical outcomes. The federal government knows what these practical outcomes are. I know what these practical outcomes are and I think that most people in this place do too. All the research tells us that, if you are from a rich family with a million-dollar house and a lot of money coming into the household and someone says to you, ‘Your degree will cost $80,000. You have to pay back $80,000 at the end of your studies; you have to pay it back through the HECS system,’ you will say, ‘That’s no big deal, $80,000. That’s how much Mum and Dad spent on my first car. That’s not that much money.’

But we know that when battlers, people without much money and particularly those from country districts, hear ‘$80,000’ they
think about how much their house might be worth—and there are many houses in my electorate that are being sold for $80,000—they think about how hard their parents have to work just to make ends meet and they think that taking on a debt that size is more than they can afford. This is the reality of the difference between rich and poor in this country and in their attitudes towards higher education, and this is why it is so important that we have a system in Australia where the people who get into university are those who are smart and who work hard, not just those who have hundreds of thousands of dollars and come from privileged backgrounds.

**Ms Burke** (Chisholm) (11.25 a.m.)—I consider myself very fortunate to be the member for Chisholm. In addition to having constituents from diverse backgrounds who continually give back to the community, there are numerous industries and businesses within my electorate. Moreover, within Chisholm there are two outstanding internationally recognised universities: Monash University and the city campus of Deakin University, in Burwood. I am also privileged to have one of the state’s largest and most advanced TAFEs, Box Hill TAFE.

These universities and TAFEs are, however, under attack from the very body that should provide their lifeblood—the federal government. The government has cut a staggering $1.3 billion from Victorian universities since 1996. That is just from Victorian universities—$1.3 billion. This includes nearly $340 million from Monash University alone. Monash University is this country’s largest university. It is surviving with $340 million less in its budget. Public funding has fallen way behind the increase in the cost of running a university under the Howard government. The Howard government’s Higher Education Support Bill 2003 and Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 will make this even harder, not easier.

This legislation will make it harder for our young people to get a university education. The Higher Education Support Bill will reduce the size of our universities. It is a bill that will reduce education and ultimately reduce the amount of knowledge in our country. This bill aims to restrict participation in Australian universities and significantly reduce the opportunities Australians have to go to university. Australians want an education. They deserve an education. They deserve to get an education if their abilities qualify them for a university place. Higher education is not a luxury and should never be viewed that way. It is not a privilege or a prerogative of the rich in this country.

Education ensures a better future for Australians both within our borders and on the international playing field. A lack of education will mean that we as a country will not compete at all on that field. We need a world-class university system that delivers teaching and research of the highest quality to students across the system, not just to the lucky few who can afford it. I think it is very self-evident today, when we have Science Meets Parliament taking place, that we should be looking not only at universities but also at research and the wonderful benefits that science brings us. It is easy to provide high-quality education to a few; it is much harder to provide high-quality education to everyone.

These bills would make the Australian university system the most expensive public system for students in the Western world. They would allow universities to increase their fees by up to 30 per cent, by shifting from public investment to user pays—the very ideology the Liberal Party prides itself on. It is worth noting that, amongst countries within the OECD, Australia had the second
lowest increase in the rate of university enrolments between 1995 and 2001. This is unforgivable, considering that this year alone there are 20,000 qualified Australians missing out on university places. This is not even a brain drain, because it is not giving Australians a chance to get an education to begin with.

With these measures the government is trying to force universities to cut around 8,000 HECS places by 2007. In my state of Victoria this means over 1,200 university places will go in the next year alone. Over time this means more and more people will miss out on courses they would otherwise have got into. It will also mean that we will not have the necessary skills in our society. Teachers and nurses are in short supply; if they do not have university places, they cannot be educated. But why is the government doing this dastardly deed? It wants to introduce more full fee places.

I was on a round of visits to universities to discuss with VCs, students and staff how they viewed the package that the government was introducing. One VC looked at us and said, ‘In the future there will be no distinction between full fee paying students and HECS students.’ That is the way this government wants it to be—no differentiation and all students to pay full fees. Those who have already contributed through their taxation, either directly or via their parents, will be forced to pay up to $150,000 for a full fee university place, which is an enormous sum by any measure. As if this is not horrendous enough, publicly funded places will decline even further after 2007, creating a greater rift between the haves and the have-nots. I think the proudest day in my mother’s life was when my younger brother graduated from Monash University. That meant she had five first-generation university graduates. It was something my parents could never have contemplated if they had had to fork out $150,000 times five on our father’s bank clerk salary.

What the Howard government is effectively doing is discouraging aspiring students, and in turn their families, because of their socioeconomic bracket, from the prospect of ever getting a tertiary education. This is nothing short of shameful. This government’s package means huge HECS debts of up to $50,000 for Australian undergraduates. An arts degree could cost $15,000; a basic science degree, $21,000; and a law degree, $41,000. How can anyone deny that these figures would discourage a bright yet financially challenged teenager from pursuing an education, a goal and a future?

As if these figures were not daunting enough, these nasty pieces of legislation include a provision for the minister to raise HECS fees over and above 30 per cent, which means either his statement that 30 per cent would be the absolute maximum is a little less than truthful or the minister needs help defining 30 per cent. This minister is very good at using stats, though I am not sure how many of them are actually grounded in truth, and this is yet another one that is slightly wobbly. This discretion fortifies the rationale that the Howard government wants to allow even bigger hikes in HECS fees but to do it in the grotty, sly manner in which it gets things done.

In case those on the other side of the chamber think this is a stunt, let us demonstrate the callousness with which the Howard government have treated education. The university fee structure in Australia is now one of the highest on the world scale. Our country is currently the fourth most heavily dependent on private funding in the OECD. Australia has had the largest drop in public investment in universities over five years of any OECD country—it dropped by 11 per cent. In stark contrast, the OECD average
was an increase of 21 per cent. Australian students already spend the shortest amount of time at university of students in any OECD country. So, instead of spending money where we need it in education, we are ripping money out of the sector. But it seems this is not bad enough for the government. It now plans to have no limit on the number of full fee places at Australian universities. At one stage the education minister said it would be capped at 50 per cent of the number of students, but of what significance is this if he has the discretion to exclude entire courses from this 50 per cent limit? In reality this means that some courses will not have one single HECS place. It seems apparent that, for the government, it is always about the bottom line and the almighty dollar, doesn’t it?

I have spoken in this House before about a constituent of mine, Claire, who got 98.5 for her TER score in her HSC year and was the Monash Law Prize winner. The cut-off for law that year was 98.7—she missed out by 0.2 of a per cent. She could have got into a full fee paying place with a score of 91. She was only off by 0.2 per cent and had won the law prize from Monash, but she did not get a place. She could have got a full fee paying place if she had not been one of nine children of Italian migrant parents. Instead, she got to university, did arts and transferred to law. I think this demonstrates starkly that this legislation tends to disadvantage bright kids from poor backgrounds.

There will be no full fee places for Australian undergraduates if a Labor government win the next election. That is right: in stark contrast to this government, we will not have full fee paying places. The university system in this wonderful country is an excellent one. This is evidenced by the number of foreign students that have the privilege to come here and study, as many do at Monash and Deakin universities in my electorate. But should we or our children have to buy a university place because international students can and do? Of course not. We and our children are a part of the Australian community that has contributed to the tertiary education system through tax and other forms of support. Why do we have to now compete financially with foreign students who, most likely, are here on a transient basis?

Let me remind the House that the Howard government has cut $5 billion from our universities since 1996. What has this caused? In my various meetings with staff in the universities within my electorate, I have seen stress levels rise dramatically. Stress is now the No. 1 cause of illness at universities. This is due to the rising disparity in student-teacher ratios and the resultant substandard student support, which has allowed this stress to reach the point where it is severely impacting on staff performance in the delivery of service.

On a regular basis, my electorate office receives calls from constituents expressing their decreasing confidence in the university system and the concern that their projected debt for their children’s education is expected to snowball. This concern is most evident in the number of foreign students who are nowadays determining to go to other universities because Australia does not provide the level of education they seek. To address these problems, indexation of university funding has been identified by universities as the priority issue—and it was applauded as a significant initiative when it was announced in the ALP policy—as it would deliver more money for most universities than they can extract from students through HECS increases. At this stage it is important to recap where we stand with this Liberal government. Unaffordable degree costs, increased HECS fees, insufficient student places and ministerial discretion on
HECS places make this legislation a tragedy and legislation we should reject.

Ms KING (Ballarat) (11.36 a.m.)—The Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 implement the government’s agenda to change the face of higher education in Australia. They give unprecedented ministerial control over our universities and increase the burden of debt on students and their families. The government likes to refer to them as bills that reforms higher education, but in order to reform higher education you have to seriously invest in it, and invest in the right ways. These bills are essentially a patch-up job. After seven years of funding cuts, they do little to restore the funding that universities have lost under this government, whose answer to increasing funding is to shift the burden of cost away from itself to individuals and families. It is user pays in its starkest form. These are essentially bills that are about which young Australians will in future years be able to benefit from higher education and which will not. They are about who in the future will be burdened by higher education debt and who will not. They are essentially bills that limit the opportunities of young people from low- to middle-income earning families in this country to get ahead.

As such, there are no other bills before this parliament that so starkly shows the choice between the two major parties. You do not have to look very hard to see that universities are in trouble and are experiencing problems and that the problems are ones of this government’s making. One bill, in typical government speak, is titled the Higher Education Support Bill 2003. More correctly, it should be called the ‘Higher Education Propping It Up Because We Have Mucked It Up Bill’. It is clear that the government’s cuts to universities and its inadequate funding have led to pressure on universities, lecturers and students. Overenrolments, overcrowding of lecture theatres, significant increases in the student-staff ratios, pressure on infrastructure and other resources such as library facilities—all of these things have potentially undermined the quality and standards of Australian university education.

Universities across Australia have experienced over $5 billion worth of budget cuts since this government was elected. In my own electorate the University of Ballarat, a fine institution, has experienced $52 million in budget cuts since this government came to power. Universities such as the University of Ballarat, the Australian Catholic University and VUT, which many people in my electorate go to, have muddled through. But there is no doubt that the government’s funding cuts have had a significant impact on the ability of universities to deliver high-quality, affordable education in this country.

And what is the government’s response to this? The government’s response to this is that people should pay more. Under this government we saw student-staff ratio increases of around 43 per cent at Ballarat university from 1996 to 2001. We have seen significant numbers of students unable to access university places. About 20,000 people qualify for university places each year and miss out. This government’s policies have allowed and even encouraged universities to overenrol. Ballarat university is estimated to be overenrolled by about 350 places, the majority of which it is set to lose if the minister does not keep his promise as given to me and recorded in Hansard. The university is reported as being set to lose around 114 places under this government’s proposal. In courses such as nursing and teaching—areas where there are desperate shortages of professionals—significant numbers of students are knocked back each year. At the University of Ballarat, nursing has been one of the courses in which we have
experienced significant growth. Estimates are that around 900 students apply for nursing at the University of Ballarat each year. The majority of them miss out on a place.

The government’s response has been to announce 210 new nursing places. I note that in the member for Mallee’s contribution he called on the government to give some of these places to the University of Ballarat, and it is a call I echo. However, you do not have to look too widely to realise that 210 places are not really going to stretch very far across the country, and it is highly unlikely that they are going to go anywhere near meeting the demand at the University of Ballarat alone. Labor, by contrast, will create an additional 1,100 commencing undergraduate nursing places and 500 new fully funded HECS postgraduate nursing places every year from 2005. If the member for Mallee thinks that the government’s tiny contribution will assist the University of Ballarat, I am sure he will recognise that Labor’s proposition has a much better chance of actually addressing nursing shortages in rural areas.

The government’s response to our problems in universities is simply that students and families should pay more if they want to access higher education. The government’s so-called reforms will make it harder for young people to get a place at university and make it even harder for them to pay for it. Average student contributions to higher education have increased significantly already. Student debt has doubled under the Howard government and is now at $9 billion. These are significant barriers, not only to accessing education but to future home ownership and financial stability. There are claims that there are record numbers of students in Victoria who will carry their HECS debts to the grave. The government’s proposal is to increase the burden of debt on students by allowing universities to increase their HECS fees by 30 per cent. This means that an arts degree could cost $15,000, a science degree could cost $21,000 and a law degree could cost $41,000. They are significant increases. Starting out in your first paid job is hard enough, but being burdened with these sorts of debts is absolutely crippling.

The University of Ballarat has stated that given the average income of our catchment area it does not think that it will be feasible to increase university fees, and it has stated that the real benefit will go to the sandstone universities. So the University of Ballarat is not even going to benefit under this part of the government’s proposals. At the University of Ballarat, 75 per cent of students come from the catchment area of the Wimmera through to Ballarat and surrounds, where the average household income is around $33,500. Sixty-three per cent of all commencing students at the University of Ballarat are the first generation to ever to go to university. There is no indication as yet from the university as to what courses are going to cost more—and I am sure that some of them will—but I agree with the vice-chancellor’s assessment that the income levels experienced by people in my electorate mean that the government’s proposals would place a significant burden on Ballarat students and would dissuade many of them from attending universities were fees to rise.

Labor are opposing the 30 per cent increase in HECS fees and are instead expanding opportunities for students to get a qualification by creating 20,000 new commencing full- and part-time university places and 20,000 new full- and part-time TAFE places. This means that by 2008 there will be 40,000 additional new commencing TAFE and university students every year. We will also be providing $35 million for a program to support secondary students from disadvantaged backgrounds to progress to university and TAFE. Labor also want to directly address
the issue of financial hardship for students. Many students are currently living in dire financial circumstances. Labor will extend rent assistance to Austudy recipients and reduce the age of independence for students on the youth allowance. We will also increase the HECS repayment threshold to $35,000 per annum in 2004, which is a year earlier and a threshold $5,000 higher than the government is proposing.

Higher fees do create barriers to university education. In 1998, the government for the first time allowed full fee paying student places, meaning that 9,000 students who had the money could buy their way into universities. We now have the Vice-Chancellor of Melbourne University pricing a full fee paying medical degree at $150,000. Instead of access being on merit, the government wants to increase the opportunities for students and families with money to purchase a university place by increasing the number of full fee paying places. The government is also introducing a loan scheme with prohibitive interest rates that will do little to allow kids from poorer to middle-income families to access university education.

The minister likes to pretend that he is not playing the race card when he asks, ‘Overseas students have access to full fee paying places, so why shouldn’t Australian kids?’ Overseas students and their parents do not pay taxes in this country, so in my view it is reasonable to ask them to pay extra for their education. I am not ashamed of saying that we should be charging overseas students for courses in Australia. But when Australian parents have already paid their taxes, why are we now telling them, ‘If your kids cannot get access because the government has not funded enough university places, the only way they will get access is if they can buy their way into universities’?

What this government is trying to do is entrench privilege in this country, and it is creating barriers to university participation. Not satisfied with making it harder for those on lower incomes to attend university, by raising fees, the government wants to make it easier for the rich to attend. Labor will, by contrast, abolish full fees for all new domestic undergraduate students. Labor opposes the government’s plan to increase HECS and introduce a loans scheme with a six per cent interest rate. By contrast, Labor is going to increase the number of university and TAFE places, creating more opportunities, not fewer, for all Australians to attend university and TAFE.

The Howard government has made over $400 million of desperately needed university funding contingent on its extreme ideological industrial relations agenda. This proposal has the stamp of the former Minister for Employment and Workplace Relations all over it. None of the conditions that the government is proposing have any relevance to the core functions of university teaching and research. This legislation does not create enough fully funded university places to meet population growth—let alone unmet demand. For those seeking a university or TAFE place, it does little to provide hope that they will be able to get one, let alone afford to pay for it if they do. Under this government, too many of our young people have already missed out on a university place.

With Labor’s policies, we are trying to make sure that more kids get to go to university, regardless of their background. Countries with highly skilled, knowledgeable and well-educated populations do better economically. Regionally we do better because we have the University of Ballarat and the Australian Catholic University in our area. This is why I will support Labor’s amendments to this bill and why I oppose the gov-
ernment’s regressive provisions, which will limit growth in my region and opportunities for young people and mature age students to get a better chance in life.

Ms JACKSON (Hasluck) (11.46 a.m.)—I rise to oppose the government’s bills, the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 in their current form and, in particular, I oppose the general direction of the higher education policy proposed by the Howard government. I also intend to speak today in support of the fairly detailed amendments that were foreshadowed by the member for Jagajaga, the Deputy Leader of the Opposition, with respect to this legislation.

As we know, the legislation introduces fundamental changes to Australia’s higher education system in four key areas. The first is deregulation of tuition charges for undergraduate students. This is the first time we have seen this happen in 30 years. To borrow a phrase from a popular movie, it seems to me to be a step ‘back to the future’. If this legislation is passed, universities will be allowed to determine their fee levels for students, within certain limits—and universities can request that the minister allow them to increase those limits.

The second change we see with this legislation is an increase in regulation of the student profiles of our universities. This is the first time we have seen this happen in 30 years. To borrow a phrase from a popular movie, it seems to me to be a step ‘back to the future’. If this legislation is passed, universities will be allowed to determine their fee levels for students, within certain limits—and universities can request that the minister allow them to increase those limits.

The second change we see with this legislation is an increase in regulation of the student profiles of our universities, giving the minister and his department the power to determine how many students are taught in individual courses at each university. This seems to me to be an extraordinary situation for Australia’s education system. The third significant change is, as part of that increasing regulation, the explicit tying of core operating grants to universities complying with the government’s policies in respect of industrial relations and governance structures. I will come back to that later. Lastly, the legislation gives the minister the authority to add new higher education providers, without any reference to this parliament. As I understand the legislation, such decisions by the minister would not even be disallowable.

I do not want to traverse the ground that has been covered by many other speakers with respect to this legislation, but I indicate for the record that I endorse in their entirety the comments of the Deputy Leader of the Opposition, the member for Jagajaga, and the Leader of the Opposition in their addresses to this parliament. What I would like to do in the time that is available to me this morning is to address the impact that these changes are likely to have in my electorate of Hasluck.

Over the two years that I have been privileged to represent the electors of Hasluck in this place, I have had concerns about participation rates in tertiary education. Indeed, it was obvious from the background papers that were part of the minister’s higher education review that the participation rates from rural areas and low socioeconomic suburbs, the like of which fall in my electorate, have actually fallen or remained the same. You would hope that, over time, we would have seen an increase in the participation rates of students in these areas.

In the latest Australian Bureau of Statistics data on participation rates in higher education for the Perth metropolitan area, it is quite interesting to contrast the situation of people who live in Perth’s western suburbs with those who live in Perth’s eastern suburbs. Unlike the rest of the country, in Western Australia it is our western suburbs that are the leafy and perhaps more affluent suburbs in the metropolitan areas, as opposed to the eastern region, where my electorate is. I was distressed to discover that you are four times more likely to be participating in higher education if you live in the western
suburbs of Perth than if you live in the eastern suburbs. Indeed, about a third of the higher education students in Western Australia live in the eastern suburbs or have eastern suburbs postcodes. But when you look at how the resources in higher education are spread around the Perth metropolitan area, we find that there are 5,000 residents for each higher education place in the eastern suburbs compared with 20 residents for each higher education place in the western suburbs. That is a huge disproportion in terms of the distribution of higher education places in the Perth metropolitan area.

In Western Australia we have only three universities. Of the 11 campuses that they operate only one is in the suburbs east of Victoria Park, an inner city suburb in the Perth metropolitan area. No doubt this is a contributing factor in explaining the far lower participation rate of people in higher education in the eastern suburbs. Between 1986 and 1996 the percentage of the population in Perth’s western suburbs attending university rose from five per cent to almost 10 per cent. It also doubled in a corresponding group in the eastern suburbs, but it moved from a particularly low base of just 1.8 per cent to 3.5 per cent. When you look at how Perth benefits from resources in higher education of around $1 billion, it seems to me that that learning expenditure or investment is spent almost to the exclusive benefit of the communities in Perth’s richer western suburbs.

The combined effects of increasing HECS fees for undergraduate students—which is the single greatest change in this legislation today—the continuing reduction in the number of student places, the deregulation of fees and the disproportionate location of higher education places will be devastating for poorer urban communities. In my view there must be equal access to higher education for all Australians, particularly for West Australians where this huge imbalance needs to be addressed.

I have spoken before in this place about the area of Midland in my electorate. It is an example of an outer metropolitan regional community that has a substantial level of unemployment. It is a low socioeconomic community, and we have high levels of unemployment amongst our youth. In my opinion, if we concentrated some resources in this area and we had appropriate government support, we could ensure that this situation would improve and that there would be quality jobs for the residents.

I know a wonderful group of people there from local, state and federal government, as well as the business and community sectors. They are working together to establish the Midland tertiary education precinct. They are in the process of lobbying both state and federal governments to establish a multisector educational campus based in Midland, with an emphasis on strong science and engineering programs—not just at the post compulsory level or TAFE level but also at the undergraduate, postgraduate and research and development levels. The slogan for the Midland tertiary education precinct group is ‘upskilling our region’. It could not be a more fitting description for the eastern metropolitan region, which is experiencing population growth at twice the rate of the Perth metropolitan area.

Midland was the historical centre of the West Australian railway industry. What was once a thriving area, with tradespeople working at the Midland railway workshops, now suffers from high unemployment, low income levels, low levels of skilled workers and a low level of school retention rates. Contributing to this problem is the lack of opportunities available to young people living locally. There is only one small tertiary presence in the region and only one private
post compulsory education provider. This is a critical issue to the Midland area and it is one that the Midland tertiary education precinct group is trying to address. If ever there was an example of why more funding is needed to ensure that young people can access quality skills training and education, Midland is it.

In the minute or so that I have left, I have to say that Midland residents still talk about the 1996 election commitment made by the then shadow minister for education, Robert Hill, and the member for Pearce, Judi Moylan, to establish a university or to create higher education facilities in the Midland area. That would have contributed to the upskilling of people in this region. It is seven years since this government have been in place and have had the opportunity to deliver on that commitment to the Midland area, but they have consistently failed to do so.

In closing, can I say that I have just had the pleasure of meeting the scientists who have been visiting many MPs in this place. They indicated to me that Australian public investment in higher education as a percentage of GDP has fallen dramatically, to levels well below our international competitors. Let us hope that common sense will assert itself and that people in this place will reject the proposed Howard legislation and support the alternative that is being promoted by Labor.

**Mrs IRWIN** (Fowler) (11.57 a.m.)—The Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 will turn back the clock to a time before the Whitlam government came to office in 1972. It will turn back the clock to a time that the Prime Minister seems to think was ideal for Australian life—back to the 1950s, back to the days of white picket fences and listening to the cricket on the radio, back to the time when a higher education was the privilege of the lucky few who won a Commonwealth scholarship or whose parents were rich enough to send them to university. For the rest, a university education was something that could only be dreamed of.

Of all the changes made by the Whitlam government, the one which affected more lives and which offered potential to more Australians was the change to higher education that abolished fees. The effect of those changes took some time to influence the ambitions of young Australians. But, from that time, every Australian child who started school should have known that financial restrictions would not prevent them from going to university. I do not think there was ever a survey of this type but, if you were to ask an eight-year-old child what they wanted to be when they grew up, the answer—apart from the usual choices like a fireman or a pilot—before 1972 would have been be very different to that after 1972.

That difference was because, for the first time, Australians had a real choice about their career. For the first time they could decide on a career which required a university education; for the first time Australian kids did not have a ceiling on their ambitions; for the first time Australian kids could think about careers that were once the exclusive choices of the rich; for the first time Australians could consider themselves to be part of a nation that embraced equality; for the first time every teacher and every student could see educational potential limited only by ability, not by economic status.

A few weeks ago I was speaking with some retired teachers who taught in our schools in the 1950s and 1960s. The comments that struck me most were their regrets about the hundreds of bright students who had the capability to go on to university education but did not—kids who left school at the intermediate level and went into a trade.
As the retired teachers said to me, it was just the accepted thing at the time. Kids did not expect to go to university. Many of those students have done well in life, but the big difference is that for many kids today the expectation is now the opposite. They expect to go to university. Not all of them will but through their years at school they can at least hold onto that hope.

It is true to say, as many critics do, that free higher education did not bring about a great levelling. Today, kids from rich families are twice as likely to go to university as kids from poorer homes. But that is a big improvement on the figures before 1972. The important thing is the issue of access. There are many reasons why more kids from poorer homes do not go to university, but the cost of an up-front fee or debt burden for life should not be one of them. I will not deny that it was the Labor government that introduced HECS fees and I know that even under Labor HECS fees became a burden. But at the same time it is only fair that university graduates should be expected to meet part of the cost of their education after their income has reached a reasonable level.

But the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 go much further than the changes made when HECS was introduced. These bills allow universities to set their own level of fees. While this is limited to 30 per cent above the set level, the way is clearly open for this limit to be removed at some future time. While the message given to every Australian child in 1972 was one of hope and opportunity, these bills slam the door shut on the hopes and ambitions of a growing number of Australian kids.

When I visit schools in my electorate and I look at the faces of those young Australians I like to think of each and every one of them having the chance to reach their full potential. But if these bills are passed I will not be able to do that. I will not be able to look at those beautiful faces in quite the same way. That is what I mean by turning back the clock: going back to a time when so many kids faced that ceiling on their ambitions; a time when our society was less fair and ambition was framed by how rich your parents were, not by your dedication to achieve your potential.

As someone who grew up in Western Sydney, nothing gives me greater pride than the achievements of the University of Western Sydney. If ever the dream of Gough Whitlam to give Australian kids the chance to reach their full potential is being realised it is at the University of Western Sydney. More than two out of every three students at UWS are the first in their family to go to university. That combination of affordable university fees in an institution that caters for the needs of students from Western Sydney is an important reason for the success of UWS.

That success is a source of great pride for the people of Western and south-western Sydney. Like other members of this House from there, I too am proud of the achievements of that great university. As someone who advocated its establishment as a young girl, I am proud to say that my daughter is a graduate of UWS and my son, Blake, is currently a student there.

But not every member representing Western Sydney electorates shares that pride. In recent comments in the Penrith Press the member for Lindsay has shown her contempt for the University of Western Sydney. She is quoted as saying, ‘The UWS board and management are left wing, politicised, inflammatory and inefficient.’ The member for Lindsay refuses to stand up for UWS. Her name is not even on the speakers list for this most important debate. Instead, she claims that
UWS receives above average funding and even claims that the funding changes would lead to more equality in university funding.

But then she goes on to say, ‘We are providing them with transitional funding, so there will be no funding cuts to UWS.’ But the member for Lindsay does not explain why you need transitional funding if there is not going to be a funding cut some time later. There will be funding cuts. That is the view of the founding vice-chancellor of UWS, Sir Ian Turbott. Sir Ian is also quoted in the Penrith Press as saying that he believes the federal government’s higher education reforms would cut funding to the university. Sir Ian said that UWS should be considered differently from other universities because the majority of people who used it were not able to afford the increase in fees.

To quote from the article, Sir Ian said:

University gives an opportunity to people who would never have had it before. Whereas universities such as Sydney can increase their fees, that’s not an alternative of the University of Western Sydney because the people are not in the high income area.

Sir Ian went on to say:

It is hard to understand why the federal government intends to cut funding to UWS and deny our region the opportunity to have a well funded university which can serve people in western Sydney.

In response to those remarks by the member for Lindsay, Sir Ian described her attacks as ‘troubling’. He said that in his time as vice-chancellor he had not experienced such an outburst and had no idea why Ms Kelly made the statements she did.

I could clear that up by saying that the member for Lindsay does not understand the needs of the University of Western Sydney— which is in her electorate—and, for that matter, she does not understand the broader needs of the people of Western Sydney either. But the facts speak for themselves. Only one person in 10 in Western Sydney holds a university degree, while the figure is one person in five in the east. The forty-two per cent of Sydney’s population living in Western and south-west Sydney have one university. In the east of Sydney there are four universities.

According to the member for Lindsay, these changes will lead to more equality in university funding—but she does not understand the needs of Western Sydney. The member for Lindsay should be visiting the campus in Western Sydney and speaking to the students who go there—speaking to the students who live in her electorate and who go to the University of Western Sydney. As I said, the member for Lindsay does not understand the needs of Western Sydney, not like Sir Ian Turbott who guided UWS through its early years and saw clearly the needs and the role of the university in and for Western Sydney.

I have spoken about the impact on the University of Western Sydney and the Western and south-western regions of Sydney, but we should also look at the impact on individual students of a 30 per cent fee increase. For a start, we should recognise that, under this government, HECS fees have just about doubled and their repayment, even with the latest changes, cuts in at lower levels than when HECS was first introduced. At a time in life when graduates are setting out on their career—and for many it is also a time when they are setting up a home—HECS fees are taking a large bite of their income. With high house prices and the need to take out large mortgages, graduates saddled with a large HECS debt are hurting—and hurting badly.

This government is transferring the burden of the cost of higher education onto graduates when, in many cases, they can least afford it. Before too long, as they start...
families, the old HECS debt—and if this bill passes, the extra burden of the higher fee debt—will be crippling for many young families. We will have gone back to the time—that pre-Whitlam era—when we had the full fee paying universities. When the children of this generation’s graduates see the burden faced by their parents, they will wonder if it is all worth the effort. In 50 years we will have come full circle to another generation of bright kids who do not go to university. They will be the poorer for it and our nation will be the poorer for it as well. But that is the white picket fence vision that this government wants to take us back to. That is the vision of the member for Lindsay: a population in Western Sydney without hope of a career ambition.

I am afraid that the next time I visit a school in my electorate—and I will be visiting a lot in the next couple of weeks—I will look at the faces that hold so much hope and I will think, ‘What chance will they have?’ Will they and their parents be able to afford a university education? If this bill is passed, I do not think I will ever be able to look at those faces in quite the same way as I do now. The member for Lindsay should hold her head in shame and should get out and visit the university that is in her electorate and speak to those students.

Mr BEAZLEY (Brand) (12.10 p.m.)—In rising to speak on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003, I want to make a comment briefly on the speech by the member for Hasluck. She gave a very effective sociological analysis of the situation of higher education in relation to Western Australians, particularly in suburban Perth. The statistics that she repeated with regard to what happens in the eastern suburbs of Perth you could cite for the southern suburbs which I represent. In my electorate we have the lowest rate of tertiary participation in the metropolitan areas of the country. Added to that is a real problem in Western Australia with access to places—which this legislation will exacerbate.

The University of Western Australia has the highest cut-off points for entry to every single faculty of the university of any in the country. Ostensibly that means, of course, that the University of Western Australia has the most intelligent students in the country. If you take all of Western Australia’s four universities, you will find that they are in the top eight on cut-off points. Indeed, to take UWA again, the requirement for students to get into the arts faculty is the same as that imposed in Sydney on students to get into the law faculty of Sydney University. Those four universities in Western Australia appearing in the top eight in terms of cut-off points do so not because of the intelligence of the Western Australian population but because of the inequity—the shortage of positions.

Murdoch University will go backwards under this legislation. Under the government’s plans, Murdoch University will go backwards. Though it has an enviable record on questions of access and a notable role played in the Western Australian community in encouraging people who had absolutely no idea they could access tertiary education, it will be the first to be obliged to introduce full fee paying places. It is a tragedy for that university and it is a shocking indictment of the treatment of Western Australia by this government—set in concrete by this legislation.

I want to talk about the strategic settings of this legislation. From this side of the House, we have heard excellent analysis of the issues involved with regard to opportunity and equality of opportunity that are affected—indeed, damaged—by this piece of legislation. So I will talk about it instead in
the context of its investment in our future as a country. Where it fails—I believe most grossly—is in its failure to assist this nation at precisely the point it needs to be assisted if we are to be a prosperous, competitive and secure society this century. This century, those nations that will succeed—and, in Australia’s case, I would add to the word ‘succeed’ the word ‘survive’—will be those who optimise the creative skills of their people, be it in ensuring continued access to skilling, re-skilling and education to expand an individual’s knowledge base; be it in business innovation in research and development; or be it in injecting a knowledge edge in all aspects of public policy, from the provision of basic services to defending the nation. That would be the case anyway, but it is particularly the case in a time of war.

We face a long war, the Prime Minister says, and we critically require two things in this nation to fight it—beyond simply competent defence forces and competent intelligence services—enhanced technical and economic capacity and enhanced national unity—that is, everybody in this nation having the sense of being a stakeholder. You do not believe that you are a stakeholder in this nation if you do not believe that your children have every chance to skill themselves, and have themselves skilled through their lives, to the extent that they can make the maximum contribution to society. If you do not believe yourself to be a stakeholder, you find yourself at the cusp of a diminution, in a national sense, of solidarity. Defeating this legislation—with its further public disinvestment in education and its destruction of nation-building unity through a sense of inequity—is the most important piece of micro-economic reform this parliament can engage in this year.

This is a lucky government. It has enjoyed good growth in troubled times. This it owes entirely to the hard decisions we took in the eighties and nineties: opening Australia to international competition and thus supercharging our exports, productivity and job growth. Productivity growth has slowed in the latter part of the last decade—we have not yet noted that. It slowed significantly in an environment where the component that was workforce skills-driven declined. This most crucial component of future productivity growth reached a peak of 28 per cent of total productivity growth under Labor in the early nineties. Now it lies at three per cent. Freeing up labour markets in this country has run its course in productivity growth. The next phase must come through skilling our people and encouraging business innovation. University access and investment sit at the very heart of the inventiveness of our people.

The figures on all fronts under this government are simply appalling. Since it came to office, we have had an effective 12 per cent fall in public investment in universities while the average OECD growth has been 21 per cent. We have had the second slowest rate of growth in student numbers in the industrialised world. We have seen staff to student ratios—which were never better than the international average—blow out by 31 per cent. In actual dollars, we have seen $5 billion cut out. Savaging the tax concessions for business investment in research and development, in addition to all these other measures, means that business investment in this country is one-third lower than it would have been if we had stayed on Labor’s trajectory. There you can see the two fronts—innovation in business and the skilling of our people—under attack by this government. What is the explanation for this undermining of Australia’s capacity in our time of trial? Is it because the government confronts difficult budget circumstances?

I remind members that when we assumed office 20 years ago we confronted a budget deficit in today’s dollar terms of $37 billion.
But within five years we were in surplus, had reformed the Australian economy; legislated universal health care; increased public investment in higher education; introduced income tax cuts more than twice the size of this government’s, without a GST; set business on the path of a 10 per cent per annum real growth in R&D investment; and created over a million new jobs, most of them full time. We set the Australian economy up, effectively for this lot to squander—or to attempt to do so. As it happens, this undermining is not a product of a lack of resources. There is a substantial enough budget surplus now foreshadowed that, for a cost of around one-third of what this government’s contemplated tax cuts would cost, the government could restore over four years the $5 billion it cut from universities. I believe this government is walking away from the next crucial phase of micro-economic reform in the economy—that is, expanding access to education and training by enhancing its affordability. This legislation then is not related to its budget opportunity but is rather a product of ideological blindness. Its practical effect is undermining our nation in a time of war. That blindness stems from the government’s class-consciousness.

Under Whitlam reforms, Labor purged the last elements of its class war fighting orientation and became a party for all Australians, particularly middle Australians. We reflect it now in every element of our being. The Liberals never made the leap, either in their own sociology or in their own attitudes. Two thirds of this cabinet went to category 1 private schools, but only two per cent of Australians go to those schools—66 per cent of this cabinet; two per cent of Australians. A $100,000 degree means nothing to them intellectually. Members of the cabinet—all of them—think in personal terms in amounts for yearly activity that ordinary Australians sitting around the kitchen table only contemplate for a lifetime purchase of a house. One hundred thousand dollars means nothing to a Liberal cabinet minister. It means a house to many Australians sitting around the kitchen table, and a choice between the two: your house, as you grow into your 20s, or an education. They are blind to the needs of ordinary Australians; therefore they are as blind as Bourbons to what they must do to strengthen our society in this time of trial.

We in this party are not going to fail this test of micro-economic reform. We are not going to fall into the position that this government has fallen into of decreasing access to university, of making it unaffordable for ordinary Australians. We are going to take a stand in favour of public investment in strengthening our nation. That is what we are going to do. We can be confident that those great micro-economic reforms that we put in place at great cost to ourselves politically in the 1980s—reforms which opened up this economy of ours to international competition, the fruit of which we see now in a world around us of economic ravaging—have resulted in a very good performance by the Australian economy. That all came off Labor’s reforms. We are the ones who know what to do about micro-economic reform in this nation, and because we know what to do we are going to destroy this latest effort to render our nation once again sclerotic by opposing this legislation in the Senate.

Ms GRIERSON (Newcastle) (12.21 p.m.)—I also oppose the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. I agree with the previous speaker, the member for Brand; it is time for a reformist government, not this government that reforms through division and neglect of what are perhaps the best institutions we have ever had in our nation. So I rise to oppose the legislation and support the substantive amendments to be
moved by the Deputy Leader of the Opposition. I regret that my comments have been restricted by the time limit placed on this important debate, but this government constantly uses its power to gag its opponents, be they charity organisations, High Court judges or Labor parliamentarians.

This legislation represents the most significant change to higher education policy in 30 years and signals a departure from a fine tradition in this country where all citizens were encouraged to value our tertiary institutions, whether or not they or their family attended and studied in them. It also sets a new, and I would suggest dangerous, precedent in granting to individual universities the ability to set fees and to offer full fee paying places to Australian students. It now appears from the fine print in this legislation that the minister will have the ongoing power to decide which courses and what percentage of places in those courses will be full fee paying, as he sees fit. Our very own not so ‘brave heart’, the Minister for Education, Science and Training, will now decide the fate of students once hopeful of an affordable education. Could this mean the minister would have the power to decide that all medical places should be fee paying or that all law places should be full fee paying? That would be a disaster for bright students from families of moderate means but okay for the thick and rich.

Already students are being forced to choose their courses by what is affordable. In my last employment as a principal, one of my school cleaners lived with the regret that her brilliant young daughter chose a commerce/law degree over medicine because of the availability of a scholarship. Without that financial assistance, her family could not afford to support her through her studies. I do not think many members of the government would know what it is like to work split shifts all week, commencing in the dark each morning and ending in the dark each evening, cleaning toilets and emptying garbage bins so that your child can have educational opportunities you did not have. That is a pity. I remember too well my own mother ordering me to my room to study so that I could get a decent job. At the time, as a sole parent she worked long, tiring shifts in a hotel, supporting her daughters so they could have opportunities she never had. Less opportunity and more financial hardship will be the result if this mean spirited government is allowed to bring about increased HECS fees and introduce full fee payment for Australian students.

Complete fee deregulation marks the beginning of elitism, the beginning of our own dinky-di version of Ivy League universities. That is just what we do not need; more Yankee Doodle, American style policy for this country. Our universities get the new variety at—you guessed it—a never to be beaten but always to be imposed and increased price. Agree to massive deregulation by the government, accept compromise to university autonomy and independence, and you can then set your own fees, decide who you enrol and how much they will pay. Sadly, after this government has ripped $5 billion out of our universities, some universities will accept the deal to gain access to a less constrained cash flow. Add some very special industrial relations conditions, throw in a little lecturer unrest and the deal is almost complete.

The minister claims there are too many universities, too much duplication, too many mickey mouse courses and too much mediocrity. He also knows there is much unmet demand and that in this new clever world more and more people will apply for university places. Simply, he does not want the government to have to pay for that. In this country already students and their families are paying some of the highest fee burdens in the world. Under this government, the aver-
age HECS fee has increased by 85 per cent. Student debt has doubled to $9 billion. My own daughter calculates when she may have children or purchase a house by when she will have her HECS debt paid off. And we wonder why the fertility rate is so low in this country.

Student fees and charges now constitute 37 per cent of the income of universities, up from 25 per cent in 1996. The level of government funding has fallen from 57 per cent in 1996 to a new all-time low of 44 per cent. At current projections under current policies student debt is expected to reach $13 billion by 2006. If this legislation is passed, the burden on students and their families will escalate to staggering levels. This legislation will see no caps on HECS fees, no caps on the cost of degrees and no caps on full fee paying places, as well as less places for Australian students and huge HECS debts. According to Professor Bruce Chapman, the architect of HECS, up to 60,000 students will be paying full fees for degrees under the government’s package. But the government is determined to impose its ideology, which favours the wealthy and pushes them to the front of the education queues, applying the principle that it knows so well of ‘user pays’. And if you cannot pay, that is tough; too bad.

As an educator all my life, I know too well that education is the great leveller, the deliverer of opportunity to all, irrespective of position, status and wealth. Education more than anything else blurs the lines of any class system and allows anyone with merit and determination to achieve qualifications that enable them to succeed, allowing them to gain rewarding work and accumulate wealth. That is why we on this side will always defend so passionately a universal education system where merit, not wealth, determines access.

The legislation we are debating today has no interest in principles of equity. It must be remembered that this Prime Minister is our very own ‘behind the white picket fence’ guy from a conservative era when class did exist, an era when the workers wore overalls, carried Gladstone bags and travelled on public transport, while the white-collar workers wore just that—and were easily recognisable—and the professionals and privileged got to wear suits and drive the latest model Holdens. He is certainly overdue for a reality check. Australia has changed. It is progressive and modern and will not accept that higher education should be available only to the wealthy. It will not accept that our skills and talents should be compromised in any way. Equal opportunity has been the hallmark of our democracy and our education system, and it is enshrined in Labor’s new Aim Higher policy—which, of course, has my full support.

What does this mean to my university? I am very fortunate to have in my electorate the University of Newcastle, a fine institution which our community fought very hard to have established. Since the introduction of the new education policy we have been trying hard to get the minister to agree to us having regional funding. The government have taken out that regional funding, and they have also taken out 200 places. I pay tribute to our Deputy Vice-Chancellor, Professor Brian English, who will not cut those places but will continue to hold them. Even though we have had a $1.7 billion deficit in funding since 1995, those places will be there for our students. The minister tells us we are not entitled to regional funding, although he has reinstated $1 million of regional funding to the University of Wollongong. We are pleased for Wollongong but desperate in our own region to make sure that the sorts of community based and regional programs that enable students to have
that second chance and gain access to university will be funded. Unless that regional funding is restored, it will be very difficult in our region to continue to provide those sorts of enabling and engaging courses.

But the minister claims that he has considered some new factors for the University of Wollongong: isolation and the inability of students to pay fees. However, he seems to have overlooked that in Newcastle the median individual income is only $306 a week—the 24th lowest ranked electorate in the country—and has not taken that into account. Isolation apparently does not exist because we have so many students we can draw from, even though they may have to come from across the Great Dividing Range, as far as the North Coast and south to the Central Coast. Apparently, isolation for those students living away from home is not a factor that he needs to consider.

Three hundred Indigenous students are enrolled in the University of Newcastle—the greatest number of such students in any university in New South Wales—but apparently the isolation they will feel from being away from home does not require any additional resourcing. I also point out that the University of Newcastle hosts two centres of excellence. I do not think that is matched anywhere else in the country. Having two centres of excellence in a regional university is a great tribute to the efforts of the staff and the management of the university. The university deserves a better deal.

Today is the eve of national industrial action by university staff. I must register my support for their protest. It is not acceptable that this government has tied $404 million under the Commonwealth Grants Scheme to acceptance by universities of its divisive and combative approach to industrial relations. The minister says that he requires his universities to be compliant with the government’s workplace relations policies and to accept his precondition that AWAs should be made available to each and every individual. His requirement that no encouragement be given to union membership and that no restrictions or limitations be placed on the forms and mix of employment types is quite unnecessary and has little to do with education. Universities rightly decide these issues themselves and should continue to do so. Fortunately, all vice-chancellors have opposed this attempt to undermine the conditions of their staff and the activities of their union, the National Tertiary Education Union. Enterprise bargaining already takes place in these institutions with little unrest and a great deal of cooperation.

In concluding, the Australian public are fed up with the paternalistic arrogance of the minister for education, Brendan Nelson. Most Australians want to live in a fair and decent country where we can look each other in the eye as equals, have some spiritual comfort from knowing we all contribute to making our country strong and clever and at least try to give everyone a chance to succeed. I strongly oppose the Higher Education Support Bill 2003 and the related bill.

Mr BEVIS (Brisbane) (12.32 p.m.)—I join with my Labor colleagues in strongly opposing the Higher Education Support Bill 2003 and Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 which are before the parliament. The Howard-Costello government’s arrogant and elitist attitude towards education and training is one of this nation’s great hidden tragedies, the effects of which will linger for a generation. The Prime Minister John Howard’s boast some years ago, that he was the most conservative leader the Liberal Party has ever had, is evidenced more than amply in the Higher Education Support Bill and the government’s approach to education and training. How ironic that we are having
this debate in this chamber on the very day that science meets parliament, the very day on which some of our leading academics, scientists and researchers are here to meet with us and to impress upon us as members of parliament, if we needed it—and clearly those on the government benches do—the importance of investing in our future, our knowledge base, our creativity and our people. How ironic that on that day we have before us a bill that runs counter to all of those ideals.

I was taken by the information given to me at one of those meetings that graphically sets out the way in which our investment in education and training and in research and development has declined so badly since John Howard became Prime Minister. Most members of this parliament will have an opportunity to see the graph that I am holding; unfortunately, the standing orders do not allow me to have it included in Hansard. It depicts very capably Australia’s commitment to research and development over the course of the last 10 years. It shows Australia’s performance in investment as a percentage of our gross domestic product steadily increasing year on year. Not surprisingly, it peaks in 1995-96—the year of the last Labor budget. From there on, it slides down. It is measured against the OECD average. In 1995 our performance was above that of the OECD average. It took this government just two budgets to drop us below the OECD average.

Of direct relevance to this bill, elsewhere in that document is a graph depicting the amount of money as a percentage of GDP that we put into higher education. From 1996 until the present, it has declined every year. Each year there has been a new decline on the decline of the previous year; that is, every year since John Howard became Prime Minister, the priority that has been given to higher education and to research and development in this country has declined. What a disgrace. Worse than that, it is a tragedy for our nation and our nation’s future. The wealth of this country in the years ahead will be built on the creativity and intellectual property that we are able to generate. In the 18th and 19th centuries, countries that were wealthy found their wealth from what they could dig from the ground or grow from the plains. Those days are behind us. The wealthy nations of the future will generate their wealth from the intelligence, creativity and intellectual rigour of their people.

It is not possible to spend too much money on education and training. You can waste money—you can waste a little bit. You can spend a little bit and waste it all. But it is not possible to have a population that is too well educated, too well trained and too knowledgeable. Yet here we are as one of the few countries in the OECD reducing our commitment to education and training and, in this bill, to higher education, where our scientific advancements and so much of the economic fruit of the century ahead lie. This bill seeks to do that and more.

Each year in Australia 20,000 qualified Australians miss out on studying at university. That is a tragedy—a tragedy for them and for all of us. The government’s own figures show that the number of Australians starting an undergraduate degree has dropped for two years running, and the OECD tells us that Australia now has the second lowest increase in the rate of enrolments in universities across the entire OECD. These are not statistics of which we can be proud. If the government has its way, after 2007 publicly funded places will not even keep pace with population growth. That is going to be a major challenge in my home state of Queensland, where the population growth is very substantial indeed—something which is drawn to our attention by redistributions in that state every couple of years as the state gets a new seat in this parliament. In Queen-
sland, the fact that the Commonwealth will not even be funding enough places to cover growth means that young people, particularly in my home state, will be denied access to university places. Yet the government proposes to put in place full fee paying students and increase HECS to increase the burden on those who can get there. An increase in HECS fees of 30 per cent means that some students are going to be lumbered with a HECS debt of $50,000. An arts degree will cost $15,000; science, $21,000; and law, $41,000.

But you can buy a degree under this government’s plan. If your academic performance is not good enough to earn you a place at university, the government wants to let you buy a position if you are wealthy enough to do so. We need to put to rest one of the arguments that the minister has used and that a number of government backbenchers—the few who bothered to speak on this important matter—also raised. They referred to the fact that there are people who fall just short of whatever the cut-off might be in the various states and that they should not be denied the opportunity to buy themselves a place, because there are people from overseas who can buy themselves a place.

There are a couple of clear distinctions that need to be made. The people from overseas who buy themselves a place have not been paying taxes in this country like every other Australian pays taxes. But the real test is not the comparison of that Australian child who just fails to make the cut-off with an overseas full fee paying student. The real comparison is between the two Australian children who both get identical academic results just below the cut-off, one of them in a wealthy family, one of them in a low- or middle-income family. One of them is given a second bite at the cherry—the one who is rich enough to fork out the $100,000-plus. This is not a test of equity, fairness or ability. This is purely and simply a test of wealth. You are rewarded for your wealth. You are rewarded not for your intellect, for your industry or for the future contribution you can make, but just because you happen to be lucky enough to have wealthy parents. When John Howard said he was the most conservative leader the Liberal Party has ever had I did not think it went that far, but we know now it does. This is a reversal of every fundamental principle of education and equity that this nation has embraced on both sides of politics for 30 years.

I am just old enough to remember the system before that—the system John Howard wants to put back in place. I finished my secondary education in 1971. I started tertiary education in 1972. Thankfully, Gough Whitlam was elected at the end of that year and tertiary education immediately got an injection of funds and support. When I did my secondary education I was fortunate enough to get a state and a Commonwealth scholarship, without which it would have been very difficult to believe I could have done tertiary studies. I came from a family with a father who was a truck driver on a low income. I grew up in an area where you did not go to the dentist, because you did not have enough money; you went to the dental hospital for the students to practise on. People in that situation did not have the option of going to university unless they were fortunate enough to snare a scholarship, and I was fortunate to snare one of those scholarships.

I was so proud as an Australian to see Gough Whitlam change that system—so proud to see that turned on its head and merit put in place and to know that my children would have an opportunity to realise their academic and personal potential based on how they applied themselves and the abilities they had, not on my bank account or wealth. I have been proud ever since of that fact in
our system. I find it disgusting that we now have a government that wants to revert to the system which I knew when I was a school student—a system that says, ‘You may not have the academic performance to earn your place, but as long as mum and dad have $100,000 ready to pay out you can get yourself a degree.’ That is the test that needs to be applied when we look at this, and it is remarkable that any government in this day and age would do that.

I have cited but a couple of statistics to refer to the declining priority this government has given to education, training and research and development. Sadly, there is insufficient time in this shortened debate for me to go through the other examples that illustrate that. But in conclusion I do want to make one other comment, and it is that this government has an infatuation and blind obsession with pursuing its industrial relations policies. It is forcing a very prescriptive industrial relations straitjacket on universities and saying to universities, ‘If you don’t do what Peter Reith, Tony Abbott and John Howard want you to do’—because it has all been the same agenda—then you do not get $400 million.’ That is nothing short of intimidation and standover tactics. If it were somebody outside the parliament threatening that, they would be in breach of even this government’s industrial relations laws. The only reason it can do it is because it is the government. That is a disgrace. The government has not told the truth about the details of the issues that it is imposing upon the universities. The minister did not tell the full truth in relation to that matter in his second reading speech. The details have been included in other material from Labor members, and unfortunately time will not permit me to go through them in relation to these bills. I am opposed to the legislation and I look forward to its defeat in the Senate.

Ms LIVERMORE (Capricornia) (12.44 p.m.)—I stand in this chamber today with a great number of my Labor colleagues to protest against the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 and everything they represent in terms of how the Howard government sees this country and the direction in which it seeks to take it. Every person in this chamber—and especially in the Senate—who is here to advocate and preserve the Australian ‘fair go’ and to stand up for equity in this country must vote against these bills. And those who vote for them should stand condemned.

These bills continue the Howard government’s seven-year attack on universities. Since taking up office in 1996, this government has cut $5 billion from Australian universities. This has had an enormous impact on our universities’ ability to meet demand for places and to deliver the high-quality education that students in this country deserve and that this country as a whole needs if it is to prosper into the future. Five billion dollars is an enormous figure, and you need to break it down and cast your mind over what that means in real terms. Think just for a moment about the number of places that it represents—the number of university places denied to students who are otherwise eligible to undertake tertiary study. Think about the number of crowded lecture halls and tutorial rooms that that $5 billion figure represents. Think just for a moment about the number of researchers and academics who have taken their capacity and innovations overseas and stayed there as a result of this massive cut to our tertiary education sector.

The measures contained in these bills will be incredibly destructive to the higher education sector in this country. They will also be destructive to the future hopes of this nation, both at an individual level and collectively.
They fail to invest in universities, despite the fact that Australia is falling dangerously behind on every international measure of public investment in higher education and research. We only need to look at the OECD figures and where Australia stands in terms of international benchmarks and comparisons of public investment in universities to see that our competitiveness and our future prosperity is being compromised by this government’s failure to invest properly in our university sector.

These measures will take higher education in this country back decades and return universities to the rich—and that is what really stands out in this bill. The Howard government’s claim to stand up for the battlers in this country or for anyone other than the rich in this country is completely laid bare in these bills. As a result of these measures, a university education for those students who earn their places through hard work and application will no longer be a right but a privilege. It will be the exclusive preserve of those who can afford fees of tens of thousands of dollars plus the living expenses associated with full- or even part-time study.

This particularly affects Central Queensland University, the main campus of which is based in my electorate. It has nine campuses, but its main one is in Rockhampton in my electorate. CQU has a very high proportion of Indigenous students who would be affected in similar ways and who, like students from lower socioeconomic backgrounds, would see the prospect of those sorts of HECS debts as an enormous barrier to their participation in university.

The proposed increase in fees gets potential students from ordinary families coming and going. First of all, the prospect of higher fees will discourage students from lower income families from setting their sights on a university education. That has been shown by the Department of Education, Science and Training’s own research in a study conducted by Richard James and published in 2002: Socioeconomic Background and Higher Education Participation: An analysis of school students’ aspirations and expectations. That research shows that students from low-income families are totally turned off the idea of higher education or tertiary study when they think about the prospect of racking up enormous HECS debts. So those students are discouraged in the first place from participating in higher education.

This particularly affects Central Queensland University, the main campus of which is based in my electorate. It has nine campuses, but its main one is in Rockhampton in my electorate. CQU has a very high proportion of Indigenous students who would be affected in similar ways and who, like students from lower socioeconomic backgrounds, would see the prospect of those sorts of HECS debts as an enormous barrier to their participation in university. These
measures mean not only that the rich get richer on an individual level but also that disadvantaged regions, when compared with metropolitan areas, have their disadvantage entrenched. Barriers are being put up and opportunities are being limited for people who need encouragement to participate in higher education—and we are also talking about regions that would benefit enormously from opening up and cultivating the capacity that exists for individuals living those regions, no matter what their particular financial background may be.

So there is that element of discouraging students from lower socioeconomic backgrounds, in the first place, from taking up study. Then, when they get there, they find themselves having to work excessive hours in part-time or even full-time jobs in order to survive while studying. That severely compromises their ability to achieve academically and, again, sets up the barrier to their participation in study in the first place. If they do take up a university place, students who do not have the luxury of their parents paying their way to university will have their academic achievements compromised while they are there. They will also find themselves saddled with massive HECS debts or, if they are forced to take the full fee paying route, an even higher debt incurring commercial rates of interest when they leave university.

This package of measures shows this government’s complete contempt for the aspirations and prospects of the majority of Australians who do not have thousands of dollars to spare for university fees. I will be voting against this legislation. I am very proud to join my Labor colleagues in standing up for equity and a fair go in this country. I want to assure students in my electorate, and the families who have aspirations for their children to undertake university study, that I will stand up for the right of those students to attend university if they get the results required to attend. The Labor Party have always stood up for equity, and that commitment to equity has always been manifested in our support for higher education—higher education based on merit, not on ability to pay.

The government’s policy is simply to make Australians pay more for university education. That will seriously limit the capacity of so many deserving individuals in this country and will in the end hold back this country and undermine our ability to be competitive and successful on the world stage. But, more than anything, I am here to stand up for the rights of students in my electorate to attend university if they get the results required to be there and to be supported through Austudy while they undertake their studies and through changes to the HECS repayment system after they graduate. I oppose these bills and I call on the Senate to stick up for the people in my electorate by also opposing these measures.

Ms CORCORAN (Isaacs) (12.54 p.m.)—The importance of education cannot be overstated. It is important for our society and it is important on an individual level. Australia needs more people undertaking higher education. As a society we need more people in higher education and, from a concern about the wellbeing of individuals, we need more people to have access to higher education. We need this to become and to remain competitive globally. On an individual basis education is important as it is the key to individual prosperity and a circuit-breaker of ongoing poverty.

The Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 are excellent examples of the differences between the policies of this government and the alternatives offered by
the Labor Party. The government’s response to the need for more people in universities and TAFEs is to introduce full fee paying places, increase the HECS fees for those lucky enough to get into university with a HECS place and limit the time a HECS student can spend at university. In other words, the government’s response is to shift the cost of higher education from the public purse to the students and their families and so deny many young people their right to higher education. The Labor Party’s response is to create 20,000 new full- and part-time undergraduate places every year by 2008, create 20,000 new full- and part-time TAFE places, abolish full fees for Australian undergraduates, not increase HECS fees, increase the HECS repayment threshold to $35,000 from July 2004 and not limit the time a student can spend at university in a HECS place.

I have heard the argument that education, particularly university education, is not of interest to many people, least of all those on low incomes. This is not my experience. I have met many parents who have not had the benefit of completing secondary school themselves and who have certainly not seen the inside of a university, yet they go to extraordinary lengths to ensure their children get a good education. These parents define a good education as certainly finishing secondary school, with further education at TAFE or university as the goal. These parents understand that education is the key to their child’s material success and to their fulfilment as a person.

It is very disappointing then that these bills do not do anything to make higher education more accessible to the general population but actually reduce or remove accessibility for many people. Right now too many school leavers who want to go to university are not getting there, and the reason is a lack of places. There are now 20,000 fewer fully funded university places than there were seven years ago in 1996. This means that this year 20,000 people who had the qualifications for entry into a university course—and the interest in doing so—have missed out, and 15,000 people have missed out on a TAFE place. This is a waste of our resources from a community and economic point of view and it is devastating for the young people involved. As a nation we should be focused on using our resources to the best advantage. By using the depth of the family pocket as the criterion for entrance into university we are certainly not doing this.

The Howard government is just not creating enough fully funded university places. Universities will be forced to cut 8,000 HECS places by 2007 because of a lack of adequate funding. These cuts mean that more and more students will miss out on a place. The number of available places will not even keep pace with population growth, and this means that the proportion of Australians with a university education will diminish. Since 1996 the government has taken $5 billion out of the funding it gives to universities. Australia has recorded the largest drop of any OECD country in public investment in universities over five years—a drop of 11 per cent. In contrast, the OECD average was an increase of 21 per cent.

An international comparison of private funding for universities, originally conducted by the Productivity Commission, shows that the contribution Australian students and their families make to the cost of higher education is already among the highest in the developed world—and it is continuing to rise. At a time when most developed countries are increasing their public spending on higher education, Australia is pushing more and more of the cost onto the private purse and reducing its contribution.

Until this government came into office, HECS was about 20 per cent of the cost of a
degree. Today it is around 40 per cent, and this legislation will allow that percentage to move even higher. Under this legislation universities will be allowed to increase HECS fees by another 30 per cent. It is acknowledged that it is reasonable to expect university students to contribute to their course costs and that the HECS system is a reasonable way of doing this, but it is only reasonable as long as the contribution is reasonable.

I have heard a number of members opposite state that the argument that increasing the HECS debt is a real deterrent is a furphy, that debt is not or should not be a problem for students. My constituents are worried about taking on a debt that is way beyond their ability to pay within a reasonable space of time. The Howard government is always on about how bad debt is; it is constantly sniping at the Labor Party for incurring public debt. How can it say that debt is bad in government hands but okay in the hands of young people? The answer is of course that debt in itself is neither good nor bad; it depends on the level of debt compared with the ability to pay and the reason the debt was incurred in the first place. Debt incurred to provide assets for future use is usually fine. We accept—in fact, we even encourage—our kids to buy a house funded by a mortgage provided that they can afford the mortgage repayments and still have a reasonable quality of life. The same goes for education. It is reasonable to go into debt to fund a university course provided the debt is reasonable and the repayments will not cripple the student later in life.

If one wants to take a technical economic cost-benefit analysis approach to higher education, I refer to a research paper by the Melbourne Institute of Applied Economic and Social Research in 2000 called Returns to investment in higher education. I should record here my indebtedness to the Parliamentary Library for this information. The research shows, using 1976 data—that is, before HECS was introduced—that the individual rate of return was 21.1 per cent while the social rate of return to the community was 16.3 per cent. The same calculations done using 1997 data—that is, after HECS was introduced but before the increases of recent years—showed the individual rate of return was 15 per cent and the social rate of return was 16.5 per cent, a more balanced allotment of costs showing that HECS was at about the right level.

But this has changed for the worse in recent years and will change again with this legislation. Higher education is just one more area in which this government is shifting the funding burden from the public to the private purse. If this legislation gets through parliament, one criterion for getting into university will be the depth of the family pocket. This legislation, unbelievably, allows and indeed encourages universities to offer those students who miss out on a HECS place a full fee place.

I recently spent some time with students at Patterson River Secondary College and these students made it very clear to me that this was not their idea of a fair education system. Current university students I have spoken to are similarly unimpressed. The point made by both groups of students is that many or most of them would not go to university if they had to pay full fees. How this is fair is a mystery to me and a mystery to these students. As a nation we should be doing all we can to get our best brains into university. And the best brains do not always have the deepest pockets. To run the risk of not taking the best advantage of our best resources is wasteful and short-sighted.

I have also heard the argument that runs along the lines of ‘Why should overseas stu-
students be able to buy their way into a university course while Australian students cannot? Let me just make one point in response to that argument: why should Australian students have to buy into a course at all? All Australians pay their taxes and will contribute to our society. We should be able to offer university places to all students that qualify on academic grounds. All Australian students should have an equal opportunity to get into a university course. The ALP’s policy is very clear on this point: there will be no full fee undergraduate places in our universities and we will significantly increase the number of HECS places.

This legislation also seeks to restrict the time a student can spend at university on HECS to five years. This is in a situation where Australian students already spend less time at university than those of any other country in the OECD. According to the education minister’s own figures, only four per cent of students at university last year already had an undergraduate degree. This means that a very small number of people are furthering their education. This is alarming in an era where continuing education is becoming a necessity.

All in all, this bill is at best a backward step in providing for our future as a nation and in providing for the futures of our individuals. At worst it is a blatant attempt to create an unfair and wasteful education system—unfair because it will mean access to a university place is based on financial rather than academic credentials of students, and wasteful because it will mean that we are not necessarily educating those with the highest potential, which is a waste from a nation-building point of view and grossly unfair on individuals. In an era when we are becoming more and more reliant on knowledge, skills and research and development for our nation’s growth and economic survival we are denying many capable students a place at university or TAFE. I will close on a comment which is not my own but which I have heard a few times before: if you think higher education is expensive, try ignorance.

Mr HATTON (Blaxland) (1.04 p.m.)—I am happy to join my colleagues on this side arguing for the extensive list of amendments that have been moved by the shadow minister and arguing against the main elements of the government’s bill. The Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003, showing the government’s approach to higher education reform, which I would call ‘change’ rather than ‘reform’, and Labor’s approach to that in attempting to amend these bills here—and no doubt we will lose here, but we will attempt to amend them in the Senate—demonstrate that there are fundamental lines of cleavage between the coalition government and the Labor opposition.

The DEPUTY SPEAKER (Mr Lindsay)—I interrupt the member for Blaxland’s speech. The question was that the bill be read a second time. You referred to amendments moved by the shadow minister. For your information, there have not been any amendments moved by the shadow minister.

Mr HATTON—Thank you, Mr Deputy Speaker. I mean those foreshadowed to be moved in the Senate on our behalf and on behalf of the shadow minister. Those lines of cleavage are clear and dramatic. They are clear in higher education as they are clear, and made forcefully dramatic, in terms of the approach to Medicare and bulk-billing. No one in the Australian community could be under any illusion whatsoever about the fact that the government’s approach is entirely opposite to that taken by Labor on Medicare and so it is with higher education.

With these bills, the government seeks to remake higher education for the worse. But,
in its time-honoured fashion since 1996, when the government comes up with a set of new proposals as part of a package, the marketing is all. The propagandising that can be done on the basis of that is the fundamental driver in terms of the way the government presents things.

These bills largely give effect to the package that the government put forward, after about a year of review, called Backing Australia’s Future. It is a wonderful phrase, isn’t it—backing Australia’s future. You would have to ask who could gainsay any package that was prefaced in that way. Rather than the way in which it is put, I would say that the measures taken in these bills collectively would in fact back Australia into the future. We would not be walking into it bold-faced and openly; we would not be walking into an expansion of opportunity for Australian students from whatever background, however unequal the circumstances were. We are facing a government intent on backing Australia into the 21st century and, as with so many of the predispositions of the Prime Minister and this government, intent on trying to drag Australia, kicking and screaming or unwillingly, back into some nether region or nether century, such as the 19th century, when things were simpler—when the Master and Servant Act operated and when higher education was allowed only to the very few.

This government seeks to fundamentally fracture the compact of the Australian people about the importance of higher education and its open capacity to be provided to everyone in Australia who is capable of satisfying the entrance requirements. This government would effectively reward those people who have the money to purchase their way into university. I well remember those people who had that capacity while I was at the University of New South Wales—those people who spent a decade or more wandering around the university doing course because they had the money to do it. Entry was denied at that university to those people who had an equal or greater ability but who could not get into a course because the places were being taken by the people who had the money to keep themselves there.

The fundamental plank of this bill, and really what the government seeks, is to deregulate tuition charges for Australian undergraduate students for the first time in nearly 30 years and allow universities to determine their fees within limits. That limit can be increased by ministerial determination. You have to ask yourself: would you trust this particular Minister for Education, Science and Training with regard to this? Would you say that if you allowed him the regulatory power to raise that amount that that would not happen in future years if this government were still in power? In fact, would you trust any of the ministers for education of this coalition government not to do that?

I would think that that is not the case. That is why Labor have proposed amendments, which will be put to the Senate, to remove the 30 per cent increase in HECS fees that is proposed. We also propose—and this is an interlocking step—to increase the HECS repayment threshold to $35,000 in 2004-05. This is based on a question of equity and it is also based on an appreciation of the inequalities between people, but the fundamental test is: what is a person’s ability to pay at the end of their university education? In fact, if you look at all the budgets since 1996, you will see there has effectively been a doubling of the full fee places in terms of what is required with regard to HECS. People have been required to pay much more and also to pay much earlier.

When the Howard government came to office, they cut the threshold from $28,495 to $20,700 in 1997-98. Labor think that that is
wrong. They think that, because people are carrying that burden at that low an income level, coming straight out of university with the other impacts on them, this needs to be readjusted. So we will move—and there is wide support within the community and from the higher education sector for this—for that threshold to be lifted to $35,000 because the fundamental principle when we introduced HECS was that people’s capacity to pay had to be taken into account and people would not be forced to start to pay until they were in a position to be able to do so.

The cleavages that are apparent in the Medicare area and the higher education area are very strong and very apparent. They go to a fundamentally different philosophical approach to higher education and its place and importance for Australia. Labor believe in public investment in higher education. We believe in public investment in the public sector and we believe in public investment in the university sector. Since 1996, when this government came into office, we have seen an erosion of our higher education sector, deliberately and determinedly put into place by this government.

The government have put the university sector into a situation where they have had to beg and plead with the government to return moneys that have been taken from them that could have been used for the further advancement of the university and their teaching role with young Australians. The universities are being denied that money. I think it is in the order of something like $8 billion from 1996. I may stand corrected on that, but from memory that is the case. The universities are in a position where they have realised that they will not get another zack out of this government because these bills demonstrate what the future is for Australian universities. If you are a sandstone university, you will be allowed to raise your fees. You will be able to raise HECS as much as you want until you get to the 30 per cent level. But beyond that the minister can exercise his discretion.

You can see the argument developing over time: here are the Australian universities approaching the government and demonstrating that the income they have is insufficient—because they have already done that over the past number of years; even the Group of Eight has done that year after year. They will be putting the case that they need extra money in order to function. What minister in the coalition would therefore be able to deny them an increase in HECS charges? They would argue that an equal approach to these things means everybody’s HECS charges should be increased.

This approach fundamentally hammers Australian higher education in the future. This government is not just about determinedly eroding what is there already but about trying to make a cash-and-carry approach to higher education, as it has in Medicare and a range of other areas. If you have got the cash, you will carry the entitlement away. If you have got the cash, you will take the diploma. If you have got the cash, you will take the university degree. I had 10 minutes and I have finished my time, but I completely condemn what is being done in these bills and will support Labor’s amendments as they come through.

Mr McMULLAN (Fraser) (1.15 p.m.)—In speaking on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 I want to focus on two things. Firstly, I briefly want to focus on the impact on the tertiary sector here in the ACT, particularly in my own electorate of Fraser, and then, more particularly, on the continued failure of the Howard government to address the education needs of Indigenous Australians. If passed, these bills will have
the same damaging impact on tertiary education in the ACT as across the country. The impact in the ACT will not be particular but will simply be greater because higher education is very important here. My constituency has more higher education institutions than any other constituency in Australia.

The ACT has already suffered severely from reductions in funding, from Howard government policy, since 1996. The Australian National University has accumulated funding cuts of $190.5 million until 2002 and the University of Canberra has taken a hit of $123.5 million. There have been similar negative impacts on the ACT campuses of the Australian Catholic University and Charles Sturt University. The effect of these government policies has been to increase staff-student ratios by more than 25 per cent, and each year nearly 300 eligible students from the ACT and the region who want to enrol cannot do so because there are insufficient funded places.

I know and accept that the Howard government does not care about Canberra. My constituents and those of my colleague the member for Canberra commit the continuing sin of voting for the Labor Party, so they do not expect to get fair treatment from the government. But I advise the Howard government that the ACT’s higher education sector serves a much wider region. These changes will be felt by people living on the South Coast and in Yass, Goulburn, Wagga and Griffith and in the many other communities which see Canberra as their primary higher education service centre. Therefore, as the local member, I express my profound concern about the compounding impact of this package, on top of the damage that has already been done to higher education in the ACT since 1996.

In the limited time remaining, I want to turn to the importance of education generally, and higher education in particular, for Indigenous Australians. It is a similar picture. This package will compound a problem already made worse by the adverse impact of the changes made since 1996. Let us start with the most fundamental position: education is the bottom line for all policies and initiatives to reduce the appalling levels of Indigenous disadvantage in Australia and to enable greater Indigenous self-government, self-determination and responsibility in the future.

The Howard government talks about Indigenous people and communities taking responsibility and working towards practical reconciliation, but the reality is that the Howard government has failed to fundamentally address the major practical policy area that could turn the rhetoric of ‘responsibility’ into reality for Indigenous Australians—that is, education policy. The Howard government has in the past and still is today—through measures including this very package of legislation we are dealing with now—actively introducing cuts and changes to policy that make access to higher education for Indigenous students more and more difficult. After all—and sadly and ironically—it is the current minister for Indigenous affairs who executed the massive $1.8 billion cut to higher education when she was the minister for education.

In relation to the particular area I am concerned about in today’s address—Indigenous education—the minister was warned. But, against all the advice and warnings from the Indigenous community, from independent commentators, from academic analysts at Deakin University, from the National Tertiary Education Union and from the National Union of Students, Senator V anstone went ahead with these drastic cuts. It was predicted at the time that almost 95 per cent of Indigenous students in higher education would be disadvantaged by the changes. Just
think about it: a minister is advised that the changes she is proposing will disadvantage 95 per cent of Indigenous students in higher education, and she goes ahead with them. Sure enough, Indigenous enrolments fell by 14 per cent in just two years, from 1999 to 2001, falling back to pre-1995 levels and wiping out steady gains made in enrolments during the mid-1990s.

While higher education enrolments for Indigenous students have picked up very slightly in the past year, I believe we are only now beginning to see the long-term impact of Senator Vanstone’s cuts. One area in which this is disturbingly clear is the dramatically declining number of Indigenous students commencing degrees in education. In 1997, the president of the Australian Councils of Deans of Education, Professor Adey, wrote to the minister and expressed the following concerns:

I am writing to you to express the grave concern which the ACDE— that is, the Australian Council of Deans of Education— has with the changes ... announced in the May budget ...

The letter goes on to highlight one of the most serious consequences the ACDE foresaw:

The long term reduction in the provision of qualified Indigenous teachers, especially for remote Indigenous communities.

In that letter, the ACDE then urged the minister ‘to reverse the decisions of the May budget’ so that ‘access by Indigenous people to tertiary education is not diminished’. Sadly, I can advise the minister that the latest figures released by her department show that this is exactly what has happened. The number of Indigenous Australians commencing degrees in education has dropped from 1,224 in 1997 to 826 in 2002. That is a significant drop—33 per cent over five years—and it is in stark contrast to the 45 per cent rise in Indigenous education commencements in the five years before that, under a Labor government. As I have said already: how can the government possibly claim to be working towards practical reconciliation and greater responsibility—for example, with regard to substance abuse and family violence—when they are not even bothering to ensure there is a sufficient number of Indigenous teachers who can appropriately educate the rest of the Indigenous population, empower them to take on more responsibility and encourage them to be proud and effective Indigenous leaders?

I spoke recently at a business forum in Perth, and the forum was looking at how government and business can work together to close the gap of shame between Indigenous and non-Indigenous living standards. The businesspeople were very positive. I was encouraged by what they had to say. But it became clear on that day that it is impossible for business to maximise the employment of Indigenous Australians if the Australian government does not invest sufficiently in education. Education outcomes for Indigenous Australians are already far behind the national average. A vital element of any program to overcome these differential outcomes is an increase in the number of Indigenous teachers.

So what do we have? First, we have a minister for Indigenous affairs who is the very minister who put in place the policies and reforms that did the damage. Second, today we have a package of higher education legislation which is increasing HECS fees and forcing the universities to cut thousands of HECS funded university places. Higher university fees and greater HECS debts are the last things that Indigenous Australians, struggling against great odds to get a higher education, need. And, to compensate, all that the Howard government has to offer is a
higher education scholarship scheme that lumps Indigenous students in with all other students in lower socioeconomic circumstances. Of course, scholarships for students from disadvantaged backgrounds are necessary, but this very modest proposal will not overcome the adverse impact of these and previous Howard government changes. In the Sydney Morning Herald recently, ACOSS noted:
Fewer than one in five poor or indigenous Australians will receive a scholarship to help finance their university studies under the Federal Government’s planned shake-up of higher education...

Even with its narrow focus on so-called practical reconciliation, a growing population of Indigenous people who have difficulty articulating the practical needs and responsible ideas of their communities is the last thing the Howard government wants. There is no way that we can give Indigenous people a real say and lift their standards effectively without addressing the current educational disadvantage faced by Indigenous Australians. I agreed to limit my speech to 10 minutes, so I cannot outline the extent of that disadvantage, but let me just say that they are behind. A report released and available today from the Centre for Aboriginal Economic Policy Research says that in education, as in other vital areas, the relative disadvantage of Indigenous Australians is getting worse.

There is no effective redress to this crisis, this gap of shame, without more Indigenous teachers. A good teacher can overcome many of the negative effects caused by the problems and barriers facing Indigenous children. A good teacher can improve a student’s learning. The data available shows clearly that the current strategy in this respect is failing. The training of Indigenous teachers is declining, not improving. Everything in this bill will make this problem worse. Nothing in it will seriously address our status as the worst country in the Western world with regard to this gap of shame between the living standards of Indigenous and non-Indigenous Australians. That is why we need to reject this unfair package. It is bad for the higher education system. It is bad for low- and middle-income families. It will exacerbate the looming crisis in Indigenous education just when we need positive action to combat this crisis.

Mr SAWFORD (Port Adelaide) (1.26 p.m.)—I have spoken many times on transport issues in this House, but the best transport policy of all is a properly funded education system that provides access to higher education to everyone who needs it, on the basis of ability. That is because a good education system can transport young people from dead-end jobs and low incomes to lives rich in potential and optimism, and this in turn has enormous economic and social benefits for our nation as a whole.

Yet in South Australia last year, around 1,400 young people who had worked hard to achieve scores sufficient to undertake tertiary education were denied the opportunity by the Howard government’s cuts to higher education. According to the Australian Vice-Chancellors Committee, the national total of young people denied access to higher education because of insufficient funding is around 25,000. The University of Adelaide’s Vice-Chancellor, James McWha, says that South Australia could lose 2,000 HECS places under the government’s legislation currently before the House.

This legislation—the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003—ironically called the higher education support bills, would cause enormous harm to universities and to tertiary students now and in coming years. Chopping 2,000 HECS places, includ-
ing around 1,100 at Adelaide University, may not seem a big deal to the minister or to the bureaucrats here in Canberra. To them it might be just a number on a page but, to young people and their families who have worked hard and sacrificed much to gain the scores to open the doors to higher education, it means a great deal more.

Letters to the Adelaide *Advertiser*, in response to a recent piece by the minister, make the important points very succinctly. For example, a year 10 student at Mitcham Girls High School, Lindsey Webb of Edwardstown, says that the government’s legislation to increase HECS and charge students $50,000 for a degree would necessarily make her reconsider her options. She says that private school students, who are generally from higher income backgrounds, could take most HECS spots and leave those from lower income backgrounds with no choice other than to pay full fees for a degree. This, as Lindsey points out, is unfair.

That unfairness is amplified by another section of this legislation that increases the number of full fee paying places at the expense of HECS places. Emily Davis from the Flinders University Students Association highlights the irony of the minister’s claim that he is providing students with more opportunities. He is providing, as she writes, ‘More opportunities to pay $50,000 for their degrees.’ She also notes with irony that the minister’s higher education qualifications, from which he has benefited mightily, cost him not a cent. That is because he was a beneficiary of Labor’s reforms some decades ago which dramatically increased access to higher education according to merit, not ability to pay. It is those reforms that the government has been busily overturning since coming to office in 1996.

Another letter writer, James Frazer of Darlington, focuses on how the government has shifted the cost of higher education from government to students. He presents figures to show that student fees and contributions have doubled in this time to the point where the federal government now contributes just 40 per cent of the cost of a degree. Elicia Savvas of Glandore, in her letter, provided the minister with a helpful suggestion that the government ‘dip into the $7 billion surplus to restore some of the $5 billion it has stripped from universities since 1996’. That the government has made severe cuts to higher education funding since 1996 is a matter of public record and it is very well known to South Australian families, as the correspondence to the Adelaide *Advertiser* testifies.

What is now also on the public record is the deleterious impact these cuts continue to have on student aspirations and opportunities. For example, according to the OECD, Australia now has the second lowest rate of increase of enrolment in universities of all member countries. How dumb is that! How could you blame students for reconsidering their options when the option of higher education debt takes on the crushing proportions of home loans. For students from higher income backgrounds this may not be so much of a concern because they often have family assistance to settle the debt. It is those from lower income families, as usual, who will bear the brunt of the Howard government’s funding cuts. They are the ones who face repayment of the debt from their pay packets for most of their working lives. The one thing this country does not need is talented people forgoing higher education because they cannot afford it, yet that is exactly what the OECD figures show is happening. This is a shocking indictment of the government, especially as the decline in the rate of student enrolment is happening at a time of strong economic growth in this country and around
the world. We are falling behind our competitors.

That this legislation before the House would deny 2,000 South Australians their hard-earned right to undertake tertiary study is bad enough. But the news for those who still manage to gain a place is no better, with the provision to allow a 30 per cent increase in HECS fees heading the list of charges that may deter people from undertaking higher education. The HECS fees increase will again fall heavily on those from lower income backgrounds because HECS debts mean a lot more to them than they do to those from well-heeled backgrounds. The well-heeled are also looked after by the government’s legislation with the proposed increase in full fee paying places, places that come at the direct cost of HECS positions. This provision to give an unjust leg-up to tertiary qualifications for the well-heeled was one of the first things the Howard government did when it came into office in 1996. Those well-heeled students—the BMW and Volvo drivers—gain entry with scores of five university admission index points lower than HECS students by paying fees of up to $100,000 for a degree. These places come directly at the expense of HECS places. That is, better qualified students get bumped out of a higher education place by students who are less qualified but have a fatter wallet—or their daddy’s or mummy’s share portfolio.

The enormity of the injustice of this provision, despite being matched by other Howard government legislation over the years, remains staggering. It is a provision that panders directly to the Liberal Party’s big end of town constituency and its born to rule mentality. That constituency has been pandered to again with the legislation currently before the House, which increases the cap on the number of full fee paying students from 25 per cent to 50 per cent. That is, the legislation would allow for half—this is absolutely incredible—of all undergraduates to be full fee paying students. Currently, about 3,500 full fee paying students commence study each year, denying better qualified students a university place. This bill also allows the minister to exempt entire courses from this limit without having to come back to parliament for approval, a sign that the injustice will become more commonplace in the future and less scrutinised.

All Australian citizens who want to should have an equal opportunity to earn a university degree. It is almost the definition of injustice to have students from wealthy families taking the place of others who are better qualified. I am proud to say that we on this side of the House will, when we win government—and we surely will—abolish full fees for Australian undergraduates. The government’s failure to provide sufficient support for the university education sector has caused the current dire situation. The OECD has determined that Australia’s public investment in education has declined by 11 per cent.

Miss Jackie Kelly interjecting—

Mr SAWFORD—The member for Lindsay laughs, but she will be a casualty at a future election, make no mistake about that. In fact, on average, OECD countries have increased their public investment in universities, not decreased it—we are the only country that has not—and the average increase in OECD countries is 21 per cent. We have dropped it by 11 per cent. That is so dumb!

The impact of the government’s continued withdrawal of funding from Australian universities is seen with overcrowded classrooms, insufficient student resources, deteriorating infrastructure and higher student to staff ratios—but the story is true for secondary education; it is also true for TAFE and primary schools. For example, the student to
staff ratio at the University of South Australia has increased by 30 per cent since 1996, by 26 per cent at Adelaide University and by 20 per cent at Flinders. Put simply, this means that today’s students can expect a lot less personal attention and assistance than students received just seven years ago.

I am limited to 10 minutes with this particular address but, as I said earlier, a properly funded university system is the best transport system this country can have for young Australians. I said that this is so because there is no more important task for governments than to provide the avenues and the bridges that people need to realise their full potential—and that is in the best interests of everyone in this nation. The avenues and the bridges are the properly funded and resourced learning institutions, from primary schools through to universities and other tertiary centres of learning, both for young people and older people seeking retraining. Equally important is that access to each stage must be on the basis of merit and not on the ability to pay. It is entirely inconsistent with the basic tenets of the fair society we seek to build to have the wallet override merit. I ask the government to put justice and equal opportunity before politics and accept the amendments to make the legislation fair to everybody.

Mr SCIACCA (Bowman) (1.37 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. When it comes to higher education policy, the Howard government has a staggering record of underachievement. It has overseen $5 billion worth of cuts for the university sector and over the last five years it has recorded the largest reduction in public investment in higher education in the OECD. These cuts have led to overcrowded classrooms, a skyrocketing student to teacher ratio, a lack of student support and inadequate infrastructure renewal and development.

But, on budget night last May, after years of neglect, we heard that the government was about to launch a reform package for our universities entitled Our Universities: Backing Australia’s Future. Unfortunately, any glimmer of hope for a revitalised higher education sector was somewhat short-lived. As the details of the minister’s package became available, it became obvious what reform would mean for young people in our local high schools considering their options for the future and adults looking for opportunities to expand or update their skills. It would mean higher fees for students with HECS places and the opening up of full fee places, and it would see 8,000 HECS places for talented students cut by 2007. The combined effect of this is to limit the choices available to young people in our community and others seeking to broaden their horizons. It will put them in a position whereby their career path and the way in which they are able to contribute to our community is determined not by their skills or their passions but by the size of their parents’ wallets.

Student debt has more than doubled since this government came to power in 1996. Not content with this achievement, the Minister for Education, Science and Training now wants to give universities a free hand to increase HECS fees by up to 30 per cent. It will mean that those university students who do not have the capacity to pay their HECS up front will be significantly penalised. When those students graduate, they will not only be clutching a degree in their hand; they will also be presented with a hefty HECS debt. This will reduce their net income and therefore their capacity to save, and to put enough away for a deposit for their first home or to start a family, for many years after they enter the work force as they slowly repay not only their original HECS debt but
also the additional six per cent interest this minister seeks to impose upon them.

As a token gesture to the principles of access and equity, the Howard government does intend to provide Commonwealth Education Costs Scholarships as part of the package. This assistance will be available to full-time undergraduate Commonwealth-supported students from low socioeconomic and/or Indigenous backgrounds and will be worth $2,000 per year for up to four years. But, even by the time the scholarship program is fully implemented in 2007, this assistance will cover only 20 per cent of eligible students. This leaves 80 per cent of students from disadvantaged backgrounds with no additional means of support to cover the increased HECS debts that most of them will face.

Those who are fortunate enough to secure a scholarship will receive a maximum of $2,000 per year. As the new HECS arrangements could see HECS fees increase by more than $8,000 per year, the scholarships do not come close to covering the cost of a HECS-based degree. Consequently, this measure will do little to increase the participation rate of students from disadvantaged backgrounds. Also, in its response to the government’s plans, the Australian Vice-Chancellors Committee suggested that the scholarships may count as income when assessing a student’s entitlement to youth allowance, Abstudy or Austudy. So, once the combined work income and scholarship reaches the prescribed limit, students will have their entitlements reduced.

Is it any surprise that students who need assistance from Centrelink look like they will have to continue to get more headaches than help in their quest to receive the entitlements they are due? It certainly would not shock Glen Fowler, a young man from Lota in my electorate who, despite his concerted efforts to do the right thing by the Centrelink system, has been experiencing considerable difficulties with regard to his Austudy payments. When Glen enrolled for his first semester at TAFE, as a long-term income support recipient he was entitled to a special rate of Austudy, which amounted to around $360 a fortnight. He was of the belief that he was not entitled to continue to receive Austudy during the holidays, when he would be actively looking for work. So he visited Centrelink to advise of his change in circumstances and his Austudy payment was cancelled.

When he returned to TAFE at the beginning of semester 2 he reapplied for Austudy, but his entitlement was reduced to the basic rate on the grounds that he had not been on a payment from Centrelink for 26 out of the last 39 weeks. Glen was unfairly penalised to the tune of $50 a week because he tried to do the right thing and advise Centrelink of his intention to look for work during the holiday period.

Ms Plibersek—That’s what you get for doing the right thing.

Mr SciaccA—Exactly. Many students need to work during their holidays to be able to afford to continue in their courses. Yet, under the Howard government’s legislation, they are penalised for doing so, making it even more difficult for them to complete their studies.

The minister has devoted a lot of time to trying to divide the community on this important issue. He has told us time and time again that those who pursue careers that do not require a university education should resent the fact that their taxes go towards universities, from which they receive no direct benefit. But there are not many plumbers out there who would begrudge their taxes going to train those who will teach their children. You would be hard pressed to find a
taxi driver who thinks it is unwise to invest public money in training more nurses to provide quality care for their elderly parents.

The minister has also suggested that, because we support investment in universities, Labor undervalue the importance of vocationally based training through apprenticeships and TAFE. This is simply untrue. In fact, in its Aim Higher education policy, Labor have made a commitment not only to increase HECS positions at universities in the crucial areas of teaching and nursing but also to redress the skills shortages in key industries such as transport and metalwork by creating 20,000 new full-time and part-time TAFE places each year by 2008.

The opening up of universities and vocational training options is an important priority for Labor and for the community. In surveys of our area, education is continually listed, together with health care, as one of the highest priorities of voters in my electorate of Bowman. In a recent contribution to the Courier-Mail newspaper, the Vice-Chancellor of Griffith University, Glyn Davis, reflected on why more and more Queenslanders are looking to attend university or participate in vocational training. He wrote:

Leaving aside the intrinsic satisfaction of new knowledge, many industries now demand a tertiary qualification as the minimum entry standard. Year 12 students understand that, on average, graduates earn significantly more over their lifetime, experience significantly less unemployment and on the whole have more interesting jobs. As studies by the Australian National University have shown, higher incomes bring better-than-average health, longevity, opportunities to travel, participation in community and culture. Tertiary education in short provides access to a better life.

In its submission to the Senate inquiry into higher education funding and regulatory legislation, the Queensland University of Technology Student Guild set out its concern that accepting full fee students who have not achieved the required OP score to gain entry into a course would lead to a lowering of the overall standard of academic ability in the undergraduate population. Those students feel that the integrity of academic institutions could well be undermined if universities begin to accept academically incapable students simply because they have the capacity to pay. This would lead to a reduction in the value attached to university qualifications by the community. This would not only be disastrous for the reputation of Australian universities but would also have a devastating impact on those students who have worked hard to secure their place at university, as the quality of their degree would begin to be questioned.

Students are not the only ones targeted by this package. Tomorrow, administrative staff, cleaners, groundspeople and academic staff from the University of Queensland, QUT, the University of Southern Queensland and Griffith University will rally at Roma Street, joining an estimated 40,000 union members from around Australia in a 24-hour strike to protest against the federal government’s higher education package and the provisions related to workplace relations and employment arrangements for staff in universities. Just over $400 million in funding in this package is tied to the implementation of a list of so-called workplace reforms three pages long in a push to reduce entitlements to maternity leave and redundancy pay and force university staff onto individual workplace agreements.

Higher education, be it at university or TAFE, is a privilege. It opens up opportunities for personal growth, academic development and earnings potential, but it should not be the sole domain of the privileged. Those opportunities should be available to Australians based on the size of their achievements.
Ms PLIBERSEK (Sydney) (1.46 p.m.)—I rise today to speak on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. I was prompted when preparing for this legislation to have a look at the government’s 1996 higher education package. I was, of course, hard pressed to find anything in this current legislation that relates even remotely to the 1996 commitments that this government made in relation to higher education. The government’s higher education package, Our Universities: Backing Australia’s Future, does nothing to address the problems that are already being experienced by Australian universities. Instead it makes university education less affordable and less accessible. Rich kids will be able to buy their way into Australian universities and poor kids will rely on noblesse oblige—they will be waiting for scholarships.

It is interesting that the Minister for Education, Science and Training often talks about how unfair it is that universities are supported with public funding because your average factory worker will never see the inside of a university. Well, my mum worked in a factory, and I do not think she begrudges any of her tax dollars going into the education system that supported her three children through university education. The sad thing about this package is that the sorts of children of factory workers that a decent publicily funded education system gives opportunities to will be locked out by this package.

The package also includes the government’s old bugbears of voluntary student unionism and attacking the industrial provisions of academic and non-academic staff in universities. These are ideological obsessions of the government that have absolutely nothing to do with educational quality at Australian universities. Voluntary student unionism has been a project of this government since its election. The aim of it is, of course, to ensure that young people do not see the benefits of joining a union too early in life. We know that the sorts of services that student unions provide at universities are things like subsidised food, subsidised child care and subsidised sporting facilities, counselling services and student loans. The fact that they would make voluntary student unionism such a central part of their higher education agenda means that all of these things are obviously seen by the government as threats to civilisation as we know it.

The other area that the government has taken up in this package is that of tying funding to changes in industrial relations at a university level. Academic and non-academic staff are being told that they have to engage in individual bargaining and that they have to bargain away the conditions that they already have. From what I see from my visits to universities, academic and non-academic staff have been forced for many years to do a lot more with a lot less. They are already struggling with massively increased teaching loads and 30 per cent more students in most classes than just a few years ago. To add to their burdens, they are going to be told that they should all sign individual contracts, that their workplace security is being threatened and that extra funding is contingent on them bargaining away their industrial conditions—again, absolutely nothing to do with educational quality at institutions and all to do with the government’s bizarre industrial relations agenda and its obsession with this area.

The contents of this package are so vastly different to what was promised in the area of higher education during the 1996 election campaign that I thought you would be interested to hear just how far the government
have departed from their promises at that time. In fact, it might be simpler to go through and pick out what they have stuck to, because in the document that I looked at there was probably not a single truth in the whole document. The 1996 commitments included a commitment to:

- Promote quality and excellence in both teaching and research dimensions.
- Promote diversity and choice within the higher education sector.
- Support the development of regional universities.

They have not done that.

The member for Lindsay has been foremost amongst those attacking the outer metropolitan universities and has certainly not won any friends at the University of Western Sydney in her own electorate by calling them a bunch of whingers, so they certainly have not done that.

Miss Jackie Kelly interjecting—

Ms PLIBERSEK—It is interesting that Penrith Panthers are able to support the University of Western Sydney but their own local member is not. Anyway, the next commitment was to:

Maintain Commonwealth funding.

This is the best, I think. The government promised that they would, if elected, maintain Commonwealth funding. They have cut $5 billion out of the higher education sector. The burden has fallen on students through higher up-front fees and massive hikes in HECS fees. According to the OECD’s Education at a glance: 2003 report, between 1995 and 2000 Australia’s public investment in universities declined by 11 per cent. That is more than any other country in the OECD and it contrasts with an average OECD growth of 21 per cent. I think that the package would be more appropriately titled ‘Limbo learning: how low can we go’—lowest public investment and lower participation rates. Student fees now make up 40 per cent of the income of universities, which is up from 25 per cent in 1996. In contrast, Labor’s pledge is to invest $2.34 billion in universities and TAFEs and improve the quality of university education through a new indexation measure that will deliver an extra $312 million to Australian universities between 2005 and 2007.

The coalition, when it was still the opposition, in the good old days, promised to:

Ensure student access.

The quote continues:

The Coalition is committed to ensuring that financial, social and geographic factors do not act as a barrier to higher education for appropriately qualified students.

In discussing HECS, it is important that the deferred payment is reasonable and not subject to sudden alterations.

The Coalition will oppose attempts by public universities to introduce pay-as-you go fees at the undergraduate level as an alternative to HECS.

The reality seven years on is so very different. Each year 20,000 qualified Australians miss out on studying at university. Student debt has doubled since the election of the Howard government, with contributions exceeding $9 billion, and student contributions to HECS have more than doubled since 1996. The government wants to allow universities to increase HECS fees by up to 30 per cent. You are looking at $15,000 for an arts degree, $21,000 for a science degree and $41,000 for a law degree. For degrees like vet science and law, the HECS fees could increase by over 240 per cent.

The coalition also promised in their pre-election commitments in 1996 that they would increase research funding. That is another broken promise. I quote:
Other opportunities for growth funds, such as through the commercialisation of research and direct support from alumni associations, will also be supported—

That is not very controversial. I quote further:

Expansion of the revenue base must be to enhance quality. If a university compromises its independence or its intellectual honesty, the increased revenue will be counter-productive.

They certainly have not been interested in what the motivations are and what the consequences are of allowing the universities to rake in every spare dollar they can get from students. The only increase in research funding from this government occurred five years after they were elected, in 2001, and it was pretty insubstantial at that.

The government promised in their 1996 package to maintain HECS. They certainly have maintained it—and increased it, and they are looking at allowing it to increase again. They also said that they would maintain Austudy and Abstudy—that is a joke. The minimum age of independence was raised from 22 to 25. Labor will reduce that minimum age again.

The reality is that most university students that I speak to now are so busy earning enough money just to get by, week to week, that they are dropping subjects, they are working part-time and their studies are suffering. The reason is that they have no access to any income support. Their families cannot afford it and the government are not prepared to give it to them. That is one of the things that constantly is raised with me. I know students who are working 40 hours a week and are trying to manage a full-time university load as well, because they cannot afford to be studying part-time at university for the next six or eight years either.

The government promised in their 1996 document to:

... at least maintain the level of funding to universities, both in terms of operating and research grants.

That is so laughable. The document also said:

The coalition government will enhance the autonomy of each institution by being less prescriptive in relation to expenditure of public funding.

I attended a rally at the University of Sydney a couple of weeks ago, organised by the NTEU and the CPSU. Academic and non-academic staff were protesting against the government’s proposal to link industrial bargaining conditions to extra funding in the university sector. The staff at that rally were talking about some of the hardships that they are already facing in their work. They are facing lecture theatres that are so crowded that they actually present a fire hazard. At the beginning of each year students spill out of lecture theatres, and it is a process of attrition. The students who can hack the crowded, inappropriate lecture facilities might hang on a little bit longer into the semester than those students who drop off because the learning conditions are so absolutely inappropriate. Academic staff are already dealing with class sizes 30 per cent bigger than only a few years ago. The resources spent on things like books and periodicals for university libraries have been whittled away by the cuts to university funding. The idea that, if university staff will not sign on to the government’s industrial relations agenda, extra funding will not be provided to universities is one of the worst pieces of blackmail that I have seen in some time.

The coalition policy in 1996 also suggested:

Good moral. A commitment to quality and excellence and a pride in the institution are all important ingredients in building a successful university.

That is something that we can all agree on, but it is certainly not something that this
government has been able to deliver. In contrast, Labor have promised that we will allow university management staff and their union to be free to negotiate their own industrial arrangements, that we will provide extra funding for universities, that we will fund unfunded places, that we will make an extra 20,000 university places available to students, that we will prevent full fee university places and that we will stop any increase in HECS fees.

Mr Howard—This is a matter that has been raised before. In the light of the Leader of the Opposition raising the matter I will discuss it again with the relevant minister and, if there are circumstances that—

Ms Roxon interjecting—

The Speaker—The member for Gellibrand!

Mr Howard—should produce a different response on this occasion, they will.

Ms Roxon interjecting—

The Speaker—The member for Gellibrand is defying the chair! The Prime Minister has the call.

Mr Howard—If not, I will explain why not.

Ms Roxon—A year later!

The Speaker—The member for Gellibrand continues to defy the chair!

Economy: Performance

Mr Haase (2.02 p.m.)—My question is addressed to the Prime Minister. Would the Prime Minister inform the House of the results of the Westpac-Melbourne Institute index of consumer sentiment, which was released this morning?

Mr Howard—I thank the member for Kalgoorlie for his question and I can inform the House that the Westpac-Melbourne Institute index of consumer sentiment rose by 1.5 per cent in October to 117.8. This is the highest level of the index since July 1994. The index has risen by almost 21 per cent since March of this year and is 14.7 per cent above its level of one year ago. According to Westpac, today’s result reflects recent positive developments such as the low unemployment rate, improvement in share market conditions and the strong business confidence outlook.

As the Treasurer reminded the House on Monday, Australia is currently enjoying a
concurrent combination of unemployment below six per cent and inflation below three per cent. That is the first time since 1968 that those two achievements have occurred concurrently. It is a remarkable tribute to the economic management of this country over the last 7½ years that the Treasurer should be able to report to the parliament that, for the first time since 1968, we have the golden economic double of inflation below three per cent and unemployment below six per cent. That is a golden economic double, and the Westpac consumer sentiment index drives home the message that this country is in good economic hands.

Over the last 7½ years we have not only seen inflation and unemployment driven down. We see that the average home buyer pays $450 a month less on their mortgage than they did in 1996. We see real wages having risen by somewhere in the order of 10 per cent versus about 2½ per cent in 13 years under Labor. We see an enormous lift in the number of apprenticeships in the country. Wherever you go you find evidence of quality economic management, and the Westpac-Melbourne Institute consumer sentiment index is the latest piece of independent evidence of the good economic conditions that Australia is now enjoying.

Howard Government: Advertising

Ms GILLARD (2.05 p.m.)—My question is to the Minister for Health and Ageing. I refer to the government’s expenditure of $665 million on government advertising since 1996. Is the minister aware that there are over half a million Australians on waiting lists for public health dental care, with waiting times now up to 40 months for dentures despite increasing efforts by the states? Minister, given it is poverty week, wouldn’t the $665 million have been better spent maintaining Labor’s Commonwealth dental program and fixing the teeth of older and poorer Australians?

Honourable members interjecting—

The SPEAKER—When the House has come to order!

Mr ABBOTT—It is obviously easy for opposition members to stand up and make rather populist comments about government advertising, but I would simply make the point that all governments have advertised and all governments will advertise, and there is nothing wrong with this government continuing to advertise to give people the information they need.

Ms King interjecting—

The SPEAKER—If the member for Ballarat persists in her interjection, I will deal with her.

Mr ABBOTT—On the question of dental care, this has traditionally been a matter for the state governments and I would certainly encourage the state governments to do all that they possibly can to ensure that Australians have access to appropriate dental treatment. One thing that the federal government is doing to try to ensure that people do get help with dental care is putting in place the private health insurance rebate. A very large number of people who need dental treatment get rebates for that dental treatment through the private health insurance rebate, and there are more than a million Australians earning less than $20,000 a year who have private health insurance. The very worst thing that people could do in terms of damaging access to dental care would be to rip the guts out of the private health insurance system, which is what the opposition wants to do.

Foreign Affairs: Proliferation Security Initiative

Mr CADMAN (2.08 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House
of Australia’s involvement in measures to prevent the trafficking of weapons of mass destruction? Is the minister aware of any alternative views?

Mr DOWNER—Firstly, I thank the honourable member for Mitchell for his question. The House should be aware that Australia is one of just 11 countries which have been participating in the Proliferation Security Initiative. We took part in the latest meeting, in London, between 9 and 10 October. That was the fourth meeting of the PSI, as we call it, which has taken place since May. All the participants at that meeting—including the United States, Japan and many members of the European Union such as Britain, France, Germany and others—agreed that the global threat of weapons of mass destruction demanded a truly effective global response.

The Proliferation Security Initiative will now be opened up to countries and international bodies that want and have the capacity to contribute expertise and capabilities to help the PSI achieve its aim. This broadening of participation in the PSI is essential and it will obviously strengthen the capacity of the PSI to deal with the trafficking of weapons of mass destruction around the world. Progress has also been made on a model boarding agreement with flag states to facilitate practical measures to interdict traffickers of weapons of mass destruction materials at sea.

Interestingly enough, the participants at the London meeting agreed on further exercises. Honourable members will remember that the first exercise under the Proliferation Security Initiative, which was called Pacific Protector, took place in the Coral Sea in mid-September under Australian leadership. Another exercise was held just before the London meeting. There are now eight more exercises planned for between now and the middle of next year. It is my expectation that Australia will participate in one way or another in all of those exercises. In some of those cases we may have a very minor role but, nevertheless, it is appropriate for us to participate and be involved in Proliferation Security Initiative exercises. In the next few months, for example, there will be Spanish and French led maritime interdiction exercises and also an Italian air exercise.

I can only say that I am very pleased that support for the Proliferation Security Initiative is strong and growing. Over 50 countries have now expressed their support for the aims of the initiative, and such strong support does reflect something that has changed in the international community in recent times, which is the determination of the international community to address the issue of the proliferation of weapons of mass destruction. There used to be a rhetorical commitment, but what we are really seeing now is a very practical commitment to try to stop the trade in these dreadful weapons systems.

I was asked whether there are any alternative views. I do not actually have much to say about that. I know the opposition has been uneasy about the Proliferation Security Initiative; it has failed to give it active support. That is surprising, because during the life of the Hawke and Keating governments the Australian government was very committed to trying to stop the proliferation of weapons of mass destruction—there was the chemical weapons convention, the biological weapons convention and so on. But now we have an opposition which apparently is not very happy with the idea of trying to stop the trafficking in weapons of mass destruction through the Proliferation Security Initiative, which leads one, sadly, to conclude that the opposition is rather weak on security issues.

Poverty

Dr EMERSON (2.13 p.m.)—My question is to the Minister for Employment and
Workplace Relations and concerns poverty. Is the minister aware that between 1996 and 2001 the weekly incomes of those from the bottom 20 per cent, like hotel cleaner Florencia Parajo, who gave evidence to the poverty inquiry, increased by just $3 a week while the incomes of the executives whose beds she makes rose by $109 a week over the same period? In Anti-Poverty Week, why is the government persisting with its legislation—the so-called ‘protecting the low paid’ bill—designed to suppress wage rises for Australia’s lowest paid workers?

Mr ANDREWS—I thank the honourable member for Rankin for his question. I say to him and to the House that the best thing that we can do for Australians in terms of poverty and doing the best that we can for their lives is actually getting them a job. If we want to compare records on that in both creating jobs in Australia—

Mr Crean interjecting—

The SPEAKER—The Leader of the Opposition!

Ms Macklin interjecting—

The SPEAKER—The member for Jagajaga!

Honourable members interjecting—

The SPEAKER—The minister will resume his seat. There is a facility in this House for asking questions. The asking of the question implies that the person asking it expects the question to be answered, and that means that I expect the person to listen to the answer. The minister will be extended the courtesy that the standing orders provide.

Mr ANDREWS—As I was saying, the thing that this government has been doing is providing jobs for ordinary Australians. That is what this government has been about. If the opposition wants to compare the record of the Howard government in terms of creating jobs in this country with what the Labor Party did when it was in government, then it is an appalling record on your part. That is the case.

If you look at jobs growth, 1.2 million extra jobs have been created since the coalition came to government. If you look at the last six years under the Labor Party, 710,000 jobs were created. If you want to drill down into the exact figures and look at the growth in full-time jobs in Australia, then you can see that some 596,000 full-time jobs were created in Australia between March 1996 and September 2003. Compare that period with the previous six-year period, when just 191,000 jobs were created. On any comparison between what the Labor Party did in government and what the coalition is doing in government, the record of the coalition stands out.

If one looks at earnings over a period of time, the Labor record from 1983 to 1996 shows a 3.1 per cent real wage reduction compared with the coalition record, from 1996 to 2002, of a 4.9 per cent real increase. We are talking about a reduction in real wages for workers under the Labor Party in government compared with an increase under the coalition since it came to government in 1996. I welcome the question from the member for Rankin. Ask me some more!

Roads: Victoria

Mr PEARCE (2.17 p.m.)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Is the Deputy Prime Minister aware of a recent letter from the Premier of Victoria to constituents in my electorate regarding the Victorian roads program, in particular the Scoresby Freeway? What is the minister’s response to these claims? Are there any alternative policies?

Mr ANDERSON—I thank the member for Aston for his question. I note his very real interest in this and his commitment to
those who would benefit from the delivery of the Scoresby Freeway, but I regret that there is no similar commitment from anyone in the ALP. I have to say that I am aware that the Premier of Victoria has written to 200,000 homes in Melbourne’s south-west and has spent, I understand, at least $100,000 in the process.

Opposition members interjecting—

Mr ANDERSON—There is no doubt about it: those opposite would rather we did not explore this issue. They would love to have it covered up and spoken over. At least $100,000 was spent on the mail-out, and I will table a copy of the letter; it is not identifiable in terms of who it went to. It is an attempt to justify the backflip on Scoresby. I am glad to note that Mr Beattie—

Opposition members interjecting—Ha, ha!

Mr ANDERSON—Aah! Mr Bracks—I’m sorry—has finally given up on his attempt to rename the Scoresby after a couple of marginal seats. He has given it a proper name at last. What an extraordinary example of creative writing this is by Mr Bracks.

Mr Fitzgibbon interjecting—

The SPEAKER—I warn the member for Hunter!

Mr ANDERSON—The state election was just a few months ago; it is very obvious that the backlash for breaking an election promise really is biting. Then again—

Mr Crean interjecting—

Mr ANDERSON—The Leader of the Opposition just does not want to talk about Scoresby.

Mr Martin Ferguson interjecting—

Mr ANDERSON—Neither does the member for Batman. He does not want to talk about Scoresby either. Maybe the Leader of the Opposition’s name ought to be all over this document. If he only knew what his position was, I am sure he would agree to put his name on the document.

Mr McGauran—It is the Bracks position.

Mr ANDERSON—It is the Bracks position. What is the Bracks position? Let us come to the Bracks position. Eleven months ago, the Victorian Labor Party promised the electors a toll-free Scoresby Freeway under the memorandum of understanding that they signed with us. That is what they promised. Just to remind those opposite—and I quote from the memorandum: ‘Victoria undertakes to ensure that users of the Scoresby Freeway will not be required to pay a direct toll.’ So what have Labor done? They have imposed a toll on the road—the road they said would be a freeway they now say will be a tollway. The fact remains that the government is committed to a freeway. We are committed to building this road with no tolls.

Mr Bracks claimed in his letter that the Scoresby Freeway could not be completed until 2020. That is what he said: ‘We could not complete it until 2020.’ I have to say that that is news. If that was the case, why did they not tell the people of Victoria during the last election—just 11 months ago? Why did they not tell the people of Victoria that they would not be able to complete it until 2020 without a toll? Mr Bracks also says in his letter that we on this side of politics have not explained how or if we will fund the Scoresby Freeway. That is what he has told Victorians. The fact is that we are committed to our funding of $445 million under the MOU. That money is sitting there, waiting to be given to Victoria the minute they agree to a memorandum of understanding that they signed just 11 months ago.

Even after the Labor government had let the budget for this project blow out, we remained committed. We are still committed. But at no stage, I note, did they talk to us
about additional funding, yet now they cry poor over federal road funding for Victoria.

Mr Crean interjecting—

Mr ANDERSON—‘Mmm’ says the Leader of the Opposition. That letter claims that they get just 15 per cent of federal government funding. I had a look at this. Do you know what percentage of federal road funding was allocated to Victoria last year? It is three per cent of Australia’s land mass. Mr Bracks claims we commit 15 per cent. Do you know what it was last year? It was 24 per cent. Then you come to RONIs—Roads of National Importance. What are RONIs? They are roads that we help state governments to build so that we can accelerate them for the benefit of the Australian public. We have committed around $2 billion since 1996. Do you know what Victoria’s share of the RONIs program has been? It is 38 per cent.

Government members interjecting—

Mr ANDERSON—I hear somebody say ‘take it away’. We do not want to take it away; we want to spend it. We actually want to build the Scoresby Freeway. Here is another amazing figure. Do you know what percentage of the forward allocations the forward works program for Victoria is over the next four years? It is 37 per cent. Yet Premier Bracks still claims that we hate Victoria so much that we will not look after them.

Here is a challenge for the Leader of the Opposition—three questions. Firstly, does he support tolls being put on the Scoresby?

Honourable members interjecting—

Mr ANDERSON—He does. Secondly, does he think it all right to break a commitment which was signed off in an MOU? Thirdly, whose side is he on—the people of Victoria’s or the Premier of Victoria’s?

Unemployment: Illawarra

Ms GEORGE (2.24 p.m.)—My question is to the Minister for Employment and Workplace Relations. Is the minister aware that youth unemployment in the Wollongong region is a staggering 34.6 per cent? Minister, what is the government doing to address the ongoing problems of high rates of youth unemployment in the Illawarra? Minister, why has the government refused to fund the Illawarra apprenticeship pilot program, which would tackle both youth unemployment and growing skills shortages?

Mr ANDREWS—I thank the honourable member for Throsby for her question. In relation to youth unemployment, whilst any level is far too high—and I think we could all agree about that—the rate of youth unemployment in Australia has nonetheless fallen substantially. If one looks at the number of teenagers who are unemployed and looking for full-time work, the latest figures indicate that there are some 66,000 at the present time. That compares with the teenage full-time unemployment rate between 1989 and 1996 of more than double that—133,300.

The reality is that everybody would like to see the lowest level of unemployment, whether it is for young people or for older workers. But I have to say to the honourable member that in general terms any fair reading of the data in relation to this indicates that the measures that this government has been taking have led to a substantial reduction in relation to youth unemployment.

Mr Crean interjecting—

The other issue that needs to be taken into account is that, when we are talking about youth unemployment, we are talking about a part of the total youth population—

Ms Macklin—The unemployed part.

Mr ANDREWS—I am responding to the interjection by the Leader of the Opposition. Most of the young people in Australia are in
education. There are some in work and unfortunately, as the member points out, there is still a number who are unemployed, but those figures have come down under the measures put in place by this government. Indeed, when one looks at places like Wollongong, one sees that there was a much higher level. I am looking at a cutting taken from the Sunday Herald Sun on 3 May 1992 where it says that youth unemployment in industrial centres like Wollongong was 55 per cent. I understand the honourable member for Throsby’s concern about reducing the level of youth unemployment but, by the same token, 33 or 34 per cent, which is far too high, is a far cry from the 55 per cent it was under the Labor Party.

Solomon Islands

Dr WASHER (2.28 p.m.)—My question is addressed to the Minister for Foreign Affairs. Given the current focus on our Pacific neighbours, would the minister inform the House of Australia’s involvement in the Regional Assistance Mission to the Solomon Islands?

Mr DOWNER—I thank the member for Moore for his question, and I appreciate his interest. There has not been much discussion about the Solomon Islands in the parliament for a little while, and I am glad he has asked for an update. I am pleased to be able to report that the regional assistance mission—RAMSI as we call it—has made significant headway in removing the key threats to the Solomon Islands government’s capacity to govern. Harold Keke’s terrorisation of the Weathercoast has been stopped altogether. Keke remains in RAMSI custody, and he is expected to go on trial early next year. Fifteen of Harold Keke’s associates have now been arrested for serious crimes, including murder.

The harassment and intimidation of government officials in Honiara has mercifully ceased. Progress has been made also in arresting Malaitan ex-militant criminals and investigations into serious crimes over recent years are continuing. The RAMSI mission, in addition to the main police base, has established 15 police posts in eight of the nine provinces of Solomon Islands. The police have now collected over 3,700 weapons—637 of those weapons are ex-police weapons.

Stabilisation of the economy is well underway. Seventeen Australian advisors and in-line personal are in place to ensure the implementation of sound financial management. We are also going to provide $12 million worth of budgetary support up until June 2004 so that the government of Solomon Islands can function and basic services can be provided. We are putting into place systems to underpin economic reform and to target corrupt practices.

There is a continuing very high level of public and political support for the Regional Assistance Mission to the Solomon Islands. The Solomon Islands opposition continues to voice support for the regional assistance mission and civil society and church leaders who were very welcoming when the mission was first deployed continue to be extremely supportive. I am delighted also to report that the six countries, in addition to Australia and New Zealand, that have provided personnel to RAMSI are contributing successfully to police and in some cases to the military. Vanuatu is due to send some personnel within the next few days.

It is also pleasing to see that international financial institutions are re-engaging with the Solomon Islands following our repayment of the Solomon Islands arrears owed to the Asian Development Bank and the World Bank. Indications also are that major donors—such as the European Union and Japan—are becoming more confident in the situation in Solomon Islands. There is going
to be a meeting—I think in late November—and our expectation is that there will be some fairly solid commitments made at that meeting to the Solomon Islands.

This initiative to deploy into the Solomon Islands has so far been enormously successful. The security situation in particular is massively better. Obviously, we will have to consider now the gradual draw down of some military elements, consistent with the police-led nature of the regional assistance mission.

Employment: Statistics

Mr PRICE (2.32 p.m.)—My question is to the Prime Minister. I remind the Prime Minister of his description of the recent unemployment rate as a wonderful number. Is the Prime Minister aware that in the 12 months between June 2002 and June 2003 the unemployment figure in my electorate of Chifley rose by a whole two per cent to 7.9 per cent, with 603 constituents—or one per cent—thrown out of work between March and June this year? What is the government doing to address this sharp increase in the unemployment rate in Chifley? Does he still consider Chifley’s unemployment figure of 7.9 per cent to be a wonderful number?

Mr HOWARD—I have not checked the unemployment figure for the honourable member’s electorate but I have always found him to be a fairly straightforward bloke and I do not think he would have deliberately misrepresented it in the question. It is true that even in circumstances of sharply lower unemployment in this country there will be some areas where the rate is higher than in other parts of the country. That goes without saying. What a government has to do is to enact economic policies that are successful.

If the honourable member is interested in an intelligent debate about this issue he has to accept as a given that unemployment in Australia now is dramatically lower than what it was in March 1996. We have created 1.2 million more jobs. The rate, for the first time in 13½ years, has for two successive months remained below six per cent. We do have that golden double.

Mr Crean—Golden.

Mr HOWARD—I notice that the Leader of the Opposition has kept interjecting, repeating the expression ‘golden’. It must have struck a chord. Every interjection from the Leader of the Opposition has now got ‘golden’ in it. I will have to try this a bit more often and I will give him a few more lines.

We are a government of more jobs, lower unemployment, lower interest rates and lower inflation. The honourable member for Chifley asked me what specifically the government is doing in relation to the unemployment rate in his electorate. My understanding of his electorate, which is quite reasonable, tells me that there are a lot of small businesses in Chifley. One of the things we are doing for Chifley is trying to get the ridiculously cumbersome unfair dismissal laws off the back of small business. So let me turn the question around: ask not what the government can do for Chifley; ask what Labor can do for Chifley. Labor can do a lot for Chifley by getting out of the way and letting our unfair dismissal changes through the Senate.

Health Insurance: Medicare

Mr DUTTON (2.36 p.m.)—My question is addressed to the Minister for Health and Ageing. Would the minister inform the House of the importance of private health insurance to Australian families? How would a decline in the level of private health insurance damage the public hospital system and impose additional costs on Australian families?

Mr ABBOTT—I can inform the member for Dickson that Labor’s secret plan to rip
the guts out of the private health insurance system would be very bad news indeed for millions of Australian families. Labor’s plan to impose a means test on the private health insurance rebate, to take the private health insurance rebate away from families earning over $50,000 a year, will penalise 4.3 million Australians. The families of 4.3 million Australians will be slugged an extra $750 a year if Labor’s plans ever come to fruition. Without the private health insurance rebate, these families will face a 42 per cent increase in their private health insurance premiums. That will mean plummeting rates of private health insurance and more pressure on public hospital waiting lists, and that will hurt the most vulnerable people in our society.

The 8.6 million Australians who do have private health insurance deserve to know where their local members stand on the issue of the private health insurance rebate. I can inform people living in the electorate of Werriwa that their local member thinks that the private health insurance rebate is bad economics, a first-rate absurdity and the maddest piece of public policy you will ever see in this place. In the electorate of Werriwa, 40 per cent of the electorate, or 34,000 voters, have private health insurance. If we look at the electorate of Fremantle, we find that the member for Fremantle says that the private health insurance rebate is ‘poorly conceived, recycled and partisan’.

In Fremantle, 61 per cent of the electorate, or 50,000 voters, have private health insurance. The member for Canberra said that the private health insurance rebate was ‘throwing good money after bad’. In Canberra, 54 per cent of the electorate, or 59,000 voters, have private health insurance. The member for Sydney described the rebate as ‘shocking—hardly money well spent’. Well, 63 per cent of her electorate, or 55,000 voters, have private health insurance. Then there is the member for Jagajaga. She said the private health insurance rebate was ‘an incredible amount of taxpayers’ money pouring into the same black hole’. Fifty-eight per cent of her electorate—51,000 voters—have private health insurance.

By contrast with members opposite, I can say to the member for Dickson that the 50 per cent of voters in his electorate can be confident that he supports their continued access to private health insurance. I call on members opposite to hear what their own voters are saying; drop their ideological opposition to private health insurance; accept that millions of Australians want and need private health insurance; and stop trying to rip the guts out of a system which is doing great things for Australians’ health.

Ms Gillard—You ought to brush your hair tomorrow.

The SPEAKER—The member for Lalor has been granted a good deal of latitude in this question time. I would advise her to cease while she is ahead.

**Education: Funding**

Ms MACKLIN (2.40 p.m.)—My question is to the Minister for Education, Science and Training. Is the minister aware that Dunheved and Shalvey junior secondary schools in the electorate of my colleague the member for Chifley need urgent funding to provide transition support for year 9 and year 10 students who are in danger of dropping out of school? Minister, given this real need, why will Commonwealth government funding for these schools—

Mrs Bronwyn Bishop—Mr Speaker, I rise on a point of order. Standing order 142 says that a member may ask a question of a minister relating to public affairs with which the minister is officially connected. The minister for education in the federal parliament is not responsible for the matter that the
member is asking questions about. I suggest she writes a letter to Mr Carr.

The SPEAKER—As far as I am aware, the member for Jagajaga had not in fact concluded her question, so it would have been inappropriate for me to indicate where the question should have been addressed. Furthermore, there have been a number of questions in the past asked of ministers about health matters and education matters which were frequently also the responsibility of their state counterparts. I did not feel, on the evidence that I had from the member for Jagajaga’s question, that there was anything inappropriate about it. I invite her to conclude her question.

Ms MACKLIN—Thank you, Mr Speaker. Minister, given this real need, why will Commonwealth government funding for these schools, which serve low-socioeconomic communities, increase by 20 per cent between 2001 and 2004 while Trinity Grammar School, one of the wealthiest schools in Australia, will receive a 220 per cent increase in Commonwealth funding?

Dr NELSON—I thank the member for Jagajaga for her question. It very helpfully enables us to focus on the facts in relation to school education and funding. The first point that should be made is that state and territory governments are responsible for administering, regulating and primarily funding their state schools. As Australia’s minister for education, I am not allowed to visit a public state school without the written permission of the New South Wales minister for education.

Ms Hall interjecting—

The SPEAKER—Order! The member for Shortland is out of her seat, as far as I am aware—unless there has been a permanent move—and yet continues to interject. The minister has the call.

Dr NELSON—For the benefit of the parliament, there are 2.2 million children in Australian state government schools. Those 2.2 million students attract $20 billion in public funding. The 1.1 million students in Catholic and independent schools throughout Australia do not attract $10 billion—half the amount that the state school students are getting—$9 billion, $8 billion or $7 billion; they attract $6.2 billion in public funding. In other words, if those students were to leave the non-government, Catholic and independent schools throughout Australia and suddenly line up at state schools, for which their parents have already paid, there would have to be in excess of another $3.8 billion in public funding invested in the education of Australian school children.

Dr NELSON—For the benefit of the parliament, there are 2.2 million children in Australian state government schools. Those 2.2 million students attract $20 billion in public funding. The 1.1 million students in Catholic and independent schools throughout Australia do not attract $10 billion—half the amount that the state school students are getting—$9 billion, $8 billion or $7 billion; they attract $6.2 billion in public funding. In other words, if those students were to leave the non-government, Catholic and independent schools throughout Australia and suddenly line up at state schools, for which their parents have already paid, there would have to be in excess of another $3.8 billion in public funding invested in the education of Australian school children.

The New South Wales government is responsible for the funding and administration of government state schools—when the member for Jagajaga stops laughing and giggling, I ask her to listen to a couple of facts—and the federal government is responsible for around 12 per cent of the money which goes into these schools. So about $2.5
billion of that $20 billion comes from the Australian government. This year this government has increased its funding to New South Wales government state schools by 5½ per cent, at a time when the inflation rate in this country, thanks to the government’s leadership of Australia economically, is running at just under three per cent. We have given a 5½ per cent increase in funding to New South Wales government state schools. What did the New South Wales government do this year with its schools in its budget? What increase in funding did the New South Wales government deliver to these schools, which often service very low-income communities? Was it 5½ per cent?

**Government members**—No.
**Dr NELSON**—Was it five per cent?
**Government members**—No.
**Dr NELSON**—Was it four per cent?
**Government members**—No.
**Dr NELSON**—Was it three per cent?

**The SPEAKER**—Order! I do not want this chorus response. The minister has the call and will address his remarks through the chair.

**Dr NELSON**—It was not even one per cent. It was 0.8 per cent. If the New South Wales government—and I suggest the Leader of the Opposition and the member for Jagajaga go and have a meaningful chat to the New South Wales Premier—was of a mind, it could have taken some of the $9.2 billion in GST it will get this year and given a fairer deal to the parents and children in New South Wales relying on state government schools. If the New South Wales government had increased its funding by 5½ per cent, there would be $292 million more this year alone to support the education of children in New South Wales state government schools. In relation to the parents of students at Trinity Grammar, King Abdulaziz or any of the Catholic or independent schools in New South Wales, every single one of those parents paid their taxes and paid for a place at a government state school. A two-parent family works in four jobs, lives in a two-bedroom house and drives a 15-year-old car in order to send their kids to a non-government school. The Labor Party says that they should not do that, but on this side we believe that they should. We believe that they should be free to have a choice and that they should be supported.

**Environment: Salinity and Water Quality**

**Mrs HULL** (2.48 p.m.)—My question is addressed to the Minister for the Environment and Heritage. Would the minister advise the House how the Howard government’s Natural Heritage Trust is helping to combat salinity in my electorate of Riverina and across New South Wales?

**Dr KEMP**—I thank the honourable member for Riverina for her question. I think it is generally recognised these days that the Howard government is providing the national leadership which is putting in place the largest environmental rescue plans in Australian history—in particular the $2.7 billion Natural Heritage Trust, the $1.4 billion National Action Plan for Salinity and Water Quality, and the $500 million national water initiative. Today the minister for agriculture and I are announcing that $266 million from the National Action Plan for Salinity and Water Quality and $76 million from the Natural Heritage Trust are being provided to support major environmental and natural resource management reforms in New South Wales. Of this money, 50 per cent is being provided by the Commonwealth and 50 per cent by the state of New South Wales.

Let us call a spade a spade. For some time the New South Wales government has failed to put in place an adequate regional process for dealing with environmental repair and
natural resource management in that state. The Howard government has been very concerned about the failure of the New South Wales government in this regard. In particular, in New South Wales there has been a very heavy domination of the regional process by the state bureaucracies in Sydney. Before the last New South Wales state election the Wentworth Group drew the attention of the state government to this problem. I drew the attention of the House to the fact that there was a need for much more autonomy in the regions of New South Wales when dealing with environmental and natural resource management before that election as well.

The Howard government believes that communities, regions and land-holders need to be fully involved in these issues of environmental repair. Today the Carr government announced that it is reforming its regional natural resource management arrangements to give much greater autonomy to regions in managing the process of environmental repair. Without endorsing every detail of this, I believe that, in general, the concept is a great victory for commonsense. It is certainly a great victory for the regional communities of New South Wales. These reforms, however, must not become an excuse for delaying the implementation of the natural resource management plans that have already been developed by these communities after a great deal of hard work.

Along with this announcement, I understand the state government has also set in place today new vegetation management targets, including an end in New South Wales to broadscale clearing of remnant native vegetation. Apart from the salinity, water quality and biodiversity benefits of proper vegetation management, the end to broadscale clearing of remnant vegetation in New South Wales will deliver a greenhouse gas abatement benefit of approximately seven million tonnes per annum. The Commonwealth is contributing some $45 million to ensuring that this process of vegetation management reform is fairly and properly managed and that land-holders are properly involved. I am very pleased to see today that the President of the New South Wales Farmers Association, Mr Mal Peters, has described the package as a great step forward for the farmers of New South Wales.

I have also been asked to comment on whether there are any alternative policies. In simple terms, there are no alternative policies. There has not been a question from the environment shadow minister to me for the last 10 months, while this government has been pushing ahead with environmental management in this country on an unprecedented scale.

Housing: Homelessness

Mr GAVAN O’CONNOR (2.54 p.m.)—My question is to the Prime Minister. Is the Prime Minister aware that every night in this country more than 100,000 Australians are homeless and that, under his government, the number of Australians experiencing housing stress has increased to 330,000? Prime Minister, why is the government giving grants to millionaire home owners while at the same time cutting $1 billion out of the Commonwealth-State Housing Agreement? Prime Minister, given that it is Anti-Poverty Week, shouldn’t we be providing housing to the homeless, not giving grants to millionaires?

Mr HOWARD—In answer to the member for Corio, I am aware that there are a significant number of homeless people in this country. Every person that is homeless ought to be a matter of concern to both sides of politics. It ought to be a matter of concern to all governments. One of the ways, of course, in which you reduce homelessness is to expand people’s economic opportunities, and we have already had many occasions in this question time to remind the Australian
public that over the past 7½ years the opportunity for people to earn an income, the opportunity for people to get a job and the opportunity for people to be more economically self-sufficient has grown. It has not been reduced. One of the remarkable things which was driven home about the poverty debate—

Mr Swan—You’re not having one!

Mr HOWARD—which the opposition is obviously focusing on—

Mr Crean—We are; you’re not!

Mr HOWARD—I am glad the opposition is focusing on it, because on every count over the last 7½ years this government can point to a better record in tackling poverty than can the former government. Look at real incomes; they have risen. Look at unemployment; it has fallen. Look at the number of jobs; that has risen by 1.2 million. As the Minister for Employment and Workplace Relations pointed out earlier in question time, in relation to low-paid workers in this country—

Mr Latham—Mr Speaker, I rise on a point of order concerning relevance. The question was about housing.

The SPEAKER—Let me deal with the point of order by pointing out that the Prime Minister has already linked the question of poverty to homelessness, and it was in that context that he was relevant.

Mr HOWARD—I will go further and point out to the House that the provision of public housing in this country does, after all, happen to be a responsibility of the states. There has to come a time in public debate in this country where the states no longer have it both ways. They cannot assert their constitutional power without discharging their political and social responsibilities. Fundamentally, that is what state government after state government wants to do in this country. Whenever they want to throw their weight around, they are the important states, guaranteed a position under the Constitution. But, when it comes to accepting a bit of political responsibility, be it for health, education, housing, roads or any form of transport or infrastructure, the state governments’ constant refrain is, ‘The federal government should give us more money.’

That is another thing that this government have done over the last 7½ years—we have introduced a new taxation system that will guarantee steadily rising taxation shares to all of the Australian states over the years ahead. What we have done with the GST is taken away the alibi of the states in relation

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to housing, taken away their alibi in relation to education and taken away their alibi in relation to health. I say to the state premiers of Australia: you have responsibilities under our federal sharing arrangements; you discharge them. Face your electors, stop blaming the federal government and live up to your political and social responsibilities.

Environment: Murray Darling River System

Ms LEY (3.00 p.m.)—My question is addressed to the Minister for Agriculture, Fisheries and Forestry. Would the minister advise the House of progress with the Living Murray initiative—so important to my electorate of Farrer—including consultation with the communities who live along the river?

Mr TRUSS—I thank the honourable member for Farrer, because she rightly says that this is a very important issue for her electorate. She, like other people living in that significant part of Australia’s productive areas, will be interested to hear that at noon today the Murray-Darling Basin Commission released the interim scientific reference panel report on the environmental impacts of returning various levels of water to the River Murray. It is an important document in helping to inform the community as the debate about the Living Murray initiative reaches an advanced stage.

The report identifies the sorts of achievements that can occur with different levels of water flow and, naturally, points out that more can be achieved with the greater volumes of water that are provided for environmental purposes. But most particularly it makes the point that good management of the water that goes to the environment is just as important—probably more important—as the volume of water that is actually supplied. By skilfully using environmental waters, a relatively small amount can achieve quite significant outcomes for the system.

Mr Kelvin Thomson interjecting—

Mr TRUSS—This particular finding tears at the heart of the Labor Party’s policy in relation to the Living Murray issue—

Mr Kelvin Thomson interjecting—

Mr TRUSS—which was again espoused a couple of days ago by the opposition spokesman.

The SPEAKER—The member for Wills is warned!

Mr TRUSS—The Labor Party policy is essentially to take 1,500 gigalitres off irrigators in country towns and just flush it down the river—who knows where, who knows when and who knows why?—with no outcomes and no plan involved at all. This scientific report makes it clear that that is not the way in which to effectively achieve good environmental outcomes in the Murray-Darling system.

What is clearly coming through in relation to the first step initiative under the Living Murray program is that, if we identify some key icon sites, very substantial achievements can be made to improve environmental health by allocating water in a carefully planned way. By using these icon sites to improve the health of the river, we can achieve worthwhile outcomes without having to destroy rural economies or tear at the heart of the availability of water for irrigators and others who are so dependent upon that system.

The scientific report, along with the social and economic work that is being done and the consultation with the community, is important in achieving a balanced outcome and a good result in relation to the Living Murray initiative. This government is committed to improving to the health of the Murray-Darling system, but we are also committed to the economic viability of the region concerned. We believe it is possible to achieve
both of those objectives. We do not have to work on the basis that one objective can only be achieved at the expense of the other. By working with communities, we believe we can deliver good environmental outcomes and maintain strong levels of profitability in rural and regional Australia.

**Indigenous Affairs: Health**

Mr McMullan (3.04 p.m.)—My question is to the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs. Is the minister aware that Australia’s performance in closing the life expectancy gap between our Indigenous and non-Indigenous citizens is the worst in the Western world? Is the minister also aware that the Fred Hollows Foundation says: Australia has fallen well behind comparable countries which have significantly closed the life expectancy gap between Indigenous and non-Indigenous people.

This is an area of clear Commonwealth constitutional responsibility. Why is the life expectancy of Indigenous Australians 15 to 20 years less than that for non-Indigenous Australians, when in New Zealand the gap has closed to between five and six years and it is down to seven years in Canada and only 3.5 years in the United States?

Mr HARDGRAVE—I thank the member for the question. This government views the health of all Australians as a matter of great concern. For original Australians, people who have been here for tens of thousands of years, the series of false starts and attempts to try and address the matter over many years have of course delivered a set of great challenges. The government has been working very strongly. Since coming to power, this government has very much looked at seeing the health question subset dealing with Aboriginal and Torres Strait Islanders as an approach. Rather than trying to simply decommission Indigenous Australians, if you like, from health specialists, we have been trying to work closely with them. The government is absolutely determined to work closely with local communities and community representatives to deal with a range of issues that are relevant to each of them.

Ms Roxon interjecting—

Mr HARDGRAVE—As far as the life expectancy of Indigenous Australians is concerned, it is a matter that is on the record. It is understood, and it is our responsibility—

Ms Roxon interjecting—

The SPEAKER—The member for Gellibrand is warned!

Mr HARDGRAVE—to continue working with those who are directly affected as well as ensuring that those who have the expertise to assist them are in direct contact with them.

**Small Business: Taxation**

Mr SCHULTZ (3.06 p.m.)—My question is addressed to the Minister for Small Business and Tourism. Would the minister advise the House how increases in land tax are hurting small businesses? Is the minister aware of any support for increasing the tax burden on small businesses?

Mr HOCKEY—I thank the member for Hume for his question and acknowledge how hard he fights for small businesses in Bowral, Goulburn and various other important centres in his electorate. The coalition government believes that small business should pay less tax. That is why under this government we have reduced company tax from 36 per cent to 30 per cent; that is why we have substantially reduced income tax so that around 75 to 80 per cent of Australians are paying no more than 30c in the dollar; and that is why through our tax reform initiatives we have abolished wholesale sales tax and provisional tax and have created an environment for the abolition of a number of state stamp duties.
Out of all this, together with—and I should not forget this—our major initiative on capital gains tax, where we have halved the rate of capital gains tax and created roll-over relief for small business on capital gains tax, we have backed up our words about reducing the tax burden on small business with real action. So it is alarming for all of the members of the Liberal and National parties, and for more than one million small businesses around Australia, that the state Labor governments continue to increase the tax burden on small business. In New South Wales alone this year, Bob Carr and his Labor mates are collecting more payroll tax than ever before; they are collecting more stamp duty than ever before; and they are now collecting $133 million more in land tax than they did last year.

I want to know what the members of the Labor Party based in New South Wales are saying. I want to know what the member for Hunter is saying to those small businesses in Cessnock, because the member for Hunter does not stand up for small business when it comes to taxation. He wants to see increased tax on small business. What are the member for Chifley and the member for Greenway saying to the small business people in Blacktown? A little earlier the member for Chifley asked why unemployment is higher in his electorate. I say this: one of the reasons is that small businesses in his electorate are paying higher state taxes than those in any other jurisdiction in Australia. They are paying land tax on their rents. At the end of the day, those small businesses in Western Sydney have a higher penalty on further employment than do businesses based in Brisbane, Melbourne or other places. I want to know what the member for Banks is saying to some of the small business people in parts of his electorate, such as Roselands and Revesby. What is he saying to them about the state Labor taxes? We know what the member for Werriwa says. I found a little beauty.

Mr Howard—Not another one?

Mr HOCKEY—Another one. I thought for a brief moment that the member for Werriwa might be agreeing with us about tax. During the second reading debate on the Trade Practices Amendment (Small Business Protection) Bill 2002, the member for Werriwa said—

Honourable members interjecting—

Mr HOCKEY—Got me worried! The member for Werriwa said:

What major issue is identified as the most important hindrance or constraint to small and medium sized business growth? It is taxes and government charges.

This is the member for Werriwa. He said:

It is taxes and government charges. That is the big issue that is concerning the small business sector. On the same day that the member for Werriwa raises the issue of homelessness, I remind the member for Werriwa of his words about taxes in Western Sydney, when he said:

It is a legitimate goal of government to lift land prices in Western Sydney.

That is terrible for homeless people, but it is also bad for small businesses—the small businesses that have to pay more land tax today, more stamp duty today and higher rents today and that now find it more difficult to employ people in Western Sydney. If the Labor Party is really serious about creating jobs and providing opportunities for people, particularly in New South Wales, then they should get on the phone to Bob Carr and ask him to start reducing taxes instead of increasing them.

Taxation: Family Payments

Mr SWAN (3.11 p.m.)—My question without notice is directed to the Prime Minister. Prime Minister, why has the government...
opposed a simple amendment in the Senate to give Australian families the choice of paying back family payment debts in instalments rather than having their tax returns stripped without warning? Prime Minister, when your rules entitle at least 453 families with incomes in excess of $100,000 a year to the option of receiving family tax benefit A, why will you not give battling families with debts they cannot avoid some choice in how they repay them?

The SPEAKER—Before I recognise the Prime Minister, let me remind the member for Lilley, as I did yesterday, that his remarks in reference to the Prime Minister ought never to have included the word ‘you’. They should have been addressed through the chair—for example: ‘Why hasn’t the Prime Minister?’

Mr HOWARD—The member for Lilley’s question is posited on the proposition that there is something new or particularly penal or especially associated with the present government in the notion that, if a taxpayer owes the government something by way of refund, it should not be recouped if there is a credit in that taxpayer’s taxation return. I remind the member for Lilley that the government that he sat in and supported in this House between 1993 and 1996 employed the very tactic that he now condemns, and there is absolutely nothing remarkable, unfair or especially penal about a situation where, if you owe the government something and the government owes you something, you appropriately set the two off against each other. There is nothing unfair about that. You can dress it up with emotive and colourful language such as ‘stripping taxation returns’, but the reality is that if a taxpayer is entitled to a taxation refund of $1,000 and the taxpayer owes the government $500 because of an overpayment of a family benefit—and bear in mind that the family benefit legislation is cast as part of the taxation system—it is not, in my view, unreasonable to set the $500 off against the $1,000. That was the approach that was adopted by Labor when it was in government. We did not oppose it then, to my recollection, and I think the Labor Party is being utterly and completely hypocritical and opportunistic in doing so now.

Science: Funding

Mr BARTLETT (3.14 p.m.)—My question is addressed to the Minister for Science. Can the minister advise the House of recent initiatives which have boosted Australia’s research capacity? Is the minister aware of any alternative policy?

Mr Latham—Mr Speaker, I raise a point of order concerning the last part of the question asking for alternative policy approaches. The standing orders make it clear that ministers can only be asked questions for which they have ministerial responsibility. In the past you have expressed disquiet, even publicly, about the practice of questions that conclude by asking about alternatives that are outside the ministerial responsibilities of the minister concerned. Mr Speaker, I draw your attention to House of Representatives Practice at page 526 where it says:

... Speakers have ruled out of order questions or parts of questions to Ministers which concern, for example ... other parties, including opposition parties ... policies of previous governments ... matters in State Parliaments or State matters ...

That is, alternative policy positions, which goes to the second part of the question asked by the member for Macquarie. Mr Speaker, I believe it demeans this parliament to have a debate that is all about the states and nothing about federal responsibilities. Surely it is time to rule out of order a question for which this minister has no responsibility. How can he be responsible for someone else’s policies?
The Speaker—I will deal with the point of order. I will recognise the member for Mackellar, if she wants to add something to the point of order—although I am very happy to rule on it without additional assistance.

Mrs Bronwyn Bishop—Mr Speaker, I simply add to the debate because I think a lot of extraneous material was dredged up in that point of order. I refer to standing order 142. In fact, the form of words used by the honourable member asking the question referred to material which any minister properly connected to, under the terms of the standing order, would consider in making any policy decision. It is a perfectly proper question to be asked. The question does not relate to another political party nor to the states but simply to matters which the minister must consider in making a policy decision.

The Speaker—As I indicated, I was very happy to rule on the point of order. I have already expressed concern that I would think has also been felt by former occupiers of the chair and recognised by the member for Werriwa about alternative policies, and he has clearly indicated that I have expressed that personal concern. However, the inclusion of a question or comment about alternative policies is by no means new. It has certainly existed for as long as I have been a member of this House, which now stretches over 20 years. The member for Werriwa makes mention of the fact that the standing orders prohibit the inclusion in a question of things for which the minister has no responsibility, particularly party matters—and I recognise that. However, former Speakers have always recognised that alternative policies could well impact on a matter over which the minister has responsibility, and it is in that context that this type of question has been allowed to continue. I believe that question time ought to be used to give additional information, not merely to provoke. In that context, in the past I have expressed concern about questions asking about alternative policies, but I do not believe this question is out of order.

Mr McGauran—I thank the member for Macquarie for his deep and abiding interest in science and innovation. Members of the House—at least on our side—will be aware of the revolution that has occurred in science and innovation over the past few years under the Howard-Anderson government, particularly brought about by Backing Australia’s Ability in 2001, where we saw a new allocation of $3 billion being injected over five years into the innovation system, so that this year the Commonwealth is spending a record $5.4 billion. And it just keeps getting better. A short while ago the Minister for Education, Science and Training launched the latest Australian Research Council grants, where we doubled ARC funding. Under Backing Australia’s Ability, he announced an allocation of some $250 million over the next three years for 965 new research projects, and they will be spread over universities and research institutes. They involve more than a thousand partnerships with international bodies and with industry and the like.

This is also, as many members would know—and I thank the 150 members and senators who participated in Science Meets Parliament—a particularly important time for science when we are seeing scientists, engineers and technologists meeting with members of parliament. To kick off Science Meets Parliament, we had a debate yesterday at the National Press Club. I was up against the mysterious shadow minister for science. I have asked a couple of times in this House, ‘Who is the shadow minister for science?’ I have given a couple of clues. The shadow minister for science has a love of the command economy of Albania—
The SPEAKER—The minister will address his remarks through the chair.

Mr McGauran—I have also said by way of a clue that the shadow minister for science shares a surname with the most likely replacement for the Leader of the Opposition. But people still do not know who it is.

Mr Latham—Mr Speaker, on a point of order: this has absolutely no relevance to the question that was asked and it demeans the parliament.

The SPEAKER—I am having some difficulty in seeing any relevance of the shadow minister for science’s surname to the question that was asked. I invite the minister to come to the question of initiatives taken by the government in research.

Mr McGauran—I outlined a great many initiatives yesterday in the National Press Club in the debate which was part of the Science Meets Parliament exercise. The shadow minister is a senator; I finally admit that the shadow minister is a senator. But who is that senator’s representative in this place? That makes it even harder because, since my becoming science minister after the last election, the opposition have asked 1,100 questions in this parliament—and how many have been asked by the shadow minister for science’s representative in this place? Would it be 20, 10, five, three, two or one? No, it is zero. Of 1,100 questions, the Labor Party has not directed one.

The SPEAKER—The minister will come to the question.

Mr McGauran—I am drawing to a conclusion, Mr Speaker. I must admit that on alternative policies there is a glimmer of hope because the shadow minister for science said there would be a science and innovation policy ‘soon’; that he—I have given away the gender—has worked with the Leader of the Opposition personally to draft a science and innovation policy. He promised new money and it is just over the horizon. I look forward, finally, after two years, to possibly—although it is unlikely—seeing an alternative policy coming from the opposition.

Immigration: Visas

Mr Crean (3.22 p.m.)—My question is to the Prime Minister and it again concerns the two children aged four and eight whom the Prime Minister met in Bali whose mother was killed in the Bali bombings and whose father is in Australia’s Baxter detention centre, and his answer at the beginning of question time that he would check with his minister. Is the Prime Minister aware that his minister for immigration has been asked in the other place about these children and she has indicated that (1) her department continues to pursue the reunion of these children with their father but only in Iran, (2) the children’s three applications for visitor visas have been refused, (3) a review application has been lodged again and (4) she proposes to take no further action at this time?

Opposition members—Shame!

The SPEAKER—Order! The Leader of the Opposition has the call.

Mr Crean—Prime Minister, will you now intervene as a special act of compassion and ensure these innocent victims of the Bali bombings can see their father at the Baxter detention centre?

Mr Howard—I am indebted to the Leader of the Opposition for what he has told the parliament. I will check the circumstances. If it remains the case, I will talk to the minister—I am not going to say any more at this point. I said I would do that at the beginning of question time. I have not had an opportunity—obviously, because I have been attending to my duties here—to speak to the minister and, when I do and if I have anything further to say, I will.
Ms Roxon interjecting—

The SPEAKER—I would remind the member for Gellibrand of her status in the House and that any concession given now is a concession she cannot claim to have deserved.

Health: Dementia

Mrs MOYLAN (3.24 p.m.)—My question is to the Minister for Ageing. Would the minister inform the House what the government is doing for people with dementia and their carers?

Ms JULIE BISHOP—I thank the honourable member for her question and for her recognition of the impact of dementia on the community. The Howard government recognises the needs of people with this debilitating condition and are committed to funding and delivering a range of programs which support them and their carers. Importantly, we are ensuring that residential aged care homes are able to provide dementia care to those who need these services most. In this year’s aged care approvals round, priority will be given to applications from providers who provide specific care programs for people with dementia.

Other important initiatives and funding being undertaken by the Howard government for people with dementia include about $2 billion for residential aged care for people affected by dementia, and that is out of a total budget of $4.5 billion; over $146 million annually for home and community care services for people affected by dementia, and that is out of the total Australian government contribution of $732 million; and around $86 million for community aged care packages for people affected by dementia, and that is out of the total allocation of nearly $308 million. Further, there is around $36 million for a range of targeted dementia services and around $5 million for research specifically related to dementia and Alzheimer’s disease.

The Howard government is also providing the peak body, Alzheimer’s Australia, with funding of around $10.6 million annually for information resources, including telephone advisory services, counselling, support groups and targeted education for carers of people with dementia. I know that both sides of the House recognise the social and economic impact of this condition not only on the individuals but also on their families and their carers. The Parliamentary Friends of Dementia group is testament to this, and I do pay tribute to Senator Marise Payne and the member for Newcastle for their initiative in establishing this group.

The member for Pearce also asked about the carers of people with dementia. I know it can be a heartbreaking experience for carers, so we have expanded the National Respite for Carers Program from $19 million in 1996-97 to about $98 million in 2003-04. This funding supports carers and those whom they care for through access to information, respite care and other resources. In particular, I am pleased to inform the honourable member for Pearce that 35 new aged care places have been allocated to Western Australia for people with dementia. Southern Cross Care will run a project known as the Dementia in Alternative Settings Pilot, and this is going to provide a range of services, such as personal care, medication management and the like. This particular project will receive federal government funding of up to $2.4 million over the two years of its operation.

This is just another example of the approach that we are encouraging under the Australian government’s $31 million innovative pool program—innovative, creative and responsive approaches to caring for those with particular needs. These 35 places in the west are in addition to the release of 635 new aged care places for the west in 2003 which will be allocated to aged care providers later.
this year. So I am pleased to say that the Howard government have allocated some 3,162 additional aged care places to the west, worth about $57 million, over the past four years. The Howard government are ensuring that world-class support services are being delivered to people with dementia in this country as well as to their carers.

Ms Burke—Mr Speaker, can I ask the Minister for Ageing to table the document she was quoting from?

The SPEAKER—Was the minister quoting from a document?

Ms Julie Bishop—I was quoting statistics from a document.

The SPEAKER—Was the document confidential?

Ms Julie Bishop—Yes.

The SPEAKER—The document was confidential.

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Howard Government: Advertising

Mr ABBOTT (Warringah—Minister for Health and Ageing) (3.30 p.m.)—Mr Speaker, I seek the indulgence of the chair to add to an answer.

The SPEAKER—The minister may proceed.

Mr ABBOTT—In question time today the member for Lalor put it to me that the federal government had spent some $650 million in advertising since 1996 and suggested that there was something terrible about this. I can inform the member for Lalor that in just two years the Labor state governments have spent $730 million in advertising.

QUESTIONS TO THE SPEAKER

Addresses by the President of the United States of America and the President of the People’s Republic of China

Mr QUICK (3.30 p.m.)—Mr Speaker, can you inform the House whether the white Lego blocks, as we call them, which assist in securing this building, are being moved much closer to Old Parliament House during the visit of President Bush? Can you inform honourable members of any other plans to restrict access to the people’s house on 23 October this year? Will any restrictions be placed on the freedom of members in the house on this day? Finally, will these changed security measures remain in place for the visit of the Chinese President?

The SPEAKER—I will acquaint the member for Franklin and other members with as much information as I have and can pass on and, if there is additional information, I will come back to the House. The Lego barriers, as the member refers to them—everyone knows what we mean—will be relocated not on the advice of the President of the Senate or the Speaker of the House of Representatives but on the advice of the security professionals who monitor the house. The access of members to the house, so far as the President and I are able to determine, will be unaffected by the changes, but because of the heightened security risk it will be much more difficult for the public to have access to the house on Thursday and Friday of next week.

Mrs Irwin—What about the schoolchildren, Mr Speaker?

Addresses by the President of the United States of America and the President of the People’s Republic of China

Mr PRICE (3.32 p.m.)—Mr Speaker, my question relates to the important visits by the two presidents next week. I refer you to the procedure committee report relating to the
opening of parliament. Can you advise the House whether the presidents have been extended the courtesy and honour of a welcoming ceremony by our Indigenous people? If not, given the prominence of our Indigenous people in the opening ceremonies of the Sydney Olympics and the Rugby World Cup, what arrangements have been made to include our Indigenous people in the visits by the presidents to the parliament?

The SPEAKER—While I do not have the detail with which to respond to the member for Chifley, I can assure him that whatever is appropriate is being done. The President of the Senate and I are being largely guided by the experience of visits of other heads of state.

Addresses by the President of the United States of America and the President of the People’s Republic of China

Dr LAWRENCE (3.33 p.m.)—Mr Speaker, my question is similar to one asked earlier. I seek further clarification of the arrangements that are being made for the visit of President Bush. You would be aware that a group of Australian citizens are organising a rally and that they were originally told they could not gather at the authorised assembly area, where other rallies and demonstrations are held, and use a PA system or construct a stage because that would contaminate what was described as a ‘sterile area’. Are you aware that, as was mentioned earlier, they have now been told that, due to the effect of moving the Lego barriers, they cannot gather in the parliamentary precinct at all and that they will have to meet on the other side of the barriers, on land controlled by the National Capital Authority? I ask you, Mr Speaker: on whose authority and with what justification has such a substantial curtailment been made of citizens’ rights to protest and communicate their views to members of parliament?

The SPEAKER—Let me reassure the member for Fremantle and all members of the House that there has been no substantial curtailment of citizens’ rights to protest in any exercise—

Dr Lawrence interjecting—

The SPEAKER—I would have thought that, as I was responding to the member for Fremantle, I was entitled to the courtesy of a hearing. There has been no substantial curtailment of citizens’ rights to protest, nor will there be while the President of the Senate and I are in office and, to be fair, nor would our predecessors have tolerated that. All members need to appreciate the fact that the security professionals responsible for the security in the parliament brief the Presiding Officers regularly and that there are a range of security measures in place depending on what is determined to be the threat to Parliament House or Canberra or Australia at a particular point in time. I think we are generally regarded as being at a medium level of security—if I am wrong, I will stand corrected by the Minister for Foreign Affairs—hence the presence of the so-called Lego blocks. The professional security advice we have means that we face dramatically heightened security requirements on Thursday and Friday of next week. All of that information has come from independent professional advice and whatever is being done by way of security or public access to the building is entirely based on that advice. In the case of the comment made by the member for Fowler about the access of school-children, it is in fact in recognition of the need for protection of those children that particular action is being taken.

Mrs Irwin—Oh, gosh!

The SPEAKER—I would add to the member for Fowler’s unfounded indignation that arrangements are in place in some instances of security—not on Thursday and
Friday—which would in fact dramatically change the way in which this building functions and dramatically change the way in which people are able to protest. We have not reached that level of security, nor is it proposed for Thursday or Friday, but our security advisers have a range of options for all of us in the interests of public safety, depending on the security threat.

**Addresses by the President of the United States of America and the President of the People’s Republic of China**

**Dr LAWRENCE (3.36 p.m.)—**Mr Speaker, on a further question: precisely what is the source of independent professional advice that you have taken? I note that when I rang the security controller for the parliament he seemed to be unaware, particularly of the restriction on the right to use the PA system. I would be interested to know what independent security advice you have taken.

**The SPEAKER (3.38 p.m.)—**Let me respond as fulsomely as I can to the member for Fremantle and retain the right to come back with additional information if necessary. As was reported to the parliament approximately 12 months ago—I think it was following the tragic events in Bali—the Presiding Officers mutually took a decision, and reported it to the House committee, to employ a security adviser. That security adviser is regularly briefed by the professional security groups under the control of the Minister for Foreign Affairs. The professional security groups and the security adviser advise the Presiding Officers and that has been the case, so far as I can recall, for the last 12 months.

**Addresses by the President of the United States of America and the President of the People’s Republic of China**

**Ms ELLIS (3.37 p.m.)—**As I indicated earlier, Mr Speaker, I have a question relating to the presidential visits next week. It is my understanding that committees have had it indicated to them that committee rooms in this building will not be available next week, and I am not quite sure why. At a meeting earlier today, which I attended, of a committee of which I am a member, the committee was in fact keen to hold a meeting whilst we were here in the building next week, and the secretariat of the committee involved indicated that there will be no committee rooms available. If you do not know now, could you take that on board and maybe offer some advice, given that such an opportunity could offer itself to committees next week and that that situation could be a frustration to their work?

**The SPEAKER (3.38 p.m.)—**I thank the member for Canberra for her question. I am not aware of any restrictions on the use of committee rooms by parliamentarians, nor do I expect there would be any such restrictions. There may be complications by reason—this is a guesstimate from my point of view—of our guests wanting access to particular committee rooms. That, of course, would not be all committee rooms and so there is no restriction, as far as I am aware, on the functioning of committees. It would clearly be difficult for a committee to have a public hearing, but that was not part of what the member for Canberra was suggesting. Should that not be the case I will come back to her and the parliament, but all that can be done is being done to facilitate the access of members.

**Addresses by the President of the United States of America and the President of the People’s Republic of China**

**Mrs IRWIN (3.39 p.m.)—**Mr Speaker, as you would be aware after investigations regarding the number of schools that are coming to parliament next Thursday and Friday—and there are over 20—a lot of those schools have gone to a lot of trouble. Some
of the kids have had cake stalls and fetes, and they come from underprivileged areas, especially within my area. I am wondering what sort of compensation the parliament will be giving to the children of Australia. They have made bookings—some of them are staying in motels and some of them are in caravan parks—and I am just wondering, as they cannot come to the parliament on that day, whether the government will be compensating them with other arrangements.

The SPEAKER—So far as I am aware, there is absolutely no restriction on the capacity of children to come to Canberra to visit the War Memorial, the library and all of those public attractions that make this such a great city to visit. So far as I am aware there is no restriction on them visiting Old Parliament House. All that the Presiding Officers are seeking to do, on advice and recognising the level of security that has been recommended to us, is to act responsibly, which is precisely what we have done. I would have expected that that action would be endorsed by all members.

Addresses by the President of the United States of America and the President of the People’s Republic of China

Mr QUICK (3.40 p.m.)—Mr Speaker, further to the question from the honourable member for Fowler, in order to get a subsidy it is a requirement for those who travel from a fair way away that they attend the Parliamentary Education Office. If these children are being denied the opportunity to attend the PEO, are they then going to be denied the rebate which they have factored into their costings? This needs to be looked at.

Mr Howard—No, they won’t be.

The SPEAKER—Let me reassure the member for Franklin that the member for Fowler’s comment was about compensation, not about the subsidies that are paid under the parliamentary visit scheme. Clearly, as both the Prime Minister and the Clerk have indicated—and as I would have expected—that is not an issue.

Addresses by the President of the United States of America and the President of the People’s Republic of China

Mr LEO McLEAY (3.41 p.m.)—Mr Speaker, my question to you is: will there be any times next Thursday and Friday when members of parliament, their staff or the public—it could be any of those three categories—will not be allowed access to or egress from this building?

The SPEAKER—Let me clarify that, while public access will be difficult, I am not referring there to members, their staff or the guests of members. I am not sure in what context the member for Watson is using the term ‘public’. I am happy to recognise him again for clarification.

Mr LEO McLEAY—My question basically concerns whether there will be any particular time next Thursday and Friday when either the public or members and their staff will not be allowed to enter or exit this building. Will the place be closed and people kept in and people kept out? Ban the press, of course, but with great respect—

The SPEAKER—I was in fact attempting to respond to the member for Watson and simply point out that the short answer to his question is no. I was attempting, without much assistance from him, to qualify the question of what is meant by ‘the public’—that was all. The short answer to his question is no. I have indicated that the term ‘public’ will mean by invitation.

Addresses by the President of the United States of America and the President of the People’s Republic of China

Mr ORGAN (3.43 p.m.)—I have a question to you, Mr Speaker. Will the members of this House at any stage be receiving a brief-
ing with regard to matters relating to the visits next Thursday and Friday?

The SPEAKER—All members will receive details, along with the invitation cards, as they always do for functions like this. I call the member for Watson—

Opposition members interjecting—

The SPEAKER—This matter has been well and truly canvassed. I have been as frank as I can be. I will recognise the member for Watson and the member for Fowler.

Addresses by the President of the United States of America and the President of the People’s Republic of China

Mr LEO McLEAY (3.44 p.m.)—Further to my last question and your answer, Mr Speaker, at what times next Thursday and Friday will members of the general public who do not have an invitation card be allowed to enter or exit this building?

The SPEAKER—I am hesitating to be precise with the time. In general terms let me respond to the member for Watson by saying that the building will be closed to the public on Thursday and Friday between specific times. That does not apply to members, their staff or invited guests. That is on the advice of the Australian security professionals.

Addresses by the President of the United States of America and the President of the People’s Republic of China

Mrs IRWIN—Further to my question to you, Mr Speaker, and your reply regarding the children from various schools that are coming to Canberra next week and my question about whether there was going to be compensation, there are some schools that are coming only to Parliament House. They have booked buses. They were going to the education office; they have enclosed sections in the public gallery where they like to view parliament. That is why I was asking the question to you, Mr Speaker, about whether those schools would be entitled to compensation.

On another matter, following from what the member for Canberra asked: I am deputy chair of the Family and Community Affairs Committee. We have a very important inquiry, as you are aware—the child custody and parenting inquiry. Because of the cost of recalling the parliament, there was a decision that we would have a meeting next Thursday, after the visit of the President of the United States of America. We wanted to book a committee room, and I was told by the secretariat that all committee rooms in the federal parliament have been booked out by security. I thank the member for Riverina for allowing us to use her office.

PAPERS

Mr ABBOTT (Warringah—Leader of the House) (3.46 p.m.)—Papers are tabled as listed in the schedule circulated to honourable members. Details of the papers will be recorded in the Votes and Proceedings and I move:

That the House take note of the following paper:
Albury-Wodonga Development Corporation—Report for 2002-03

Debate (on motion by Mr Latham) adjourned.

SENATE ECONOMICS COMMITTEE

Mr McMULLAN (Fraser) (3.47 p.m.)—I actually want to raise a matter that does not relate to next Thursday and Friday. As I gave notice to you through the clerks, I want to seek your indulgence to raise a matter which goes beyond what a personal explanation can deal with. It deals with what I think is close to a contempt of the parliament.

The SPEAKER—The member for Fraser may proceed.

Mr McMULLAN—It has been drawn to my attention that on Tuesday, 7 October in
the Senate Economics Committee, Mr Fletcher, a director of a company called Manildra Park Petroleum, stated to that committee:

I was at one meeting with Mr McMullan .... He said to us: ‘We’re all for ethanol but, when the politics come into it, we’re more interested in getting the Prime Minister.’

He went on to confirm it, and the chair said, ‘That was ungracious.’ I have to say: that is an unmitigated fabrication. It is a total lie. I absolutely repudiate that any such thing was said. I have checked with other people, who were in the meeting when I met with that gentleman, to confirm that that is so. I accept that, in public debate, people will say things about us, and they come into parliament and express their views about our policies and sometimes about our personalities. They are entitled to do that. It is a free country. But the protection of parliament and its privilege does not give us the right to tell lies about other people, and it does not give other people the right to tell lies about us.

This is such a blatant and unqualified fabrication that I feel obliged to draw it to your attention. If it had occurred in the House, I would be raising it with you as a matter of a contempt. As it occurred in the Senate, I do not have the right to do that and, frankly, I do not particularly want to do that. It will only give the person unwarranted publicity. But I do want to draw to your attention that Senate practice does clearly say that it is an offence by a witness which may be treated as a contempt to give false or misleading evidence to a committee of the Senate. While I know that neither the House nor you has the capacity to take action about a matter that took place in the Senate, I do request that you might draw this matter and the concerns that I have raised to the attention of the President of the Senate.

**The SPEAKER**—I will follow up the matter raised by the member for Fraser and take it up with the President. I would expect that the President would be reporting back to the member for Fraser on the action he has taken.

**MATTERS OF PUBLIC IMPORTANCE**

**Poverty**

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

The urgent need for Government to redress the waste of human resources caused by growing inequality and poverty of opportunity.

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

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

**Mr SWAN** (Lilley) (3.50 p.m.)—This matter needs to be discussed this week, because this is Anti-Poverty Week, and Friday is Anti-Poverty Day. Today in the parliament we saw just how out of touch and how arrogant this Prime Minister has become. We saw how he does not have a clue about what is going on in the lives of average Australians who go to work each day, come home, cook the tea, and get up and do it again—for relatively meagre rewards. He has not got a clue about their daily struggles. He came into this House and said that he had achieved a ‘golden double’, and he talked about record low unemployment and record low inflation. That is very welcome. It was built largely on the work of prime ministers Hawke and Keating. But what is the flip side of this government’s economic record? I can tell you: it is a quadrrella of inequality that is making life extremely difficult for millions of Australians.
Let us consider this quadrella. First, there are 2.4 million Australians living below a very modest poverty line. In the case of a family of four, that is $416 a week—if they earn that or less, they are living below that poverty line. The Prime Minister does not walk in the same shopping aisles as those families. He has not got a clue what it is like to delay the car repairs when the car breaks down. He would not know what it was like to fill up a tank of petrol. He simply has not got a clue of what the struggle is like to pay the electricity bill. Second, and this is largely his creation, we have one million Australians in this country who go to work but still live below the poverty line. His great achievement in this country has been the creation of the working poor. Third, on top of that, despite record wealth creation in the last decade—despite the fact that wealth in this community has increased by 100 per cent in the last 10 years—we still have more people on benefits long term than we had eight years ago. Despite all the record job creation that his ministers talk about in this parliament, not a dent has been made in the number of people trapped on benefits long term—not one dent at all.

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member for Lilley will address the chair.

Mr SWAN—Last, we have the economic disaster of the government’s family payment system, which is in the process of giving debts to the tune of at least $1.6 billion to over 1.5 million families over three years.

The DEPUTY SPEAKER—The member for Lilley will address the chair. Turning his back is quite rude.

Mr SWAN—It is an obscenity. When he was asked about this in the House today, he said there was nothing new about this—it has always been the case. But there is a lot that is new about it. From my memory—and remember this is the new tax system; this is their family payment system, created by them and boasted about in this House as being such a bonanza for families—the last number of debts that came in around that area of family payments under the previous system was 60,000. That is 60,000 families compared to 750,000 in the first year of operation of the government’s family payment system.

The DEPUTY SPEAKER—The member for Lilley will address the chair.

Mr Bevis interjecting—

The DEPUTY SPEAKER—The member for Brisbane is warned!

Mr SWAN—So much for the Prime Minister’s golden double. This quadrella of inequality is proof that the record wealth creation in this community has not been fairly shared. What we really had today from all of the ministers—and we get it in the Senate—is Howard’s credo. And what is Howard’s creed? Howard’s creed is the rich get richer, the poor get poorer and the middle get squeezed. That is what all of the figures show. We have had record wealth creation. It just has not been fairly shared. The truth is that this government believe growing inequality is a good thing. They think it is a good thing, and that is what they are saying in this House today.

If you want to see what they are doing to those pillars, if you like, of fairness and equality in this society, look at what they are doing or not doing in the area of health, what they are doing or not doing in the area of education and what they are doing or not doing in the area of housing. They are deliberately setting about creating far greater inequality in this society. That is their objective. This government pander, as always, to their favourite minority—and that is the wealthy. We do not mind the wealthy doing well in our society as long as those people who get
up, go to work, come home, cook the tea and do it again get a fair share. We do not mind that as long as, as a society, we say that we will look after the vulnerable, that those who are left behind in this process get a fair share. The truth is they have not been getting a fair share.

I have never been to Kirribilli, so I do not know the view from there, but I can imagine what it is like—you look across to the eastern suburbs, to the Opera House, and you see the beneficiaries of this wealth creation all concentrated in one place. If you go 30 or 40 kilometres west, you will see an entirely different story—

Mrs Irwin—Out in Fowler.

Mr SWAN—out in Fowler where combined family incomes are substantially less, where increases in income have not matched those at the very top. I have here a very revealing graph, which comes not from the opposition but from the Australian Bureau of Statistics. It came out recently, and the ABS made a very special point of saying that inequality had substantially increased in this society. Basically what the graph shows is that between 1996-97 and 2000-01 the incomes of those in the top 20 per cent increased at seven times the rate of those in the bottom 20 per cent. In that period those in the bottom 20 per cent got $3 a week—and they got a GST, which has been hitting them for six—and those in the top 20 per cent got $109 per week.

In this society there is growing inequality, and the government think it is a good thing. What stands out is that the rising tide has not lifted all boats. We have not had trickle down. We have not had anything like trickle down. There has been a flood of wealth at the top and a flood of inequality below that. That is why we say the rich have got richer and continue to get richer, the middle are getting squeezed and the poor are getting left further behind. That is why we have such a deep frustration in the Australian community. They see that the bounty they have worked so hard to create is steadily being withdrawn in terms of increased health costs, increased education costs and increased housing costs. They are finding that they are paying more tax through the GST, getting fewer services and paying more for the ones they consume.

We have got to the deplorable situation in this country where people on low and middle incomes cannot afford to take their kids to the doctor. We had got to the situation in the education system where everybody thought that, whatever the circumstances of their birth, their children could have access to a quality education and could hope for things more than their parents could. But we have got to the stage where many are being denied that. They simply cannot even afford to stay in school.

This is poverty week. It is an important week. It is an important time to reflect on not only the nature of Australia and whether we want to remain the country of the ‘fair go’ but also on world inequality. We ought to acknowledge that, in a country as wealthy as this one, too many Australians are being left behind. Wouldn’t it be a change if the government could come in here and say: ‘Too many are being left behind. Let’s do something about it’? Wouldn’t that be a change? Wouldn’t that break the partisanship? But they will not do that. It is simply unacceptable that 2.4 million Australians are living below that modest poverty line that I mentioned before. It is simply unacceptable that 2.4 million Australians are living below that modest poverty line that I mentioned before. It is simply unacceptable that, accompanying this wealth creation, the government set out to systematically vilify and denigrate vulnerable people in our community. That is simply unacceptable.

We live in a global village. The modern world is a global village, and a fairer distribution of resources in this world between the haves and the have-nots would be of great
benefit to this country as well. We might physically defend this nation with armies but we always defend our civilisation at home and abroad through a commitment to fairness and particularly through a commitment to education and compassion. This point was made in this building on Monday by Archbishop Ndungane, who spoke without a single representative of the coalition being present; not one coalition member bothered to turn up for this presentation in World Anti-Poverty Week. He said:

Lasting international security flows from investing in people, human capital if you like, to prevent the conditions arising in which terrorism flourishes.

So fairness is not just a question of morality and compassion; it is also enlightened self-interest. That is why we must be committed to it as well.

In the world antipoverty cup, Australia really does not make the quarterfinals. If you look at our contribution to alleviating world poverty, we are well behind more than a dozen developed countries around the world, despite our location in this region. When you look at the degree of poverty, there is also a degree of inequality in this country. We are less equal than probably a dozen other developed countries, so we lose both ways. We make less of a contribution to the rest of the world and at home we underachieve. We ought to be able to do better. We must do better, and we certainly must do better than what has been occurring in this parliament through these ministers in recent times.

It is much harder at the moment for the voices of ordinary people from humble backgrounds to be heard in this society. It is much harder for these issues to capture the attention of the media but we must continue to try. Under this government, callousness has become a virtue and habitual heartlessness has become its companion, and we saw this with Senator Vanstone. Senator Vanstone literally became a political hyena. She was out there taking great pleasure in singling out the most vulnerable people in our community, and part of that is still continuing. Those 30,000 families are losing their carers allowance, yet they care for chronically ill children or disabled children. On top of that, huge debts have been lumped on families, pensioners and students. This meanness was exposed, which is one of the reasons why Senator Vanstone was removed from the ministry—and heaven help the refugees that she now has responsibility for.

Now Senator Vanstone has been replaced by Senator Patterson. Senator Patterson has essentially been promoted for dismantling Medicare. Consider this: in the portfolio she has been in, she has dismantled Medicare. That has caused huge costs to every family, and many cannot take their kids to the doctor. Her prize for doing that is to be put in charge of a portfolio three times bigger that affects 10 million people. If Senator Vanstone was a political hyena, what do we think Senator Patterson is? The best I can come up with is a stunned mullet, and the families of Australia, the pensioners of Australia and the carers of Australia simply do not deserve that. We ought to be able to do better.

The attack on the social infrastructure of fairness in health and education is really creating a two-tiered society here. The rich are getting richer, the middle are getting squeezed and many are simply being left behind altogether. Australia is increasingly divided today, as St Vincent de Paul has demonstrated in its very important report Two Australias. We are now on the verge of an American style chasm: the wealthy at the very top doing very well and everyone else falling further behind. That is what I think many in the Australian community are unaware of.
When you examine the taxation statistics you get some idea of the enormity of this chasm. When you look at the taxation statistics you find the top percentage of income earners have had real increases in their incomes of almost 30 per cent. The growth in their incomes has outstripped average incomes by 1.5 times and outstripped middle incomes by four times. The total incomes of the top five per cent of income earners—which is, by the way, 430,000 people—is now equivalent to the combined earnings of 3.8 million Australians, the bottom 45 per cent. The income of the top five per cent, at $61.8 billion, is roughly the same as the whole budget of the Department of Family and Community Services. This is an American style chasm.

This is putting real pressure on people, and they talk to us about it all the time. I will quote one comment from my electorate.

The cost of living is increasing constantly, my pay has just increased by $1 per hour, the first pay rise I have had for 18 months ... I constantly chase around supermarkets for bargains and stock up when things are cheapest.

I do not think that the Prime Minister has done much of that. Take this one:

I am a member of the “working poor”. My wage is so low that I can’t afford to take my family to entertainment venues, can’t afford new clothes, any non public medical or dental expenses—and so on and so on. I know those stories are absolutely familiar to many in this House.

But what do we get from the Prime Minister and his ministers today? A complete denial, because essentially they believe that inequality is good. Well, that is unacceptable to Labor. We have a program in place that brings equality and fairness to the fore. That is why our programs in health and education are so important to the future of the country. Investing in our people, a combined package of $4.2 billion, fully funded, is there to reverse the development of this American style gap that is opening up in our society. We have to go out there and talk to our people about that, because in this society there is a blindness of the affluent and what we need is much more attention on these issues. (Time expired)

Mr ANTHONY (Richmond—Minister for Children and Youth Affairs) (4.06 p.m.)—In contributing to the debate on the matter of public importance, I note the contribution made by the member for Lilley. In rebuttal of some of his comments, I would like to first highlight that much of the debate and what the member for Lilley has talked about centre on the statement that the opposition released about how they would allegedly combat poverty. Of course, to combat poverty or to raise the expectations and living standards of Australians, it is very important that their spokesperson has credibility—in other words, that they practise what they preach.

The member for Lilley parades himself as a great champion of the downtrodden and professes to help the disadvantaged. I will not dwell on it, but I was rather amused and interested to read in the paper that, whilst he is a great advocate—and whilst he scares a lot of the mums and dads in Australia—whether it is of pensions, the family tax benefit or those who are perhaps less fortunate than parliamentarians, the member for Lilley was quite happy yesterday, contrary to his leader’s expression, about accepting a $16,000 taxpayer payment if he lost office.

Mr Swan—Mr Deputy Speaker, I raise a point of order. That is a lie—I did not say that.

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member for Lilley will withdraw that statement.

Mr Swan—I withdraw it. That was an untruth.
Mr ANTHONY—Let me clarify that. I will quote him. He said:

I would accept a payment made to me legally ... The Remuneration Tribunal is there to make decisions so that politicians don’t have their hands in the cookie jar.

I very much understand why average Australians are upset by what they see as a double standard ... and that’s why it is important that politicians aren’t in there deciding their own terms and conditions.

He was quite happy to accept a payment that I do not think the Australian public thinks is appropriate. Here is someone who is meant to be the champion of the downtrodden saying he is quite happy to accept a ridiculous payment that no other Australian gets if they lose their job—and a lot of Australians lost jobs, I have to say, when the ALP was last in government. He is quite happy to take this payment. It demonstrates a great degree of hypocrisy, I am afraid to say, by the member for Lilley, particularly when he is in this debate today trying to prove the credibility of the alternative government when it comes to addressing the issue of poverty.

In the statements made by the Leader of the Opposition and the ALP shadow spokesperson, they highlighted a number of indicators and benchmarks that they want to articulate. It is interesting, because the last benchmark or major statement that was made in this country—and I remember it well; it was back in 1990 and it was made by then Prime Minister Bob Hawke—was that no child shall live in poverty. He was masquerading himself as saving the downtrodden. What an absolute joke! During that period, from 1990 to 1996, more Australians lost their jobs than we have ever seen before in the history of this country. We inherited the ‘recession that we had to have’. Here was the then Prime Minister, the most successful ALP leader from the right wing—which, I must say, is certainly better than the left wing—pronouncing and setting this target that no child would live in poverty. Of course, it was an absolute failure.

Indeed, what we saw was that more families were put into perilous situations by the recession that we had to have’ which followed in the time of Bob Hawke’s successor, Paul Keating. During that period we saw an enormous acceleration in debt. Some may say, ‘That doesn’t bother us.’ But it does—we were $80 billion in debt, which then went to $96 billion. The consequences of that and the impact it had on Australian families were profound. They lost their jobs and many of them lost their homes through very high mortgage repayments. We also saw real reductions in salaries.

The member for Lilley spends a lot of time talking about the broadening inequality between those who are very wealthy and those who are in the lower quartile. There are concerns there. No-one disputes that. But the fact is that more people were out of work—and it was a diabolical situation—when the ALP last occupied the treasury bench. It is interesting when we talk about that debt situation, because what we are talking about here is the credibility of the ALP. During that time of huge interest rate explosion and acceleration of debt, the interest repayments alone would have paid for the total health and education budget in the last year of Labor in 1996. So to say that no child shall live in poverty or to make the statements that have been made today is absolutely ridiculous.

The other interesting point in the statement by the Leader of the Opposition that was not talked about by the member for Lilley—and I think he was probably wise not to—was that the Labor Party is going to have another summit to solve the problems of inequality in Australia. I tell you what: the ALP is very good at summits. Bob Carr is the
classic—he is the summit king. We have had summits on alcohol, obesity, drugs and salinity, and the list goes on. There are more summits being proposed by the Labor Party than there are in the Himalayas. Having a commitment to providing poverty reduction targets might sound good in theory, but in the practice of the previous ALP government it was appalling.

I think it is important in this debate to look at some of the leading indicators to try and highlight some of the double standards of the ALP. We can look at what the coalition government has done since it came to office in 1996 about increasing wealth and opportunities for all Australians and, indeed, about raising the level of the tide for all boats, particularly as the tide relates to those in the lower quartile or those in middle-income Australia. The greatest thing you can do to overcome poverty—and this point was made by a number of ministers in the government today—is to provide employment opportunities. It is employment, that self-empowerment to get out of poverty, that will assist more Australian families than any type of indirect or direct government intervention. Of course, that comes through good economic management.

As the Prime Minister said—and the member for Lilley was making fun of this—the reality is that we certainly do have a real trifecta here. The unemployment rate is now below six per cent—it is at 5.8 per cent. Inflation is under three per cent. We have an official interest rate below five per cent. The last time that happened was in 1968. When we compare that to the ALP record at the time it last left government, we see that unemployment peaked at 10.9 per cent. The ALP asks questions about the affordability of housing. When you have a mortgage repayment rate which peaked at 20.5 per cent, no wonder more people were driven to poverty. No wonder having such a basic thing in your life as a roof over your head was denied to so many people—it was totally unaffordable. The interest rate was 20.5 per cent in 1990 when the ALP was last in government.

Interestingly, if you look at households now, they have $6 in assets for every $1 in debt. The reality is that the wealth of Australia is increasing. Even those in the lower quartile have had a great increase in minimum wages and real growth rates compared to the significant reductions in growth rates that we saw from 1990 through to 1996. It is hypocritical for the ALP, which is meant to be representing the working class and working people, to say that real wages went up under its stewardship or that they are likely to go up if ever—God forbid!—it gets control of the treasury bench here in this place.

The reality is that, in order to alleviate poverty, employment is particularly important. Since we came into government, 1.2 million jobs have been created. Even in the area of teenage unemployment—and this is particularly poignant for many of those like me in coastal seats that have a high young population and a high elderly population—the rate of teenage unemployment is now one in 25 teenagers compared to one in 10 as was the case when the ALP was last in government in 1996. Do not ask me—I may have a particularly biased view—but the world economic outlook of the IMF predicted that Australia would continue to have the fastest growing economy in the world, providing opportunities for all Australians irrespective of where they live. These are opportunities. This is about creating jobs, not creating unemployment, which the ALP does consistently.

The member for Lilley talked about educational opportunities. Interestingly, when we look at vocational education and training today, more and more young Australians and people from disadvantaged backgrounds now
have access particularly to apprenticeships and traineeships. There were 141,000 when Labor was last in government—we are talking about a figure that is three times that now. This is very important, particularly for a lot of those younger Australians who may not want to go on to higher education. It is also important particularly within our schools in that we are finding that it is ensuring that we raise the literacy and numeracy standards, because education is really the passport for many disadvantaged families—regardless of their circumstances—to get them out of those situations. We are providing increased funding particularly for education, but most particularly for improving the literacy and numeracy standards, which is fundamentally important.

As was mentioned many times by the minister for education, we are planning $1.5 billion of funding for higher education and scholarships, particularly for a lot of Australians who come from disadvantaged backgrounds. In the area of youth allowance we are again providing that passport for young Australians; 380,000 of our young Australians are receiving substantially more than under the old Austudy where it was easier to get the dole than to go on to further higher education. This is again because of direct policy initiatives of the Howard-Anderson government—and, of course, of Tim Fischer, who was here a few years prior to Mr Anderson—ensuring that all Australians get the best possible start, particularly when it comes to education. I must admit that I was surprised that there were criticisms of the GST. We certainly did not introduce it to be popular, but I must say that none of the states has complained. What we would like to see is that all the GST revenue that goes to the states is actually spent on their core portfolio responsibilities of health, education and, in particular, roads and infrastructure.

Mr Anthony Smith—They support it now.

Mr Anthony—Yes. As was acknowledged, they are very enthusiastic about it. We notice that the roll-back has of course been dropped by the federal opposition. The member for Lilley talks about the supposed inequality in private health insurance. Even when Graham Richardson was here—the master of the Australian Labor Party, who is obviously quite happy working for PBL these days—it was red alert time when private health insurance dropped below 40 per cent. Even he knew then that it was terribly important to support private health insurance to provide a range of options for Australians whether they are rich or poor and particularly to support the public hospital system along with the private sector by having adequate private health insurance.

Labor have continued not to endorse the government’s policy on the 30 per cent rebate. They have not said it once, because they are quite committed to destroying it. Even today in question time it was demonstrated time after time that in the different seats represented by ALP members in the lower house either 40 per cent or 50 per cent of those constituents have private health insurance. Not only have we dramatically increased the funding—17 per cent, which is $42 billion, a doubling of what it was in the last couple of years of Labor—for public hospitals in the last agreements with the state governments; we have of course done the same for the private sector. We are unashamed about that, because when it comes to providing health, providing choice and providing equity it is the coalition government that does so, again by supporting Medicare rather than using the constant scare tactics of the member for Lilley and others.

Interestingly, although they talk about poverty or the health and wellbeing of Aus-
ustralians, Labor did not do a very good job when it came to immunisation rates. When it came to our kids, our kids’ health and their future, immunisation rates were at the lowest rate for decades when Labor last left government. They have been increased dramatically by us. We have increased private health funding dramatically, along with funding to general public hospitals.

One of the interesting areas is the debate on housing. Through every conference that I go to and every visit I make to a charitable organisation, it is made clear to me that the primary responsibility for any one of us parliamentarians—whether we hold a coastal seat or one in an urban area—is to make sure that we provide adequate housing for Australians. The notion that somehow Australians will be better off with the ALP being on the Treasury bench is ridiculous when we know their economic management policies are poor and we know that interest rates will start to skyrocket. How can you possibly afford to have a roof over your head when you have to pay interest rates of 17 per cent? Today they are 6.55 per cent. The PM mentioned today that mortgage payments today are $400 less per month. Can you imagine: if you were on a 30 or 50 per cent tax rate, you would have to be earning $1,000 more per month to pay that. Through our first home buyers scheme, 482,000 new home buyers have been able to buy a house.

Look at aged care. Look at child care. The coalition government have increased all of these areas substantially. Even on the issue of family tax benefit, we redesigned the system by changing 12 payments into three. We increased payments by $2 billion. We have $11 billion going out the door now. When you put in child-care benefits, this is a great success story of overcoming poverty in Australia. (*Time expired*)

**Ms VAMVAKINOU (Calwell)** (4.21 p.m.)—I think the Minister for Children and Youth Affairs has a serious case of denial when it comes to the issue of poverty. What we have to understand is that poverty is not an issue that affects Third World countries only. Poverty also exists here in Australia. What we need to understand is that we are no longer the lucky country. We are no longer the egalitarian and wealthy country where everyone has the benefit of a fair go no matter what their station in life is. As much as the government wants to gloss over the devastating effects that its policies have had on Australian society, the fact remains that there is a growing social stratification where the rich get richer and the poor get poorer. Although it may seem to be a bit of a cliche, the reality is that Howard’s battlers are being hoodwinked. I would like to quote Father Joe Caddy from Catholic Welfare Australia, who today said:

> Australia is too fast becoming a country that is divided between the haves and have nots ... While this had been a decade of unprecedented prosperity, those on the margins are being left further and further behind.

That is why the matter of public importance submitted by the shadow minister for community services is timely. There is indeed a great urgency to understand the level of poverty in this country and to commit to doing something about it. The Treasurer comes into this place on a daily basis and happily lauds his economic prowess and success—but for whom? Who is reaping the fruits of Australia’s economic success?

It is a strange form of economic prosperity that sees only a small section of the Australian population benefit. The Treasurer’s much flaunted fiscal prowess amounts to ridicule when you consider the fact that one in eight Australians are living below a modest poverty line. The wealth creation he is so fond of boasting about is unfortunately not
being shared fairly by all Australians. If you consider figures such as the top 20 per cent of income earners in the past seven years having had their incomes increase by seven times that of the bottom 20 per cent, or that earnings of the top five per cent are equal to the bottom 45 per cent, it is obvious that inequality in Australia is well and truly a social issue. That is proven by the fact that, in the last six or seven years of the coalition’s rule, the number of people living in poverty in Australia has increased by 400,000.

Of the 2.4 million Australians living in poverty, many of them are in my electorate of Calwell. While the government continues to brag that its policies across the board are giving Australians a better chance to improve their lot in life, the reality out there on the ground is somewhat different. Howard’s battlers are not only being left behind but also increasing in numbers, because government reforms amount to nothing but cuts to vital areas of education, health and welfare. The looming housing crisis, which is making housing unaffordable for so many Australians, is pitting the haves against the have-nots in Australian society.

If you look at the submission ACOSS made to the Senate poverty inquiry, one of 255 received so far, you will see that, try as it might, the Howard government cannot mask the level of poverty in this country. According to the executive summary of the ACOSS submission:

Thirty years after the National Poverty Inquiry and the establishment of the Henderson Poverty Line, there is evidence to suggest that poverty is now more widespread, against a backdrop of deeply entrenched social divisions:

- more than 6% of the labour force is “officially” unemployed compared with less than 2% in the early 1970s. When we take into account hidden unemployment the current figure doubles. The number of long term unemployment recipients has also grown substantially from negligible levels to around 380,000 in 2003 …

ACOSS is merely affirming what a lot of people in this place know to be the case: we have a serious problem with the number of people, especially in the age group of 45 and over, who are long-term unemployed. In fact, the Standing Committee on Employment and Workplace Relations, of which I am a member, is currently conducting a public hearing into this disturbing phenomenon. It is a bit of a paradox, to say the least, given that the unemployment figures show a decline in unemployment. The ACOSS figures also show that 15 per cent of children—that is, some 860,000 kids—lived in jobless households in 1999, and 23 per cent of working age people were reliant on social security payments in 2000, compared to 16 per cent in 1981.

The government prefer to pursue a policy of blaming the victims. They do this constantly because, by blaming the victim, they deflect responsibility from themselves. Far be it from the Howard government to accept responsibility for the negative outcomes of their ideologically driven policies. The government, after all, give with one hand but take with the other. Let us not forget the GST and its negative impact on many Australian households, and pensioners in particular. Certainly the people in my electorate remind me of this constantly, and I also see it for myself as I visit my local supermarket on a weekly basis.

We squander our human capital when we do not give Australians, and especially Australian kids, an equal opportunity to develop their talents so that they can make constructive contributions to society and develop independent means of existence. Resources in the form of budget surpluses are squandered if they are not targeted to addressing inequalities in education, for example. Education is the key to breaking the poverty cycle; it is the means by which the kids in my elec-
torate can get a better future. It is time for the education minister to get real about equal opportunity in education for all kids instead of storytelling and spinning yarns, because the kids in my electorate can easily see through his spin and fables. They recognise that his propositions for giving them a so-called fair go for access to university courses is nothing more than spin. I can also tell him that, next time he comes to my electorate, he should call in to my office because I would be more than happy to take him to my local secondary colleges, where the kids rely on breakfast programs funded by unions such as the CFMEU, and he can try and tell them that he is doing them a favour by increasing the number of fee paying places in universities. The truth is that the youth in Broadmeadows will never be able to avail themselves of his so-called generosity because they simply cannot afford it.

Since 1996, in Victoria alone the Howard government has cut $1.3 billion from universities and TAFE institutions, and the kids in my electorate are worse off for it. I can tell the minister that these kids do not want an increase in fee paying courses. They actually want more money to be spent on increasing vocational and educational training courses; they want their secondary schools to have similar resources to non-government schools. But the bottom line is that they want a fair go. They want a fair go because it is only through education that they have a hope of breaking free from the poverty cycle.

It is not only in the education sector that this government’s policies are driving a two-class system. Let us look at the housing sector. The First Home Owners Scheme seems to be the jewel in the Treasurer’s crown, but what has happened to affordability of housing for poorer Australians? The 105,000 or so homeless Australians—as at the 1996 census; no doubt, it is a much bigger number now—are being beaten to home ownership by one-year-olds and seven-year-olds whose parents are obviously clever enough and devious enough to avail themselves of the scheme’s loopholes. The big housing boom in Australia has become a wealth creation scheme for high-income earners and property developers who are clever enough and resourceful enough to avoid paying taxes through the creation of family trust funds, always at the expense of poorer Australians.

The word ‘unaffordability’ has become synonymous with this government. The people in my electorate should not be forced to choose between conflicting interests. They should not have to choose between buying groceries or seeing their local GP; they should not have to choose between the education of their children and other aspects of their family budget. The 30,000 parents of disabled children, many of whom are in my electorate, should not have to worry about the possible loss of their $87 fortnightly payment, because a caring, fair-minded government would never contemplate taking it off them in the first place.

We need to treat the issue of poverty in this country with the seriousness and concern that it deserves. Many Australians would be horrified to know the extent of poverty in this country. That is why events like Anti-Poverty Week and International Anti-Poverty Day are important because they not only draw attention to the fact that 1.2 billion people around the world are forced to live on less than $1 per day but also serve as a wake-up call for all Australians, and in particular governments, to realise that poverty exists in this the lucky country.

ACOSS is right when it states that:
Governments have an important role in drawing attention to poverty and disadvantage, in taking action to reduce it and to monitoring progress in addressing it.
The people in my electorate affected by poverty need help and assistance from government. They should not have to rely solely on the goodwill and charity of volunteers and church groups in order to provide the most basic day-to-day necessities.

Having said that, I want to pay tribute to the many good people in my electorate who run around collecting food and clothing for the hundreds of families who come to the neighbourhood houses’ food banks on a Friday to get their weekly groceries. I want to pay tribute to these people because I have seen first hand the work that they do, I have seen the difference that their efforts make to families who cannot afford to buy clothes for their children and I have seen the delight on the faces of young children when they receive hand-me-down toys and clothes. And I have heard the despair and witnessed the futility that they feel because they cannot always find enough people to donate.

Mr Anthony Smith (Casey) (4.31 p.m.)—The substance of this motion and the issues it addresses are important. We all care about poverty and disadvantage. We all want to do all we can to limit it and to reduce it. That is precisely why there is absolutely no excuse for members to engage in scaremongering, to engage in exaggeration, to engage in misrepresentation and manipulation of statistics and above all to engage in hypocrisy and dishonesty. But that is precisely what those on the other side know only too well, particularly the Leader of the Opposition—of the member for Lilley and I want to address some of the misconceptions that can occur in the debate about statistical inequality.

But first I will expose the member for Lilley’s breathtaking hypocrisy. In all his speeches and comments—and, dare I say, roostering—he managed to not mention Labor’s record once. He managed to not mention the fact that a decade ago the Australian economy entered one of its worst recessions, which saw household incomes collapse, a multitude of jobs simply disappear and record business bankruptcies. Back at that time—while he was not a member of this place, in 1990 and 1991—there was no concern from those on the other side about inequality.

Inequality was on a different basis: it was between those who had jobs and those who did not; those who managed to keep their houses and those who lost them. But at that time members opposite, from the former Prime Minister down, were shouting in the opposite direction just as loudly as they do today, denying that inequality was a problem.

Ten years on, Australia has emerged as one of the strongest economies in the world, unemployment is half what it was, interest rates are around a third of their peak in the early 1990s and real wages have undergone sustained and stable growth. If we believe what the member for Lilley says and implies—his coded message—we are supposed to think this is all bad.

How the member for Lilley can maintain this—how he can even mention poverty without mentioning Bob Hawke’s amazing promise to wipe out child poverty by 1990—I do not know. If Labor’s words were
matched with actions, childhood poverty in Australia would have ceased to exist 13 years ago. But he does not mention that and he does not mention Labor’s past and there are very good reasons why he does not.

One is he does not have a solution. In all his contributions, and particularly today through 15 minutes of talking, he did not say once what Labor would do. He did not offer a single solution, nor did he mention Labor’s record—and the reason he never mentions Labor’s record is because Labor’s record and Labor’s past actions are actually the member for Lilley’s solution. If you want to know what Labor would do if ever they had the chance, you only have to look back over 10 or 15 years and see what happened then.

As we saw in question time today, what they did was reduce real wages. Real wages fell. The member for Lilley cannot have it both ways. At one point in his contribution he said the rich were getting richer, the middle was getting squeezed and the poor were getting poorer. At another point in his contribution he acknowledged that low-income earners had experienced increases in real wages but argued that they were not big enough.

The inescapable fact for the member for Lilley is that, after Labor was elected in 1983, for 13 years they reduced the incomes of the lowest income group in Australia. They reduced their take-home income, life became tougher and—as the Prime Minister said today—they did not hide it; they boasted about it. That is Labor’s record. That is Labor’s policy for the future. What they do not do is own up to it and what they do not do is acknowledge it.

When the member for Lilley seeks to imply that the rich are getting richer, he tries in a coded way to imply that the poor must necessarily be getting poorer—that somehow, if somebody is experiencing an income growth, someone else must be experiencing a corresponding income decline; that if a group of people improve their income it must be at the direct expense of another group. This is not only completely wrong and dishonest but also deeply cynical.

The latest evidence from the ABS and the latest comprehensive analysis from all of the academics who work in this area show that all income groups have experienced increases in income. That was highlighted in question time today. No group has gone backwards. Far from one group progressing while another regresses, all are gaining. The difference is in the rate of growth. Of course we would all like to see greater gains for low-income earners, but the point is that they are moving in the right direction, which is up, and they are moving in a direction in contrast to the direction they moved under Labor, which was down.

The other point about the measurement of statistical inequality which is often overlooked is that changes can occur for a variety of reasons. They are occurring to a degree at the moment because higher income groups are moving up at a faster rate than middle and lower income groups—but, as I have said, all are moving up. Changes can also occur if one income group moves while the others are static. It is actually possible in a statistical sense to have an improvement in the measurement of inequality if all income groups decline. Presumably, the member for Lilley would welcome that because it would be a better statistical outcome for him. But the fact is that it would completely ignore the measure that affects the day-to-day lives of Australians—that is, the measure of their livelihood; the measure of their living standards.

That is why the fact that real wages have increased is something that is far more important to the day-to-day lives of Australians
than a mere statistical measure. The people out there in the suburbs of Sydney, Melbourne and the Gold Coast are actually concerned about outcomes; they are not concerned about a statistical measure. For the member for Lilley to use this to scaremonger and to exaggerate is dishonest and irresponsible in the extreme. What this tells us, of course, is that statistics can be manipulated—and they are manipulated by those opposite.

I will finish on a couple of points. If the member for Lilley has a solution, he should say what it is. He argues that the government has not intervened enough. Those opposite would argue that the government should do a lot more and they ignore what the government does do. If the member for Lilley believes in massively higher taxes, he should say so. The other thing the member for Lilley and particularly the left wing members of the opposition should do is be honest. I refer the members opposite to one honest left winger I have discovered: Clive Hamilton. Last year he said:

Difficult as it may be to admit, social democrats and democratic socialists have a psychological predisposition to believe that the mass of people are suffering from material deprivation.

In real terms, Australians today are at least three times better off than their parents were after the war, and the distribution of income is about the same. Unpalatable as it is to concede, inequality is not substantially greater than it was 40 years ago.

The DEPUTY SPEAKER (Mr Jenkins)—Order! The discussion has concluded.

TELECOMMUNICATIONS INTERCEPTION AND OTHER LEGISLATION AMENDMENT BILL 2003

Report from Main Committee

Bill returned from Main Committee without amendment; certified copy of the bill presented.

Ordered that this bill be considered forthwith.

Bill agreed to.

Third Reading

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (4.42 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

BILLS RETURNED FROM THE SENATE

The following bill was returned from the Senate without amendment or request:

Communications Legislation Amendment Bill (No. 3) 2003

AUSTRALIAN PROTECTIVE SERVICE AMENDMENT BILL 2003

First Reading

Bill received from the Senate, and read a first time.

Ordered that the second reading be made an order of the day for the next sitting.

COMMITTEES

Public Works Committee

Report

Mrs MOYLAN (Pearce) (4.43 p.m.)—On behalf of the Parliamentary Standing Committee on Public Works, I present the 11th report for 2003 of the committee relating to RAAF Base Richmond Reinvestment Project, Richmond, NSW.
Ordered that the report be printed.

Mrs MOYLAN—by leave—Medium-term investment in facilities at RAAF Base Richmond is required in order to maintain operational capability until 2010, or until the long-term future of the base is decided. The estimated cost of the project is $35 million.

It is proposed that the reinvestment project will address critical shortcomings in the facilities and infrastructure supporting current capability, such as engineering services and working and training accommodation. The proposed works comprise: the construction of a new combined headquarters complex for No. 36 and No. 37 Squadrons; the construction of a new, purpose-designed Mechanical Equipment Operation and Maintenance Section facility; the construction of an extension to the east side of the No. 33 Squadron hangar; an upgrade of works to No. 36 and No. 37 Squadron hangars and workshops; an upgrade and rationalisation of high-voltage electricity reticulation; the construction of new ablution facilities to service the western portion of the base; and an upgrade and repair of the stormwater drainage system. Having inspected the facilities to be addressed under the works proposal, the committee wished to ensure that occupational health and safety issues and, particularly, fire safety measures of an appropriate standard would be met across the entire base. The Department of Defence told the committee that present funding ensures that these standards are met throughout the base.

Members had concerns about the comfort and amenity of personnel. The committee noted that, in some instances, work areas and associated ablutions or meals areas are to be located in separate buildings. The Department of Defence responded that separate ablutions blocks were common throughout the base as co-location can pose contamination risks. The committee recommends that, in order to improve the comfort and amenity of personnel, a covered walkway be provided between the existing fuel-testing laboratory and the office building to be constructed under the reinvestment proposal. Given the ageing facilities at the base, the committee wanted to know whether existing services infrastructure would have the capacity to support the proposed development. The Department of Defence emphasised that the proposed work is intended to replace or refurbish existing facilities and no additional load on services is anticipated.

The committee questioned the Department of Defence on two environmental issues. The Department of Defence submission mentioned that some structures on the base contain asbestos. The committee was concerned that personnel could come into contact with harmful material. The Department of Defence assured the committee that it has a range of procedures in place to prevent contact with any harmful material and conducts regular audits. The committee also inquired if there had been any chemical spillages at the base affecting the local stormwater system. The Department of Defence told the committee that incidents had occurred but were contained by existing procedures.

According to the Australian Heritage Commission, the proposed works will require the demolition of some heritage listed Bellman hangars. The Department of Defence informed the committee that negotiations will continue with the Australian Heritage Commission on this matter. Recognising the base’s importance to the local economy, the Department of Defence expressed its commitment to promoting opportunities for business in the Hawkesbury region. This was welcomed by the member for Macquarie, who took a particular interest in the proceedings of this hearing. The department will divide the project into several parts and conduct briefings on the tendering process to
assist local enterprises to bid successfully for works packages.

While not within the scope of the current proposal, it was brought to the committee’s attention by the member for Macquarie that the living-in accommodation at RAAF Base Richmond requires refurbishment. The committee was therefore interested to learn more about the Department of Defence’s plans to address deficiencies in this area. The department explained that, while there are no immediate plans for refurbishment, a current study is investigating priorities for defence accommodation Australia wide. This base has provided a very important service, particularly during difficulties in the Asia-Pacific region in recent times—and further afield.

Finally, several witnesses raised the issue of the future of the RAAF Base Richmond, given its strategic role in recent times. The committee recommends that a decision on the long-term future of RAAF Base Richmond be made as soon as possible to ensure the most effective use of public funds. Having inspected the base, it is apparent to the committee that the upgrade of the facilities at RAAF Base Richmond is essential to maintain operational capability and provide an appropriate working environment for base personnel. The committee therefore recommends that the proposed RAAF Base Richmond Reinvestment Project at Richmond proceed, at an estimated cost of $35 million.

I wish to thank many people, including Wing Commander Knight; the member for Macquarie, for his interest and submission; the Hawkesbury Economic Development Advisory Committee; GROW Employment Council Inc.; and the Mayor of Hawkesbury City Council, all of whom took a particular interest in this project and recognised its importance to the region. I also thank committee members for their cooperation and assistance, and the secretariat and staff. I commend the report to the House.

Mr BRENDAN O’CONNOR (Burke) (4.50 p.m.)—by leave—Mr Deputy Speaker, as a member of the Parliamentary Standing Committee on Public Works you would know that this was an important review of RAAF Base Richmond. This base was clearly in need of this reinvestment project. I therefore concur with the sentiments expressed by the chair of the committee, the member for Pearce, when she indicated that $35 million should be spent on the developments required, which were put to us by the Defence department.

I would like to mention a number of matters that I think need to be rectified quickly. There is no doubt, having inspected the area, that the Defence personnel have amenities which are wanting and in need of immediate repair. It is fair to say—and I think every member of the committee would agree, as would the local member—that the Defence personnel should be provided with appropriate amenities. There is no doubt in my view that those amenities are deficient. The committee has therefore recommended that those matters be attended to forthwith.

I would also like to raise the need to negotiate with the Australian Heritage Commission because the proposed works, as the member for Pearce indicated, would require the demolition of some heritage listed Bellman hangars. I think it is important, when we look at dwellings that are heritage listed, to ensure that everything is done to preserve those things where possible. In this case, it would appear that there has to be some demolition undertaken, and it should be done as sensitively as possible.

Finally, I want to touch upon the indefinite future of the base. As the statement made by the member for Pearce indicated, there were some questions about this issue. The fact is...
at the moment the only commitment made by the government in relation to the RAAF base at Richmond is that it will not close before 2010. Therefore, the members who made up the committee on that day were clearly interested to see whether the $35 million should be spent and would be value for money, given that there is no commitment beyond 2010 for RAAF Base Richmond at this point.

It was reasonably put by Brigadier Hutchinson and other witnesses when they indicated that there was a commitment that went to almost seven years. Indeed, there are immediate occupational health and safety concerns and, of course, the deficiencies in the amenities to which I referred earlier, and therefore the money would be well spent. The need to spend it was impressed upon us. I did also ask of Brigadier Hutchinson and Wing Commander Knight in the hearing:

Have there been any morale problems or concerns with the personnel on the base, given the fact that there is a guarantee of less than seven years?

Brigadier Hutchinson indicated that he would like to pass that question to Wing Commander Knight, who said:

Yes, morale has been affected by the indecision that has been created by the Prime Minister’s statement.

That reinforces the view that there is a need for the government to make a decision on that site. We are slowly heading towards 2010, and the more quickly the government can make a decision so that the personnel—and, indeed, the community at large within the electorate—can be assured that RAAF Base Richmond has a life beyond 2010, the better. Finally, along with the member for Pearce, I thank the witnesses and all those involved, including, last but not least, the secretariat, who have again done a fantastic job in assisting the committee with its deliberations.

HIGHER EDUCATION SUPPORT BILL 2003

Cognate bill:

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

Second Reading

Debate resumed.

Mr LEO McLEAY (Watson) (4.55 p.m.)—The Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 are concerned with the Commonwealth’s funding of higher education. When I look at this legislation, I often wonder if I am in a looking glass or back-to-front land. I read what the government says it is doing with education policy, I think, ‘That doesn’t sound too bad.’ But when you look at the detail in legislation such as the bills before us today you see that it is all quite different. The Minister for Education, Science and Training claimed in his second reading speech:

The government’s vision of education, science and training is that our ambitions and our policies should enable every human being—especially every young person in this country—to find and achieve their own potential.

When you hear that, you think, ‘That’s very sensible.’ But in fact these bills will have the opposite effect if passed without amendment. There is a significant difference between the government and the opposition when it comes to higher education. Our view on this side of the House is that everyone has a right to higher education, irrespective of their ability, or their parent’s ability, to pay. The view of those opposite seems to be that those who can afford to pay have a greater right to higher education than those who cannot. This legislation, if passed as currently formulated,
will have the effect of saying yes to the rich and no to the poor. So much for the minister stating in the second reading speech that the government’s ambitions and policies in this area ‘should enable every human being ... to find and achieve their own potential.’

In this legislation, the government also tries to bring in a number of issues that are completely unrelated to higher education by seeking to tie core operating grants to compliance with government policies on industrial relations. This government has really stepped down to a new low. It strikes me as being typical of the government that, when thwarted in getting its ideology across in a straightforward way—and we hear every day in this House from the minister how its industrial relations bills are being rejected in the Senate—the government then thinks it can be very clever and sets about finding a sneaky way of putting its ideological preferences into practice, going after the economy sector by sector. We saw the government attack the building industry, and now we are seeing it attack the education industry.

Industrial relations matters, such as the enforced introduction of Australian workplace agreements and the establishment of barriers to union presence on university campuses, should not be part of funding legislation. In fact, they should not be part of any legislation at all, in my view. But the government is so determined to kill trade unionism and have everybody on AWAs that it obviously could not resist the temptation to include these matters in the bills before us today. It is no wonder that the universities and others, including the unions that are involved in universities, are up in arms about this issue. It is offensive, and it is a gross interference with the way universities operate. It is forcing the government’s ideology upon them, and the universities are effectively being held to ransom. Unless they agree to these things, they will not get funding. That is what the government is saying, and it is outrageous.

It has been suggested by some that the minister may be willing to compromise on this aspect of the legislation. I sincerely hope he does. But how time wasting to put forward proposals as divisive as these that he knows he will probably have to compromise on in order to get other parts of the legislation through. Years of consultation have gone into the preparation of this legislation. We would all have thought that the government could have got it right and come up with a reasonable piece of legislation—not one that contains outrageous features that the government knows in advance are not going to be acceptable to most people in the university sector and, odds-on, are not going to be acceptable to the Senate. Or, once again, are this minister and his colleagues being too smart for their own good? Is he thinking, ‘I will throw this stuff in just to get them all scared and outraged, then I can make a big person of myself and take it out of the legislation, and everybody will be so happy and impressed by my ability to compromise that they will accept the rest of the legislation without further demur’?

Is that what the minister and the rest of the government is thinking? Is that their tactic? If it is, this is an absolutely ridiculous waste of time and it puts this parliament in a terrible position, whereas those of us on this side who have a genuine commitment to education would like to be able to walk hand in hand with the government and get some decent education outcomes for this country. But when you have these sorts of smarty operations going on in legislation, it makes it impossible for compromise to be achieved.

The government has accused the opposition of wanting no change to the current system or of wanting to throw more money at the higher education sector, but there is much
more to our policies in this area than more money. The Leader of the Opposition and our spokesperson have outlined our policies in the debate on this legislation. In fact, Labor and Liberal education policies, if you look at the published statements about them—as I have said earlier in relation to what the minister has said—seem to have similar aims but very different ways of going about them. But, unlike the government, the opposition does genuinely compare what the government does with what we do. The difference is that we care about the future and we are sincere about investing in Australia’s future by investing in our young people and providing them with opportunities to obtain a full education, thereby allowing them to achieve their potential. The difference between us and the government is that we will increase the funding; we will provide better opportunities; and we will do our best to see that young people achieve their potential.

Some of the government speakers in this current debate have muddied the waters by implying, and sometimes stating outright, that Labor sees universities as the best and only educational option for young Australians. We see the minister in here every day at question time running that line. They then extrapolate from this argument that Labor regards those who do not have a university education as lesser beings or less deserving of support. Nothing could be further from the truth: we want equality of access and equality of opportunity both for poor people and for those who are better off.

Another aspect of this legislation which concerns me is the proposal to deregulate tuition charges for Australian undergraduate students, allowing universities to determine their fees within certain limits. But, as in all legislation put up by this minister, there is a catch in that this limit can be increased by the minister. In other words, the sky is the limit. Whenever the pressure is on universities for more funds in the future, the temptation and the facility will be there to raise fees. The universities may not want to do it, but it may be their only option if they find themselves in need of funds and cannot obtain money from the government or in any other way. This proposal is yet another tricky way for the government to ease its way out of funding and push the funding burden through the university administration back onto the students and their families a la the American system, which many members of the government are very enamoured of.

The government can try to justify its proposals to allow fee increases, but the facts speak for themselves. Average HECS fees have nearly doubled since the Howard government first came to power. Australian universities are already the fourth most heavily dependent on private funding in the OECD—only Korea, the USA and Japan are ahead of us. The changes proposed in this legislation have the potential to give Australia the highest cost public university system in the Western world—a dubious honour and not a situation to be proud of. Public investment in Australian universities is not high, despite what this government would have the general population believe. In fact, public investment in Australian universities is the sixth lowest in the OECD as a proportion of GDP, at 0.8 per cent.

Another bit of sophistry indulged in by some of the speakers opposite relates to the provision of full fee places for a greater proportion of students. If I remember correctly, full fee places were first introduced for overseas students who wished to study certain courses at Australian universities. In 1996 the Howard government announced that universities would be able to enrol full fee paying Australian students. At the time, this amendment was capped at 25 per cent of the total enrolments. The current bill would double the cap to 50 per cent; thus half of all
Australian undergraduates could be full fee paying students. I have heard some of the government speakers suggest that it would be discriminatory not to offer overseas and Australian students the same opportunity to pay full fees for their courses, but how discriminatory is that system towards those who cannot afford to pay?

The universities will become increasingly desperate for funding and will have to take what they can get. If they are inadequately funded by the government, they will have to supplement their funding in other ways. Full fee paying students will be a more attractive proposition than those who need assistance, loans et cetera. Even universities with the best intentions will find that they have to constantly juggle competing demands and academic standards, ensuring that the best students may have to be sacrificed or at least compromised because of the need to attract funds and to take the students who can pay up front in preference to those who are not so well off but who may have greater academic potential.

Universities are not factories; they are not companies; they are not government businesses. They are unique educational institutions where the brightest of our young people should be encouraged to develop and become assets to our society in a variety of ways. I am not saying that universities should not be accountable, but they should not be treated in the way that this government is treating them. The powers that this legislation would give to the minister to intervene in the running of universities, both directly and indirectly, are unprecedented. It must shock and horrify all those who value academic freedom and student choice. I cannot believe that this government thinks it can get away with these outrageous proposals. Without amendment, this bill should be defeated in the Senate.

Mr WILKIE (Swan) (5.07 p.m.)—I wish to speak on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. I am concerned about the possible deterrent effect of increased HECS fees on participation, especially for those from disadvantaged and rural backgrounds. I am also extremely concerned about the potential for the cost being imposed by this government to outweigh the benefits of higher education. Since HECS was first introduced in 1989, there have been a number of studies into the scheme. There seems to have been no detrimental effect on participation due to HECS prior to the 1997 increases. However, it is plain from more recent studies that HECS has affected males from lower socioeconomic backgrounds. Their participation in the most expensive courses has declined by 38 per cent. This is a statistic I believe we should be very concerned about.

As a result of this government’s policies there are already far too many talented people missing out on a university place. Unmet demand for university places for 2003 in my state of Western Australia was in the range of 1,300 to 1,600. We have encouraged young people to stay at school to maximise their potential, only to make it impossible for up to 20,000 qualified, capable Australians to get a university place. These are young, motivated people who have the qualifications and capabilities to achieve a degree but, because of this government’s policies in higher education, are still unable to gain a place in university.

Australia has the second lowest increase in the rate of enrolment in universities in the OECD. The Howard government is not creating enough fully funded university places to even maintain current numbers for the next three years. Australian universities are being forced to cut around 8,000 HECS
places by 2007. The Howard government’s policy of making students and their families pay for the $5 billion in cuts from our universities via the staggering fee hikes is not the way to encourage the uptake of university studies. This action to charge exorbitant fees by the government significantly impacts on our young people, leaving them with HECS debts, at the end of their study time, of up to $50,000.

The education minister has been misleading the public by promising that no more than 50 per cent of places in a university course would be allowed to be full fee places and that all full fee places would be in addition to the HECS places. He now admits that full fee places are going to replace all HECS places in some courses. The minister intends to exempt whole courses from the 50 per cent limit, meaning no public funding at all for some courses and forcing all students to pay full fees. The courses on the minister’s hit list are those that he claims are ‘not in the nation’s interest’. What is in the nation’s interest is apparently entirely up to him.

The Howard government is stopping thousands of Australians from realising their potential and gaining the skills and education they need for better job opportunities. The government’s own figures show that the number of Australians starting an undergraduate degree has dropped for two years running. Due to its own policy, the government is not creating enough fully funded university places to even maintain current numbers for the next three years. Our universities are being forced to cut around 8,000 HECS places by 2007 because the Howard government is not properly funding enough student places. As a result, thousands more school leavers will miss out on a university place over the next three years. By 2008, publicly funded places will not even keep pace with population growth. This means a diminishing proportion of Australians will be going to university because of the Howard government. A responsible government should be creating new full- and part-time university places every year for Australians starting a degree. This would go a long way to meeting unmet demand for university and it would mean more young Australians could get a university qualification.

The benefits of higher education for the individual in terms of employment and income are also evident from the surveys of the Australian Bureau of Statistics. The unemployment rate for people with a bachelor’s degree is 2.7 per cent compared to 9.1 per cent for those people without nonschool qualifications. The earnings for higher education graduates and people with other educational qualifications were $1,108 per week for full-time work and $555 for part-time work. In 2001, the earning capacity for people who had only completed year 12 was $737 full time and $277 part time. I would have thought that the highest taxing government in Australia’s history should be able to work out that these people who are earning more money as a result of their degree are paying more tax over their lifetime than are those who are less qualified. When one compares the amount that the government spends on higher education to the tax receipt the government gains as a result of that higher education, the government has to be in front.

Work done by J. Borland and others showed that, on average, the total gain in earnings over a working lifetime that a graduate can expect is estimated to be around $300,000. Therefore, the $5.3 billion spent on university teaching would ultimately generate approximately $8 billion in additional receipts from the taxes of graduates. The average rate of return to the government from their investment in higher education is estimated at around 11 per cent. Notwithstanding these figures, under the Howard government’s policies on higher education,
cost will become a barrier to a university education, and young graduates will spend a large part of their working lives weighed down by massive debt. This in turn has the potential to cause reduced home ownership, delayed parenthood and an increase in the brain drain. The government policy is to let universities increase HECS fees by up to 30 per cent. These new fee hikes could see average student contributions more than double since 1996. Fees for some courses, like law and veterinary science, could increase by over 240 per cent. Labor will not support any measures to increase fees for Australian students and their families.

Thomas Jefferson described education as the defence of a nation. I believe in that notion and further believe that higher education should be available and affordable to all those who aspire to take part in it. I do not agree with the Howard government’s attempt to create an American style system where money, more than marks, opens up university doors. Under this government since 1998, full fee payers have been able to buy a university place ahead of people with higher marks. Degrees costing as much as $150,000 are available to those who can afford to pay. It is appalling that, for a price, a person can get preferential treatment over those infinitely more qualified.

All Australians should have equal access and opportunity to go to university, based on their ability. Access to university should be based on achievement and potential, not on how much you or your family can pay. The Howard government is intent on increasing the number of full fee paying places so that half of all university places go to people who buy their way in. That means that more university places will be reserved for the wealthy and more $100,000-plus degrees will be bought. The government defends its proposals by saying that this does not mean that only the rich can participate. It is magnanimously offering to introduce a loans scheme, with a six per cent interest rate, to encourage more Australians to pay full fees. Six per cent translates into a repayment of $4,300 in interest alone, over and above the cost of living.

I advocate none of that nonsense but rather merit as the only criterion for admission to university, no full fees for Australian undergraduates and the abolition of real interest rates on postgraduate loans. For seven years this government has been cutting funding to education. Since 1996 it has slashed $5 billion from universities, with Australia’s public investment in universities declining by 11 per cent—a decline greater than that in any other country in the OECD. Average OECD growth is 21 per cent. As a result of budget cuts and falling investment, our universities are struggling to perform at the highest possible standard. Our universities are in a serious state of disrepair, with overcrowded classrooms, insufficient student resources, fewer tutorials and less individual contact. All of this compromises learning for students. Over the past six years the number of students per teaching staff has blown out by 31.3 per cent; at some institutions the increase has been over 50 per cent.

This government should be investing more money in higher education. Instead it has hijacked over $400 million of desperately needed university funding and is now attempting to blackmail universities into implementing industrial relations conditions—conditions that are so unpopular and irrelevant to universities’ core functions of teaching and research that they have caused massive disruptions across university campuses. Under this government we have seen a massive drop in skills growth—from a 28.6 per cent rate of productivity growth in the late eighties and early nineties to just 2.9 per cent in the late nineties, which is a drop of 75 per cent.
The Productivity Commission found that more Australians must attain higher skill levels to raise living standards. There are severe skill shortages in key industries in Australia. The need for more skilled workers in areas like nursing, teaching, multimedia, vehicle trades and metalwork is getting to a desperate level. In spite of this, under this government tens of thousands of talented Australians are being turned away from university and TAFE every year. Despite this, there is no new assistance for funding future growth or meeting unmet demands in TAFE. This government’s policies result in Australians being denied access to the skills they need for a good job. More funding is needed, not less. We need more HECS funded nursing and teaching places, full- and part-time, at undergraduate and post-graduate levels.

The Howard government wants to limit to five years the amount of time a student can have a HECS place. A standard undergraduate degree takes three years of full-time study and a master’s degree takes six years of full-time study. What is the value of offering HECS for five years? Figures show that Australian students already spend the shortest amount of time at university out of any country in the OECD. This limit to five years of study limits people who decide on a career change or who want to upgrade their skills.

Australia’s university system needs investment and long-term reform, not cost cutting and increased student costs. We must support Australians in their pursuit of higher education. This is an investment for all Australians. People with TAFE and university qualifications are more likely to get a good job and contribute to social and economic development. This means benefits to Australians, including higher living standards, a higher tax base, improved productivity, increased business investment and greater skills growth. A wider distribution of these benefits can be achieved by increasing opportunities for people to go to university or TAFE, raising standards and ensuring that cost is not a barrier to study. To achieve this, we have to make a commitment to adequately fund our universities and TAFEs and keep student fees affordable.

Of course students should contribute to the cost of their university study. That is why Labor introduced the Higher Education Contributions Scheme in 1989. But students and their families already contribute a substantial amount to the cost of study. An increase on these levels of contribution risks turning too many Australians away from university. Higher education at universities and TAFEs should be viewed by all as a shared investment which has important public as well as personal benefits.

Ms JANN McFARLANE (Stirling) (5.19 p.m.)—I rise today to speak on a package of bills which are part of the changing landscape of higher education in Australia. They are the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. My Stirling constituents often say to me, ‘What is the difference between the major parties? They seem so similar.’ When replying I point out two major areas that affect the lives of everyone: health and education. The Labor Party has fundamentally different views on higher education than the Howard government. My colleague the Deputy Leader of the Opposition, the member for Jagajaga, has articulated the difference extremely succinctly in the following comment: ‘Labor believes that Australia’s university system needs vision, investment and long-term reform—not just some mish-mash of measures to increase student costs and force universities to fall in with the Howard government’s extreme industrial relations agenda.’
Education is the mortar that holds together the bricks of nation building. Education is responsible for creating the vision, designing it and putting it together. It is the driver of change. Without a world-class education system, there will be serious economic and social effects. It should be the aim of government, regardless of political persuasion, to ensure that Australia’s education system is a world leader. Labor sees all forms of education as an investment in the skills, knowledge and employment of the nation; this should be recognised. People with TAFE and university qualifications are more likely to get a good job and to contribute to social and economic development.

This all seems pretty clear cut, so why is there a difference of opinion between the Labor Party and the Howard Liberal government? The answer is quite simple: a conservative government is scared of change; it stands for the status quo. This Liberal government is scared that, by educating our young people, we will somehow change the social fabric of the nation. It seems scared that, if children from disadvantaged families are educated, they will ask, ‘Why am I disadvantaged? What can I do to make sure that I am not disadvantaged? How can I change society so that I am not disadvantaged?’ So how do conservative governments manage this problem? We only have to look at the current state of our higher education system to get some idea of their strategy. The easiest way is to make it economically impossible for families on low incomes to properly educate their children. This is what the changes introduced by the federal Minister for Education, Science and Training, the member for Bradfield, essentially do.

The problem for this government is that the Australian electorate is a lot more sophisticated than it thinks. People are not mugs. They will not take long to realise that this government has the policy aim of making students and their families pay more. My personal philosophical view is that there should be universal free education. Unfortunately reality dictates that students should contribute to the cost of their university study. That is why Labor introduced the Higher Education Contributions Scheme (HECS) in 1989. Although it was criticised by students at the time, it is generally accepted now that HECS is a reasonably fair way to ensure that people contribute towards the cost of their education.

But HECS has been bastardised by this government. Since 1996 we have seen this government change thresholds, increase the rate of payment and make a whole range of other changes that have increased the burden on students and their families. Students and their families already contribute a substantial amount to the cost of study. Student fees and charges make up nearly 40 per cent of university education costs, up from 25 per cent in 1996. Continuing to increase these contribution levels creates the risk of turning too many Australians away from university. Labor see university income as a shared investment that has important public as well as personal benefits.

What is the current situation? I will outline the problems facing the sector and also examine the effectiveness of the Howard government’s response to these problems. Oppositions are often criticised for not offering a different policy alternative. In this debate I will outline what Labor would do if we were elected at the next election. There are not enough HECS places in our higher education institutions. Too many talented young people are missing out on university places. Each year, over 20,000 Australians miss out on studying at university even though they are capable, qualified and motivated to further their education. So over a five-year period, 100,000 people are being denied the chance to make a meaningful contribution to
our society, and our society is being denied their contribution.

How do we compare with our major trading partners and competitors? According to the OECD’s *Education at a glance: 2003* report, Australia has the second lowest increase in the OECD in the rate of enrolment in universities. This is a disgrace and it is an indictment of the policies of this government. How is this in the national interest? It is a fact that universities are being forced to cut around 6,000 HECS places by 2007 because the Howard government is not properly funding education. After 2007, publicly funded places will not even keep pace with population growth. A diminishing proportion of Australians will be going to university, due to the Howard government’s policies.

What will Labor do to address this serious problem? The Deputy Leader of the Opposition recently released a policy called Aim Higher. This policy is available on the ALP web site at www.alp.com. I will just give my constituents a brief overview of the policy. Labor will expand the opportunities to get a TAFE or university qualification by creating 21,660 new full- and part-time commencing university places each year by 2008, to be distributed throughout Australia; create 20,000 new full- and part-time commencing TAFE places each year by 2008, to be distributed throughout Australia; and provide $35 million to support secondary school students from disadvantaged backgrounds to progress to university or TAFE.

Labor will ensure fair access to affordable tertiary education by not increasing Higher Education Contribution Scheme—HECS—fees, by not deregulating HECS fees, by not introducing real rates of interest on loans for postgraduate courses, by abolishing full fees for all new domestic undergraduate students, by relieving the financial burden on students and new graduates by extending rent assis-tance to Austudy recipients, and by reducing the age of independence for students on Youth Allowance to 24 in 2005 and 23 in 2007. Labor will also increase the HECS repayment threshold to $35,000 per annum in 2004 and address national skill shortages through a variety of measures, including reducing HECS fees for science and mathematics students and funding extra places for teaching and nursing. These are only a few of the measures that Labor have outlined in our Aim Higher package.

Our education system needs a boost. I would like to quote from a media release from the Australian Council of State School Organisations:

Governments have a primary responsibility to address educational disadvantage—not ideological preoccupations. What we urgently need is a coordinated approach by all Ministers to put in place funding policies that close the resource gap between the educationally rich and poor. When total funding for non-government schools is greater than that provided to our universities then it really is time to take a very hard look at the way governments distribute their educational dollars and the accountability required by taxpayers from those receiving that government funding.

We do need to close that gap. If we do not close that gap now, it will become insurmountable for a lot of families. This would be a national tragedy.

Let me localise this debate for a moment. I do not have a university campus in my electorate of Stirling, but this does not mean that my constituents do not participate or have not participated in higher education. At the time of the 2001 census, 5,460 of my constituents were studying at university or another type of tertiary institution, and a further 3,975 of my constituents were studying at a TAFE. If you add these figures together, the total is over 10 per cent of the total number of electors in the Stirling electorate. This is a large percentage of people to kick—but
kicking them is exactly what this government is doing through its introduction of full fee places. These are great for those who can afford them, but for those who cannot it sets the bar even higher, especially in cases where universities are going to be able to charge fees on top of HECS places offered. This will create a two-tiered higher education system.

How does this affect Stirling families? Most of my constituents have heard about the $100,000 degrees that these changes will introduce. I recently visited some students at Balcatta Senior High School and Tuart College with the Deputy Leader of the Opposition, Jenny Macklin. At both of these institutions we had sit-down discussions with year 12 students. I was amazed by some of the students’ comments; they were saying exactly what Labor had been saying. They identified the concerns that I am trying to highlight in this debate. How can they afford this education? The simple answer is that they cannot.

What these changes will do is increase the burden on the family unit. Kids will have to stay at home longer because they will not be able to afford to live away from home. We are already seeing children stay at home longer; this will just exacerbate this trend and put a further financial burden on parents. As a mother of two children who have studied and are still studying at university I know first-hand that this can be a financial strain. The loan proposals of this government also need some serious scrutiny. Unlike the current HECS system, in which money is paid back through a person’s tax, this scheme is more like a commercial loan. The fact that commercial interest rates are going to be charged raises serious issues about how this loan is going to be treated.

I am extremely concerned that the following scenario may occur. A student leaves home at 23 with a law degree and decides to buy their first home. The student goes to the bank and is refused a loan because a $100,000 student loan exists and the bank says the student has to repay that loan before being able to get a loan for their first house. What is the solution? Under this Liberal scheme the student is forced to live at home for another seven years until he or she has paid the loan off. Again the poor parents have the financial strain of their child living at home until the parents are close to retirement age. Not many families in my electorate would be able to afford this situation. This government’s package not only makes it impossible for low-income families to send their kids to university or TAFE, it also makes it difficult for middle-income families. There are many other issues I could go into, such as the university in Western Australia cutting courses for small numbers. If the government is serious about higher education, it will support Labor’s foreshadowed amendments. With those amendments I commend the bill to the House.

**Mr Murphy** (Lowe) (5.30 p.m.)—I support the shadow minister’s foreshadowed amendments and oppose the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 and register the protest of thousands of high school students, university students and hardworking families in my electorate of Lowe and across Australia, who are deeply disturbed that, as a result of this bill and the Howard government’s failure to adequately support and invest in higher education, their children will not receive the educational opportunities they once possessed.

Shamefully, the Howard government is determined to withdraw its commitment to affordable and fair access for all Australians to opportunities for higher education—opportunities in higher education that Austra-
lian parents understand are crucial to realising their children’s potential and that Australian industry understands are essential to Australia’s future prosperity. I am saddened and disappointed but not surprised by the government’s decision to cut investment in higher education in Australia. I am shocked by the government’s decision to severely increase the cost burden on students and their families, which will limit the number of public university places and replace those enrolments with an American style system where money, more than marks, opens university doors.

That is why I am pleased to support the substantive amendments to be moved by the Deputy Leader of the Opposition and shadow minister for employment, education and training, Jenny Macklin, which remove the worst aspects of the proposed legislation and give effect to key elements of the opposition’s education and training policy. Aim Higher, which represents an investment in Australia’s future by supporting fair and affordable access to higher education. The key elements of our policy include: removing the 30 per cent increase in Higher Education Contribution Scheme fees, removing provisions allowing full fees to be charged to Australian undergraduate students, increasing the number of fully funded and part-time places by 20,000, and increasing the HECS repayment threshold to $35,000 in 2004-05.

Higher education is an investment in Australia’s future that should create a workforce that can meet the skill and training requirements of Australia’s economy and highly specialised work force. Australians expect the government to ensure universities are filled with students with the greatest talent and potential to benefit from that learning experience. A university place is meant to be earned—a reward for student effort and family commitment as measured by results, however imperfect that measure happens to be—not a privilege based only on their ability to pay $50,000 or $100,000 fees. A place in a university should not be conditional upon a student’s ability to manage a mortgage-like student fee debt.

The minister for education’s answer to my question on notice No. 952 on 22 October last year revealed that almost 7,000 students from my electorate of Lowe already have a HECS debt and, in addition to them, over 11,000 people living in my electorate are repaying a HECS debt. The Howard government has hit these students and their families with a shocking increase in fees and, as a consequence, a debt burden. The government is forcing them to make up for its $5 billion cuts in higher education. Since 1996, student debt has more than doubled and has blown out to more than $9 billion.

Hardworking families in Sydney’s inner west and across Australia, who are working to provide their children with the best primary and high school education they can and encouraging their children to study hard, do so expecting their government to at the very least match this commitment and ensure university places are determined by merit not privilege. Shamefully, the Howard government has instead cut investment in higher education and ensured that cost and the ability to pay is a barrier to a university education and that young graduates will spend a large part of their working lives weighed down by a massive, mortgage-like debt.

The consequences of the government’s failure to support fair and affordable access to higher education, and the burden this places on students and families, mean more and more young Australians are unable to buy their own home. They are delaying having children, which has given rise to our negative birthrate. This is a serious threat to our economy unless we promote more migration. A Labor government will address
Australia’s skills shortage by reducing HECS fees for science and mathematics students by $1,600 per year and by funding an additional 1,100 new commencing full-time and part-time undergraduate teaching places.

Australian families deserve a federal government that will support their children’s achievements, not abandon them by creating enormous student debt and ensuring universities have little choice but to charge full fees. Under the Howard government, far too many talented young Australians are missing out on a university place. Universities are being forced to cut around 8,000 HECS places by 2007 because the government is not funding enough places. These bills will ensure there are not enough publicly funded places, making it even harder for those students relying on their talent and hard work for a place and easier for those students lucky enough to be able to afford to pay five- and six-figure fees. This is disgraceful.

The crisis in higher education is explained in the National Union of Students’ August 2003 submission to the Senate’s inquiry into higher education funding and regulatory legislation. The submission highlights the degree to which the government is increasingly relying on higher student fees and debt:

The share of total university revenue contributed by the Commonwealth fell from 57.2% in 1995 to 43.8% in 2001.

At the same time:

Treasury has re-calculated that the accumulated study debts on graduates will have reached $13 billion by 2006-7, and will balloon out as more students incur the increased HECS-HELP and FEE-HELP debts.

Unfortunately, the Howard government sees higher education as something which must be reserved for the privileged who can afford to buy one. Australian families in my electorate and across Australia understand that higher education is an investment in the skills, knowledge and employment of young Australians. We share that understanding and will always promote fair and affordable access because Labor believe education is a shared investment, with important public as well as personal benefits. Privately, it means increased skills and better jobs, but there are public benefits for all Australians in higher living standards, business investment and improved productivity.

Labor believe that students should make a contribution to the cost of university study, which is why we introduced the Higher Education Contribution Scheme in 1989. Students and their families already contribute a significant amount to the cost of their education. Student fees and charges make up nearly 40 per cent of universities’ income, up from 25 per cent in 1996. The Howard government’s main policy objective, as illustrated by these bills, is to make students and their families pay even more.

In contrast, a Labor government will ensure adequate university funding and fair and affordable access for all students. This commitment to support fair and affordable access is acknowledged by the Australian Vice-Chancellors Committee in a September 2003 document titled Fairness and flexibility: ensuring sustainable Australian universities for the future—the AVCC response to ‘Aim higher: learning, training and better jobs for more Australians’, the higher education policy of the Australian Labor Party. The fourth paragraph on page 3, titled ‘Support for access’, reads as follows:

A major part of the Labor plan is to increase the number of funded places in universities to meet demand pressures and future expectations for higher education provision. In addition to properly funding 25,000 places (presently partly funded) Labor is committed to funding a further 32,000 places by 2008. This represents a major commitment to access, and should go much of the
way to ensure that all eligible Australians can find a suitable university place. Australia desperately needs a Labor government to restore merit as the primary criterion for getting a university place and ensure access to university remains affordable. Aim Higher will relieve the financial burden on students and new graduates, address the national skills shortage and ensure higher education is equally and fairly accessible to any student who has achieved the results required, rewarding students and their families for their hard work.

Mr RIPOLL (Oxley) (5.39 p.m.)—Never before has a government done so much to hurt so many people for so little in return. Before coming to the chamber to speak on these very important bills—the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003—I was trying to crystallise in my mind just what these bills represent, and my opening sentence was the one sentence that kept coming into my mind. Why is it that this government is bent on destroying the future and dumbing down our young people? Every single one of our young people deserves the opportunity and the right to have a decent education, whatever they choose that decent education to be. This government does not have the right to take away from them their hope and their chance to get into university if that is what they want to do—there is no way that this government has the right to do that.

The titles of the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 are more examples of the traditional doublespeak of this government, which gives titles to bills that do not represent in any way, shape or form what the bills are about. These are higher education destroying bills and higher education dumbing-down bills—these bills do nothing to support higher education or the young people of Australia. These bills destroy the great Australian dream that you can do better than your parents did, be the first in your family to go to university and do better than others did before you. That is the great Australian dream and that is what young people want—the opportunity to be able to do that. But there are no measures in these bills at all that go anywhere towards actually being able to deliver that.

Labor, on the other hand, has an alternative—Labor has a solution; Labor has a plan to actually deliver to young people what they deserve. Over the last 7½ years that the Howard government has been in power we have seen an increase in taxes—it is the highest taxing government in history. We pay more for our services, health and education and we get less in return—that is what this government has delivered. It has delivered suffering to ordinary Australian families and suffering to young people who, because they have no choice, are losing their hope and not going to university—this government will not allow them to get there.

The Howard government have cut over $5 billion in funding to education. We are now the sixth lowest country in the OECD when it comes to public spending on education, and that is because the government do not believe in investing in all Australians; they only believe in investing in some Australians—their Australians, not all Australians, as was promised by the Prime Minister when he was first elected. Since the government were elected, costs have risen for students by 85 per cent, class sizes have gone up by 30 per cent and student debt is at a record high of $9 billion and will be climbing in the next few years to $13 billion. This means in practical terms that a young person studying and loading themselves up with the sort of debt that will be necessary for them to be able to go to university will never have the opportu-
nity to buy a home. They will never have that start in life that maybe their parents had or other people have got.

What do the government do in response to that? They deliver with a gleeful smile a $4 ‘sandwich and a milkshake’ tax cut and say to people, ‘You should be happy with that; that’s all you’re going to get’—a measly $4 ‘sandwich and a milkshake’ tax cut, using the words of their own minister at that time.

**Mr Hockey**—When did you last give tax cuts, you mean miser!

**Mr RIPOLL**—It is a tragedy that this government is putting a tax on education. It is a tax on young people and a tax on our future. As always when I speak on these issues you get a minister in here who gets all upset because they hate hearing the truth and hate being reminded of what they are actually doing. They can do it as long as they put on their earmuffs—just do not tell them too loudly exactly the sort of damage they are doing to young people in this country.

The Minister for Education, Science and Training turns around and asks, ‘But why won’t Labor support full fee paying places for Australian students? We allow it for overseas students, so why won’t you treat Australian students just like overseas students?’ We do not want to treat them in the same way, because they are different. Australian students and their families have paid taxes in this country all their lives and Australian students will pay taxes in the future after they graduate—lots of taxes and lots of revenue to the government—

**Mr Hockey**—You are the high-taxing party!

**Mr RIPOLL**—Overseas students do not pay taxes. They pay a premium to come to this country just to study. That is the difference, Minister—that is what it is about and that is why they should be treated differently. But you probably already know that; you are just never going to admit it publicly. On top of that, what do we see the government doing? What is its incentive? It wants to increase university fees across the board by 30 per cent. It says it is going to cap it at 30 per cent, but it quite cleverly forgot to actually put in the legislation that it is capped. So it is going to run wild, it is going to run free. It will not be just 30 per cent. It will be whatever the vice-chancellors and the universities decide. It is also up to the discretion of the minister. He can direct that entire courses be full fee paying. We also have the Vice-Chancellor of the University of Melbourne saying that university courses will cost $150,000.

Labor will not stand for this. Labor will not accept that this is the future that young Australians have to live with. This is not the future that their parents have worked hard for—that all Australians have worked hard for. We often hear the minister rambling on in this place about people who will never see the inside of a university. Do you know what their great contribution is? Maybe they will not see the inside of a university, but maybe their children will. There is nothing wrong with that—not everyone has to go to university. But, if they want to do it, they should be given the opportunity, and they should be given that opportunity based on merit—on deserving to go. This is the great Australian way. This is what we are about as a people, a nation and a culture. If you deserve something based on merit you can rise up—you can become anybody you want to become in this country. But you can do that only if you have a government that supports you through legislation and actually does something positive to help you through. That is what this government should be doing—not what it has done with this legislation.

All families want is a fair go. I have not talked yet about the impact on families. If you have a young family with kids growing
up and you hope that one day they will go to university—maybe you have not been, but you would probably like your kids to go—what is the impact on you? You had better start saving your money now, as if you were going to buy another house, because that is the sort of money it will take to send your kids to university. Is this the future that we want for our children?

What Labor will do is abolish the increase in fees. We will make university affordable and we will not support real rates of interest on loans for students. This government wants to slug students. If you are a student and you borrow $50,000, the government wants to slug you with real interest rates, and you will not be able to pay that back until you have paid your HECS; and if you work it out, that is going to take you 20 years. You will be in debt to this government for the rest of your life—but only if you cannot afford it. If you come from the northern suburbs of Sydney and you are rolling in dough, you buy yourself a university degree. You can actually buy yourself one. If your dad is a lawyer or a doctor, then lucky for you. But if your dad is not, then what do you do? You work hard at school and all you ask of the government is that they are supportive and that they give you a chance and a hope. That is all you want. If you work hard and get the grades, you should be given the same opportunity as someone from those rich, northern suburbs of Sydney. Just because they can buy a degree does not mean that you should miss out on a place. That offends me and I know that it offends many families.

What we are talking about is giving people a fair go—a real shot at making a decent life for themselves. We know the statistics. The jobs of the future have not yet been imagined. We do not know what they will be. But I can tell you this: if you work hard at school and you want the opportunity, you should get the opportunity and be allowed to get into university so that you can achieve your dreams and do whatever it is you want to do. If you want to be a doctor or a lawyer—anything you want to do—you should be given that opportunity. If you want to become an apprentice or if you want to get job training, you should be given that opportunity. This government should be supportive of young people and give them the opportunities which they deserve and have worked hard for. As I said before, this is the Australian way, this is the Australian fair go, and this is the fair go that is being ripped away by this government.

Labor will do something positive. Labor will allocate 20,000 new places for TAFE. This is not just about university. Many young people want to go to TAFE and get an apprenticeship. I did one myself. I went through the TAFE system and got myself an apprenticeship, which gave me the base and the ability to go out and do other things. It gave me a rock-solid base of a career and a trade behind me. If it were not for that opportunity, I might never have gone to university. That is all I asked at the time. The only reason I got to university was because we had a HECS system in place that allowed me to go to university and pay it back later through my taxes—which I did happily because it gave me a huge opportunity in life to seek out the things I wanted to do. I want that opportunity for every single child in this country, and this government should not take it away from them.

Mr JENKINS (Scullin) (5.50 p.m.)—These two pieces of legislation, the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003, are part of a package by this government to institute their fundamentally flawed strategy for improvements in Australia’s higher education system. They are fundamentally flawed because the prime element is to
champion private provision over public provision. That is the clear difference. As in other areas of public policy, that is the clear difference. If we look at health, it is the same story—an emphasis on private provision over public provision.

Labor do not believe that that is the way to go. Labor believes that higher education is a shared responsibility. We believe that there should be public provision of resources and a responsibility by individuals to make a contribution. But this government, with its expectations of the way in which individuals must provide, has gone too far. Especially since the 1997 increases in HECS, the proportion that we expect to be provided by individuals has become a disincentive.

This whole debate characterises the fundamental differences in the way in which we look at public investment in higher education. The minister would have us believe that, because there is an advantage to individuals, others are being asked to pay through their taxes for something that is purely for the gain of individuals. This decry the notion that an investment in higher education is an investment in a public good. It decry the benefit that arises to the nation out of an investment in its human resources.

During this debate today—and as we go forward into an election where this will be one of the topics of discussion and one of the things that help people make decisions about their vote—we see this basic difference: a lack of understanding that, through the involvement of government in properly resourcing the higher education sector, we are increasing Australia’s advantage in a whole host of areas. We decry the view that an investment in our human capital is of the same nature as our investment in physical and other capital. I find the most infuriating and annoying aspect of the debate is that the government genuinely cannot see the outcome of a properly funded higher education system.

Labor support a merit based education system whilst believing that people who face disadvantage have an equal opportunity to access education. The Howard government are stopping thousands of Australians who are capable, qualified and motivated from realising their potential and gaining the skills and education they need for better job opportunities. As I have said, Labor see higher education as a shared investment which has important public as well as personal benefits. Why should it be that this package is based on somebody having the ability to pay, and therefore the ability to access education, to get that personal benefit? As a result of the initiatives back in the Whitlam days, we saw higher education as something the whole community could aspire to. As has been said in this debate, many people who are at universities today are the first generation of their families to have access to universities. If we increase the impost on that generation, regrettably they may be the only generation of those families to have access to higher education.

As the opposition have emphasised throughout this debate, further education—whether it be TAFE, university or even courses at a community level, such as the University of the Third Age—is all part of lifelong learning. We recognise the importance of education being a continuum and, that we should not look upon each of these stages or each part of a person’s education as being the be-all and end-all. As has been stated on many occasions, students who are embarking upon their early primary education will end up in jobs that we have not even thought of. But once they get into the work force they are likely to have a working life that is characterised by changes of job. For each of those changes they will require an upgrade of their skills or will need to
learn new skills. At this point in time we are preparing students through primary and secondary education to have continuing lifelong education.

Regrettably, since 1998, full fee payers have been able to buy a university place ahead of people with higher marks. Now the government proposes through these measures to allow universities to increase the cost of HECS courses by 30 per cent and to double the allowable number of full fee places by 50 per cent. Student fees and charges already constitute 40 per cent of Victorian universities’ income and, on a national level, 37 per cent of universities’ income. Students are already paying for this government’s failure to properly fund higher education. The government wants to introduce a loan scheme, called HELP. Help? It is far from being a help. The Higher Education Loans Program, with a six per cent interest rate, will not encourage more Australians to pay full fees, as is its purpose.

The Australian Nursing Federation has expressed its concern that under the government’s proposals nurses who go on to specialise in areas such as midwifery, mental health or emergency nursing could face debts of $37,800 or more, adding to the already adverse effects that the current education debt is having on specialist nursing numbers and Australia’s health system. Remember that this $37,800 debt arises as students are obliged to repay their outstanding HECS debt first, before they can gain access to the full fee loan that they would be taking out for their postgraduate qualifications. It is a full fee loan that would grow at six per cent a year. That means somebody studying for a specialist nursing degree would have to pay over $4,300 in interest alone, over and above the cost of living. Postgraduate degrees allow people to refine and specialise their skills. Having to pay market interest rates could hardly be a bigger disincentive to upskilling.

Remember these people are likely to be doing it at a time when they are still juggling other commitments family and work.

Australia has severe skill shortages in a number of industries. We only have to look at the Department of Employment and Workplace Relations’ own figures. In a document for 2003, areas such as nursing, teaching, multimedia, vehicle trades and metalwork are highlighted. There is hardly a speciality that is not listed in this National and State Skill Shortage List for Australia 2003. Let us look at secondary teachers: manual arts textile studies, math, physics, chemistry and general science are listed. Today the Science Meets Parliament program is in Parliament House. An article in the Canberra Times, headed ‘Science degrees in decline: report’, states:

A leaked draft of a Federal Government report on science and innovation admits that there has been a “relative and absolute decline” in university degrees in science and engineering since 1995.

It ranks Australia 16th among OECD countries for gross expenditure on research and development relative to its Gross Domestic Product.

The reports says that the impact on the quality of Australian science has declined relative to other countries. Science should be something that we celebrate. It is an area of endeavour that Australia has a fine record in.

There are other measures that we can talk about in the context of this debate. The opposition, through our policy Aim Higher, have set out a whole raft of measures that we see as being very important to the way in which we develop our skills as a nation. This legislation does not go to those areas. It does not go to the areas which we see as being very important, such as increasing the numbers of nursing students and increasing the numbers of teaching students and the types of things that would address those shortages.
It does not recognise the community benefit of institutions like those immediately in the area of my electorate—RMIT Bundoora Campus and La Trobe University—and the way in which they impact upon the local regional economy.

Labor recognises that in outer suburban areas like the electorate of Scullin universities are key elements in the way in which local economies develop. Through the community engagement fund that we have outlined in Aim Higher we would establish a $150 million fund to support regional, rural and outer suburban institutions in leadership roles in their local communities. That is so important. The nursing faculty of RMIT has a relationship with the Northern Hospital to teach graduate diploma students. There is a win-win benefit for both those institutions.

Simply put, this package is fundamentally flawed. It does not address the types of ills that have developed in higher education in Australia. It does not redress the $5 billion worth of federal government resources that have been ripped out of the sector. It is something that we reject and unless these pieces of legislation are dramatically amended we will oppose them not only in this House but also in the other place because they do nothing to benefit Australia as a whole or the individuals that aspire to higher education.

Mr WINDSOR (New England) (6.01 p.m.)—I rise tonight to speak on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. I must say that I am disappointed. I had assumed from the early discussions that were taking place in relation to this legislation that the government’s intention was one of real reform to a process that has been wound down over many years. Most people, including the government, would recognise that there has been a withdrawal of something like $5 billion in funds since 1996 from the tertiary education sector.

Very early on in the piece it was said by the minister and others that the intention of the reform process was to improve the lot of universities so that they would be better off under the reform document than they are at present. Sadly, that is not the case, and I will spend a little time talking about the university within my electorate—the University of New England.

Mr Price—A fine university.

Mr WINDSOR—It is a fine university, as the honourable member mentions. I had the privilege of being able to attend that university and I have a son who is attending that university currently. I also happen to be on the council of that university, which is one of the things that the legislation would like to take care of—it would remove politicians from the councils and the governance of universities.

But before talking about those sorts of things, we all should agree—we say in public, anyway—that education and health are the prime priorities of government, of this parliament and of ourselves as parents and members of society. Particularly given that we are in Anti-Poverty Week—and I spoke to the various health professionals at a conference on Monday in relation to some of these issues—we would all agree that education provides the opportunity for people to remove themselves from the poverty trap. Education, as many members have said—both on the government and opposition sides—is an investment in our children’s futures. It is an investment in human capital.

Even if we take a fairly economic line in relation to the way we look at education, if you invest in human capital and those people go on to have income levels above the norm they become contributors to the taxation sys-
tem and there are quite massive returns in the economic sense. But we should look at education in a far broader way and look at the opportunities that it gives our children. Given the chance, people who may not otherwise be able to attend tertiary education facilities gain an opportunity to move on in life. I was one of those students, I guess. I lost my father when I was young. Not coming from a very wealthy family, I was fortunate enough to obtain a Commonwealth scholarship in 1969 and attended the University of New England, which gave me a whole range of opportunities and opened a number of avenues to where I could go in life. In that sense, I would be hypocritical if I in fact supported this legislation—and I will not be supporting this legislation.

There are a number of features in the legislation that make it doomed to fail not only in this chamber but in the other chamber as well. These include the tying of some of the industrial relations arrangements, the student union arrangements and even some of the governance arrangements—which are a state responsibility—to funding. The involvement of those three things, which really should be separate to the heart of the legislation—which is about funding for the future of these universities—should have been handled in a different fashion.

I feel a little sorry for the minister, Brendan Nelson, because he has been railroaded a bit on these particular bills because there is some philosophical dogma running through the legislation. Tying the $404 million funding block grants to the acceptance by universities of some sort of strategy to deliver industrial reform is not really what we should be debating here tonight in terms of the substance of this legislation.

I think, rather sadly, that someone within the government has determined that they are going to introduce a piece of legislation which has some money tied to it—which the universities are crying out for because they have been underfunded for many years. By tying some of these other provisions to the bills, we will see the legislation fail in the Senate in the form it is in at the moment, and that will obviously create some pain. I do not think there is any way in the world that this legislation, even in a modified form, will be available for universities to move into the next year. I think this legislation is doomed to fail in its current form, and that is very sad. If it had been attacked in other directions and the industrial relations reforms—the student unionism reforms—were addressed in other forms, maybe the legislation would have had a better chance of getting through. In my view, this legislation creates a two-tiered system. Particularly in regional Australia, we are seeing too much of that at the moment.

Ms O'Byrne—I wonder what Peter and Lindy think about it.

Mr WINDSOR—That would depend very much on the income circumstances of Peter and Lindy. Peter and Lindy have two children—one who was identified today: a boy child called Ronnie, apparently. If they lived west of Narrabri, for instance, and they sent young Ronnie to the University of New England—

The DEPUTY SPEAKER (Ms Gambbaro)—Member for New England, bring it back to the topic.

Mr WINDSOR—if they sent Ronnie to the University of New England, they would have some large accommodation expenses at the university. There are costs that country families have in relation to sending their children to university and there are also administrative costs that universities in the country have which are quite different from the costs of universities in the major metropolitan areas—the big eight. I appreciate that
the Minister for Education, Science and Training has tried to address those costs through some of the transitional fund arrangements and also the regional loading but, as more and more people get put into the regional loading arrangements, it will be difficult to ascertain whether universities are going to be better or worse off than they were before.

On the surface it seems that the University of New England will in fact be worse off, particularly if the industrial relations component of the legislation does not get through the parliament—and I do not think it has any chance in Hades of getting through the Senate. That would mean that the University of New England would be worse off under this legislation than it is currently. For that reason alone, I will not be able to support the legislation. I do however thank the minister for his attempts to remedy the regional loading and for the inclusion of external students, to which the University of New England is a major contributor through its distance education. When we ran the numbers, we saw that did have a significant influence on the viability of the university. It has made a significant difference, but not significant enough to make this package represent what was promised six to 12 months ago—that all universities would be much better off under the reform process—and that is sad.

We are talking about $1.5 billion in funding over four years. But that is an absolute pittance. When you have had the extraction of $5 billion over the last seven years, we are not even talking about $400 million a year to go into the system. Currently we are looking at a surplus of somewhere between $5 billion and $7.5 billion that could be available to be spent. I would have thought that the key area that the government would be concentrating on—and a way in which they could actually get this legislation through the parliament—would be to start putting more money into the higher education sector.

It is obviously not enough money in terms of the block grants and the regional loading provisions. It relies very heavily on the capacity of families and students to pay increased fees. In that sense, it runs the risk not only of creating a two-tiered system, because the elite students from country areas will be the ones who will be attracted to the major metropolitan areas, but also of the universities that feel that they cannot increase the fees by the 30 per cent limit being seen as the poorer cousins. That leads into a spiral of not being able to attract the elite teaching professionals and not having the capacity to pay, and we end up with this almost self-fulfilling prophecy of the feedlot in terms of education. I do not think the big eight would be terribly opposed to that. They would probably suggest: ‘Why don’t we close some of these smaller universities and they can all come to Melbourne, Sydney and Brisbane and be educated there?’ I think it is a very sad view of the future if we do in fact go down that road.

There are a number of issues that I will go through. I spoke of the regional loading. It has improved but should at least be doubled. The governance provisions are doomed to fail once again. I do not have a particular problem if I am thrown off the university council as a representative, but I do not see that having a couple of members of parliament on a university council is necessarily a bad thing. I think it gives input from the governments of the states in which those universities reside. I see that as a red herring and it probably will be thrown out in the Senate as some sort of bargaining chip. Tying industrial relations to the grant funding is, to start with, fairly stupid. I think even most of the vice-chancellors are opposed to that. All it will do is infuriate a lot of people who can make flexible contractual arrange-
ments and other arrangements about their employment anyway.

The students, in particular, have problems with the increases in the HECS fees and some of the loan arrangements—but I will not get into that. I know there is a lot of concern about the capacity for the government to involve itself in the course mix arrangements of universities. It seems to be a bit of an indicator of this current government’s position on controlling various agendas. I would have thought that encouraging universities to be places where students have the freedom to learn, to express themselves and to look at a whole range of issues during that particular part of their lives would be something that all governments would be pursuing. What we seem to have here is a control mechanism being imposed on the availability of courses—a whole range of checks, blockages and control mechanisms to be built into the system through this legislation.

Indexation is another issue that has been raised by the vice-chancellors in particular. It seems odd that for school funding we have an indexation factor of 5.8 per cent whereas for universities it is something like 2.1 per cent. That needs to be remedied; otherwise in a few years time we will all be back here again arguing the same sorts of things about the smaller universities not being able to survive and the bigger ones not having enough freedom—we will have to go through the whole arrangement again.

I congratulate the minister on attempting to come to grips with overenrolment. I think there are something like 12,000 new places in this package. The government has extended the tolerance band from two to five per cent which will make a difference to a number of universities and is a positive step. Student unionism, as I have mentioned before, is going to be negotiated in the Senate. Why it is here to start with is beyond me—I guess it is an overhang from Tony Abbott. The student body at the University of New England, for instance, has done a tremendous amount of work. It is a commercial body that has injected an enormous amount of capital. It has provided not only jobs for many students but also cinemas, and it owns one of the hotels. It has been a very successful commercial operation, and I am sure that the majority of students at that university are quite comfortable with the arrangements.

I have never been a member of a union and I am not particularly fussed with unions, but I do not see student unionism in the same light as some people who see student unions as being some sort of trade unions. I think they are completely different, particularly in regional circumstances where they make an enormous contribution to the operation of some of the other facilities at universities. I understand that the opposition is proposing some amendments. I will be looking very closely at those amendments and possibly supporting some. I make it quite plain to my electorate and to the parliament that I will be opposing the legislation.

Ms O’BYRNE (Bass) (6.17 p.m.)—New York Supreme Court Judge, Justice Leland DeGrasse, once said: Poverty, race, ethnicity and immigration status are not in themselves determinative of student achievement. Demography is not destiny. The amount of melanin in a student’s skin, the home country of her antecedents, the amount of money in the family bank account, are not the inexorable determinants of academic success.

I believe that Justice DeGrasse would be as disappointed with this government’s attempt at higher education reform in Australia as many Australian’s currently are. Labor does not support this legislation—the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003—in its current form and will only sup-
port it with significant amendments. These amendments include: the removal of the proposal to deregulate university fees, the removal of the provisions allowing full fees to be charged to Australian undergraduate students, increases in the number of funded places, the removal of the industrial relations conditions on Commonwealth Grants Scheme funding, and an increase of the HECS repayment threshold to $35,000.

Contrary to the government’s hollow arguments about the need for greater flexibility in university regulation, this legislation centralises control. It gives the minister increased and disproportionate discretionary powers. Members of this House who have already spoken have identified the biggest impacting factor on students as the proposal to deregulate the Higher Education Contribution Scheme fees. This will allow universities to set their fees at a rate that is 30 per cent higher than the current capped rates. Such an increase will rule out the chance of a university education for many from low-income families. I am the product of one of those families—my father was a painter and my mum was a cleaner. The first members of my family to go to university were my brothers and I. We would not have had that opportunity if we had had to pay these sorts of fees.

The cost of tertiary education has meant that students will incur a dramatically increased debt if they go to university. Debts hanging over students for many years will undoubtedly have an impact on their ability to make financial investment decisions later in life. This is not the first time that this crowd has hiked up university fees. This government has already increased HECS fees by 85 per cent since 1996 and now it wants to slug students and their families with an additional 30 per cent increase in fees. This is almost a doubling of fees in only seven years.

I, along with the shadow minister for education, employment and training, recently had the opportunity to speak to a group of year 11 and 12 students in my electorate about what they believed to be the biggest concerns in choosing how they were going to manage their further education. Overwhelmingly, they told us that it was not their academic performances, or even the academic performance of tertiary institutions, that were the defining factors in their choices; it was the cost and whether their parents could afford to help them. Too many Tasmanian families are feeling that they are failing their children because their bank balance just does not add up to what this government is going to require. Some students said, ‘I’ve got two or three older brothers and sisters and there is no way my parents will be able to afford to pay for all of us so it is just not an option.’ This should serve as a wake-up call to this government.

Students and their families need assistance, not a government that is out of touch and uncompromising. Students need financial support to help them achieve their goals, not major increases in fees that will place them further and further in debt before they even have an opportunity to start their adult lives. In my electorate of Bass only 30 per cent of students in matriculation go on to university. This is in comparison to some wealthier cities where many schools have 90 per cent or more of their students going on to university. This increase in the amount that students and their families are expected to pay comes on the back of figures recently released by the Commonwealth Department of Education, Science and Training which show that students are already propping up universities financially because of increasing funding cuts by the Howard government. Student contributions as a proportion of universities’ income rose from 25 per cent in 1996 to 37 per cent in 2002. If further fees
are imposed then these figures show that student fees and charges will eventually overtake government funding as the single greatest component of universities’ revenue.

At the same time, government funding fell from 57 per cent in 1996 to 40 per cent in 2002—the lowest level of government contribution since the Commonwealth government assumed responsibility for higher education. The DEST figures show that more than half of the surplus of the education sector is concentrated in four city based universities, while the combined income of every other university in Australia has gone backwards by $200 million.

Of the two tertiary institutions in Bass, one, the Australian Maritime College, has joined the esteemed group of eight universities which recorded a deficit, making this the second largest number of universities to record a deficit in the last decade. The other tertiary institution, the University of Tasmania, is on the verge of recording a deficit and has a surplus of less than $1 million. The figures have shown that the AMC is losing $3.6 million of its $10.8 million in funding a year, and there is no way that this highly internationally recognised facility can sustain its high level of education and remain viable with these sorts of cuts. If these cuts happen, it will not only affect the students and staff at the AMC but also have a profound impact on Australia’s maritime industry.

In the recent Senate inquiry the University of Tasmania Vice-Chancellor, Daryl Le Grew, made some interesting points in evidence. He said:

We have argued long and hard that the University of Tasmania has not had its fair share of university places on a population basis.

… … …

We are still unhappy about the equity provisions of the package. We have special problems in Tasmania. I think everybody understands that there is a special character to the distribution of the Tasmanian population, and the regional outreach of the university needs special support.

Whatever happened to the idea of Australians valuing education as a right and not a privilege for the select few in society who can actually afford to put up with the government’s funding failures? Labor’s Aim Higher policy will reverse the trend by investing $2.34 billion to rebuild universities and provide increased public investment for every university and no increases in student fees.

Australia’s universities are in crisis, with equitable access to education becoming another chapter in history as we watch this government continue its slash and burn agenda on university funding. Australian universities are struggling. They are struggling to meet the demand of places for students and they are struggling to deliver the type of educational standard that we have come to expect. In Tasmania there is a 36 per cent increase in the ratio of students to staff, and I understand that in some other areas that ratio has increased to levels approaching 80 per cent. Surely the government can see that cutting university funding has a direct result on the standard and level of staffing and the standard and level of education and tuition that these educators can deliver. It means that classrooms are overcrowded, infrastructure is deteriorating and access to appropriate resources is in serious decline.

Another concerning aspect of this bill—and the previous speaker, the member for New England, made some comments on this—is the proposal to implement industrial conditions on university reforms. These conditions, in effect, will link university funding to industrial reform, and universities that do not abide by these reforms will risk losing their funding. This is forcing universities to put harsh industrial relations practices and requirements ahead of what they want to do,
which is improve teaching, improve learning and improve research.

What sort of agreement is this? Months of discussions between universities and unions broke down because the former Minister for Employment and Workplace Relations hijacked $404 million of Commonwealth university funding. Hopefully the new minister will leave university staff and management to progress their own industrial discussions and agreements. This type of action by a minister is effectively blackmail. The former minister wanted to blackmail universities into implementing his extreme industrial relations agenda, and he was planning on using university funding as a ransom in his war on working conditions. The really interesting question is: where was the Minister for Education, Science and Training during all of this? We did not hear a word from him. He should be standing up for universities, and instead he stood back and let the Minister for Employment and Workplace Relations use university funding as a political football. It is now time to stand up and say: 'Enough; enough to increases in fees, enough to further reductions in university places, enough of unmanageable tutorial sizes, and enough of slugging essential university services in order to reduce costs.'

In the recent Senate inquiry, Professor Le Grew from the University of Tasmania said: ... I would like to point to the lack of provision for anything after 2007. Are we going to go into another period of systematic decline? ... What the universities are looking for is something that actually allows us to plan over a decade because that is the time line for getting new courses up and running with graduates coming through the other end, with research projects maturing and so on. We simply do not have a year-by-year or even a three-year planning cycle; we have a five- to 10-year planning cycle and we need to at least have a mechanism for dealing with that.

If university funding continues to decline it will be an even more elite group of Australians that will have access to tertiary education. At the moment the government is continuing to decrease funding and increase the number of full fee paying students, meaning that half of all university places could go to people who buy their way in. Where does merit fit into the government's agenda? It is unfair that wealthy children are encouraged to take an education for granted but students who earn a place but cannot pay $100,000 for a degree must forget their education dreams, and the dreams of their parents, because their place has been taken by someone who can afford to pay for it.

The education minister got his education for free, and now he wants to reduce access to education to only the wealthy, perhaps only those who associate with his new found political associates. Education is the basis for a developing society, and we need to fight to make sure that our universities are accessible to everyone—to smart kids from ordinary families as well as the wealthy.

Mr Price (Chifley) (6.27 p.m.)—It is a unique distinction to be the last speaker on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. From the outset I want to say to the House and again place on the public record that I am inordinately proud of the University of Western Sydney. I am very critical of the University of Western Sydney at times only because I have the highest expectations of it, and I think that the good folk of the University of Western Sydney understand where I am coming from.

As I have said before, the University of Western Sydney services one of the fastest growing regions in this country. Its six campuses cater for 10 per cent of the Australian population. It is now the seventh largest uni-
University in Australia, with more than 35,000 students enrolled in 2003. More than 70 per cent of the students come from the greater west of Sydney, and nearly 60 per cent of those students are mature age students. In most cases they move into the work force immediately after leaving school to raise sufficient funds to undertake tertiary study. They may not be well off financially, but they are certainly well motivated; they are determined to get to university.

Clearly the University of Western Sydney is doing a great job servicing its community, but the government’s higher education package has placed the University of Western Sydney in an unenviable position. The malaise in higher education has not developed overnight; it is a product of more than seven years of neglect from the Howard government. Savage budget cuts have taken their toll, with the end result that thousands of young Australians are missing out on a university place.

Each year 20,000 qualified Australians miss out on a place at university. In 2003 the University of Western Sydney turned away 2,700 qualified students—that is, people who were eligible for a university place but who were turned away because of a lack of funded places. This is a tragedy. Of the 2,700 who were turned away, 70 per cent were mature age students—people who are showing great courage in later life, people who are determined improve their qualifications and employability. And what are we doing? We are closing the door on them. It is not as if we in Western Sydney have more than our fair share of university students. The reverse is the case. The participation rate of people from Western Sydney who go to university is now starting to decline. That is the sorry record of the Howard government: university participation rates in Western Sydney are starting to track down.

The government is taking action on over-enrolment. The overenrolment system was a complete disaster. The scheme allowed universities to fund admissions above the Commonwealth quota at 25 per cent of the fully funded cost of university places. The end result was a skewing of student to staff ratios and a potential for erosion in the quality of education that institutions have been able to offer. Now the government is forcing the university to ditch those places. Almost 400 places at the University of Western Sydney are now destined for the scrap heap as a result of this appalling decision. In the first instance, 2,700 qualified students were turned away and now there is an additional loss of 400 places—3,100 places in total. We can ill afford this. The decision makes it even more difficult for school leavers in Chifley or mature age students to gain entry to a university course.

I well remember the controversy surrounding the Labor government’s decision to introduce HECS. There were many arguments, many demonstrations, many representations and, even within the Labor Party and the Labor movement, a clash of views and ideals about the proposal. To give credit to the opposition of the day, they supported the proposal. What was the key thing underpinning HECS? Yes, we were asking people to make a contribution towards the cost of their university fees. They only became liable for that contribution when they were earning a certain amount of money. Every dollar and cent of HECS was put back into the system to expand it, to make even more places. And what is the central tenet underpinning this government’s reform package? It is to increase the quantum or allow the universities to increase the quantum of HECS by up to 30 per cent in all undergraduate courses. I have said before in this House that people in Western Sydney are relatively debt averse. Compared to other universities, the Univer-
The university of Western Sydney has a higher rate of students paying HECS up front, because they do not like being saddled and burdened with debts. If you start increasing the HECS debt, you turn away more students. Already 3,100 students were effectively turned away, and now there will be more.

Unlike the sandstone universities, like the University of Sydney and the University of New South Wales, new generation universities already start at a disadvantage. From all sources of funding, including the Commonwealth, including the universities’ own investments and fees—all sorts of revenue—the sandstone universities effectively have $26,000 per student. What is the comparative figure for a non-sandstone university—not the super 8, but all the rest like the University of Western Sydney? It is $11,000.

There is no argument that the University of New South Wales and the University of Sydney are going to quite easily be able to increase their HECS fees by 30 per cent and still survive. But the University of Western Sydney is in a dilemma, because it knows that every time it seeks to increase the amount of HECS it will be a barrier to some students. But it also knows that it suffers disadvantage by comparison to the other universities. Therefore, if it fails to increase the HECS levels, the quality of teaching may suffer—and that is the last thing we want. By proposing to increase fees by 30 per cent, students could run up debts of $50,000—arts degrees could set students back $15,000; science, $21,000; and I have not tried to calculate the cost of combined degrees. Student contributions already make up close to 40 per cent of total income for universities, up from 25 per cent in 1996. The government always likes these comparisons. Let me give you one, Mr Deputy Speaker Causley: student contributions for the universities servicing your part of the world are up from 25 per cent in 1996 to 40 per cent—and rising.

The minister for education makes great play of the fact that we initiated the scheme to allow overseas students to come into this country and pay full fees. He says it disadvantages Australian students not to allow up to 50 per cent of places to be reserved for full fee paying students, including Australian students. The point that you need to make is that overseas students, or their parents, do not pay income tax or GST or the milk levy that you have put on, Mr Deputy Speaker, or the sugar levy that you have put on, Mr Deputy Speaker, or any of the other charges that have been increased as a result of the Howard government. Having paying overseas students is quite reasonable, and a whole export market in tertiary education has been developed. But it is anathema to me to have or to support a system whereby Australian students get into their places of learning based on their parents’ cheque book, bank balance or assets rather than on merit and ability. In other words, if a very worthy person in my electorate were competing for a university place, I would like to see the ground rules being those of merit, so that they are not bumped out by someone from the North Shore or the eastern suburbs of Sydney—or anywhere else for that matter—whose parents can write out a cheque. There was a lot more that I wanted to contribute, but I understand that time is limited in the debate, so I will conclude my remarks at this point.

**Dr Nelson** (Bradfield—Minister for Education, Science and Training) (6.39 p.m.)—I thank all of those members of the House who have made a contribution to this very important debate on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003. This is all about Australia’s future. The kind of country that the next generation and subsequent ones will live in will be determined in
a very large way by what happens in Australian higher education, and that is why it is important. Whilst I, on behalf of the government, disagree with many of the contributions from the other side, I nonetheless respect the sincerity with which many of the arguments have been put—though, unfortunately, in many cases they were not founded in fact. I would particularly like to thank the member for Macquarie, who I thought made an outstanding contribution to the debate.

There are a number of things that I would like to focus on in summing up that are important. One thing is to go back to why the government is even considering changing higher education. The changes are important for a number of reasons. The first reason is that there is a need for Australian higher education to have access to considerably more money—a lot more of it—in the longer term. Whilst there is no immediate crisis facing Australian higher education, as Professor Gerard Sutton, the Vice-Chancellor of the University of Wollongong, said in speaking to the Bulletin a couple of months ago, if these reforms are not passed there will be a genuine crisis in higher education. The second reason for needing change is that money is only half of the problem facing the sector. The way in which universities are governed, regulated and administered by both the government and the institutions themselves is as much a part of the problem. If any government were to simply increase resources to universities without addressing their regulation and administration, it would be doing a great disservice to the sector—as indeed would a government that simply undertook regulatory reform without increasing financing.

The other thing that many of us might not necessarily like but which is a reality we, and our children even more so, face is that, increasingly, the only benchmarks against which higher education in this country is going to be judged are international ones. Whereas once—perhaps when you and I were growing up, Mr Deputy Speaker—it was important to know where your institution was rated in New South Wales or in Australia, the interest now is increasingly in where an institution rates internationally. The reality that we face today is that some of the best students in this country are being recruited to North American, Singaporean and some European institutions on the basis that if they want to have ‘an education in a world-class university’ that is where they are going to have to go.

What the government has proposed in these bills is to increase the public investment by the Australian taxpayer by $1½ billion in the first four years. Contrary to what has been said by some, there is an increase in publicly funded HECS places in Australian higher education. The government is proposing to fully fund 25,000 overenrolled, marginally funded places over the first four years at a cost of $347 million. In addition to that, there will be another 6,500 fully funded HECS places in the first five years. It also ought to be remembered that every one of the vice-chancellors of Australia’s universities said that, in order to have a world-class higher education sector, HECS flexibility is important; that each university and university council should determine the value of the course to the students who will go through as graduates and the socioeconomic profile of the communities from which those students come; and, for the very first time, that there would be a situation created where the HECS charge for a course in one university would be different from that in another. These reforms increase the funding for regional universities and campuses by $122 million, increase funding for the education of teachers and nurses, and make sure that there are scholarships available—$161 million worth of scholarships; 25,100 scholarships in the
first four years of the package. That specifically addresses the real problem that faces students when they get to university.

Whether you come from a high- or low-income family, HECS is not the problem at university. In fact, the biggest barrier to getting into university is a poor year 12 result—and the biggest contributor to that, by the way, is poor literacy skills in year 9. The biggest problems for students are accommodation or rent, trying to run a car or pay for transport, trying to feed themselves and trying to survive while they are at university. Once a student graduates and is earning money, they will pay their HECS contribution—which under these reforms will still amount to around 26 per cent of the total public investment in higher education—back through the tax system.

One of the many things that many speakers, in particular those on the other side, have focused upon is the notion that Australian citizens who pay full fees are in some way jumping queues—that in some way they are unworthy of taking up a fee paying place in an Australian university—whereas, as we have just heard from the member for Chifley, we welcome, quite rightly, about 130,000 international students to Australian universities. I say to the parents and young people of Australia, who have been sought to be misled by a lot of what has been said during this debate, that HECS is not only continuing but being strengthened and enhanced.

I think the most dispassionate and intellectually and scientifically based analysis of HECS and its impact on participation by students has been done by Professor Bruce Chapman at the Australian National University. He co-designed HECS, was an adviser to the former Prime Minister, Mr Keating, and is certainly not an uncritical supporter of this government. He points out that HECS can increase as long as, at the same time, its repayment threshold also increases—and there is no evidence at all that changes to HECS introduced over the past 14 years have had any adverse impact on participation from low-income families.

I say to the young people of Australia and their parents that the Labor Party is proposing a ban; it is proposing to say to people who do not get a HECS place that, even if they are academically qualified, they will not be allowed to take up a fee paying place in an Australian university. From the government’s point of view, it defies logic that, if a student achieves a tertiary entrance score of 97 or 98—of which any parent would be proud—and misses out on the course of his or her choice, they cannot take up a full fee paying place which is not subsidised by the taxpayer. Essentially HECS places are distributed on merit. In fact, as I said earlier in the debate, 40,000 people who got a HECS place this year did not exactly get it on merit; they actually got it because they had been educated in difficult circumstances. Eight per cent of the people who got a place at QUT this year, for example, never fronted up for a year 12 exam; they went through TAFE. Four per cent of those who got a HECS place this year at QUT alone were assessed on the basis of ‘life skills’. In other words, the universities themselves have recognised the inadequacy of a year 12 assessment and what a blunt instrument it is.

The government is saying, ‘If you miss out on the place of your choice but you are considered to be academically qualified, the university can offer you a full fee paying place where you will not be subsidised by the taxpayer but for the very first time, under these proposals, the government will lend you the money, as it does with HECS, adding a 3½ per cent interest rate to be paid back once you actually start working.’ Also for the first time loans will be available for students who choose to go to any one of a number of
private higher education providers the length and breadth of Australia.

There are things in this package which obviously are not supported by a variety of people in higher education—and certainly not by the opposition. However, the government is doing these things because they are important; they are in Australia’s long-term interests. It is important that we have HECS flexibility, with every last dollar of HECS going into improving the quality of education being delivered to students. It is also important that there be increased public investment, increased flexibility in terms of working relations, and reform of the way in which universities are governed and administered. All of these measures are absolutely necessary if we want a world-class education for our children. There is no point in any of us, on this side or the other, guaranteeing them a place if they subsequently find, to their great disappointment, that they have graduated from a university that is considered to be mediocre.

Question put:
That the motion (Dr Nelson’s) be agreed to.

The House divided. [6.54 p.m.]

(The Deputy Speaker—Hon. I.R. Causley)

Ayes............. 74
Noes............. 64
Majority......... 10

AYES

Abbott, A.J.  Andrews, K.J.  Gambaro, T.
Anthony, L.J.  Bailey, F.E.  Georgiou, P.
Baird, B.G.  Baldwin, R.C.  Hardgrave, G.D.
Barresi, P.A.  Bartlett, K.J.  Hawker, D.P.M.
Billson, B.F.  Bishop, B.K.  Hull, K.E.
Bishop, J.I.  Brough, M.T.  Johnson, M.A.
Cadman, A.G.  Cameron, R.A.  Kelly, D.M.
Charles, R.E.  Ciobo, S.M.  Kemp, D.A.
Cobb, J.K.  Costello, P.H.  Ley, S.P.
Downer, A.J.G.  Elson, K.S.  Lloyd, J.E.
Eatsch, W.G.  Farmer, P.F.  May, M.A.
Forrest, J.A. *  Galhus, C.A.  McGauran, P.J.

NOES

Adams, D.G.H.  Beazley, K.C.  Brereton, L.J.
Beazley, R.J.  Cox, D.A.  Crosio, J.A.
Bevis, A.R. *  Edwards, G.J.  Emerson, C.A.
Billson, B.F.  Ferguson, L.D.T.  Fitzgibbon, J.A.
Bishop, J.I.  Gibson, S.W.  Grierson, S.J.
Cadman, A.G.  Hall, J.G.  Hoare, K.J.
Charles, R.E.  Jackson, S.M.  Katter, R.C.
Cobb, J.K.  Katter, C.M.  King, C.F.
Downer, A.J.G.  Lawrence, C.M.  Lawler, J.J.
Eatsch, W.G.  Lakhan, P.K.  Lawson, D.J.
Forrest, J.A. *  Le, J.M.  Levy, I.G.

AYES

Abbott, A.J.  Andrews, K.J.  Gambaro, T.
Anthony, L.J.  Bailey, F.E.  Georgiou, P.
Baird, B.G.  Baldwin, R.C.  Hardgrave, G.D.
Barresi, P.A.  Bartlett, K.J.  Hull, K.E.
Billson, B.F.  Bishop, B.K.  Johnson, M.A.
Bishop, J.I.  Brough, M.T.  Kelly, D.M.
Cadman, A.G.  Cameron, R.A.  Kemp, D.A.
Charles, R.E.  Ciobo, S.M.  Ley, S.P.
Cobb, J.K.  Costello, P.H.  Lloyd, J.E.
Downer, A.J.G.  Elson, K.S.  May, M.A.
Eatsch, W.G.  Farmer, P.F.  McGauran, P.J.
Forrest, J.A. *  Galhus, C.A.  Nairn, G. R.

NOES

Adams, D.G.H.  Beazley, K.C.  Brereton, L.J.
Beazley, R.J.  Cox, D.A.  Crosio, J.A.
Bevis, A.R. *  Edwards, G.J.  Emerson, C.A.
Billson, B.F.  Ferguson, L.D.T.  Fitzgibbon, J.A.
Bishop, J.I.  Gibson, S.W.  Grierson, S.J.
Cadman, A.G.  Hall, J.G.  Hoare, K.J.
Charles, R.E.  Jackson, S.M.  Katter, R.C.
Cobb, J.K.  Katter, C.M.  King, C.F.
Downer, A.J.G.  Lawrence, C.M.  Lawler, J.J.
Eatsch, W.G.  Lakhan, P.K.  Levy, I.G.
Forrest, J.A. *  Le, J.M.  Levy, I.G.
Wednesday, 15 October 2003  

**Question agreed to.**

**Bill read a second time.**

Message from the Governor-General recommending appropriation announced.

**Consideration in Detail**

**Bill**—by leave—taken as a whole.

Ms MACKLIN (Jagajaga) (6.59 p.m.)—I seek leave to move opposition amendments circulated in my name in the following order:

1. amendment (4);
2. amendments (3) and (5) together;
3. amendments (6), (2), (7) and (1) separately and in that order; and then amendments (8) and (9) together.

Leave granted.

Ms MACKLIN (Jagajaga) (6.59 p.m.)—I move opposition amendment (4):

(4) Clause 93-10, page 88 (line 1) to page 89 (line5), omit the clause, substitute:

93-10 Maximum student contribution amounts per place

<table>
<thead>
<tr>
<th>Item</th>
<th>Funding clusters</th>
<th>Maximum student contribution amount per place</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Law</td>
<td>$6,283</td>
</tr>
<tr>
<td>2</td>
<td>Accounting, Administration, Economics, Commerce</td>
<td>$5,367</td>
</tr>
<tr>
<td>3</td>
<td>Humanities</td>
<td>$3,768</td>
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<tr>
<td>4</td>
<td>Mathematics, Statistics</td>
<td>$5,367</td>
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<tr>
<td>5</td>
<td>Behavioural Science, Social Studies</td>
<td>$3,768</td>
</tr>
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Amendment (4) goes to the heart of Labor’s concerns about the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003 and the government’s commitments before the last election which were set out by the Prime Minister in this House. On 19 October 1999 the Prime Minister said in answer to a question—from the *Hansard*:

We have no intention of deregulating university fees. We have no intention of altering the current HECS arrangement.

I remind all members opposite of that commitment given by this Prime Minister before the last election. Amendment (4) seeks to remove the government’s intention to allow universities to put HECS fees up by up to 30 per cent and then to have further ministerial discretion in this issue. This amendment will prevent HECS fees from rising by 30 per cent and is one of the most important amendments that Labor will move tonight. It really is at the core of our opposition to this legislation. Labor are totally opposed to increasing the fee burden being carried by students and their families in this country.

Under this government, we know what has happened. Over the last seven years we
have had a massive increase in HECS fees. Up until these rises take effect, on average we will have seen about an 85 per cent increase—a massive increase in the level of debt that Australian students and their families are paying, because it is the case that many families like to help out their children. They do not want their children to carry high levels of debt; they want to make sure their children get a good start in life without being saddled with very high levels of debt. Australian universities, we know from the OECD, are already the fourth most heavily dependent on private income. In fact, only Korea, the United States and Japan are more reliant on private income. We have some of the highest study costs in the world, and that was before the government presented this legislation that would see the cost of a university degree go through the roof. So, from Labor’s point of view, enough is enough. We do not want our students to pay any more. We are already seeing some evidence, as a result of the government increasing HECS fees over the last seven years, of delays in home ownership by graduates and delays in families being formed and children being born, because of the very high level of debt that students have.

I reiterate that Labor’s amendment (4) goes to the heart of this debate and prevents the proposed 30 per cent fee hike. But it also does one other thing—and this is extremely important, given the fact that we had a commitment from this Prime Minister before the last election that there would not be any alteration to the current HECS arrangements and that that promise has clearly been broken, along with a lot of other promises from this Prime Minister. We had a commitment from the Minister for Education, Science and Training that HECS fees would only rise by up to 30 per cent, but when we read the detail of the bill we in fact found that it would allow the minister in future years to make that fee hike even greater. So the other thing this amendment does is remove the possibility of the minister increasing fees above and beyond this level in the future. (Extension of time granted) We have absolutely no faith that this government will stick to its promises when it comes to higher education. The Prime Minister made a promise before the last election and that has been thrown out the window. The minister for education says, ‘I promise that fees won’t go up by more than 30 per cent.’ We want to make sure that does not happen, and that is the purpose of this amendment.

Due to some of the fundamental structural changes to the way that university funding is delivered through this legislation, it is not possible for us to give effect to another change to HECS that is part of Labor’s education policy. Labor do want to see a cut to maths and science HECS fees and we intend to implement that change when in government. I want to make it very plain tonight that that commitment remains. I am sure the minister would be very well aware that this is something many of the scientists who have been visiting the parliament over the last few days as part of Science Meets Parliament are very keen to see implemented. I hope, as this debate proceeds, that the minister will see sense and recognise that we do need to cut maths and science fees; we do need to bring them down to the lowest HECS band to make sure that we get more and more young people enrolling in maths and science degrees. All the crowds of scientists we have had here over the last couple of days know how critical it is to encourage young people to study maths and science. They know that having higher HECS fees for maths and science degrees and for basic arts degrees is a disincentive.

So Labor want to see those HECS fees cut. We were not able to make that amendment here tonight, but I give that commit-
ment again that Labor will cut maths and science HECS fees by $1,600 a year. It is a massive contrast to what will happen to science undergraduates if this legislation gets through. The University of Sydney have already belled the cat; they have decided that they will put their fees up by the full 30 per cent. A basic science degree—and I hope lots of parents are listening to this—will cost $21,000. That is the reality of this legislation. It is not something that parents would be looking forward to, saddling their children with that sort of debt. I commend the amendment to the House.

**Mr RIPOLL** (Oxley) (7.07 p.m.)—As I said earlier in my contribution on the Higher Education Support Bill 2003 and the Higher Education Support (Transitional Provisions and Consequential Amendments) Bill 2003, never before has so much been done by a government to so many for so little in return. Labor is proposing eight amendments, and they look at a range of failings within the legislation put forward by the government and the Minister for Education, Science and Training.

Labor’s amendment (1) is about removing the prescriptive elements of funding agreements to continue the cooperative arrangements between government and universities. This is an important mark in terms of the way that universities are managed and the structural freedom that universities have enjoyed for many years. We see here a minister and a government that want incredible power to micromanage universities. It is important that the universities, the vice-chancellors and their own bodies are able to deal with the full spectrum of the way that universities are governed.

Labor has proposed further amendments, particularly in relation the governance and industrial relations conditions on funding. It is incredible that the government would actually put in place an extortion style measure which would hinge funding on the way that universities deal with industrial relations—the way they deal with their staff and the way they manage their universities. They have said to the universities, ‘If you do not come on board with what we prescribe in terms of the way we want you to deal with staff then we will keep funding from you.’ They will prevent funding going to universities if they cannot get their aggressive industrial relations measures through in any other manner. We hear the government and the minister always going on about this—they are anti pattern bargaining, anti union and anti the way that things are properly done. But what we find in their legislation is that they have put in place standard clauses for their enterprise agreements—they actually want to use pattern bargaining themselves.

That is typical of the hypocritical nature of the minister, this government and the things that are contained in this legislation, particularly when we look at the damage that has been done to higher education since the Howard government has been in office. In that time there have been funding cuts of $5 billion to education—something that is so crucial to the future of young people in Australia. It is not a cost; this government believes it is a cost, but it is an investment. You do not cut out investments, because you get less return. But instead, this government cuts funding by $5 billion.

Labor’s amendment (3) looks at abolishing up-front fee places and removing ministerial discretion—

**The DEPUTY SPEAKER (Hon. I.R. Causley)**—The member for Oxley would be aware we are debating amendment (4).

**Mr RIPOLL**—I beg your pardon, Mr Deputy Speaker. Labor will remove the 30 per cent HECS increase and ministerial discretion. There is no way in the world that the
government can convince me, Labor, young people, families or anyone else out there that somehow it is fair, appropriate or otherwise an investment in the future of young people to make education more expensive and involve bigger debts by increasing fees by 30 per cent.

The interesting thing about the government’s increase of 30 per cent is that they forgot the little part in the legislation that says that it is capped. We know the universities will immediately take up the 30 per cent—when you say that something is ‘up to’ that is the point where people normally immediately move to. But we know that the government will not only take it up to 30 per cent but go even higher as the universities deem it necessary. We will also, of course, see ministerial discretion in the minister’s ability to prescribe that certain courses should be full fee paying.

This is completely unfair; it is completely anti investment in terms of young people and the opportunities they seek. At the end of the day, this is about the hopes and dreams of young people and the opportunities they seek. They might not all want to go to university and they might not all have that aspiration, but we should at least—as a government and a parliament, and as people who make the laws and regulations—give them the opportunity to go there if that is what they choose to do. We should give them that opportunity based on merit, not financial circumstance—not on how wealthy their parents are but on how well they do at school and how much they want to achieve their place. It might be university that fulfils their dream, and the government should make it easier to get there, not harder. That is what young people are seeking and what young families want—they know that it is the great Australian dream. (Time expired)

Ms CORCORAN (Isaacs) (7.12 p.m.)—In addressing opposition amendment (4), which I support, I want to make a couple of points. I have heard in this debate during the day that HECS debt is not a deterrent to students. I want to put paid to that straightaway. It is interesting that this point is made by those opposite, because the government are continually carrying on about public debt and how clever they think they have been in reducing debt, and yet they are quite happy to have students go into significant debt. The students who speak to me are deterred from going on to further education by the prospect of a huge HECS debt. Debt is not necessarily a bad thing but it has to be incurred (a) for a good purpose and (b) in a way that is repayable. The students I am speaking to tell me that these increases are not repayable. A number of students are saying that they are going to bring forward their postgraduate studies to next year in an attempt to avoid this increase in their debt. An increase in this debt is a deterrent to students going on to further education, and it is a deterrent to those students who come from low-income families. It is a shift from funding education from the public purse to funding it from the private purse. It is one of many examples of that shift we have seen in the course of this parliament.

The second point I want to make is that, by deterring some students from going into higher education, we are as a nation wasting our resources. We want to encourage all students to go on to further education. If we are not as a nation using our resources to our best advantage, we are not giving ourselves any advantage or doing ourselves a favour, and we are creating problems for individuals as well. The good students are not necessarily those with the deep pockets. We need to make sure that we are encouraging all our capable students to get into a university place.
I am dismayed to see that, over recent years, HECS has moved from something like 20 per cent of the cost of a course to something like 40 per cent. That is having an effect right now, as we speak. I am very pleased to support this amendment. It will stop HECS from moving up and it will stop universities from moving beyond the 30 per cent limit in time to come. It will help good students get into university. It will stop students from low-income families from perhaps not wanting to go to university, and it allows us as a nation to make the best use of our resources.

Question put:
That the amendment (Ms Macklin’s) be agreed to.

The House divided. [7.19 p.m.]
(The Deputy Speaker—Hon. I.R. Causley)

Ayes…………… 63
Noes…………… 75
Majority……… 12

Ayes
Adams, D.G.H. Andren, P.J.
Beazley, K.C. Bevis, A.R. *
Brereton, L.J. 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.
Fitzgibbon, J.A. 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. Lawrence, C.M.
Livermore, K.F. Macklin, J.I.
McClelland, R.B. McFarlane, J.S.
McLeay, L.B. Melham, D.
Mossfield, F.W. Murphy, J. P.
O’Byrne, M.A. O’Connor, B.P.
O’Connor, G.M. Organ, M.
Plibersek, T.
Quick, H.V. *
Roxon, N.L.
Sawford, R.W.
Sidebottom, P.S.
Swan, W.M.
Thomson, K.J.
Wilkie, K.
Zahra, C.J.

Noes
Abbott, A.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. Charles, R.E.
Ciobo, S.M. Cobb, J.K.
Costello, P.H. Downer, A.J.G.
Dutton, P.C. Elson, K.S.
Entsch, W.G. Farmer, P.F.
Forrest, J.A. * Gallus, C.A.
Gambaro, T. Gash, J. *
Georgiou, P. Haase, B.W.
Hardgrave, G.D. Hartsuyker, L.
Hawker, D.P.M. Hockey, J.B.
Hull, K.E. Hunt, G.A.
Johnson, M.A. Jull, D.F.
Katter, R.C. Kelly, D.M.
Kelly, J.M. Kemp, D.A.
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.
Nelson, B.J. Neville, P.C. *
Panopoulos, S. Pearce, C.J.
Prosser, G.D. Pyne, C.
Randall, D.J. Ruddock, P.M.
Schultz, A. Scott, B.C.
Secker, P.D. Slipper, P.N.
Smith, A.D.H. Somlyay, A.M.
Southcott, A.J. Stone, S.N.
Thompson, C.P. Ticehurst, K.V.
Tollner, D.W. Truss, W.E.
Tuckey, C.W. Vale, D.S.
Wakelin, B.H. Washer, M.J.
Williams, D.R.

* denotes teller

Question negatived.
Ms MACKLIN (Jagajaga) (7.23 p.m.)—by leave—I move amendments Nos (3) and (5) together:

(3) Clause 36-35, page 50 (line 21) to page 51 (line 13), omit the clause, substitute:

**36-35 Percentage of Commonwealth supported places to be provided by Table A providers**

(1) A "Table A provider must ensure that, in any year, the number of Commonwealth supported places provided by the provider accounts for 100% of the total number of places that the provider provides in each undergraduate course of study.

(2) For the purposes of calculating the proportion of Commonwealth supported places in subsection (1), international students and students who are not Commonwealth supported students and were enrolled before 2004 are to be disregarded.

(3) For the purpose of applying subsection (1) in relation to a course of study, disregard any enrolment in work experience in industry or in an employer reserved place in that course.

(5) Clause 104-1, page 94 (line 4) to page 95 (line 9), omit the clause, substitute:

**104-1 Entitlement to FEE-HELP assistance**

(1) A student is entitled to FEE-HELP assistance for a unit of study if:

(a) the student is enrolled in a postgraduate course of study; and

(b) the student meets the citizenship or residency requirements under section 104-5; and

(c) the student’s FEE-HELP balance is greater than zero; and

(d) the census date for the unit is on or after 1 January 2005; and

(e) the student is not a Commonwealth supported student in relation to the unit; and

(f) the unit meets the course requirements under section 104-10; and

(g) the unit:

(i) is, or is to be, undertaken as part of a course of study; or

(ii) is a unit access to which was provided by Open Learning Australia; or

(iii) is part of a bridging course for overseas-trained professionals; and

(h) the student:
(i) enrolled in the unit on or before the census date for the unit; and
(ii) at the end of the census date, remained so enrolled; and

(i) the student "meets the tax file number requirements (see section 187-1); and
(j) the student has, on or before the census date, completed and signed a "request for Commonwealth assistance in relation to the unit, or in relation to the course of study of which the unit forms a part; and

(k) the student has not been precluded from receipt of the FEE-HELP assistance because of section 107-15.

The purpose of these amendments is to abolish full fee paying places for Australian undergraduates. This is once again a very significant amendment for the Australian Labor Party, because we do not believe people should be able to jump the queue to get a place at university. In Labor’s policy Aim Higher, which is our $2.34 billion higher education package, we committed ourselves to abolishing full fee paying places for Australian undergraduates. Our policy will allow existing full fee paying students to complete their courses, but the first amendment would make sure that there are no more enrolments in full fee paying places for Australian undergraduates from 2004. The second amendment, No. (5), limits the FEE-HELP loans, which the government is introducing, to postgraduate students. If this amendment is successful there will be no full fee paying undergraduates.

At this point I want to reiterate Labor’s commitment to create 20,000 additional new full- and part-time commencing undergraduate places. By 2008 Labor will be creating 20,000 additional full- and part-time places in our universities each year. The purpose of that commitment is to ensure that students in our country who are qualified to go to university will get a place. These 20,000 additional places remove the need for full fee paying places. There is no need for additional full fee paying places if we make sure that there are enough HECS places in our universities.

We know that there are a lot of qualified students who miss out at the moment. Labor is the only party in this country that intends to address that problem. The only way that the government intends to meet unmet demand in our universities is by allowing students to pay more and more and more. I might at this point remind the minister again of another commitment that was given by the Prime Minister before the last election—a bit like the one that he is seeking to break through this legislation in relation to deregulation of HECS. On 14 October 1999, the Prime Minister said, ‘There will be no $100,000 university fees under this government.’ He did not say a few, or 10 per cent or 50 per cent—‘none’ was the commitment given by the Prime Minister before the election.

Of course, we know that is untrue—universities all around Australia are charging not just $100,000 for a university degree. If you want to do veterinary science at the University of Queensland, it will cost you over $140,000. We know that the University of Melbourne intend to charge $150,000 for a
medical degree. That is the reality of what this government intends to do if these amendments are not successful. I call on the government to stick with the Prime Minister’s promise made before the last election—that there would not be any full fee paying $100,000 degrees in this country.

If the government proceeds with the legislation as it is, it is going to mean, as it does now, that students who have lower marks but lots of money are going to be able to buy a place at a university ahead of students with better marks. In our view, this is fundamentally offensive to the Australian notion of a fair go. It is absolutely opposed to the notion of a fair go. Labor’s amendments to this unfair practice that the government already has in place will end full fee paying places for Australian undergraduates. I look forward to the government recognising the Prime Minister’s commitment and supporting the amendments. (Time expired)

Mr WILKIE (Swan) (7.28 p.m.)—These amendments are essential if we are to provide a decent education system for Australia’s young people. Amendment (3), which talks about abolishing up-front fees, gives people who have the ability to go on to higher education the opportunity to undertake that education. This is essential if our country is to proceed in the future.

It is ridiculous that the government would even consider the possibility of introducing an American style system in which money more than marks opens university doors. This is obscene to the ordinary Australian. They believe that their young people’s talent and ability to do a degree or get into a course should be the benchmark for whether they get that opportunity or not. Under this government, since 1998 full fee payers have been able to buy a university place, and they are talking about making that even worse.

These people get in ahead of people with higher marks.

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! It being 7.30 p.m., I propose the question:

That the House do now adjourn.

Family Payments

Ms KING (Ballarat) (7.30 p.m.)—The Prime Minister proclaims himself to be the protector of working families. In August 2001 the Prime Minister said in his National Press Club address that obtaining the balance between work and family is essential for the prosperity of our nation and that he personally would not like to see the situation ‘where our growing wealth has been built at the expense of our families and communities’.

Yet families in my electorate are part of the one-third of all Australians who are now working more than 49 hours a week and part of the 60 per cent of workers who are working some time on the weekend or well into the evening—and they are doing it all for the highest taxing government in Australia’s history. At the same time, approximately 6,000 families in the electorate of Ballarat owe a family tax benefit debt. This accounts for almost $51 million that has been taken out of the families’ pockets in areas like Daylesford, Buninyong and Ross Creek. These overpayments are not the fault of these families but the fault of this government’s flawed family tax benefit system.

This system asks for families to estimate their annual income, despite the fact that it could be affected by overtime worked or an increase in share dividends. If a family underestimates it means a bill at the end of the financial year. There is no capacity within the system to actually adjust payments. Last year, families in my electorate had their tax
returns stripped by family tax benefit overpayments. Many were not aware this was happening and many more were unaware that they had a debt in the first place. They were relying on these tax refunds to purchase new household furniture or to take a holiday or were going to put the refunds away for Christmas.

Therefore, what we had was the government again shifting the blame for a flawed family tax benefit system to the families, who were not at fault, by asking them to repay their overpayment—certainly in some cases in my electorate—via their credit cards. We heard today in question time the Prime Minister’s refusal to allow an amendment that would permit families to pay off these debts in instalments rather than have their tax returns automatically reduced.

The Howard government went even further recently, with 597 families in my electorate being asked to prove to the government that their children actually had disabilities and continued to require care to entitle them to the carers allowance. These cold-hearted reviews followed the decision five years ago to change eligibility for child disability allowance when the new carers allowance replaced it. To avoid a backlash to the new rules the government decided to continue payments to those previously granted child disability allowance based on recognised disabilities but placed them on a five-year review.

The time is up for the families, who must now justify the care provided to their children, who unquestionably have serious disabilities. It is a disgrace that many families who care for children with a range of disabilities are still being asked to justify the care that they provide. Forcing these families to justify these modest benefits is further proof of the Howard government’s habitual heartlessness towards the most vulnerable.

Many working families in my electorate not only are being crippled by significant credit card debts and family tax benefit debts, but also are finding that—while it is terrific that house prices have gone up—their mortgages are taking up more and more of their incomes. They are finding it harder and harder to live under this government.

Labor will try and provide a better way of life for working families. We believe that it is important to get a balance between work and family life. We want to support working families and we want to see a better family tax benefit system.

I know the Prime Minister will, in the lead-up to the next election, stand in front of the Australian people and the people in my electorate and say that he is working for working families. The battlers who are in my electorate will certainly know that, over the course of the seven years of this government, it has been absent in many areas and that many of its policies, including the flawed family tax benefit system, have in fact been burdening them with debt rather than actually assisting them.

**Senate Reform**

Mr CAUSLEY (Page) (7.34 p.m.)—I rise tonight to speak on an issue which has a very serious effect on this institution, the democratically elected Parliament of Australia. We would all know, as members of parliament, that the Prime Minister recently put out a discussion paper on proposed amendments to the Senate. That discussion paper invited discussion across Australia, undoubtedly, but also from members of parliament.

I noted in an AAP report of 9 October some comments made by the Clerk of the Senate. Mr Evans said that Mr Howard already has more power than was intended under the Constitution and changes to the Senate would make him an imperial Prime Minister. On ABC Radio, Mr Evans said:
The Prime Minister has an enormous accretion of power now, far more than he was ever intended to have under the Constitution. He has one house of Parliament in his pocket, he has the Governor-General in his pocket, he can appoint whoever he likes to the High Court without independent scrutiny.

I find those comments very disturbing for the institution of a democratically elected parliament.

I note that the Parliamentary Service Act 1999 section 58 provides for the appointment of the Clerk of the Senate and the Clerk of the House. The appointment is for 10 years but the person cannot be reappointed. Section 75 has the effect of appointing the clerks who were in office when the act commenced for fresh terms of 10 years. Section 19 provides that a Clerk is not subject to direction by a Presiding Officer in relation to any advice sought from or given by the Clerk with respect to the Clerk’s house or any of its committees or members.

In passing this law the parliament has clearly created special provisions for the positions of the clerks. Presumably, these provisions show that the members and senators who passed this law recognise the important institutional role of the two clerks. The provision provides special and unusual tenure and protection for those occupants.

It is reasonable for members and senators to think that these special legislative provisions imply some obligation on our clerks to conduct themselves at all times in a manner befitting their role as heads of two historic service support departments. Members and senators are entitled to expect that the officers who are the beneficiaries of these special provisions will be disciplined and restrained and not in fact engage in activities that are or can appear to be inconsistent with the assumption that they will be neutral, detached and dispassionate in all their duties.

One of the values in section 13(3) of the Parliamentary Service Act requires parliamentary service employees to treat everyone with respect and courtesy. One of the comments from the Clerk of the Senate was directed to the Governor-General. I would think that the comment itself, if it had been repeated by a member of this House, would probably fall under standing order 74. I see it as a direct attack on the position of the Governor-General. I am sure the Governor-General is a very independent person and would not consider himself to be in the pocket of the Prime Minister.

I find that the actions of a person who is not an elected member of parliament are an attack on the institution itself. I would think that members of this House would feel fairly disappointed if the Clerk of the lower house made such comments—which are clearly political comments.

Ms Plibersek interjecting—

Mr CAUSLEY—The member for Sydney said ‘Not me’. Obviously she does not support the institution of parliament being elected members of parliament—because that is exactly what it is. Even the Senate is not an elected house. But I would say that, as members of parliament, they certainly have an opportunity and a right to make comments. But I believe that the clerks who are there to advise the parliament certainly do not have a role to enter into the political debate on any issues such as this.

I understand that there have been other statements by the Clerk of the Senate which really draw into question whether he could be an independent arbiter in the advice that is given to that particular section of the parliament. I understand that the House of Representatives has no control over the Senate, but I think that the House itself should certainly be disturbed that there is a precedent being set on this issue. (Time expired)
People Living With HIV/AIDS: 15th Anniversary

Medicare: Same Sex Couples

Ms PLIBERSEK (Sydney) (7.39 p.m.)—On Sunday, 12 October I was fortunate enough to go to a 15th birthday party. It was the 15th anniversary of a group called People Living with HIV/AIDS—a group that is particularly active in my electorate of Sydney. I was with them five years ago on their 10th anniversary, and it was wonderful to be invited back five years later for their 15th anniversary. I hope not to be with them for a 20th anniversary. I hope that a cure will have been found for HIV-AIDS before that time—but, if not, I certainly will be there to support their excellent work.

PLWHA works as an advocate on HIV policy issues such as discrimination, housing, treatment, access and hospital care. The organisation relies on its President, John Robinson, board members, staff and wonderful volunteers. But of course, most of all, it relies on the positive people who are members of PLWHA. They are brave people—helping each other, sharing information and supporting each other. PLWHA publishes facts sheets such as ‘I want to return to work’, contact booklets and a regular magazine called Talk About. It runs campaigns—such as its recent campaign ‘HIV doesn’t discriminate ... do you?’—and positive sexuality workshops.

The HIV epidemic has changed a great deal in the last 15 years. To be diagnosed with HIV is no longer a death sentence. New treatments are emerging all the time, and those treatments are taking less toll on the body of the person taking them. Living with the virus is a new challenge for people who have HIV. While discrimination against HIV positive people will always be an issue, I believe that the change in the virus means that many more people are having full, joyful lives with normal loving, human relationships. Good treatments are increasing not only life expectancy but also quality of life. Many more people with HIV are remaining in the work force. Workplaces—and society generally—have to become places which do not discriminate against people on the basis of their HIV status. I wish the staff, the board, the wonderful volunteers and, most of all, the positive people who are members of PLWHA a very happy 15th birthday.

I turn briefly to another issue. I recently noticed some information that a constituent received from Medicare. It is information about how to register for the safety net. Individuals are able to register and families and couples are allowed to register. For Medicare safety net purposes, however, the definition of ‘family’ is once again a very old-fashioned one. The definition is:

A couple legally married and not separated or a man and a woman in a de facto relationship. A couple legally married and not separated or a man and a woman in a de facto relationship with any dependent children. A single person with any dependent children. A dependent child is under 16 years of age or a full-time student under 25 years of age whom you support.

There is no mention at all of same sex relationships. Mr Speaker, you would have many constituents who are in long-term committed financially interdependent and emotionally interdependent relationships who happen to be of the same gender. It disappoints me no end that, in the year 2002, we still have official discrimination against people in same sex relationships. I would urge the government to reconsider this issue.

Life-Saving Drugs Program

Mrs MAY (McPherson) (7.43 p.m.)—The delivery of health services is certainly a topic attracting a lot of media and community debate at the moment, but tonight I would like to put on the record my support for the Commonwealth government’s Life-Saving
Drugs Program. Until a couple of years ago I knew nothing about this little known program that provides funds under an appropriation item established for the specific purpose of assisting access by individuals to expensive and life-saving drugs accepted by the PBAC as clinically effective, but not available as pharmaceutical benefits because of a failure to meet cost-effectiveness criteria.

A number of years ago I had the privilege of meeting an inspirational young lady who was awarded the 2000 Queensland Telstra Business Woman of the Year—a woman who is a passionate crusader for causes, particularly in the area of health. Rosslyn Bates is a trained nurse who has won numerous awards for her work in health fields, but she is also a woman who passionately believes in raising the awareness of rare genetic orders. I had never heard of Gaucher disease or Fabry disease until I met Rosslyn.

I know Rosslyn has contacted many of my colleagues on this side of the House, and indeed many in the opposition, to set up appointments with a view to raising awareness of these diseases and, in many cases, advising members that they have in their electorates people suffering from these diseases who need their support. Currently the Life-Saving Drugs Program funds enzyme replacement therapy for those people suffering from Gaucher disease. The treatment is expensive, and I commend the government for continuing with this program to enable sufferers to lead some sort of normal life. Gaucher disease is challenging to live with. The disease causes spleen and liver enlargement, bone deterioration, anaemia, bleeding, bruising and fatigue. So what does the program mean to those people diagnosed with Gaucher disease? How is the patient’s quality of life enhanced by the drug cerezyme which is used to treat this rare disease?

I had the opportunity of speaking to Loraine Mitchell, who is president of the Gaucher Patient Group in Australia. She also suffers from the disease and shared with me her own personal battles and the challenges she has faced since being diagnosed with Gaucher disease at the age of 11. As a young teenager her spleen was removed because it got too big. Loraine suffered blood noses at least three times a week. Her doctors were not originally aware of how the disease affects the bones. Loraine had to give up her ballet lessons because her hip seized up at the age of eight. She could not walk and ended up in traction for three days, so there was no more ballet.

The biotechnology industry is a growing industry and one that should be encouraged and funded. Enzyme replacement therapy, through research and development, has given Loraine a quality of life she has not enjoyed since she was a young child. And what type of difference has the enzyme replacement therapy made? In her own words, the first thing Loraine noticed was that ‘she would wake up in the morning and feel so refreshed she could jump out of bed ready to tackle the world’. Prior to enzyme replacement therapy it was a totally different story. Loraine was always tired; even after eight hours of unbroken sleep she would feel like she had only had five minutes. She had continual pain in her back and hips. She could not walk for long distances. She would only have to do an hour or two of light gardening and she would not be able to move the next day. As a child and teenager Loraine learnt to pace herself. She would have frequent naps during the day. When you are born with the disease, it becomes a normal way of life and you know nothing else. But the breakthrough of the enzyme replacement therapy has changed all that.

The federal government’s commitment to the Life-Saving Drugs Program has turned
Lorraine’s life around—and the lives of many other Gaucher patients. Since beginning the therapy four years ago, Loraine has increased her energy levels. She climbed Uluru with her husband in the year 2000—a goal she could never have achieved without this program. Loraine can now go for long walks, enjoy dinner out in a restaurant and go to the beach. She can now enjoy the simple pleasures in life without her hips hurting or her fingers swelling up. Her only regret is that this very effective treatment was not available to her when she was a child or teenager. For those young people now being diagnosed with Gaucher disease this effective treatment will enhance their quality of life. The patient group in Australia, however, is concerned that patients can only access the treatment once their symptoms become very severe. There is concern that this delay in treatment can lead to permanent damage such as bone death. There are concerns that any reduced level of dosage of the enzyme will mean the treatment will become less effective.

I strongly urge all members of the House to support this program. It is only when you meet the patients that you have a better understanding of what life can dish out. We in this country do enjoy a standard of living and a health system that has some enormous pluses; the Life-Saving Drugs Program is one of those pluses. I strongly urge the coalition government to continue funding this program for those people in our communities who suffer from rare genetic diseases.

Housing: Affordability

Mr RIPOLL (Oxley) (7.48 p.m.)—Recently many Australian home owners and investors have been excited, and rightly so, to learn their homes have considerably increased in value. Prima facie, this is good news for Australians, who seemingly are all that little bit richer. Below the surface, however, serious problems linger and could erupt if interest rates rise as is expected later this year. There are dangers for home owners, charmed by the higher and higher valuations that do not represent the core value of real estate. A blanket rise in the price of housing does not equate to the real value across all regions. Many Australians keen to sell their homes to make a considerable profit soon realise that it will cost them just as much, if not more, to find a new home in the same area—without taking into account the added cost of legal charges and taxes.

At the end of the day we all need a roof over our head. Thus far it seems that only investors are likely to benefit from the housing surge in terms of capital growth. At the opposite end of the scale are ordinary Australian families, now faced with a huge increase in the cost of housing. For some, this has created desperate circumstances. Areas such as Ipswich, west of Brisbane, have been traditionally characterised by inexpensive housing, ideal for young families or those at the lower end of the housing market spectrum. Not too long ago a house at the bottom of the market in Ipswich could have been purchased for around $80,000. This figure has now shot up to well over the $100,000 mark—more commonly as high as $120,000 to $150,000. This has crushed the dream of young families—that great Australian dream of owning your own home.

For home buyers, this has been exacerbated by the proportion of tax that accumulates on the price of buying a new home. On average, a family wishing to build a home will pay at least 20 per cent tax on top of the price of their home. The first home owners grant does absolutely nothing to counter this either. In fact, it simply means that sellers are aware that there will be buyers with an extra $7,000—and sellers soon adjust their asking price accordingly. The grant does nothing but make houses more expensive. According to
the latest figures on the use of the first home owners grant, infants and young children have been able to buy their first home before they can even walk. This is another failure of this scheme, which was ill conceived by a desperate and panicked government. The scheme has not been effective. It has helped many people into million dollar homes. There have been scams where family members sold homes to each other to benefit from the grant—while leaving out in the cold many other families that were in need but did not qualify because of bureaucratic detail.

Queensland is in desperate need of more public housing and it needs a federal government prepared to make housing an issue for this to be funded properly. There has been a huge reduction in federal government funding under the Commonwealth-State Housing Agreement, which is in part responsible for the diminishing stock of public housing. A significant cause of the housing shortage in Queensland is interstate investors making the pilgrimage to the sunshine state. Southerners, who are not concerned with a 40-minute drive or longer to the CBD, are keen to buy properties in areas such as Ipswich and other outer city localities, and they are willing to pay a premium to do so. This pushes up the average price of previously low-cost housing. For locals who wish to purchase cheap housing, this prices them out of the market and further pushes them to outer regional areas in order to find affordable housing. For many, even this is not an option as moving away from convenient locations and transport means moving away from employment. The only alternative remaining is to rent. Even working couples on average incomes are finding it difficult to break into the home ownership market unless they have significant savings, which in these days of record credit card debt and with national savings at an all-time low are hard to achieve.

There is a lot of pressure on Australian families trying to get ahead, especially in such an unstable and unpredictable market. For young people, new to the workplace and on basic wages of, say, $30,000, home ownership is now only a fantasy. Since the election of the Howard government in 1996, life has become just that little bit more difficult for the average Australian family. Whether it is the rising cost of health care, the swelling costs of education and HECS related debt, the credit card debts at all-time highs or the shifting goalposts for family payments, life has got just that little bit more difficult for ordinary people in this country. It is important to put the current housing market into perspective and to acknowledge that it is not necessarily a positive position for all Australians. For many Australian families, now is a difficult time. Those who have not benefited from increased property values need the government to work hard to help them.

Fisheries: Great Barrier Reef

Mr NEVILLE (Hinkler) (7.53 p.m.)—It is no secret that I deplore the prospective commercial fishing restrictions being put forward by the Great Barrier Reef Marine Park Authority in its draft closure plan. I have previously spoken on this topic but since then more weight has been added to my argument that the possible closure of up to 25 per cent of the current fishing grounds contained within the Great Barrier Reef Marine Park zone will decimate Queensland’s commercial fishing industry.

Queensland’s commercial fishermen have already lived through a succession of fishery closures, such as the 2001 East Coast trawl plan, which was progressively implemented from 1999 onwards and which slashed the state’s trawling fleet from 750 to 500. In addition, 35 per cent of the reef area that was untrawled or lightly trawled was closed to Queensland fishers at that time. In 2001 an
effort unit system was introduced as part of the East Coast trawl fishery structural adjustment scheme. Trawler owners in my own area dropped from around 150 to 120 effort nights, and there was a huge decline in the number of trawlers operating in the Bundaberg region. One company operating out of Bundaberg, Fishmac, explained that they had gone from having 33 trawlers supplying them to seven. The decline in Gladstone was more dramatic, with one processing works having its supplying trawlers drop from 107 to 31.

Following my last speech I received a message from Paul Farmer, group general manager of Urangan Fisheries and Schulz Fisheries in Hervey Bay. In part he said:

... in the past we quite often have felt local parliamentarians have not really quite understood the broader socio-economic impacts that will occur from continuing to place ever more aggressive closures upon our industry—with no guarantee for the industry regarding future access rights to harvest what is a community resource. A resource—in our opinion—that should be sustainably harvested for the benefit of the community as a whole, and not just locked up indefinitely based on vague and unproven science.

I agree with his sentiments wholeheartedly, and they were further reinforced last Friday when Professor Tor Hundloe of the University of Queensland produced a damning study into the Great Barrier Reef Marine Park Authority's Representative Areas Program, or RAP. Professor Hundloe’s research shows that Queensland will lose $38 million if the RAP goes ahead as planned. I am no environmental vandal but neither am I going to stand back and watch regional centres in Central Queensland, such as Gladstone, Bundaberg and Yeppoon, haemorrhage for the sake of untested environmental ideology.

The Great Barrier Reef is both a natural wonder and a natural resource. These concepts are not mutually exclusive and neither are the ties between the reef and the families who rely on its environs for a living. Professor Hundloe is dead right when he says the environmental benefits of the proposed rezoning are fuzzy at best, while the costs are clear for all to see. In my electorate alone, local families and the regional economy face a direct cut of $6.6 million in total, with Gladstone looking to lose $2.5 million from its local economy and Bundaberg predicted to lose $4.1 million. Other centres to lose will be Mackay, losing $3.8 million; Townsville, losing $2.8 million; and Cairns, losing $3.4 million per year.

Financial figures are one thing, but the human cost of the RAP means up to 1,200 jobs in Gladstone and Bundaberg, of people both directly and indirectly employed by the industry, stand at risk. These men and women might work on a trawler, in a small processing outlet, for a seafood wholesaler or at a local iceworks. It could be my neighbour or it might be the young kid down the road who just scored his first part-time job in the local fish and chip shop.

The one hope on the horizon is an independent study commissioned by the federal Minister for the Environment and Heritage to be conducted by the Bureau of Rural Sciences. I urge those carrying out the study to fully explore the economic ramifications of such sweeping fisheries closures along the Barrier Reef and present a balanced view of the associated costs for our local communities. I will certainly be following this matter closely with the minister. I support the pristine Great Barrier Reef and I want to see it protected. But there is room for a properly regulated fishing industry and there is room, too, to carry out the promise made when the Great Barrier Reef Marine Park was first put in place that there would be no damage to the fishing industry.

Question agreed to.
House adjourned at 7.58 p.m.

NOTICES

The following notices were given:

Mr Abbott to move:
That the resolution of the House of 9 October 1984, as amended, setting out the requirements for the declaration of Members’ Interests be amended as follows:

Paragraph (i) (other assets)— omit “$5000”, substitute “$7500”.

Paragraph (k) (gifts)— omit “$500”, substitute “$750”, omit “$200”, substitute “$300”.

Paragraph (l) (sponsored travel)— omit the paragraph, substitute “(l) any sponsored travel or hospitality received where the value of the sponsored travel or hospitality exceeds $300.”

Mr Anthony to present a bill for an act to amend the Social Security Act 1991, and for related purposes. (Social Security Amendment (Further Simplification) Bill 2003)

Mr Slipper to move:
That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: RAAF Base Richmond reinvestment project, Richmond, NSW.

Mrs De-Anne Kelly to move:
That, in accordance with section 5 of the Parliament Act 1974, the House approves the following proposal for works in the Parliamentary Zone which was presented to the House on 13 October 2003, namely: Forecourt scoria restoration, Parliament House.
The DEPUTY SPEAKER (Mr Causley) took the chair at 9.40 a.m.

STATEMENTS BY MEMBERS

Military Detention

Mr BRENDAN O'CONNOR (Burke) (9.40 a.m.)—This morning, I would like to raise some concerns that I have about the alleged treatment of prisoners at Guantanamo Bay in Cuba. There have been allegations that those detainees are being tortured and, if this is true, that would be a breach of the international conventions against torture. I also wish to raise in this place some concerns that were put by international judges and lawyers last Friday when they condemned US treatment of detainees at Guantanamo Bay in Cuba as a violation of international law. Justice Richard Goldstone, a judge of the Constitutional Court of South Africa and former chief prosecutor of international tribunals for the former Yugoslavia and for Rwanda, said in a speech in Washington that there had been dozens of suicide attempts at Guantanamo Bay, where prisoners deemed enemy combatants are being held indefinitely outside US territory. He went on to say:

The law just doesn’t accept black holes. If they’re prisoners of war they’ve got rights under the Geneva convention. If they’re civilians they’ve got rights under the domestic laws of the US.

Those issues are of concern to me, particularly in times of international terror, because it is important that democratic nations are vigilant in upholding the principles of natural justice and the tenets of democracy. We are judged by the way we treat detainees. Indeed, the United States as a nation will be judged by the way it treats its detainees at Guantanamo Bay. I think, therefore, it is important to note those claims that have been made and ensure that those claims are not true or, if they are true, ensure that something is done to rectify the matter.

I would also like to make reference to the Red Cross, which is the only organisation that has had access to those detainees. It is an organisation that rarely speaks out, because of the conditions upon which they are able to gain access to such detainees, but they also have indicated that there is a worrying deterioration in the mental health of detainees and have raised concerns about certain breaches of international covenants. Again, I say that there are a number of critics of the way in which the United States is dealing with this matter.

Finally, I want to quickly mention the former military officers, federal judges and diplomats of the United States, including two former World War II prisoners of war who have indicated their concerns about the treatment. They have said in their brief that ignoring the Geneva conventions in Guantanamo Bay will give other nations an excuse to do the same and will endanger American soldiers captured in the future. I think America should take note of its former war heroes.

Canning Electorate: Native Title

Mr RANDALL (Canning) (9.43 a.m.)—I wish to again raise an issue which I raised in this House on 17 September regarding a vexatious claim on Wright Lake in my electorate of Canning and the fact that the Swan River coastal plains native title claimants, along with the Nyungah circle of elders, are threatening an injunction on this project. Wright Lake is to be excavated to develop a whitewater rowing course of international standard in conjunction
with the extension of the Tonkin Highway in that area. I have been informed that the project will be developed using the fill from the Forrestdale business park.

As I flagged previously, Mr Bropho and his vexatious litigants were threatening to place an injunction on this project, claiming that they had not been properly consulted, even though under the state native title regime all their claims have been examined and expunged. As I said previously, I had the support of the local Labor member for Armadale and transport minister saying that this was a spurious claim and should be treated as such. However, as they have not been successful with the state Labor government on this issue, they are now placing an injunction—lodging it with the federal Minister for the Environment and Heritage, Dr David Kemp—under sections 9 and 10 of the Aboriginal and Torres Strait Islander Heritage Protection Act 1984.

Let me inform the House and those involved in this issue that I have contacted Dr Kemp’s office to explain to him the nature of this claim, that he is being used as a result of lack of success by the claimants in the state regime and that it is a claim timed to injure the project as much as possible, given the fact that this project has to have had the injunctive application dealt with on or before 30 November 2003, otherwise the contract with Main Roads to excavate, at no cost to the local project, the Tonkin Highway and the Forrestdale industrial park cannot go ahead. I am informed by Dr Kemp’s office that they are aware of this claim, that it does need to be treated with due process and that that will be done. This claim has been lodged in order to stop work—it is effectively a stop-work stunt—and the interesting part is that Dr Kemp’s office have reinforced the fact for me that as a result of the application, even though it may take some time, there is no real legal requirement for works to cease at the sites in question, and as a result this project can go ahead while the matter is being determined.

(Time expired)

Middle East: Israeli-Palestinian Conflict

Mr ORGAN (Cunningham) (9.46 a.m.)—The Australian Greens, at their national conference on the weekend, adopted a detailed policy on the conflict between Israel and Palestine. The policy supports the legitimate rights and aspirations of the Palestinian and Israeli people to live in peace and security in their own independent, sovereign states. Peaceful co-existence is something I am sure we all support and, of course, we all understand the significance of independence and sovereignty. The Greens policy contains a number of principles, goals and short-term targets. It calls, for example, for an end to all acts of violence against civilian populations. It is obvious that justice is an essential prerequisite for peace, and the Greens recognise the ongoing injustice that has been done to the Palestinian people. We urgently need to find a way that will allow Israelis and Palestinians to live in peace. The Greens oppose Israel’s ongoing occupation of the Palestinian territories, and the expropriation of Palestinian land and resources for its settlements.

The protection of human rights is obviously a priority. We reject violence and its promotion, particularly against civilians, including state-targeted assassinations and suicide bombings, and we oppose all forms of racism, religious or cultural intolerance and discrimination. The Greens call on all parties to comply with UN resolutions, international law, the Universal Declaration of Human Rights and the Geneva convention. Specific goals within the policy include:
(1) the removal of Israeli settlers and Israeli security and military forces from the Palestinian Territories;
(2) the termination of the occupation of the Palestinian Territories and the establishment of a secure and viable state of Palestine alongside Israel, based on 4th June 1967 boundaries, with both states sharing Jerusalem as their capital;
(3) a just and practical negotiated settlement of the claims of the Palestinian refugees which provides compensation for those who are unable to return to their country of origin, Israel or Palestine;
(4) the right of each state to independently manage its own affairs, including foreign relations and economic development, without the dominance of one state over the other;
(5) the equitable allocation of shared resources, including water;
(6) the promotion of a culture of dialogue, harmony, peace and reconciliation between the peoples of Palestine and Israel, both in the Middle East and in Australia, fostered through educational, cultural and other institutions; and
(7) full equality before the laws of each jurisdiction for every citizen of that jurisdiction, irrespective of ethnic origin, religion or belief, race or gender.

In the short term we would like to see peace negotiations facilitated by an international commission under the auspices of the United Nations and assisted by the deployment of an international peacekeeping force. Such a force would keep the peace and assist the Palestinian Authority to re-establish its infrastructure. The world community must work hard to achieve a peaceful resolution to the ongoing conflict between Israel and Palestine. The immediate dismantling of the separation wall would be one very positive and significant step down the road to peace.

Moncrieff Electorate: Gold Coast City

Mr CIOBO (Moncrieff) (9.49 a.m.)—I am pleased to rise this morning to talk about a mission that has been in Canberra for the last several days. This year the Gold Coast City Council has once again travelled to Canberra to showcase our city and some of the unique challenges that our city faces. It is also in Canberra to highlight some of the idiosyncrasies of our city and to highlight the way in which many perceptions about the Gold Coast, although well founded, are no longer relevant for a city that is now very dynamic and indeed is the sixth largest city in Australia.

Effectively the theme around this year’s mission to Canberra has been to talk about innovation stories from an innovative city. In particular the mission has been highlighting the fact that the Gold Coast is very much middle Australia. It has a population now of 450,000 people. It is the only city that is growing younger, and it is a city that has a growing ‘middle Australia’ population that comprises ordinary mums and dads and their families. It is no longer what it is perceived to be. It has always been perceived to be one kilometre wide and 20 kilometres long—an area known as the strip. Gold Coast City is now much broader than that, embracing, as I said, 450,000 people.

This year’s mission is led by the Mayor of the Gold Coast, Gary Baildon. He was ably supported by the Deputy Mayor, Alan Rickard. The mission was led by those two councillors as well as Councillor Jan Grew and Councillor Sue Robbins. In addition to the civic leadership from our city, the mission has been supported by over 20 community and business leaders from the Gold Coast, each of whom has an innovative story to talk about in our innovative city. I would like to congratulate as well the hardworking team of council officers from Gold
Coast City Council who coordinated the event and made sure that it ran as smoothly as it has over the past several days. Indeed, all of those travelling with the delegation have had a busy program of meetings. These meetings with various bureaucrats, ministers and shadow ministers mean that our city is now firmly on the map and people are well versed with the arguments coming forth about the unique challenges that our city faces.

This program culminated last evening with a dinner, followed by a function that I held called ‘Indy drinks’. The actual dinner was an opportunity to showcase three businesses in particular. I will mention two of them briefly. One is Carlton and United Breweries, which is expanding its very large brewing facility to now be one of the largest brewing facilities in Australasia. That is based at Yatala on the Gold Coast. The other is a very successful local company called Bond Wireless. Bond Wireless is having tremendous success internationally in putting together wireless technical applications. I would also like to quickly thank the London Music Group and, in particular, Wozza; the Gold Coast City Council; Carlton and United Breweries; Graham Quinn and Geoff Jones; RG Capital Radio’s Nick Scott, for flying down Anna-Maria La Spina to sing at the Indy drinks; and of course Bartercard, for the Indy Girls.

(Time expired)

Centrelink: Debt Recovery

Mr SCIACCA (Bowman) (9.52 a.m.)—I have spoken before in this place about the ‘take no prisoners’ approach to debt collection that Centrelink adopted while under the guidance of the former minister Senator Amanda Vanstone. In the brief time available to me this morning I would like to draw the attention of members to a very upsetting encounter that one of my constituents has had with the debt recovery section at Centrelink, in the hope that the new minister will see the effect the current system is having on decent people and will take steps to urgently review the way entitlements are calculated and overpayments are handled.

Robyn Carnes is widely admired in the Wynnum-Manly community for the wonderful contribution she makes as a foster mother, so much so that she received a Centenary Medal earlier this year in recognition of her outstanding efforts with young people. Being a foster parent is a tough job at the best of times, but Robyn—who has significant disabilities which restrict her mobility, as a consequence of thalidomide, and has only one lung and one kidney and suffers from a heart murmur—has for many years devoted herself to assisting disadvantaged children and doing everything she can to give them the best possible start in life.

To ensure she was in a position to provide for the children in her care, Robyn worked for many years in a part-time capacity on reception at the Princess Alexandra Hospital in Brisbane. During this time she also received a small disability pension. In 1997 Robyn was offered the position on a full-time basis and she immediately notified Centrelink about her new circumstances. Having done this, she was confident that Centrelink would reassess her entitlement in light of her increased earnings. Unfortunately for Robyn, this confidence was misplaced.

Five years later she was contacted by Centrelink and advised that she owed them $9,000. This debt apparently arose because, in a review of entitlements, Centrelink used one of Robyn’s pay slips and annualised it over five years. This practice means that Centrelink is often working with figures that are in no way a true reflection of people’s earnings, and it puts Centrelink clients like Robyn in a position of considerable disadvantage.
Mr Danby—It is disgraceful.

Mr SCIACCA—It is disgraceful, as my colleague says. Robyn has a small term deposit of $12,000 that was left to her by her late husband. This money represents her only savings and is an important safety net for her if unexpected costs arise because of her health care needs or in order to assist the children in her care. So she was understandably distraught when Centrelink told her that they would be taking $7,000 from her account when the term deposit matured. This threat was made despite the fact that Robyn had been given the time to ask for a review of the debt and had spoken with Centrelink staff about options to repay any moneys owing in monthly instalments.

Thankfully my office was able to intervene. After extensive negotiation during which Centrelink staff were made aware of Robyn’s unique situation, the decision to garnishee her bank account was reversed and a more reasonable repayment plan was arranged. But it should never have got to that stage. It is appalling that people like Robyn who have been honest in all their dealings with Centrelink are subjected to such heavy-handed treatment by the debt recovery section. I can only hope that with the arrival of a new minister—a nice person, Senator Patterson—this portfolio will receive the injection of compassion it so sorely needs. (Time expired)

Presidential Visits: Free Trade Agreements

Mr BRUCE SCOTT (Maranoa) (9.55 a.m.)—This time next week we will see two of the world’s most important leaders visiting Australia and addressing a joint sitting of the federal parliament. These visits by the United States President, George W. Bush, and the Chinese President, Hu Jintao, mark a historic occasion at a time of great opportunity for Australia. I welcome both of these world leaders to the nation’s capital as it is essential that we continue to further strengthen the relationship between our countries.

President Bush’s visit comes as this government continues to negotiate a bilateral free trade agreement with the United States. Australia can only stand to benefit by the establishment of an agreement with the United States. With a population of 330 million, the United States boasts the world’s largest economy. As the federal member for Maranoa, I represent a large rural electorate that would enjoy significant opportunities by gaining access to the United States under a free trade agreement in the areas of agriculture particularly, education, science and technology, to name a few of the industries in my electorate.

Specifically, one of the industries in my electorate that would prosper under a bilateral free trade agreement with the United States is the beef industry, and I would like to share some details of that industry in my area with the committee this morning. The industry includes the OBE Beef producers’ group in Western Queensland, who are organic beef producers. It also includes producers who are establishing valuable niche markets: companies like Stockyard; the Stanbroke Pastoral Company, with their Diamantina brand of product; and the Australian Agricultural Company, with their 1824 Aged to Perfection beef. A bilateral free trade agreement represents valuable niche market opportunities for these companies, which have large investments in my electorate. Other beneficiaries include the wine industry in the Granite Belt and elsewhere in the electorate—they are already establishing a very important presence in the United States—and horticultural industries, including mandarin, lemon and table grape producers in Central Queensland, the St George region and other parts of Western Queen-
sland. I would like to reiterate the trade minister’s comments at a luncheon in Canberra earlier this year. He said:

… a Free Trade Agreement … is—without question—the most significant bilateral trade negotiation in Australia’s history, and a singular opportunity for Australia.

The minister also said—and I could not agree more—that Australia is not going to compromise its strict quarantine regime or compromise the farm sector.

Finally, I would like to add that the Chinese President, who leads one of the largest populations in the world, is an important visitor who will be welcomed in Australia. This government, through the Minister for Trade, Mark Vaile, has already started work on a scoping study of the opportunities for a bilateral free trade agreement between Australia and China. This will be an important opportunity. A bilateral free trade agreement with China somewhere down the track will be important to the future prosperity of both countries. Australia’s relationship with the United States of America has stood firm throughout the past century. We are both strong democracies that share common values. We as a coalition have always been prepared to share our international responsibilities when it comes to security and defence. *(Time expired)*

**The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! In accordance with standing order 275A, the time for members’ statements has concluded.**

**TELECOMMUNICATIONS INTERCEPTION AND OTHER LEGISLATION AMENDMENT BILL 2003**

**Second Reading**

Debate resumed from 9 October, on motion by Mr Williams:

That this bill be now read a second time.

**Mr BRENDAN O’CONNOR** (Burke) (9.59 a.m.)—I rise to support the Telecommunications Interception and Other Legislation Amendment Bill 2003. I support it, of course, along with the entire opposition because in our view it makes a very decent contribution to the fight against terrorism and also improves a number of areas concerning law and order. Firstly, it ensures that the Western Australian Corruption and Crime Commission and the parliamentary inspector who will oversee it will have appropriate investigative powers conferred by Commonwealth laws. This bill, among other things, amends the Telecommunications (Interception) Act 1979 to make the new commission and parliamentary inspector eligible authorities for the purposes of that act. This new commission and parliamentary inspector will therefore have greater powers. This will enable them to receive, for example, telecommunications interception products relevant to their functions. In addition the commission will be able to be declared an intercepting agency, enabling it therefore 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 that would also require the Commonwealth Attorney-General to be satisfied that the new commission meets the appropriate record-keeping requirements and accountability measures.

Further to those amendments the bill amends the Financial Transaction Reports Act 1988 and therefore allows the commission to be effectively a law enforcement agency for the purposes of the 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 IAC of the act, which will enable
the commission to acquire and use evidence of an assumed identity.

As you can see it is a very broad bill and it goes to a number of areas of law. I should indi-
cate by way of context that this year the Western Australian government introduced legislation
into their parliament to establish a new and better resourced Corruption and Crime Commiss-
ion to replace what was the Anti-Corruption Commission. That law, passed by the parlia-
ment, was assented to in July this year.

The creation of the new body implements a recommendation of royal commissioner Ken-
nedy, who was charged with the responsibility to investigate police corruption. In his report,
delivered last year, he indicated that there were in fact quite serious flaws in the structure and
power of the ACC. Therefore he considered that such deficiencies brought about a lack of
public confidence in the current processes of the investigation. Therefore the commission’s
role now would be to investigate police corruption, to investigate the public sector corruption
and also to play a vital role in examining and investigating organised crime.

The amendments made by this bill will ensure that this newly established commission has
all the powers of the outgoing ACC to tackle corruption and organised crime. It is important
that we commend the Western Australian government and in particular its Attorney-General
on the establishment of this new body because it is certainly going to strengthen the powers
for authorities to act when necessary.

Another purpose of this bill is to amend the Telecommunications (Interception) Act 1979,
as I said, which would enable interception warrants to be sought in the course of investigating
slavery, sexual servitude, deceptive recruiting and aggravated people-smuggling offences con-
tained in the Criminal Code. The new offences applying to the smuggling of people—
aggravated people smuggling—have been strengthened. They would now, for example, apply
to the smuggling of people into a foreign country, whether or not via Australia, whereas pre-
viously offences of this type in the Migration Act had applied only to the smuggling of people
into Australia.

Again, this is a very timely amendment to the law to ensure that the authorities have pow-
ers to prevent things such as this happening and indeed, if they were to occur, to ensure that
people were properly charged. In respect of that offence of people smuggling—that is, when a
person organises the illegal entry of another person—the maximum penalty would be 10 years
imprisonment, and I think it is an appropriate sentence for such a heinous act. This bill has
looked to improve the law in this area to respond to public concerns about such acts and
therefore I happily rise to support those provisions.

As I said, there are also some references to other areas, including slavery, sexual servitude
and deceptive recruiting. I think it is public knowledge that there have been many victims of
this evil trade and indeed there has therefore been an important requirement that the law be
enhanced in order to respond to those awful crimes. I think this bill goes some way to doing
that and should be commended.

In respect of the interception warrants, we support this bill. But, as with all matters that go
to potential intrusions on individual freedoms and people’s rights, there always has to be the
right balance between ensuring authorities have the capacity to undertake their duties and dis-
charge them effectively and the government being conscious of not intruding upon individuals

MAIN COMMITTEE
unnecessarily. Therefore matters such as this with respect to telecommunications interception should be reviewable, and we should monitor the way in which our authorities implement such laws. I note that the then Attorney-General, when commenting upon this issue and making reference to the report which was handed down, said:

The report shows that the use of telecommunications interception continues to be an important investigative tool which is demonstrating proven results. The figures contained in the report show that access to this tool is vital for law enforcement particularly at a time of such rapid technological change and advancement.

Those comments by the former Attorney-General were made in relation to the latest annual report on the telecommunications act. But, to reinforce my concerns about maintaining a balance, I note that the *Sunday Tasmanian*, in its editorial, indicated the following:

AUSTRALIANS are fast becoming the most spied-on people in the Western world. Mail interceptions and telephone taps have soared.

The 2,514 court warrants for phone taps last financial year—almost double the number issued in the US—represent a tenfold increase in the past decade ... The warrants apply to hundreds of thousands of individual phone calls and eavesdropping on thousands of people.

That paper may have gilded the lily a little and may have used hyperbole to make its point, but I think it is an issue that has to be properly monitored. I also note with respect to this matter that, in relation to the report, the then shadow minister for justice, Daryl Melham, stated in September last year in this place:

It is a striking fact that Australian law enforcement agencies are resorting to telecommunications interception much more than their American counterparts ...

He went on to note that, given the disparity in population between the two countries, it amounted to a per capita rate of telephone interception in Australia which is more than 20 times that of the United States. Clearly, if we were to use the United States as a benchmark for those things, then, in terms of rights to intrude into individual freedoms in order to discharge the powers that are needed in such insecure times, I think we have to be mindful of the fact that there has indeed been quite an extraordinary increase in interceptions in this country. The rate is far in excess of that which would occur in the United States and other comparable countries. Therefore, I think we have to take note and be mindful of that when we have this bill passed and assented to.

I will finish by saying that the Labor Party supports the bill. We believe that it should be passed. It does strengthen powers in a number of areas and that is a good thing. However, I think it is important that we review the way in which our authorities and, indeed, our executive governments, apply these quite powerful measures to intrude into people’s homes. We must make sure that the balance does not fall against the individual unnecessarily when we are attempting to achieve a secure nation.

Mr HATTON (Blaxland) (10.12 a.m.)—The Telecommunications Interception and Other Legislation Amendment Bill 2003 has two parts. The first part is dealt with in schedule 1 and it concerns remodelling the way in which the Western Australian Anti-Corruption Commission operates. That remodelling is necessary because the manner in which the commission
previously operated has been found to be deficient. In fact, the commissioner who looked into
the situation with the WA Anti-Corruption Commission concluded:
... that the identifiable flaws in the structure and powers of the ACC [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.

This is an unusual situation in that a Commonwealth bill is seeking to assist a state govern-
ment to renovate something found to be faulty at a state level. We know that, Australia wide,
state governments have set up independent commissions against corruption. Both Deputy
Speaker Causley and I are from New South Wales and Deputy Speaker Causley's former ex-
perience is in the Legislative Assembly of New South Wales. He will know that the New
South Wales anticorruption body has now had a considerable history. In the way they have
been set up, moved forward and changed, the New South Wales and Queensland anticorrupt-
ion commissions have almost formed the benchmark for the way in which state jurisdictions
have dealt with these matters. But, in Western Australia’s situation, the experience was that,
over time, they fell far short of the quality of practice of places like New South Wales and
Queensland.

The Labor Party is entirely supportive of the changes proposed in this bill with regard to
Western Australia. It is supportive of the fact that the Western Australian Premier, Mr Gallop,
and the relevant minister, Mr McGinty, have sought to resolve these problems and come up
with a new anticorruption commission which will do its job much more effectively. The bill
specifically deals with this in schedule 1. I will now state the advice that has been given to me
about the way the bill attempts to get around these problems. I think this bill is coming before
us for about the third time. It has had a foreshortened history, if I am thinking about the cor-
rect bill, and we are finally dealing with it now. But I stand to be corrected on that.

In terms of the Western Australian situation, this bill amends Commonwealth laws to pro-
vide the Western Australian commission with enforcement powers to perform its functions
consistent with the powers available to the body that it will replace—the WA Anti-Corruption
Commission. So it is the enforcement powers linked to the Commonwealth’s ability to guar-
antee those, effectively, that are being introduced here.

Specifically, the bill will amend the Telecommunications (Interception) Act to include the
proposed Western Australian commission and the proposed Western Australian parliamentary
inspector of the Corruption and Crime Commission as eligible authorities, enabling them to
receive intercepted information. Of course, if they were not in a position to do so, we would
have the problem that, although people working for the commission might otherwise be oper-
ating legally, if this measure had not been taken they would not be in a position to be able to
use the information gathered in hearings before the Western Australian Corruption and Crime
Commission. That instance is now covered by this covering Commonwealth legislation.

In addition, the amendments will enable the Western Australia commission to be declared
to be an intercepting agency in its own right, allowing it to obtain and execute telecommuni-
cations interception warrants, subject to the fulfilment of specified preconditions. The impor-
tance of that, of course, is that references do not continually have to be made to the Com-
monwealth from the state jurisdiction in order to gain powers. We have seen where that sort of
thing has operated in the past. We have seen that it is not particularly effective because it is a
cumbrous and burdensome process. What this does is trust the Western Australian Corruption

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and Crime Commission, as a new entity, to take on these powers and to use them effectively in order to do its job and, hopefully, to do it better than the Anti-Corruption Commission that it replaced, without a tangling of responsibilities or a tangling in terms of process.

Given this situation, you can think about a couple of examples, particularly in New South Wales, where this has become extraordinarily potent. If we go back to the start of the anticorruption commission process in ICAC in New South Wales, the technological capacity that was available to ICAC or available to the Fitzgerald commission in Queensland or, indeed, available to the Anti-Corruption Commission in Western Australia, was relatively poor just more than 15 or so years ago—the ability to record people who were doing the wrong thing; the ability to track them and gain information about what they were doing. In very large part, that was dependent upon wire-tapping or phone tapping to get at them.

Most people at the time these were set up used fixed telephone lines. They were not using mobile phones. When mobile phones came into play, of course, it was pretty easy to track them if you knew the number. We had an analog system at that point, so it was easy for Commonwealth authorities to do it. Over the intervening period we have seen digital telephones come into play. There is a very simple situation in that, unless there is a specific power given—which there has been, under a series of different legislative instruments in this Commonwealth parliament—to our relevant agencies, you cannot crack open digital to digital or digital through to a land line. If anything is carried by radio, it is possible for our interception agencies to deal with that pretty effectively, but they need the power to do it. Every time there has been a dramatic advance in technology which has involved questions about Commonwealth and state government powers, these have needed to be resolved and made certain.

Given that that closely monitored power to intercept has been given through a series of different bills, I think we can be happy with the manner in which it has been used so far, given the new techniques that have been developed in New South Wales. These include ones that have become famous in the past couple of years, where people have used cameras—not the size of cinecameras but extremely small ones, either in cars or on the person who is cooperating with an anticorruption commission—to provide absolutely solid evidence that is transmitted to officers who are off site. It can then be used by the anticorruption commission through techniques similar to what we have got here, with the anticorruption commission taking on the relevant powers extended by the Commonwealth and taking responsibility for those. That is what this bill seeks to do in allowing this new commission to be properly resourced in its capacities and powers. I trust that, in terms of schedule 1 of the bill, this will go a long way to ameliorate the problems that are evident at a state level in the way the anticorruption commission did not function effectively. There can be no worse situation than what was designated by the commissioner who looked at this—the fact that public confidence was utterly wanting because the current processes simply did not work well. So the federal opposition joins with the government in hoping that this will work effectively for Western Australia.

This bill is in two parts. I think the second part is the far more significant one. It is not a question of a state agency being assured of a new future and having powers available to it; it is a question of people-smuggling and the attendant questions of people-smuggling being aggravated by exploitation, slavery, sexual servitude and deceptive recruiting. This very day on the radio these issues have been dealt with. The government is starting to make a case for everyone in Australia to see this as a more significant problem than it has been perceived to be in

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the past. Sexual slavery and servitude are evident within Australia in a range of our jurisdictions. There has been a significant problem in the past in dealing with those people who have been caught by the department of immigration—the manner in which they have been dealt with—given the fact that they have generally been trundled back to where they came from fairly quickly. There has been an argument that the way in which that has been done has not taken into account enough the enormous suffering that these people—in fact not only they but their families as well—have been put through. There is also the question surrounding the fact that, to crack down as hard as we need to crack down on people-smuggling practices, we actually need the cooperation of the victims. Simply sending them back or treating the victims as if they were the problem is not a fundamental solution to this. Dealing with this on page 2 of his second reading speech, the minister said.

The trafficking of people into Australia and the exploitation of those people is an issue of significant concern to the government. The government has been working to develop a strategy to arm law enforcement agencies with the capacity to investigate these offences and to facilitate prosecutions where evidence of illegal activity is uncovered.

He is quite rightly pointing out there that across a range of different agencies—not just the agencies involved in this bill but a range of government departments whether it be Customs, Immigration, Justice or Attorney-General’s—you need a coordinated strategy to unbundle this. He then said:

The nature of trafficking means that victims often fear that speaking out will result in action against either themselves or their family.

This is the very point that I was just making. It is a fact that it can be much harder to undo it if you take the wrong approach. He also said:

The availability of telecommunications interception warrants will provide law enforcement agencies with a valuable tool to assist in the collection of information that may not otherwise be available in relation to these very serious offences.

This in part gets to the nub of the matter—that those who are most victimised by these vile processes are not as likely to come forward, because they think they will just be pushed back to their country of origin. They become partly culpable because they are helping to continue this practice. They cannot stop being sexual slaves, because they have become part of it. The people who are exploiting them are utilising their power over them and their families to the point where they do not see any way out.

So the minister rightly points out that in these circumstances—when those people who are the ultimate beneficiaries of this bill see no light at the end of the tunnel in terms of getting out of their situation—you need to use other means than might otherwise be appropriate. Generally, we can deal directly with these people only if there is a raid by the immigration department and they are taken into custody. We can then extract information from them and, in doing so, get one step closer to taking action against the people smugglers and sexual enslavers. But, in order to achieve this, in most of these circumstances—given the covert way in which people who run these businesses operate—you need these interception means. So I have no difficulty at all in supporting schedule 2 of the bill because of what it is directed at.

I want to make a couple of broader comments arising out of this about people-smuggling, sexual slavery, sexual servitude and the deceptive recruiting of those people. That is also part and parcel of what we have seen over a considerable time now—in fact, since 1996—
regard to people-smuggling itself. Since then, 236 boats have arrived, carrying 11,500 people. This is a large and vigorous industry which has brought many more people in 2½ years than came under 13 years of Labor government, when in fact 2,500 people were smuggled into Australia, primarily from the Fujian province of mainland China. Those people were relocated after questioning and sent back to southern China. We dealt with the provincial government and the central government and, having identified those people and the fact that they had no right to be in Australia, we sent them back to where they had originally come from, at a cost of about $1 million. The people who had run the people-smuggling rings to get them into Australia had their future source out of that area broken.

You need strong effective powers, but you also need discipline and certainty in the approaches that you take in regard to this. Throughout the world, we have seen almost an efflorescence of people-smuggling out of China and other areas since 1996, because people can earn a significantly large amount of money from running those activities.

Catching these gangs of people smugglers has become more difficult in Australia, but the need to crack the gangs has become much greater because they have chosen, by and large, to take people who would otherwise be accepted as refugees in Australia. They do not just perform a broad snatch of people who might want to try their hand at being accepted as refugees; they preselect people. Their preselecting people who are likely to come has provided a significant difficulty for decision makers—not just because of the large numbers but because about 10 per cent of our refugee and humanitarian program intake are people who have come from camps overseas. That program has taken people equally and equitably, rather than people knocking down the door and attempting to come to Australia improperly. We have seen those 11,500 people come in part because there was a question of retribution for certain actions taken by this government in relation to East Timor and because there was retribution from some of our Indonesian colleagues.

We have finally seen—and it has taken a considerable period of time—a cooperative band of practices developed between Australia and Indonesia. Intersecting that, of course, is the dreadful anniversary that we have just celebrated of what happened in Bali, which affected Indonesian nationals as well as our own. Terror there has affected us here. It is also a fact that in Indonesia, which was such a strong conduit for people-smuggling activities in the broad and also a conduit for people-smuggling activities involving sexual servitude and exploitation, these practices have been choked. Most of our problems in this regard are caused not by people coming by boat to Australia but by those flying in, economy class, from a number of originating places, particularly in Asia. The department of immigration has tracked the countries specifically concerned.

When we were in government, we rightly brought in legislation to take into account that Australians travelling overseas should not act inappropriately when it came to dealing with, in particular, under-age women in Asia. People who did so could be prosecuted not only locally but, more importantly, at home for offences they had committed. The other side of this, which we are dealing with here, is where those inappropriate activities have been brought to Australia. The mechanisms that we need to use to break those are at hand if we are willing to use them and to bring about prosecutions.

In closing, concerns in general have been addressed by the former speaker and in quotes from the member for Banks, the previous shadow minister for this area. There have been
strong concerns expressed across the board about the liberties of Australians and the overuse of telephone interception. But here is a classic case of a nasty and vicious practice—people-smuggling for the purpose of sexual servitude—which should be wiped right out. I commend the bill to the House. (Time expired)

Mr RUDDOCK (Berowra—Attorney-General) (10.32 a.m.)—I take this opportunity to thank all the members who have participated in this debate on the Telecommunications Interception and Other Legislation Amendment Bill 2003 and to particularly thank, in his absence, the member for Barton for his comments. As he noted, there have been no prosecutions for slavery, sexual servitude and deceptive recruiting offences. As was mentioned earlier in the week, the Australian Federal Police have now charged eight people with slavery, sexual servitude and deceptive recruiting offences, and they are currently investigating a further 18 cases of alleged offences.

The measures set out in this bill will provide the AFP with an extremely effective tool to further assist in their investigations of these crimes, which are quite repugnant to us all. The strength of the government’s commitment to combating trafficking has been demonstrated by not only the improvements to investigative tools provided by these amendments but also the comprehensive whole-of-government strategy to combat trafficking in persons which was announced on 13 October—a couple of days ago. You will recall that, in the House at question time, I took the opportunity to elaborate on the range of initiatives, costing in the order of $20 million over four years, that will include legislative preventative law enforcement and victim support measures. These initiatives, including the amendments to this bill, demonstrate that ongoing commitment to investigating, preventing and prosecuting this insidious criminal activity of trafficking.

The bill is important for law enforcement. Trafficking of people into Australia is an issue of significant concern to not only the government but people generally. This bill enables law enforcement agencies to obtain warrants to assist in the investigation of offences involving smuggling aggravated by exploitation, slavery, sexual servitude and deceptive recruiting, as set out in the Criminal Code. Telecommunications interception provides law enforcement agencies with a proven, cost-effective technique for uncovering and prosecuting such serious offences. The availability of telecommunications interception warrants provides law enforcement agencies with a valuable tool to assist in the collection of information. Offences of smuggling, exploitation, slavery and sexual servitude are very serious. They attract hefty penalties and, as the member for Barton acknowledged, this bill gives the law enforcement agencies a very important capacity.

The bill will give the proposed Western Australian Corruption and Crime Commission and the Parliamentary Inspector of the Corruption and Crime Commission the means to perform their crucial functions more effectively. The government is aware of the corrosive effect that organised crime and corruption can have on our society. For this reason we support the conferral of appropriate powers on the proposed commission. The amendments will enable the commission to receive information which is collected by telecommunications interception conducted by other agencies and which is relevant to the performance of the commission’s functions. The amendments enable the commission to be declared an agency for the purposes of the interception act, allowing it to apply for and execute telecommunications interception warrants in its own right.
Telecommunications interception has of course been extremely effective in dealing with organised criminal activity and a range of other offences, and it has been an extremely valuable tool for the law enforcement agencies and anticorruption bodies in Western Australia. The bill will also allow authorised officers of the Corruption and Crime Commission to acquire and use evidence of assumed identity and to access financial transaction reports in the course of investigating corruption and serious criminal activity. The bill reflects the government’s commitment to providing effective law enforcement tools and ensures appropriate safeguards are there to protect the rights of individuals. It is a question of keeping a sense of proportion while enabling us to deal with organised criminal activity, to deal with corruption and to deal with trafficking in persons, which is of a very serious nature. In that sense the bill is very valuable.

In the course of this debate, the member for Burke claimed that Australians are ‘spied on’ more than Americans, for example, and cited figures from some recent reports as evidence of this, claiming that, per capita, Australian authorities use telecommunications interception more frequently than their American counterparts. The advice to me is that this is not true. Comparing the Australian and US statistics is like comparing apples and oranges. Both schemes have very different legislative requirements. For example, Australian law enforcement agencies must obtain a warrant for all forms of telecommunications interception, whether voice, fax or data. The US legislation provides separately for access in the different fields of communications, making it very difficult and perhaps almost impossible to directly compare their statistics and ours.

The member for Burke also questioned whether the use of telecommunications interception is subject to sufficient safeguards. I served on a parliamentary committee looking at these matters under the former government when I was an opposition member, and I know that these matters were pursued in government by the member’s own colleagues. I always find accountability issues, when raised in these contexts, fairly interesting. Often accountability is only pushed when you are in office and want to try to suggest that the use is in some way inappropriate. But I can assure the committee that the act does contain a wide range of accountability measures designed to ensure appropriate use and to ensure that the Australian public, through reporting to parliament, has access to information about it. The member himself was able to cite some of the statistics. As the member noted, each year the Attorney-General does table an annual report. That gives information to the public generally.

I think this is a very important measure. It ensures that we are able to deal with these issues effectively. It demonstrates that we are prepared to work cooperatively with state governments and, in this case, particularly with the Western Australian government. I commend the Telecommunications Interception and Other Legislation Amendment Bill to the committee. I look forward to it receiving speedy passage.

Question agreed to.

Bill read a second time.

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

**INDONESIA: TERRORIST ATTACKS**

Debate resumed from 9 October, on motion by Mr Abbott:

That the House take note of the paper.
Mr DANBY (Melbourne Ports) (10.39 a.m.)—I made a pledge to the people in my electorate after the tragedy of Bali that as my contribution to the memory of nearly 90 of our country’s men and women who were murdered in that terrible event, particularly of the two people from my electorate—Donna Croxford and Sue Maloney—I would do everything I could to subject this issue of terrorism, the source of its funding and the activities of the people who are engaged in it to as much forensic research as I could possibly contribute in this House. My hope is that parliamentary scrutiny will make a contribution to cutting off the sources of funding for terrorism in our region and that the searchlight of public opinion will contribute to preventing the recurrence of terrible incidents like that in Bali.

To that end, I want to today focus on the sources of funding that were well described in testimony to the subcommittee on the Middle East of the Committee on International Relations in the US Congress on 15 July 2003. I seek to table and have incorporated in Hansard a document titled ‘Saudi national charities and the financing of international terrorism’, particularly as it goes to the funding of al-Qaeda and its local franchise in this part of the world, Jamaah Islamiah. I seek leave to have this document tabled and incorporated in Hansard.

Leave granted.

The document read as follows—

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**Saudi National Charities and the Financing of International Terrorism**

| IIRO - International Islamic Relief Organization | WAMY - World Assembly of Muslim Youth |
| Headed by Sheikh Abdul Aziz bin Abdullah Al al-Sheikh (Grand Mufti, Saudi Cabinet Member) Chairman of Constituent Council of World Muslim League | Headed by Sheikh Saleh bin Abdul Aziz Al al-Sheikh (Minister of Islamic Affairs, Saudi Cabinet Member) Chairman of WAMY Secretariat |
| Receives Donations from Saudi Royal Family | Receives Donations from Saudi Royal Family |

**GLOBAL LINKS TO TERRORISM**

| Documented link to Osama bin Laden in 1989, when al-Qaeda founded, on IIRO stationery |
| Bin Laden’s brother-in-law, Muhammad Jamal Khalifa, runs Philippines offices - conduit to Abu Sayyaf |
| Muhammad al-Zawahiri, brother of Ayman al-Zawahiri (#2 in al-Qaeda), employed in Albanian office |
| Kenya blacklists IIRO |
| IIRO employee implicated in planned terrorist attack in India |

IIRO - International Islamic Relief Organization

- Headed by Sheikh Abdul Aziz bin Abdullah Al al-Sheikh (Grand Mufti, Saudi Cabinet Member) Chairman of Constituent Council of World Muslim League
- Receives Donations from Saudi Royal Family

WAMY - World Assembly of Muslim Youth

- Headed by Sheikh Saleh bin Abdul Aziz Al al-Sheikh (Minister of Islamic Affairs, Saudi Cabinet Member) Chairman of WAMY Secretariat
- Receives Donations from Saudi Royal Family

GLOBAL LINKS TO TERRORISM

- U.S. WAMY office in Northern Virginia under investigation (past director, Abdullah bin Laden)
- WAMY-Hamas connection noted in 1996
- WAMY funds ’tilaf al-Khir of Sheikh Qaradhawi which directs money to Hamas
- WAMY hosts Hamas, Riyadh, Saudi Arabia, November 2002
- al-Haramain closed down by Bosnia government for “financing the activities of terrorist organizations”
- Azerbaijan closes down al-Haramain for Chechen terrorist activities
- al-Haramain employees arrested in Albania
- al-Haramain closed down in Somalia

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Globally Links to Terrorism
IIRO in Pankisi Gorge (Georgia) conduit to al-Ansar in Chechnya
Documented IIRO funding of Hamas, on IIRO stationery

Mr DANBY—This excerpt is from a very disturbing document. The testimony by Mr Levitt to the US Congress is altogether very disturbing. He looked at the funding by the government of Saudi Arabia of extremist groups throughout the world. He developed this theme further in testimony before the US Senate Committee on the Judiciary on 10 September this year. He spoke about what he calls ‘the Golden Chain’, which is a reference to an al-Qaeda document discovered in Bosnia that dates back to 1988. In essence, the ‘Golden Chain’ is the Saudi financing of al-Qaeda, its international operations and the ostensibly charitable groups that launder the terrorists’ funds. In his testimony he began by focusing on this part of the world and quoted Omar al-Faruq, who, after his arrest in Indonesia on 5 June 2002—and I note that, long before Hambali, al-Faruq was the operational point man for al-Qaeda in South-East Asia—told his interrogators that al-Qaeda’s operation in our part of the world was funded through a branch of one of the key Saudi charities identified in the document I have tabled—that is, Al-Haramain. According to al-Faruq, this money was laundered through the foundation by donors in the Middle East who were and are close to Osama bin Laden.

Recently we have also had the disturbing testimony of Hambali, who allegedly has been telling his interrogators—and this is reported in the current issue of Time—that $100,000 was awarded by al-Qaeda to Jemaah Islamiah for the Bali bombing. In a sense, it was a reward to JI for what al-Qaeda thought was a marvellous operation. It is very disturbing to think that this might have been funnelled through a Saudi charity called al-Haramain, which is still operating in Indonesia. Levitt further argued in his testimony—again, this is very recent material before the US Senate Committee on the Judiciary—that funding that was passed on to Islamist terrorists through another one of these charities, the International Islamic Relief Organisation, was also run through the Islamic affairs department of the local Saudi embassies.

Levitt reported that IIRO employee Mahmoud Jaballah, testifying at his own deportation hearing, described the charity as ‘the mother of the International Islamic Relief Organisation’ and ‘a fully government funded organisation’. ‘In other words,’ Jaballah continued, at his deportation hearing in the United States, ‘I work for the government of Saudi Arabia. I am an employee of that government.’ It is very disturbing that the government of Saudi Arabia appears to be involved in facilitating the funding of terrorists.

Mr Levitt, in his testimony before the US Senate Committee on the Judiciary on 10 September this year, also said that Saudi diplomat Fahad al Thumairy was denied re-entry to the United States because of his involvement in funding these charity-cum-terrorist organisations through the Saudi embassy. Again, the pattern is for the ‘Golden Chain’ to operate through the Islamic and cultural affairs sections of Saudi embassies. Another operative, Muhammad Fakihi, chief of the Saudi embassy’s Islamic affairs section in Berlin, confessed to doling out embassy funds according to the instruction of close friends of bin Laden. He was reported in both Newsweek, on 5 May 2003, and the Wall Street Journal, on 22 April 2003, as saying that.
The point about this is that I hope we would have assurances from the Saudi embassy in Australia that the same things are not happening here. The Australian people would be outraged if the Saudi embassy were following the same pattern as the one Mr Levitt identified in his testimony to the US Senate. Does the Australian government know whether it is being repeated here in Australia? I have received some answers to some very thorough questions I asked of the Attorney-General, the Minister for Foreign Affairs and the Treasurer, saying that these organisations do not independently operate here in Australia. They are not identified as organisations that can be taxed. But the question that arises out of the research that I have been doing and Mr Levitt’s testimony is whether these activities are being done out of the Saudi embassy in Australia.

Unfortunately we have every reason to believe that the International Islamic Relief Organisation continues to be extremely active in Indonesia. In fact, despite the attempts by all of the critics of Jemaah Islamiah around the world to close down its activities in Indonesia, it has just reopened a new extremist madrassa for training young people in Jakarta. I find it very disappointing that, after all those events, it continues to be able to be active in Indonesia. It is a very disturbing development.

The continuing activity of JI in our region brings to mind the fact that, on 28 May, Cambodia charged three men—two Thais and an Egyptian—with being members of Jemaah Islamiah and having links to al-Qaeda. Cambodia, of all places, deported 50 other Islamists. Twenty-eight of them were suspects from a Saudi funded madrassa—teachers at that school. Again this follows the pattern of what has happened both here in Australia and in Indonesia. The ‘Golden Chain’ is apparently still financing people in Indonesia and Malaysia who are providing the infrastructure—the swamp from which all of these terrorists from Jemaah Islamiah are being drawn. It is a development that all responsible people in Australia have to be very alive to, and we must remain on alert.

On 26 June, the General Counsel of the Department of the Treasury, David Aufhauser, testifying at the US Senate Judiciary Subcommittee on Technology, Terrorism, and Homeland Security, was asked by Senator Jon Kyl whether the trail of money in terrorist financing pointed to Saudi Arabia. Aufhauser replied—this was on behalf of the US government—that in many cases it was the ‘epicentre’. When asked, ‘Is the money from Saudi Arabia a significant source of funding for terrorism generally?’ Aufhauser replied, ‘Yes. Principally al-Qaeda, but many other recipients as well.’ If this includes the people who financed the events in Bali from Saudi Arabia via al-Haramain—we are yet to discover from the testimony of Hambali and other terrorists who have been arrested following the attacks on Australians and others in Bali—it is yet more evidence of the malignant influence of the ‘Golden Chain’. It means we have to be very conscious of the activities of these front organisations around the world. We have to try and dry up the sources of funding if they are operating out of embassies or front charity organisations in this part of the world. The events of Bali can never be allowed to happen again, and we in this parliament must do everything we can to prevent them from happening again.

Many years ago I worked for Barry Cohen, the former federal Minister for Arts, Heritage and the Environment, who has written perceptively about the events in Bali in a series of regional newspapers throughout New South Wales. One of these columns appears in the Central Coast News. His views very much reflect my own when I look at the faces and read the sto-
ries about the victims of Bali, the Australians who were murdered there by Jemaah Islamiah. Mr Cohen said:

Looking at the faces in the Sydney Morning Herald of the Australians who died, I find it impossible not to seethe with rage. It is gut wrenching when you realise that their average age was 30.6 years old. Eight were teenagers, one 13, one 14 and one 15. Only two were over 50, one of them 68. They were not soldiers, politicians, bureaucrats, business people or any similar group that might have triggered hatred in already deranged minds. They were mostly average, young Australians who you could meet at any pub, club, office or shop. They were the boy and girl next door and they had gone to Bali to have fun. They had gone to Bali to have fun. In the eyes of the deranged people in Jemaah Islamiah, that was their crime.

To borrow a phrase from Franklin Roosevelt, October 12 is a day that will live in infamy as far as Australia is concerned. We in this parliament—all of us as individuals who represent the people of Australia, on whatever side of politics—have to do everything we can to see that those kinds of events never happen again. We must ensure that those Saudi front organisations, so-called charities, that are siphoning money to these very expensive operations such as the Bali bombing or the bombing of the Marriott Hotel in Jakarta are dried up and stopped at their source. The Australian government has to be very vigilant about the activities of these organisations operating out of embassies here in Australia or wherever. We have to be very vigilant about so-called charities siphoning money to people in Australia, and we also need to make friendly inputs to the government of Indonesia to see that the activities of the International Islamic Relief Organisation; WAMY, the World Assembly of Muslim Youth; and the charitable organisations of al-Haramain are not being used to fund—and do not have money skimmed off for—Amrozi, Mukhlas and the murderers of Jemaah Islamiah.

Mr ANTHONY SMITH (Casey) (10.53 a.m.)—I wish to briefly take this opportunity, on the resumption of debate on the Prime Minister’s motion, to observe the anniversary of the Bali tragedy and to associate myself with the substance of the motion and with so many of the remarks that have been made from the Prime Minister down, on both sides of parliament and in a very bipartisan way. I also wish to associate myself with the substance of what the member for Melbourne Ports had to say about the necessity to fight terror, terrorism and terrorists at every juncture and to leave no stone unturned. I completely concur that this will be a very long and difficult fight which we will have to fight on the ground and which also very much involves values, both in our region and across the globe.

Twelve months ago Australians were coming to terms with the shock, the outrage, the pointlessness and above all the hurt of the Bali tragedy. Twelve months on, in so many ways, Australia is still coming to terms with what Bali meant, what it continues to mean, how the world has changed, how new threats to freedom affect us and how we can best deal with them, both now and for what will be a considerable time into the future. As the Prime Minister said in this parliament last Thursday and, very importantly, again in Bali on Sunday: 12 October 2002 will never be forgotten. We will never forget the suffering and the grief of those families who lost children, spouses, friends, relatives and mates. We will never forget those who were injured and those who helped the injured to survive and to get back home. We will never forget their stories of courage, recovery, resilience and vigour which have been so inspiring and uplifting over the last 12 months and a few days.
A year ago, much was said in this parliament and in the wider community about the character and strength of Australia and Australians. We reflected on the fact that we were a compassionate but also resilient nation. We were struck by the combination of compassion and strength and by our determination not to forfeit the free way in which we live our lives. A year on, I think that that spirit has grown and strengthened. Last Sunday at the memorial service in Bali the awful events were remembered, as they will be again tomorrow at a service here in the national parliament.

In the year that has passed, we as a nation have grown to know through our media many of the injured, even though most of us have not met them. They are people like Peter Hughes from Perth, who selflessly saved others and almost died himself. I think we all watched him fight for his life on the television. In fact, in the state where I come from, and where the member for Melbourne Ports comes from, we barracked for him to survive and to get better. To see his recovery has been inspiring. The same can be said of Jason McCartney, whom we all knew as an AFL footballer. We have learnt a lot more about him in the time since Bali. He epitomised the determination of those who were injured—that determination not just to fight for their lives but to selflessly fight to help others, which, like Peter Hughes, he did.

These are names and stories we all know well, and there are so many others just like them. There are hundreds of stories like them. I want to mention here the stories of two people whom I have had the privilege and the honour to meet. I speak of Nicole McLean and Natalie Goold. Nicole lives in the outer suburbs of Melbourne, in Montrose, at the foot of the Dandenongs. You could not find a more peaceful part of the world. A year ago she and her close friend Natalie were in Bali. Both were injured, Nicole very badly. She suffered severe burns and shrapnel wounds and had to be operated on on the tarmac of the airport. She underwent several operations and lost her arm. For Nicole, her boyfriend Luke and her family and friends it has been a long and difficult year. But what I found uplifting was Nicole's approach and attitude, which is strong and positive. She was determined to survive and is now equally determined to live her life to the best of her ability. She is determined not to be held back, determined to live life to the fullest extent possible.

It is also clear—and I think this is wonderfully typical of people like Nicole, who have suffered this tragedy and had to fight through the adversity—that her friendship with her good mate, Natalie, has deepened. They have developed an unbreakable bond, if you like, out of the tragedy. Nicole was flattened by the blast and, in the confusion and chaos, like so many people, she found herself lying alone in the burning club. Natalie heard her calls for help, found her, broke through a window, got her out, got her help and got her home. As Nicole says, without Natalie's help, she would not be alive today.

Many members will have seen Nicole in the media, together with other heroic survivors, but all of us will see her tomorrow because she will sing at the service here in the national parliament. She will sing in honour of those who lost their lives, those who lost loved ones and her companions who were injured. When she does, she will remind us of the strength of our national spirit and our determination to preserve our way of life. We will all be thinking of those Australians who were robbed of life and we will also be thinking of the innate courage of Nicole and all of her mates who, a year ago, were fighting to just survive and, a year on, are still bravely fighting to repair their bodies and heal their wounds.
Mr GIBBONS (Bendigo) (11.01 a.m.)—I rise to honour those who were lost as the result of the horrific bombing in Bali just over a year ago. Most Australians still cannot understand what motivated this brutal, cowardly and senseless act of violence against innocent people. Most Australians still cannot understand the evil behind those who were responsible for these acts of violence. Bendigo still cannot understand why two young women, Kirsten Curnow and Angela Gray, who were in the Sari Club that evening, are not at home with their families. They were the innocent victims of this tragic and violent act of mass murder.

Kirsten’s father, Geoff Curnow, said at the time that the family found it difficult to accept how a vacation, which was planned to be the happiest time in his daughter’s life, had ended in such horror. He said:

We feel heartbroken and devastated to think that she could go on a holiday with the intention of having so much fun, but then be involved in this devastation. She was a fun-loving person. She likes to be where the fun is and that’s what she went to Bali for. From Sunday we have had a feeling of loss; not always feeling that they would be returned safely, and it gets harder to stay positive. While it is not certain there is still hope, we live with hope.

Kirsten’s mother, Merna Curnow, thanked the family and friends who had lent their support to her family over that week. She said that such influences have helped her family to reflect on the positive influence Kirsten had on those around her. Merna Kernot said:

She is a special, fun-loving person who has touched many lives. What I have become increasingly aware of since Sunday is the impact, and the special nature of that impact, that she has made in so many people’s lives.

Angela Gray’s family has expressed similar feelings, which can be understood only by those who have lost loved ones under these types of circumstances. I take this opportunity to say to Kirsten and Angela’s family and friends that our thoughts are still with you on the sad anniversary of this horrendous event.

I would also like to take this opportunity to speak of and thank the hundreds of Australians who participated and helped in the aftermath of this strategy. In particular, I wish to express our appreciation of all of the personnel at RAAF Base Richmond in New South Wales. It was this and other facilities that fitted out and prepared the aircraft for the evacuation of those so badly injured in Bali. I had the honour recently, under the Australian defence parliamentary program, of spending a week at the Richmond base and saw first-hand the commitment and dedication by the people there. In fact, they were able to have those aircraft in the air in just short of six hours. I understand that is just half the time it normally takes to prepare a medical evacuation of that nature, and they did so in record time under the worst circumstances that one could imagine.

I would like to read two accounts from an RAAF newsletter—one by a medic, who was part of that evacuation, and one by one of the doctors. I am referring to an article by Simone Liebelt, which features Leading Aircraftwoman Christina Matthewson.

Having just completed the aeromedical evacuation (AME) course only days before the Bali bombings, Leading Aircraftwoman Christina Matthewson never expected to be applying her new skills in one of the biggest AMEs ever conducted by the Air Force.

“I was very nervous,” she recalled. “I didn’t really know what to expect. I never thought we’d have a major casualty situation, so to be pushed straight into it, I learnt very quickly. There were a lot of things I never expected to see.”
Tasked with the important job of managing medical equipment, restocking pharmaceutical supplies and coordinating ambulances for patient transfers in Darwin, LACW Matthewson helped unload injured victims from the Bali flights, providing comfort and support while recording their names and details.

“You couldn’t show any emotion to let them know that it was affecting you so you just smiled and said ‘you’re safe now’ and they thanked you. I was shocked that no one was screaming, they all seemed so calm and just glad to be home and safe.”

On the humanitarian trip into Bali several days after the blast, LACW Matthewson formed a special connection with an injured Balinese patient she treated on the flight. While checking her pulse, the friendly woman grabbed hold of her hand and wouldn’t let go. “I spent the whole trip just holding her hand and wetting her face. She was such a brave woman and kept smiling but I knew she was scared,” LACW Matthewson said. “After we took her to Perth I found out she was recovering well and that was a really big deal to me, I needed to have closure.”

Returning home, the young medical assistant was suddenly struck with the reality of what she had just experienced. Unable to watch news reports on the disaster, she collected newspaper clippings, but couldn’t look at them for several months.

“It was a horrible thing to happen but I feel proud that I was part of the team that was able to help save so many lives. The experience made me realise how lucky we have it here and how amazing the Australian spirit is and I now get a real sense of pride in seeing how people have coped and healed after the event.”

That is just one account of the very brave Australian defence personnel who assisted in this tragedy. I would also like to reiterate thanks to all of the people from the Department of Foreign Affairs and Trade and the Australian Federal Police, and all of those that were involved in the aftermath of that tragedy. If there is one thing that came out of it, it is that we can be very proud of the people that work in those areas who did such a superb job under those appalling circumstances. I would also like to reiterate and put on the record my appreciation for the swift and appropriate way the Commonwealth government handled the situation.

**Miss Jackie Kelly** (Lindsay—Parliamentary Secretary to the Prime Minister) (11.07 a.m.)—Today we reflect on the first anniversary ceremonies that were in Bali last weekend and look forward to the services in Parliament House tomorrow which will commemorate those who were murdered in Bali whilst quietly enjoying civilian peacetime pursuits such as holiday-making and employment. The government has endeavoured to ensure that the first anniversary commemorations are meaningful occasions for the families of the Australians killed, survivors and others affected by the Bali tragedy.

The most recent report I have is that the families, friends and survivors, some of whom arrived in Canberra last night by charter, are in good spirits all things considered. They see the Bali service as an important step in their own personal battles with grief and are preparing for the national service in Canberra tomorrow. The two memorial services are the results of the work of some outstanding public officials. I would like to record my thanks to the dedicated staff of the Department of the Prime Minister and Cabinet, the Department of Foreign Affairs and Trade, the Department of Family and Community Services, the Australian Federal Police, the Department of Defence—notably the fine padres from the three services—and the Attorney-General’s Department. For the last few months they have lived and breathed the Bali services. No detail has been too small and no request has not been thoroughly investigated, considered and, if possible, supported. I was involved with these agencies in helping capture the views of families and survivors on how they thought the ceremonies should be designed and

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**MAIN COMMITTEE**
ensuring that as many views as possible were taken into account. I know that those attending
the ceremonies have expressed appreciation for the fact that their views were reflected and
that this made the ceremonies much more meaningful experiences for them.

I would like to make special mention of Centrelink, who provided the family liaison offi-
cers and the staff at the Bali assistance hotline. The families that I have spoken to, each griev-
ing in their own way, have been unanimous in their praise of Centrelink staff, especially the
family liaison officers who were assigned to them initially by Centrelink in the aftermath of
the bombings and have been there for them throughout the trials, the subsequent service in
Bali and the program that was operated in Bali. They were the contacts for those families in
Bali.

One of the first things the Prime Minister said to me after coming back from Bali was that
he gained the impression from the families he had met that Centrelink had done an out-
standing job. I would like to record my appreciation for the work of the following people—
notably, the family liaison officers, whose roles were established within four days of the
bombing. Desley Hargreaves, the national manager, was with Centrelink within a few days
after the bombs went off. Angela Lancuba and Cheryl Jenkins have also been there from the
start. The other family liaison officers that have been with the team through the trials and the
commemorations are Katerina Angelopoulos, Anne Pickard, Michelle Daly, Kelly Seidell, Kim
Lucas, Karen Dunne, Martin Gribben, Lou McClennan, Tanya Newton, Stewart Miller, Kathy
Lambadaridis, Charlie Wickens, Sharon Webb, Bevan Hanan, David Larkin, Angela Morgan
and Maryanne Murphy.

The Bali assistance line, which was established in the Centrelink office in Marrickville, op-
erated through a 1300 number and coordinated the efforts in all of our Centrelink agencies.
Anna Dubov has been there from the start and took those initial calls to the centre along with
Hang Nguyen, Tina Skapetis, Kellie Harden, Debbie Sofronijoski, Berni Dore, Tina Buecher,
Nevine Daniel, Jay Narissetty and Nick Klein-Schiphorst. Also, I would like to highly com-
mand our managers at Centrelink, who have been there from the start and coordinated things.
We must remember that this is the first time that Centrelink has operated internationally.
Within a few days of the bombs going off, Centrelink had to move into the international
sphere and they have done that. So can I commend Peter Rock, Sam Campisi and John Hom-
ersham on the work that they have done in leading forward public policy and innovation in
this area.

The operations and administrative staff were David Norris and Pieter Schoots, who were
also there from the start. They were ably assisted by Jenny Beath, Wendy Ford, David Sall-
lard, Carolyn Mansell and Teresa Roffe. Again, there will be ongoing assistance required for
the families in terms of their liaison with Centrelink for forward requirements. This team con-
ists of Terry Batterham, Rosalie Salvage, Ross Salvaggio, Dale Pekel, Dorecas Bingwa, Syl-
via Kanan, Anne Manicas, Phillip Watson, Bob Zanker, Mary Evens, Anne McConnell, Rich-
ard Holmes, Gloria Stewart, Sharee Forward, Patrick Kearney, Birgit Klimmer, Natasha Long,
Inga Lie, Dorothy Aldred, Maree Clarke, Fenella Bendall, Pauline Young, Nileema Dalal,
Tom Naige, Jose Abalo, Jenni Slingsby, Anne Pickard, Karen Podmore, Craig Roles, Pene
Knight, Elaine Lee, Jennifer Dupont, Bert Giorgi, Heather Kirkby, Kristina Corkran, Marnie
Coghlan, Sarah Hall, Karen Dunne, Chris Zisopoulos, Alison Stuckey, Rosemary Heffernan,
Rob Scali, Jacqui Sutti, Elise Bullock, Michelle Daly, Gus Hodge, Ronald Mutton, Keiran
Merritt and Daniel Salvador. I do apologise to anyone I have missed. Can I record for the Australian record that the Prime Minister and I both know the work you have done, and we know the families’ appreciation of your efforts. Now all of Australia knows as well.

Mr BRENDAN O’CONNOR (Burke) (11.14 a.m.)—Along with other members I would like to extend my condolences to the families and loved ones of the victims of the Bali bombing. It is right that we do so today, only three days on from the anniversary of the horrific bombing in Bali which killed 202 innocent victims and injured, both physically and mentally, so many others. It is important that as a nation we take stock, reflect and commiserate with those closest to the victims.

I had the privilege on Monday to speak to a private member’s motion moved by the member for Cook, who looked to commend the Indonesian forces, the Australian Federal Police and other agencies for helping to track down many of the culprits of this heinous crime. I believe it was correct to commend both the Australian and the Indonesian forces that had to undertake such courageous activities in pursuit of murderers in a difficult environment. I think that, along with condolences, a year on there should be full acknowledgement of those brave men and women of the police and intelligence forces.

I was fortunate not to have a constituent in my electorate who was directly affected by the bombing. However, there were of course people known to constituents of mine, and many people across the nation were in some way touched by this devastation. I think we have a nation which is grieving, given the magnitude of this horrendous event. I said on Monday when speaking to the private member’s motion and commending the forces that it is a time to sympathise and to reflect. It is also of course a time to look at other ways to mitigate the likelihood of these things occurring. There is no magic wand and it is impossible to guarantee that such events will not occur again, either within our sovereign nation or across the seas, but we do have to look at ways to mitigate the likelihood of such a horrific event occurring. When I rose to commend those police and agency forces, the debate was cut off and I was not able to finish my comments on the motion. I wanted to add that, beyond ensuring that we have the wherewithal with respect to police and intelligence forces securing our citizens, we need also to look at broader and longer term strategies to ensure that our nation and our region are more secure.

There is no room, when we talk about matters such as this, for partisan politics or political point scoring. I believe it is incumbent upon the government and opposition together to look at ways beyond the obvious to create an environment where terrorists cannot thrive. That is a broader strategy and it is a much longer term one. Indeed, it is a much more complex one. But certainly—and I think everyone would agree—one of the ways we can fulfil that aim is to ensure that our relations with our neighbours are good and to ensure that the citizens of those nations consider us a friend and consider that we see ourselves as a part of the region, a part of Asia, as well as a neighbour in every sense. I think it is true to say that the overwhelming majority of citizens of Christian or Islamic countries would condemn what occurred. However, we do not want ordinary citizens of neighbouring nations to think that we consider ourselves apart from them as a country, as a civilisation.

I know that I speak for everybody when I say that we must endeavour to forever strengthen our bonds between our neighbouring nations and continue to involve ourselves in dialogue on every level—economic, social and cultural—so that any doubters in those countries who
might think that Australians do not see themselves as neighbours and genuine friends can be put right. Therefore there should be no scepticism towards us or our citizens when travelling in neighbouring countries. Further to that, if that were to occur, it would make it a great deal harder for extremists in those societies to find root, to find a place of refuge or indeed to find support among the ordinary men and women of those nations. I just wanted to put that on the record.

I extend my condolences, as I have said, to the families, friends and loved ones of the victims. Three days from the anniversary, it is now time to remember those victims and also to look beyond the policing and intelligence resources that we have to apply to track down the murderers. Indeed, we have to ensure that we have broader and longer term strategies in place and use every available means to prevent such terrorist acts from occurring again.

Mrs MOYLAN (Pearce) (11.22 a.m.)—Certainly the days leading up to the first anniversary of the Bali bombings have been deeply moving, as the memories for the families and friends of victims and for those who still suffer and bear the scars of the attack are still so intense. You cannot help but be moved by the personal accounts of grief and pain by family members. Those accounts have really touched the heart of the nation.

The event has bound the nation by a common resolve not to be cowed by atrocious acts of terrorism. It has bound the nation with the stories of heroism and generosity of spirit, as people from all walks of life have reached out to the injured and to the families and friends of those who died. It has bound us together through the courageous return to Bali of families and friends in the last few days to grieve together and with the Balinese people—the Balinese people that many Australians have grown to love for their gentle, peaceful disposition. My thoughts are with the many who grieve the loss of family members and friends, those who are still recovering from their horrendous injuries and those who will continue to bear the scars of that terrible event.

To the families in my electorate whose lives have been changed so very dramatically and for whom there is little relief from the deep sadness and emptiness that accompany such a life-shattering event, I extend my deepest sympathy and, of course, my support. I pay tribute to the men and women of the Department of Foreign Affairs and Trade, the Federal Police, Centrelink, the military, the medical staff and the many other individuals and organisations who worked so incredibly hard around the clock for many weeks and, indeed, months to help the families in so many ways. I have to say that the DFAT people in my electorate who initially responded did so very quickly over weekends—well and truly outside normal hours—and they were just marvellous. Nothing was too much trouble. I pay tribute to the work that was done by those many generous people.

I would also like to thank my colleague the member for Cowan for his generosity of spirit and for the support that he gave. I also thank Cheryl Edwards, a state member of parliament, who was on the phone so early offering her support. I suppose we shared in common the grief of families whose sons played for the Kingsley Football Club and never returned from their holiday in Bali. It tended to bind us together. I appreciated, as I said, the generosity of spirit that came across the political divide.

It is not an appropriate time to go on at length about Indonesia, one of our closest neighbours. But I think it is appropriate to briefly mention that, when you consider the stark reality of managing one of the world’s most populous countries—and, if my memory serves
me right, I think it is the third most populous country or close to it—which spreads over a vast archipelago and has a diverse ethnic population and areas of gripping poverty, it is exceptional that Indonesia has so rapidly brought to justice many of the main perpetrators of these dreadful criminal acts. I think it is really remarkable and we need to acknowledge that, as so many speakers have done.

I was an observer of the Indonesian elections a few years ago. I have to say that I could not help but marvel at the ability of Indonesia—on the heels of one of the worst economic crises that the region had seen for a very long time—to move to a democratic system of government and to put in place the establishment that helps to make a democratic country run smoothly. Despite all the problems of a high illiteracy rate and, as I said, gripping and grinding poverty, they managed to achieve a reasonably peaceful democratic election, and it certainly was a major step forward for the people of Indonesia.

Perhaps from this dreadful event will spring a greater understanding between our peoples and a continuing determination to work together toward eliminating terrorism and committing to peace in the region. I think this event can serve to draw us closer together and bring between our countries, our peoples, a greater understanding of each other’s cultures and the constraints under which we work. In my view, there certainly could be no greater tribute to the Australians and the Indonesians who lost their lives than a deep resolve to work together to prevent an occurrence such as this ever happening again.

Mr SIDEBOTTOM (Braddon) (11.28 a.m.)—I join with my colleagues on both sides of the House to remember the first anniversary of the Bali tragedy on 12 October 2002. Like all the other speakers before me, I offer my condolences, the condolences of my family—who were in Bali not long before this terrible tragedy, and of course that makes the tragedy even more stark to me—and certainly the condolences of all the people of the north-west coast of Tasmania and King Island who make up my electorate of Braddon to the families of all those who lost their lives or were injured and to the innumerable people who were injured and scarred, particularly those who were psychologically scarred, by this incident. The tragedy most certainly affected all Australians, but of course it affected nearly every nation and most particularly the Balinese people and the wider population of Indonesia itself. So I join with my colleagues in offering those condolences.

I too, like those before me, would like to thank all those people—ranging from all types of emergency service personnel—who assisted the injured and particularly assisted those families of the Australian victims. It must have been horrifically difficult to actually be on the scene. I know that those people who were victims themselves, those who were injured themselves, were helping people at the bomb site. These were people of all nationalities, and my heart goes out to them as well. I thank the Australian government for its swift action in coordinating rescue and emergency services facilities for those affected. I would also like to thank all those in Bali, particularly the Indonesian authorities, who assisted in respect of those Australians who were killed or injured during this terrible tragedy. Unfortunately, there was a Tasmanian amongst those who lost their lives. He was a very fit and energetic and well-liked young man by the name of Tim Hawkins. Tim was from Hobart and his brother was the gold medallist in Australia’s Olympic rowing team. My sympathies particularly go to the Hawkins family and to all those friends of Tim. He was greatly loved and admired.
This tragedy has affected all levels of society and individuals. I was reading only on Tuesday, in some information on the Bali aftermath, a recently published report, *Bali: Beyond the Tragedy*, that brings into stark contrast how these things live on. Some 90 per cent of Balinese people saw a fall in their income and—this is something that you do not really think about—there was a 60 per cent drop-out rate for the schools as the kids were assisting their families in trying to diversify their means of income. I am told that overall the economy was not as badly hit as many predicted, and certainly there were dire predictions of what could occur. I suppose the thing that we can best do is continue to support the community of Bali by continuing our cultural and tourism links with Bali. It is a great destination for Australians, particularly young Australians, and I hope we continue to do that. Apart from showing support, it also demonstrates that we in Australian society—and this concerns the values that are important to us—continue to go about our business rather than be scared away, because that truly is the intention of those that perpetrated these terrible, cowardly acts. They wanted to do damage and they wanted to significantly and primarily challenge our values and also wreak as much economic havoc in Indonesia as possible. I do not think it was a coincidence. Not only was Bali an important tourist destination, certainly for Westerners, including Australians in particular; it was also a Hindu community. I think that certainly played a part in the choice of Bali as the place in which to carry out these cowardly acts.

One thing that certainly comes to mind is related to a private member’s motion that I put to the House on Monday and which had the support of the previous speaker in this debate in this House, the member for Pearce, and that of the members for Macquarie, Cowper and Burke. That is that Friday is United Nations International Day for the Eradication of Poverty. Unfortunately, there is a link between the tragedy of Bali and the existence of poverty in our world. You could make out many arguments as to why we should tackle poverty in our region and indeed throughout the world. Without sounding self-interested, you could of course argue that from an economic point of view it makes good sense. I think most people, certainly those who have participated in this debate, see that but also see that there is a moral imperative that we assist those who go without.

Poverty is one of those causal links to terrorism. I am not for a moment suggesting that poor people are terrorists, and I certainly hope that that comment is not seen as such. I am saying that people with extreme political and religious views—however poorly religion is used and inculcated in those groups—use poverty as a recruitment ground for their membership. Poor people are very vulnerable. An interesting study, entitled *Changing minds, winning peace*, was done in the United States recently. I recommend that those who are interested in this look at an article by Tim Colebatch in the *Age* recently, headed ‘The West must lead by example’. It starts off by saying:

> Western generosity of spirit can be used to triumph over the terrorists ... 

Tim Colebatch refers to the study established by Colin Powell which fundamentally tried to answer the question: why do so many people hate us? It was a rather hard-hitting, no punches pulled report. It concluded with an interesting and troublesome conundrum that in the main the people of the Muslim world accepted, recognised and supported the values which the United States upheld. Any informed reading of the Koran and the Bible shows that they share many Judaeo-Christian values. There is no doubt about that. Extremists on either side can find what they like outside those values, but in actual fact the Christian and Muslim worlds share those values.
The report concluded by saying that some of the policies adopted—in this case by the United States, but I am sure that we can indirectly relate some of them to ourselves—were not, in the Muslim world, seen to be aligned with those values. I think that relates directly to the issue of how we, as countries with important resources, tackle the issue of poverty not only in our region but throughout the world. Clearly, we have to demonstrate our values more concretely, more overtly and more practically by taking up the issue of poverty and the massive social, political and health issues related to it throughout our world.

After World War II the Marshall Plan set about establishing the economic foundations for introducing democratic principles in Europe. Imagine a truly implemented Marshall Plan for the world today, where we would spend more on the alleviation of poverty and on health issues than we do on armaments. That would give concrete expression to our values. That would give concrete expression to the value of loving your neighbour as you would love yourself. I think that would do more to tackle the issues at the root of terrorism in our world than many of the overtly militaristic practices and armaments policies that we are implementing at the moment. That is not for a moment suggesting that we go soft or easy on terrorists and terrorist organisations. I would have thought that, with the resources available to us, international cooperation more than anything would allow us to have greater cooperative and coordinated intelligence in order to root out these organisations—which we must.

But we must also, importantly, tackle the questions of world poverty and health issues. That was clearly brought out in the contributions of those members who spoke to the private member’s motion on the United Nations General Assembly International Day for the Eradication of Poverty, which is to be commemorated this Friday. Again, I join with those speakers on this issue. I join with the Prime Minister and the Leader of the Opposition in offering our condolences to all those who were affected by the Bali bombing on 12 October 2002. It certainly made the issue of terrorism more real and brought it much closer to home. We join with the government in seeking to protect and secure our borders but at the same time help our neighbours to secure theirs and to tackle what we regard as one of the root causes of the recruitment of terrorist groups—that is, poverty.

Mr ANTHONY (Richmond—Minister for Children and Youth Affairs) (11.41 a.m.)—It is now 12 months since the atrocity in Bali, which claimed the lives of 88 Australians, including three with close ties to my electorate. I want to talk about two: Billy Hardy, who was a promising Australian Rules footballer with the Southport Sharks; and Jodie Wallace, whose father, Barry, lives in the electorate at Byron Bay. Like so many victims on that night, they were two popular and fun-loving young people who were cut down in the prime of their lives by a senseless and barbaric act. Billy and Jodie’s only crime was to be out in the prime of their lives by a senseless and barbaric act. Billy and Jodie’s only crime was to be out on the town having a good time. In the space of a few horrifying moments, their lives were lost and those of their family and friends shattered.

It has been an emotional rollercoaster ride for the mother of Billy, Christine Hardy. She has seen the highs of the success of her daughter, Jessica, in Big Brother 2, and was then cut down to the depths of despair with the loss of Billy. I am sure for Barry Wallace it has been pretty much the same. I was interested to read in the local newspaper on Monday morning about Barry talking about the commemorative service in Bali, saying that it helped ease his pain. ‘Sometimes grief gets easier if you share it,’ he said.
The scenes from Bali on Sunday and also from other commemorative services, including the day hosted by Billy’s mates at the Southport Sharks, were extremely moving. In Bali the emotions were obviously raw but there appeared to be a great desire to honour those who died and to remember the good things about their lives. Many people spoke of the desire to move forward, including one victim who said that he had been given a second chance at life and vowed to run with it with all his might. By doing this, these people will be able to remain true to their united vow—that is, that terrorism will never win. The terrorists may have broken hearts but not the spirits of the Australian people and these people in particular.

At the Southport Sharks home ground on Sunday, people formed a human Australian flag as part of a celebration of those who went to Bali but did not make it home alive. Even watching the event on the television news, one could not help but be moved, particularly with the courage shown by Billy’s sister, Jess, in standing up on a stage and singing in memory of her brother. To my mind, each of these family members—of those who were in the clubs and made it home, as well as of those who died—deserve to wear the tag of ‘hero’. While we grieve for the Australians who lost their lives, let us also not forget the more than 100 people from other nationalities and the Balinese people who either died or had their lives turned totally upside down. Many of the Balinese have seen their livelihoods destroyed in the wake of the bombing or have lost their breadwinner in a country where there is no form of welfare.

In May this year I was in Bali and had the opportunity to talk with many Balinese, including the orphans, who lost their parents, about their plans and hopes in the aftermath of the bombing and also to lay a wreath in honour of all those who lost their lives. It was personally very moving and something I will never forget. In our time of mourning I would also like to express my sincere thanks to the Australian Federal Police and the Indonesian authorities who worked so hard to bring those behind this atrocity to justice swiftly and professionally, not to mention all those people who assisted victims on the night and in the weeks that followed. Terrorism will never find a friend in our country, and unfortunately the threat of another terrorist attack remains while there are people who prefer detonation to diplomacy. As I said in this place just 12 months ago, Australia must continue to take up the cudgels in the fight against terrorism and those countries that support terrorism. We must also remain ever vigilant in securing our internal security and security for our nationals abroad.

Mr SCIACCA (Bowman) (11.45 a.m.)—I want to just say a few words and be identified with this motion. I specifically did not prepare anything. I do not think I need to talk about the numbers of people and the personal tragedies. I do not personally know anybody who was involved in the horrific events of 12 October last year. I only know what I have read. I guess sometimes personal experiences are the best, and of course a number of people in this House have talked about people they know. I only want to say that, in October last year—I happened to be in Canada at the time, attending a conference of the Global Organisation of Parliamentarians Against Corruption—I could not believe it when the news arrived that some 200-odd people, including 88 Australians, had been killed as a result of a terrorist bombing in Bali. I thought to myself, ‘Hasn’t the world changed.’

We had first of all, of course, the September 11 tragedy, where we lost other Australians, as well as many Americans. I thought to myself that that was something that did not really involve Australia as a country, although we did lose some people over there. But last year I thought to myself, ‘It is now happening right on our doorstep.’ It occurred to me just how im-
portant the whole question of our national security has become—the question of terrorism and
the fact that it does exist. No longer can we say here in Australia that it only happens in the
Middle East or in countries like Russia or Chechnya. The reality is that, for whatever reason,
there are fanatics in certain religions who have no respect for life, who do not see what we—
and most of those in organised religions—see as the sanctity of life and the fact that every-
thing starts and ends with life. These people do not care about life. They have a fanatical re-
ligion which says that they will go to heaven with a stack of vestals up there with them as
well. It is absolutely ridiculous that one could even think that there is such a thing as a god
that can be worshipped that allows people to blow themselves and innocent people up and
thereby get themselves to a so-called heaven. That is something which I think any rational
person cannot possibly come to terms with.

I feel for all those people that are in some way related or close to those 88 Australians who
died. If you go through this sort of tragedy—particularly if you lose someone close to you,
and particularly a child—people come up to you and they say: 'I'm sorry. I know how you
feel.' The reality is that no-one really can know how anyone feels when they lose someone
who is their issue. That is what made me speak about it today, because I have some experi-
ence of it. It is a club that no-one wants to belong to. It is an awful club to be in when you
have lost your issue—your son, your daughter—and it is a very special club. Those that are
members of it sometimes can, if you like, give some comfort to others that are in that position.
Today I wanted to get up, simply as someone who has been in that position, to say to all those
families out there who lost loved ones that they will learn to live with it. You never get over it.
You cannot get over losing your child—it is just not possible. But you can learn to live with it
and, in your own mind, if you are religious—and hopefully most of us are—you can rational-
ise it by saying, 'He or she is in a better place and maybe one day I'll see them again.' They
are the only sorts of words of comfort that one can give to people in this position.

I intend to attend the memorial tomorrow because, one year on, it is a good thing to let
those people have another outpouring of grief and to see whether somewhere along the line
they can get some closure—not forever, because you do not get closure forever—after one
year. It is good for them to know that there are people all around the country who are thinking
of them and who understand, at least to some degree, what they are going through. After to-
morrow, we should stop the commemorations and stop bringing it up again. It is the sort of
thing that we know is part of our dark history. We can then allow the families—those who are
bereaved; those who lost loved ones—to try to get on with their lives as best they can. One
thing that comes back to you, even many years after you lose someone very special, is that
continually talking about it is good when you want to talk about it, but it is not good when it
suddenly gets back into the media spotlight and it brings it all back. It is good for it to happen
after one year but after this let us stop having these memorials. Let them remember privately
in their own way and deal with their grief in their own private way.

I want to say a few words about terrorism. Whether we like it or not, the world is at war
against terrorism. I disagree with a lot of people who seem to think that it is not going to af-
fect us and that, really, we in a country like this can sometimes overreact. You cannot overre-
act to that sort of barbarism. The reality is that it has happened to us: we lost people on Sep-
tember 11 and we lost people in Bali—88 of them. In the main, they were young Australians
who were simply enjoying their lives—just going on holiday. I have never been to Bali but
those who go there say that it is a fantastic place and that it really is a place to go. I feel for the Balinese people who now, in an economic sense, are doing it tough, simply because people are scared to go there.

I do not think that lightning strikes twice in the one place and I very much doubt whether such an event will ever happen there again. People say to me, ‘Gee, you don’t want to fly with that airline because they had an accident a couple of years ago,’ but I would rather fly with them than, say, an airline that has not had an accident, because it might be due to have one. As I have said, I do not think that lightning ever strikes twice in the same place and I have not heard of areas where it has. I had better be careful—when I say that I do not want to fly with airlines that have never had an accident.

I join with the Prime Minister and the Leader of the Opposition on this issue. Forgetting the politics, I am aware that the Leader of the Opposition is certainly genuine but I am aware also that the Prime Minister is absolutely genuine on matters of this nature. I have had personal experience of it. He is a very caring man. I can say without anyone contradicting me that everything that has come from him and from both parties on a bipartisan basis has been very genuine. We are very genuine in saying to the families of those who are affected by this great tragedy that we feel for them, we are with them, some of us actually do know how some of them feel, and we can only hope and pray that, with time, they will learn to live with their tragedy. God knows what would have happened to some of those young people if they had had the opportunity to flourish and to become mothers, fathers and grandparents and were able to follow their professions.

I am 100 per cent with the motion. I will attend the ceremony tomorrow. I hope that it will be the final time that we bring up this issue in such a manner. Let us just hope that we are diligent and make sure that no-one ever does this to us again. If it means that we have to be a bit tougher in our defence spending and everything else, we will just have to be. I will tell you something: what happened just over 12 months ago should never be allowed to happen again.

Ms GAMBARO (Petrie) (11.54 a.m.)—I want to say how moved I was by the speech of the member for Bowman. It would not have been a very easy speech to make. I commend him on the courage he has shown over the past years. I know that he can truly speak from the heart and understand what many of the victims of the Bali bombings are feeling and going through. I want to thank him for his words. I agree with him on one thing: after tomorrow’s ceremony we should move on. We have grieved and the whole nation has grieved at a time that has been one of the most sorrowful. The incidents that occurred a year ago are pretty fresh in many people’s memories. I did have the fortune of not having any victims or families of victims in my electorate, but my heart bled for the rest of the victims from the states and electorates that are represented here.

One thing I do remember from a backbencher’s point of view is being with Kay Patterson shortly after the Bali bombing. She had visited some of the hospitals that were treating many of the victims, and I do not think I will forget for as long as I live what I saw in some of the photographs she showed me. There were teams of doctors, nurses and specialists, sometimes 10 to a person, working on swollen limbs and injuries that are just too difficult to even describe. Those photographs of the medical teams doing whatever they could to ensure that those people had the best chance of survival were truly shocking to see, and I will never forget that. On a more personal note, the Parliamentary Secretary to the Minister for Foreign Af-
fairs, Chris Gallus, made an enormous effort to personally ring and contact each of the families and speak to them. That human contact is so important. Those victims and families knew there was someone helping them, and that was very touching as well.

The world indeed is a darker place since this terrible event occurred, and it has changed the way that many of us view the world and our safety in the world. On 9 October, the Prime Minister delivered a very moving address about Bali and he spoke about the effects that those events have had on the national psyche. In that address, he spoke about the devastating and immediate physical consequences of the Bali bombing for its victims. He rightly said that the consequences scarred not just the bodies of those who suffered and died in Bali but the souls of us all.

The bombing in Bali scarred for all time the Australian psyche and also our collective consciousness as a nation. A year after Bali, that collective scar on the Australian soul is slowly healing, but it will never go away and nor would we wish it to disappear completely. As every campaign veteran who has ever fought in war for his or her country knows, the scars earned in combat are the true badge of courage, not the medal that is pinned to a breast afterwards. Australia must never forget that Bali incident, but we must wear the battle scar of Bali proudly. Like all scars, the devastating impact of Bali will fade with time—that is inevitable, natural and necessary if we are to move on as a nation, as the member for Bowman said earlier, and resume the routine of normalcy. It is particularly necessary because we cannot, nor will not, depart from the scene of what happened.

Australians will continue, as they have always done, to visit Bali. It is a part of our modern culture and a part of our history, just as Bondi Beach is. It is bound to us by ties of art, culture, our love of the beach and the sea, surfing holidays, honeymoons and personal and family history. Bali will always be part of the Australian spiritual homeland, and Australia will remain a part of Bali—now, after the bombing, more than ever before.

So the scar of what happened on 12 October 2002 must fade if we are to continue to grow as a freedom-loving, tolerant and optimistic people, unafraid of the world, wary but willing to get on with the business, the challenges and the dangers of living. The scar inflicted on us by the bloody events of Bali can never be excised, must never be forgotten and must be proudly remembered and worn as evidence of the indelible victory for the national character and for our strength, resilience and love of life.

It is sometimes said that Australia, being a young nation, has no history—that history, the turbulent scarring of landscape by civil wars and ancient animosities, by bloody but long forgotten feuds on long abandoned battlefields and battlegrounds overseas, is something that only really happened overseas. Anyone who has visited Gallipoli, the Somme, Kokoda or Long Tan knows the fallacy of that misguided view. Our greatest fields of honour are, in the narrow geographical sense, overseas. We are a country blessed by the absence of some kinds of history. The place in which national identity, courage, honour and humanity are really forged is not to be found on maps; it is located in the heart. That is where the chapter of our history that forever will be called simply ‘Bali’ is to be found. As with all great place names in the geography of the Australian psyche—like Gallipoli and Kokoda—no further description or explanation will ever be necessary when Australians speak about Bali.

That spirit of the place that defines the important landmarks in our history, that adds a dimension which all Australians, whatever their colour, now understand as ‘secret sacred’, has
made Bali a word that never needs qualification. In its unspoken context, it will be eloquently recalled in silence. That is what the Prime Minister alluded to when he said in his address on 9 October:

... nothing will break the Australian spirit. It—

Bali—

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—
tungsten steel. However much we would prefer it otherwise, it is flame that forges the toughest steel. Was it a coincidence that the very moving newspaper tribute to the Bali victims in the Weekend Australian of 11-12 October was headlined ‘Bali: beyond the flames’? Out of the flames of Bali the Australian spirit has risen steelier, stronger, more determined and more united perhaps than at any time in our recent postwar history. I quote again from the Prime Minister’s speech:

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.

Bali was the fire that tempered our steel—tempered it in the full sense, meaning to soften as well as to toughen, to impart a better balance of hardness and flexibility, and to be able to bend with opposing forces without losing our intrinsic strength and our hope.

What is it that gives Australia its shape in a geographical sense? It is our sea—the sea that surrounds us, that links us to our neighbours, that has been for millennia of shared oceanic history a navigation route to Bali and the islands of Indonesia. Australians love the sea. We are surrounded by it, we are formed by it and our earliest experiences are definitely of it. The most ancient of our Aboriginal rock art is filled with images of the sea. Even the arrival of the first Europeans in their boats, which is depicted geographically in cave paintings to be found on Cape York and in Arnhem Land, features the sea.

The sea divides and in some ways protects Australia from other continents, countries, places and problems, but it also has been for millennia the bridge which links us to them. It was by sea that the first navigators from Indonesia and the fishermen, the Macassans, and others, who sailed the annual trade winds, arrived and established settlements among the peoples of Arnhem Land and left their footprints on our northern coastline. That is why the final funeral services in Bali, and for Bali in Australia, so appropriately involved the sea. Flowers and candles were floated out to sea; surfers joined hands and prayed out on the sea for peace and forgiveness. It was a reminder that we are all neighbours on one ocean. Australia and Bali are simply different shores washed by the same waves.

Mr HATTON (Blaxland) (12.03 p.m.)—This is a hard and bitter anniversary that we are speaking to, as it was a hard and bitter day on 12 October 2002 when 88 Australians had their lives ripped from them—some almost instantaneously, others after a period of intense pain and intense suffering. Yet others survived, moving through a year of pain, suffering and trauma and of adjustment to a reality that they could never have expected would come to them, and viewing the world in an entirely different way because they—as suffering, innocent individuals—had been in a certain place, at a certain time, enjoying themselves in a holiday atmosphere, as hundreds of millions of people do every year worldwide in holiday places.

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MAIN COMMITTEE
Not one of those 88 Australians who died could ever have expected that doing what they
did in Bali—that is, going to the beach, going to the shops, eating, drinking, enjoying them-
selves and going to a bar at night—could have meant that they would suffer the ultimate pen-
alty for being an Australian and someone from a Western civilisation. Effectively, they are the
only things that mark them out from all the other hundreds of millions of holiday-makers
worldwide. All of those people who suffered burns, hurt and grief could not, in the same man-
ner, have expected that they would be marked out in that way.

The local Balinese saw many people die or suffer, and their local economy went close to
being completely destroyed, dependent as it is on international tourism. It is still suffering
enormously from the consequences of what happened 12 months ago. Their community is
predominantly Hindu and it exists in an archipelago of islands comprising a series of faiths,
predominantly Islam but also animism and Christianity. Throughout Indonesia there are peo-
ple of Chinese origin practising Confucianism as well. The local Balinese could hardly have
envisioned that they would be the targets of an act which was entirely premeditated to do the
greatest amount of damage possible to people who were not members of the military. They
were not at war with those people who sought to rip their lives away or injure and maim them
so that they would carry scars, both physical and mental, for the rest of their lives. Those peo-
ple were determined to make war on civilians in the name of one of the world’s great relig-
ions—a name they had taken effectively in vain. They sought to draw a fundamental distinc-
tion within Islam between those who were believers in the general Indonesian practise of a
relaxed, open, tolerant, Indonesian informed Islam and those who believe in the rabid nature
of al-Qaeda and Jemaah Islamiah.

Those two fundamentalist terrorist organisations have at their base a warped and twisted Is-
lamic philosophy directed towards the overthrow of Islamic governments in the Middle East
in the first place. When al-Qaeda found that too hard, they then looked for countries with
large Muslim populations where a civil government was in place—one informed with Western
values and constructs, and democratic means, purposes and institutions. They sought to strike
them down in as harsh a way as possible, not by attacking the military, the centres of power or
the fundamental institutional base directly, but by attacking the poor people who happened to
be holidaying on an island that provides a great deal of overseas income, not just to the island
of Bali itself but to Indonesia as a whole. These people were victims of the terrorist mentality
of two groups, one of which splayed off from the central core of al-Qaeda and is trained, nur-
tured, certified, encouraged, fostered and funded by al-Qaeda to do its best to spread their
fundamentalist, warped approach to life, living and philosophy throughout the South-East
Asian region.

We know that 2,000 or 3,000 people have been taught by or see themselves aligned to the
Jemaah Islamiah organisation. Throughout the trials of the people who were responsible for
perpetrating the massacres in Bali, we have seen not one skerrick of remorse for what they
have done to their own citizens or to all those people who perished—the 88 Australians or the
202 people worldwide. Not one of all those people who were maimed and went through such
enormous torture was shown one skerrick of concern as individual human beings of flesh,
blood, feeling and concern. These two groups are driven by what has driven other fundamen-
talist groups in the past—whether Christian, Muslim, Hindu; any religious or non-religious
group—to perpetrate outrages against others that they had decided to demonise. They are
people who sought power effectively for its own sake. There is case after case in the history of this world where, in seeking power, they then sought to impose their world view and their approach on the populations that they took power over. We know that some populations, having been taken over, were forced into a situation where they either submitted or gave their neck to the sword. They had to become apostates and agree to give up the religion of their birth, training and calling or they were killed. Historically, the results were pretty direct once these people did what they did. The same fervid belief in their own rightness is displayed by the people in Jemaah Islamiah and al-Qaeda. Their perceptions of the world, their notions of what is right and wrong, their depictions of what they think Islam should be and what Christianity is and what they think is the perfect way to conduct oneself, they seek to impose on every other person on the planet.

It being too hard to bring down the governments of Saudi Arabia and the other governments in the Middle East, they have gone for what they consider to be softer targets in the West. We know what they did in New York with the twin towers, in Washington, over the skies of Pittsburgh, the Pentagon and the attempt on Capitol Hill. I think that in the twin towers tragedy 3,000 people lost their lives as a result of what they perpetrated. These people are intent on a terrorising war against Western civilisation and its individual citizens simply because they exist and will not bend to the fundamentalist radical notions and particular view of the world that these people seek not only to perpetrate and inculcate in people at large but also to enforce by sword, by explosive device or by machine gun. Every one of the Australians that died, that had their lives so suddenly ripped from them, and that we commemorate here one year later, and all of those that were maimed, have to be the centrepiece of our thoughts, because what came to them came without their wish or their will. What came to them could have come to every one of us if we had happened to have been in that place in their stead. It could happen to us at any time because the attack on Bali presages what could happen on this continent, as we know it has happened in the United States. It presages further action in Africa. It presages further action in Europe or anywhere in the developed world. For these groups, part of the crime of the developed world is that it is developed and that it assists developing countries to develop. They want to go back to a medieval period—in fact, that might be too advanced for them—to the period of the Dark Ages—

Mr Cadman—The 14th century.

Mr Hatton—They may want to go even further back than the 14th century, to the period of the darkest ages of man, where life and liberty were held in very little account, where a person’s subjection to an ideal was counted as a greater thing than the individual capacity of that person. They want to subject people to an iron heel and an iron rule that is entirely intolerant.

This is a great task that faces us. We must recommit ourselves, in memory of those people who have suffered through no fault of their own, to ensure that the groups that did this do not win and do not continue to propagate their false ideology throughout the Asian region and worldwide. We must ensure they do not come into a situation where they can perpetrate these outrages at will, either here in continental Australia or anywhere else in the world. Our citizens are citizens of the advanced Western civilisation which these groups seek to destroy. These groups want to impose on what would then be subject peoples a suzerainty that would
have at its base a fractured, broken and brittle idea of what life should be—one that would crush the life out of those people that they seek to destroy.

Given the very warped nature of what they are about, our solid determination to continue to deal with them is all-important. If we do not do that, we betray the memory of those people who died on 12 October in Bali, those people who died in New York, those people who died in the Pentagon, and those people who have suffered through a whole series of events—the USS Cole, and interventions in Africa where al-Qaeda has acted. That is why it is my view that the intervention in Iraq was misguided. As I said 12 months ago, we must direct the war on terror to its very core, to finding Osama bin Laden, who is probably still in the upper regions of Afghanistan near the Pakistani border. We must direct it to finding him and bringing him to justice. We must ensure that not only he but Sheikh Mohammad and the rest of the group who have organised and perpetrated these terrors—which have so quickly taken away the lives of some people and maimed and destroyed the lives of others—are the chief target. I have no problem whatsoever with the death penalty being dealt out to those people who perpetrated these savage outrages against our people and others who lost their lives in Bali on 12 October. We must prosecute, in their name, the attack on these organisations—to finality.

(Time expired)

Mr CADMAN (Mitchell) (12.18 p.m.)—On 9 October this year the Prime Minister of Australia moved a motion expressing concern, regrets and sympathy for, firstly, the victims who lost their lives in the horrific terrorist attack on 12 October 2002. Eighty-eight Australians were killed. The motion also offered continuing support and compassion for those who had survived the event and were still suffering from the damage done by the bombs in Bali, sympathy for those families who had lost loved ones, and sympathy for the people and the governments of Indonesia and the other nations who lost loved ones in the horrific Bali attack.

The motion expresses the appreciation of all Australians to the volunteers who rushed to lend aid at that time. The motion expresses gratitude to the Indonesian government and authorities for their cooperation, their support and their active pursuit of those who perpetrated this horrendous crime. We are reiterating today, across all political boundaries, the condemnation of those who employ terror and indiscriminate violence against innocent people. We reaffirm Australia’s commitment to continue to fight against terrorism in our region and in the rest of the world.

The events were tragic for many families. I have none in my electorate, but I know of many, and it has been an awful experience for them. The footballer Craig Salvatori felt such intense pain at the loss of his wife that he established a fund of his own when the Australian Red Cross appeared to be so slow to move and so incapable of getting aid to people in need of urgent assistance. Craig and his friends in the Italian community of Sydney have had amazing results, with hundreds of thousands of dollars quickly raised at functions to give support to those who have suffered loss of some sort.

That ache and pain of families goes on. It is the same when you lose a loved one in a motor accident or through any other unexpected cause. At the time, the intensity of the situation brings energy and adrenaline to the fore. You get into the urgency of the incident and you do things that have to be done. But I believe the poignancy, the hurt and the loss are stronger one year later, when you think about what could have been done, what has been bypassed and what has been missed out in the previous year. So this is a poignant occasion.
I had the opportunity of attending the remembrance service held at the war memorial in Hyde Park, Sydney, last weekend. People who had been involved and friends and relatives of those who had been involved were there. There was a large attendance by members of the Coptic congregation, including Bishop Daniel. Being Egyptian, they had borne the brunt of fundamentalist Islam on many occasions, with many people being killed, churches being burnt with people inside and all that sort of thing. But the message from Bishop Daniel was strong and opposed the activity of terrorism. He said that we will not beat this by using the same techniques; we will beat it by expressing love and compassion and understanding. We will beat it by being very determined that we will not be put down. We will stand against it and we will not give an inch on the things that we as a nation believe in. We will hold strongly to our values and traditions but will not do it in a militant, aggressive manner, nor by using the same techniques as those who seek to destroy what we stand for.

The Balinese people have suffered. They have suffered economically; they have lost people and they have lost jobs. I think it has been wonderful to see their compassionate support for Australian families. One cannot but be impressed by the way in which that terrible incident has brought the two nations together. There has been a great expression of sympathy and understanding across international boundaries. We have acknowledged the volunteers. Whilst we saw the quality of Australian volunteers during the Olympic Games, we saw them in Bali under stress and in demand. It was a time of intense activity. We saw the very heart and selflessness of Australian volunteers as they rushed to assist in the emergency.

We would be wrong not to acknowledge the role of the Australian Defence Force and the way in which they responded. They did not hesitate. My colleague the member for Macquarie has entered the chamber, and he knows, as I do, the urgent reaction shown by RAAF Base Richmond. Medivac services were put into operation from the terrific base hospital at Richmond—No. 3 hospital—and they flew to Bali so that victims could be brought back to Australia and given immediate specialist medical support and assistance.

The role of Jemaah Islamiyah has intrigued Australians. It is a militant Islamic group that has been active in South-East Asia in seeking to establish a very strong Muslim state right throughout the region. The Jemaah Islamiyah Islamic organisation was established in the 1970s by Abu Bakar Bashir, an Islamic cleric of Yemeni descent. Abu Bakar Bashir became active in the quickly developing roots of Jemaah Islamiyah in the late 1940s and 1950s, and he was eager to see the development of the Islamic state throughout South-East Asia. Jemaah Islamiyah was crushed in the 1960s, as an independent Indonesia moved ahead under President Suharto. Suharto had no tolerance for this group whatsoever. Though some of his ways were strange and intolerant, he was not prepared to let Abu Bakar Bashir lead the Islamic youth movement into a dominance of the region. In the 1980s, Abdullah Sungkar went to Afghanistan to participate in the Soviet-Afghan war. That laid the foundations for JI’s later links with al-Qaeda, and a school founded by Sungkar and Bashir now operates in the central Javanese city of Solo. From that point, this fundamentalist group spread and dominated throughout Asia. When the group was confronted from time to time, it scattered, but with the support of petrodollars and the encouragement of al-Qaeda it has become more active and more dominant.

Some would ask why Jemaah Islamiyah was not designated as a terrorist group before this incident occurred. It was only after the bomb attack in Bali that the United States and then Australia designated Jemaah Islamiyah as a terrorist group. The United States and Australia
were aware of the situation, and they both felt that it would not be prudent to nominate this
group in the face of Indonesian public support, to some degree, for the aspirations of the
group. But, immediately following the attack, first the United States and then Australia and
the United Nations designated this group as a terrorist group. However, before the bombing,
Singapore, Malaysia and the Philippines had cracked down on the group in the region. They
had no doubts about the aspirations of Jemaah Islamiah. So it is good that we were able to
designate this group as a terrorist group after the event. It is tragic, in some ways, that we
were not a bit more thoughtful and we did not take note of Islamic nations such as Malaysia
who were concerned about the activities of this group.

I believe that the heart of Islam is to conquer. There are many moderate Muslims who are
wonderful people, but the heart of Islam is geographic dominance. We Australians need to
understand that that is its heart. Whether it is the cutting edge or the moderate, there is the
intention for geographic dominance. It is a worldwide religion—so is Christianity, for that
matter. One seeks to conquer the heart and the other seeks to conquer territory. That is the
difference. An open, democratic society such as we have in Australia, which has been under
attack—or there have been indications of its being under attack—is a very easy target for
geographic dominance such as we have in the region.

My mind goes to a case that is being heard in Melbourne—one of vilification brought by
some of the most skilled lawyers in the land on behalf of the Islamic Council of Australia
against a Baptist pastor, Daniel Scott. The claim is that he vilified Islam by some of his
preachings. That man, by the way, is a convert from Islam. He has spent many years in Bang-
ladesh, he certainly understands the preaching of Islam and he has expressed his views in op-
position. There he is in court, funded by himself and his friends, defending the right to speak
out against some of those most extreme practices, against the petrodollar-paid lawyers pro-
duced by the Islamic Council.

I compare that with the occasion some years ago when El Hilaly at Sydney University con-
demned the Jews of Australia in the vilest of terms—using the vilest of expressions. That man
was never brought to book. Nobody ever confronted him, even though he was an illegal im-
migrant allowed by the then Australian government to stay on in Australia and has recently
been let off from carrying weapons in his vehicle, so it is reported—let off from any charges
whatsoever by the New South Wales government and the New South Wales Police.

I just think it is passing strange that, on the one hand, in a society like ours we can have be-
fore the courts in Melbourne a pastor—a non-violent individual—who is experienced in the
matters which he spoke about and who was not vilifying people but preaching against what he
saw as some of the extremes of Islam. On the other hand, we have violent and abhorrent lan-
guage expressed against individuals and, at a later stage, weapons of violence being found on
a person and in his vehicle. That is a double standard. Something needs to be done to apply
our laws without favour or fear and to uphold the standards and beliefs that have established
this country. If we fail to do that, we run a great risk. I do not care what a person’s colour or
creed is. If they vilify, others they have to be either condemned or allowed to speak out. There
cannot be two standards. If they are going to carry weapons, there cannot be two standards.
(Time expired)

Mr HUNT (Flinders) (12.33 p.m.)—On Sunday, 12 October 2003 I had the honour of par-
ticipating in perhaps the most moving and beautiful ceremony of which I have been a part
since having the good fortune to become a member of this House. On the beach at Mount Martha, Victoria, in my seat of Flinders—in fact, in the town in which I live—there was an ecumenical service. That service, which brought together people from all different faiths, was a commemoration and celebration of the lives of those 88 Australian victims and the 202 victims drawn from nations throughout the world whose lives were lost on that terrible evening, 12 October 2002, at the Sari Club and Paddy’s Bar at Kuta Beach in Bali.

The ceremony, which drew together people from throughout the Mornington Peninsula across faiths and all the different divides, was held on a beach at sunset. It was calm and simple. It sought to remember the families, to celebrate the lives of all of those we have lost and to celebrate the very notion of life which they were participating in when they were in Bali. We remember two things. We remember first the families. Every person lost was somebody’s mother, brother, sister, father, son, daughter, lover or partner. They were relatives and friends. As a result of that, there is not just the tragedy of their loss, of each of those lives cut short, but there is also the tragedy and pain experienced by all those who remain behind. Lives were sundered, families were torn apart and friendships were shattered. All around Australia there are communities that have suffered grief. In addition to that, there are individuals who suffered terribly but who survived.

On the evening of 12 October 2003, we remembered those whom we had lost and we remembered those who survived and who have brought with them a sense of the quintessential essence of celebrating their own lives. Despite the tragedy, anger and pain they chose to go on. They have fought, lived, survived and prospered. For that we are a richer society, born of a terrible pain which none of us wishes we had to pass through.

In that context, the celebration, commemoration and remembrance on the beach on Sunday evening taught me what incredible beauty we can draw out of that which is most horrible. We draw that beauty by remembering the people—their lives and their relationships. That was the first thing that struck me. The second thing that came out of the ceremony was the very notion of a celebration of life and of what it is to be Australian. Before attending the ceremony I read a story in the weekend papers about an Australian doctor, who had been one of the key operating surgeons in Bali from the Australian military and who was on the tarmac in Bali the day after the 12 October tragedy. He was tending a woman whose arm was in the balance. She had terrible shrapnel wounds to her body. He said to her: ‘We’re going to apply a very strong pain-killer to you. We’re going to do that so we can tear away the dead tissue and infection which are currently in your arm. We are going to do this to try to save the arm, otherwise we may have to amputate.’ Having informed this young woman that she may be on the verge of losing her arm, she looked up at him and he could not believe her response. She said, ‘Look, I knew I should have gone to Tasmania.’ Despite the pain, the angst and all the tragedy, there was this great sense of life and of continuing. The doctor said he has told this story to soldiers in Iraq and to people who face tragedy. He did not know about it, but she lost her arm. But she has continued on.

We see a sense of what it is to be Australian; a sense that it is about living and about being young—and being young is about looking forward, not back. That is the difference, whether it is as an individual or as a country: being young is about looking forward, not backward. So we do that. We remember those whom we have lost. We remember their magnificence and what they represented to themselves, their friends and the country. We remember them with
love, fondness and great passion. But we also look forward and do what they were doing. They were celebrating their lives, and we continue on by doing that. We do not allow ourselves to be paralysed—never to forget, but always to live and to choose life. That is what last weekend meant for me.

The other thing I wish to talk about is that, flowing from the tragedy of Bali and a year on from the commemoration, we have a challenge as a nation. It is global, regional and national, and that challenge is to deal with the causes that led to the tragedy of Bali. I believe that there are four core elements to what we might refer to as the process of comprehensive engagement. The problem we are trying to overcome is not a religious problem; it is a problem which derives from a group of extremists. It is notionally Islamic, but in essence it is a betrayal and a perversion of the Islamic faith. In the same way that people who carry out acts of violence in the name of Christianity do not represent Christianity, those who represent al-Qaeda, Jemaah Islamiyah and their fellow travellers do not represent Islam. They use the fig leaf of a religious cover to justify their own philosophy of hatred, angst and anger, and the violence which accompanies it.

They do not represent Islam, and I reject those who say they do. What they do represent is an extremist philosophy which manifested itself most clearly in the Taliban regime in Afghanistan. The Taliban’s vision of the world was of a world returned to an extreme state, a world in which there was no freedom for women, no freedom of speech and no freedom of movement—an utterly extreme world and ideology. Their strategy to achieve this over a century has a key strategic milestone—a 30-year milestone—of trying to destabilise any one or more of the four core countries of Islam: Saudi Arabia, Egypt, Pakistan and Indonesia. It is in that context that we see the terrible bombing in Bali. That was part of a strategy to destabilise the Indonesian government—either to replace the Indonesian government with an extremist Islamic government or to fragment the country and make it unworkable. We cannot allow that to be successful; we cannot allow that to stand.

I believe there are four elements to what we might call the process of comprehensive engagement and how we address those issues. First, there has to be education. We have to contribute to the education and development of that country, and we have to make sure that extremist education which tries to pervert the minds of children rather than open the minds of children from an early age is not allowed to take root or flourish. Second, there has to be economic development. We have a role through trade and development assistance to try and promote economic development and take away the problems and the breeding ground of poverty which can be used for the perversion and sowing of these ideals. So we have a very important role there.

Apart from the positive aspects, there are the preventive measures, and the third measure—and the first of the preventive measures—is the policing. In the last year we have seen an extraordinary combination of operations between Australian and Indonesian police to track down those who were involved with the Bali bombings. My understanding is that currently 29 out of 35 key suspects have been apprehended. That is an outstanding achievement, and the police forces of both Indonesia and Australia should be congratulated for their cooperation and in particular for their achievement. That is an outstanding result, but that will be an ongoing problem we face.
Fourth, we have to focus on the question of hard security. There are those who, no matter what else, will remain dedicated and committed to sowing the seeds of violence and to carrying on in a way which will not allow people to live in cooperation and in harmony. They seek to sow violence, they seek to wreak damage and they have no desire whatever to cooperate. So, in that situation, we have to be involved in hard security, and that will be a burden which all of us, on both sides of this House, will have to bear for as long as we are in this House.

We cannot walk away from that responsibility because we cannot buy ourselves immunity through pretending that the problem does not exist. The great threat we face is not just Bali but that at some stage, somewhere, those who seek to carry out the violence, those who follow al-Qaeda, those who seek to perpetrate international terrorism, will unleash chemical or biological weapons within a Western city. That is a real and present danger and something we have to face, so we cannot buy ourselves immunity through insignificance. In that situation, that is the responsibility that my generation has to bear. If we do not address it now, we will buy ourselves a security nightmare in generations to come, and our cities will be threatened.

To return to the beach at Mount Martha, there were two very clear messages: firstly, we remember with all our warmth and all our fondness those whom we have lost, those who were injured and those who remain; and, secondly, we celebrate those who have passed—we celebrate their lives, their enthusiasm, their youth and their embrace of the future—and we best commemorate them by living with an embrace for the future and an openness, and by celebrating the very notion that they loved life and that they chose to exist and chose not to be fearful. I urge everybody to commemorate those whom we have lost but to commemorate their memory best by living life with a great and warm embrace.

Debate (on motion by Mr Bartlett) adjourned.

Main Committee adjourned at 12.47 p.m.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

**Environment: Salinity Hazard Maps**

(Question No. 1328)

Mr Kelvin Thomson asked the Minister for Agriculture, Fisheries and Forestry, upon notice, on 4 February 2003:

1. Have the scientific methods used in development of the Salinity Hazard Maps by the Queensland Government been reviewed by leading scientists from his Department.
2. If so, did these scientists find any fault or flaw in the scientific methods used in the development of the Queensland Salinity Hazard Maps.
3. Do scientists from his Department regard the Queensland Salinity Hazard Maps as accurate.

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

1. Yes.
2. The methodology applied by Queensland is considered suitable for the mapping of salinity hazard at the broad scale of 1:250,000 given the limited information available. However, the maps do not indicate actual salinity levels or risk.
3. The Queensland Salinity Hazard Maps draw on the available information and provide an indication of the relative vulnerability of a site to salinity (i.e. hazard) should it occur in an area or region. They reflect the very limited information on the risk of salinity actually occurring. The interpretation of the terms salinity hazard and salinity risk associated with the maps can be confusing. Salinity Hazard Maps show where the inherent characteristics of the landscape indicate a susceptibility to, or potential for, salinisation in an area or region. Salinity risk is the probability that land or water salinity may develop, dependent on the mobilisation of salt, if certain management practices or land-use changes occur or continue. A site may be considered to be of high hazard but of small risk. The Salinity Hazard Maps developed by Queensland can be helpful to guide and prioritise the essential process of gathering the information needed to identify and map the areas at high risk of being affected by salinity.
4. It is valid to query the use of Salinity Hazard Maps when claims are made which create the impression of serious salinisation when it may not be the case. In particular, Salinity Hazard Maps should not be used as a basis for land use decisions without further investigation by, for example, aerial electro-magnetic salinity mapping.

Minister Kemp and I have initiated an independent review of salinity mapping methodologies Australia wide with a view to identifying clearly the strengths and limitations of each approach. An assessment is also being undertaken of where various methodologies could most usefully be applied and with what caveats on interpretations. We have raised our concerns with Queensland about the limitations of salinity hazard maps and will be seeking to establish a sensible approach to salinity mapping in conjunction with the States and Territories.

**Barton Electorate: Programs and Grants**

(Question No. 2168)

Mr McClelland asked the Minister for Education, Science and Training, upon notice, on 11 August 2003:

QUESTIONS ON NOTICE
(1) What programs have been introduced, continued or renewed by the Minister’s Department in the electoral division of Barton since March 1996.

(2) What grants and/or benefits have been provided to individuals, businesses and organisations by the Minister’s Department in the electoral division of Barton since 1996.

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

(1) The Department of Education, Science and Training (DEST) administered the following programmes in the electoral division of Barton since 1996:

**Higher Education**
There are no Higher Education campuses in the electorate of Barton.

**Indigenous and Transitions Education**
The following programmes have been continued, renewed or introduced since 1996:
- Vocational Education and Training in Schools
- Structured Workplace Learning
- Jobs Pathway Programme
- Indigenous Education Direct Assistance (IEDA) programme
- Indigenous Education Strategic Initiatives Programme (IESIP)

**Schools**
There are many school programmes which have been introduced, continued or renewed by DEST in the electorate of Barton since March 1996. These include programmes such as:
- General Recurrent Grants (including Distance Education)
- Establishment Grants
- Capital Grants
- Schools Transitional Emergency Assistance
- Special Education – Non-government Centre Support Programme
- National Literacy and Numeracy Strategies and Projects
- Strategic Assistance for Improving Student Outcomes
- Country Areas
- English as a Second Language – New Arrivals
- National Asian Languages and Studies in Australian Schools
- Languages Other Than English
- Assistance for Isolated Children
- Grants to Primary School Libraries
- School Online Curriculum Content Initiative
- Quality Outcomes:
  - Quality Teacher;
  - Schools Drugs Education Strategy;
  - Boys Education Lighthouse Schools;
  - National Values Education Study; and
  - Discovering Democracy – Civics and Citizenship Education.
However, under programme administrative arrangements with the States, Territories and non-government education authorities, the Australian Government only collects data by electorate for certain programmes. For information on these programmes refer to question 2.

Science
The Innovation Access Programme (IAP) is a national programme that began in 2001-02, replacing the Technology Diffusion Programme. Following the transfer of the Science portfolio to the Education portfolio in 2002, the IAP was divided with the science component badged as “IAP-International Science and Technology” transferring to the DEST. No IAP-IST grants have been awarded to the electorate of Barton.

Vocational Education
DEST’s Vocational Education and Training (VET) Group administers the following programmes in the Barton electorate:
- Basic IT Enabling Skills (BITES) for Older Workers Programme
- The New Apprenticeships Access Programme (NAAP)
- Workplace English Language and Literacy Programme (WELL)
- The Advanced English for Migrants Programme (AEMP) was delivered from 1991 to 1998 then incorporated into the Language, Literacy and Numeracy Programme (LLNP) from 1998 to 2003.
- Disability Coordination Officer (DCO) Programme
- New Apprenticeships Incentives Programme

(2) DEST provided the following grants and benefits to individuals, businesses and organisations in the electoral division of Barton since 1996:

Higher Education
Not applicable.

Indigenous and Transitions Education
(a) Vocational Education and Training in Schools
   i The ANTA Ministerial Council has agreed that $20 million per year of national VET funds be provided for VET in Schools since 1997. In 2003, NSW received $6.093 million of this national funding.
   ii The information on funding is not available at the Electorate level.

(b) Structured Workplace Learning
St George Compact Ltd

<table>
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<tr>
<th></th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
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* Structured Workplace Learning clusters receive Australian Government resources under contract and the clusters listed above extend services to schools in electorates other than Barton.

(c) Jobs Pathway Programme
Hurstville Enterprise Association for People Services t/as St George Careers Development Centre

QUESTIONS ON NOTICE
Funding details for individual Jobs Pathway Programme providers is ‘Commercial-in-Confidence’.

(d) NSW IEDA Allocation from 1996

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<tr>
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Information on funding is not available at the electorate level.
(e) IESIP Allocations from 1996 in NSW

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<td>2002</td>
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Information on funding is not available at the electorate level.

**Schools**

**Electorate of Barton**

Summary of Identifiable Commonwealth Grants for Government and Non-government Schools for the period 1996-2003

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<tr>
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<th>Gov</th>
<th>Non-Gov</th>
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<td>2000</td>
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<td>$13,585,234</td>
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<tr>
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NON-GOVERNMENT SCHOOLS

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<th>1998</th>
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<td>2001</td>
<td>2002</td>
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<td>Al Zahra College, Arncliffe</td>
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Note: Information is based on current electorate boundaries at time of payment.
### Commonwealth General Recurrent Grants to Non-government Schools

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<tr>
<th>School Name and Location</th>
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<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003*</th>
<th>Total</th>
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**QUESTIONS ON NOTICE**
### Commonwealth General Recurrent Grants to Non-government Schools

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<th>School Name and Location</th>
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<th>1997</th>
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<td>St Patrick’s Primary School, Kogarah</td>
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<td>St Raphael’s Primary School, Hurstville</td>
<td>426,705</td>
<td>420,165</td>
<td>525,415</td>
<td>486,377</td>
<td>534,382</td>
<td>621,646</td>
<td>631,686</td>
<td>664,620</td>
<td>4,310,996</td>
</tr>
<tr>
<td>St Thomas More’s School, Brighton-Le-Sands</td>
<td>376,820</td>
<td>439,303</td>
<td>468,936</td>
<td>511,759</td>
<td>573,663</td>
<td>634,685</td>
<td>681,625</td>
<td>597,840</td>
<td>4,284,631</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>7,030,540</td>
<td>7,582,366</td>
<td>8,892,460</td>
<td>9,615,083</td>
<td>11,169,737</td>
<td>12,362,556</td>
<td>13,195,604</td>
<td>13,585,234</td>
<td>83,433,580</td>
</tr>
</tbody>
</table>

*Calculated entitlements, not final payment figures.
Note: Information is based on current electorate boundaries at time of payment.

### Commonwealth Capital Grants to Government Schools

<table>
<thead>
<tr>
<th>School Name and Location</th>
<th>1996</th>
<th>1997</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Blakehurst Public School, Blakehurst</td>
<td>700,000</td>
<td>700,000</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>Carlton Public School, Bexley</td>
<td>800,000</td>
<td>300,000</td>
<td>1,100,000</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Carlton South Public School, Carlton</td>
<td>500,000</td>
<td>150,000</td>
<td>650,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>School Name and Location</td>
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<td>1997</td>
<td>1998</td>
<td>1999</td>
<td>2000</td>
<td>2001</td>
<td>2002</td>
<td>2003</td>
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<td>------</td>
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<td>------</td>
<td>--------</td>
</tr>
<tr>
<td>Georges River College, Oatley</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,195,000</td>
</tr>
<tr>
<td>St George School, Kogarah</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,800,000</td>
</tr>
<tr>
<td>Total</td>
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<td>0</td>
<td>0</td>
<td>0</td>
<td>800,000</td>
<td>3,445,000</td>
<td>3,200,000</td>
<td>450,000</td>
<td>1,550,000</td>
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</table>

Note: Information is based on current electorate boundaries at time of payment.
BOYS EDUCATION LIGHTHOUSE SCHOOLS PROGRAMME

<table>
<thead>
<tr>
<th>School Name</th>
<th>Location</th>
<th>Synopsis</th>
<th>Grant $</th>
</tr>
</thead>
<tbody>
<tr>
<td>St George Christian School</td>
<td>RAMSGATE</td>
<td>Range of boys’ education strategies are linked in a literacy based project on a “Fox” theme. Experiential and cross-curricular learning for a target group of at-risk boys.</td>
<td>5,000</td>
</tr>
</tbody>
</table>

Science
No IAP-IST grants have been awarded to the electorate of Barton.

Vocational Education
Basic IT Enabling Skills (BITES) for Older Workers Programme
No organisations have yet delivered BITES in the electorate of Barton, but participation is open to residents of that electorate. In 2002/03, 301 courses were delivered in 114 locations throughout NSW. NSW DET recently advertised for Providers to deliver BITES services in 2003/04, but has not yet finalised the selection process. Further specific information is available from the NSW Department of Education and Training on (02) 9244 5396.

New Apprenticeships Access Programme (NAAP)
The following table details NAAP outcomes in the Barton electorate since March 1996.

<table>
<thead>
<tr>
<th>Number of Participants in NAAP Training Programmes</th>
<th>Number of NAAP New Apprenticeship Outcomes</th>
<th>Number of NAAP FT Employment Outcomes</th>
<th>Number of NAAP FT Employment Further Education or Training Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>134</td>
<td>24</td>
<td>34</td>
<td>15</td>
</tr>
</tbody>
</table>

NAAP brokers receive funding based on the number of participants commencing the programme, and the number of New Apprenticeship and employment outcomes achieved and maintained. Employers and NAAP participants do not receive direct benefits from NAAP. The following table details funding paid to NAAP brokers since March 1996.

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Amount of Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW Department of Education &amp; Training</td>
<td>$9,300</td>
</tr>
<tr>
<td>Jobs Australia Ltd.</td>
<td>$322,740</td>
</tr>
<tr>
<td>Total</td>
<td>$332,040</td>
</tr>
</tbody>
</table>

Workplace English Language and Literacy (WELL) Programme
WELL programme data is available from the 1998/99 financial year onwards. Since 1998/99 the following grants for training projects have been funded by WELL in the electorate of Barton:

<table>
<thead>
<tr>
<th>Year</th>
<th>Registered Name</th>
<th>Industry Category</th>
<th>Industry Sub Category</th>
<th>Total Project Funds (GST Excl)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998/99</td>
<td>Rockdale City Council</td>
<td>Government Administration &amp; Defence</td>
<td>Government Administration</td>
<td>$8,850.00</td>
</tr>
<tr>
<td>1998/99</td>
<td>Hurstville Gardens Nursing Centre</td>
<td>Health and Community Services</td>
<td>Health Services</td>
<td>$6,150.00</td>
</tr>
<tr>
<td>1998/99</td>
<td>St George Migrant Resource Centre NSW</td>
<td>Health and Community Services</td>
<td>Health Services</td>
<td>$4,850.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>$19,850.00</td>
</tr>
</tbody>
</table>

No individuals were funded.

Language, Literacy and Numeracy Programme (LLNP)

QUESTIONS ON NOTICE
Funding for the AEMP (which operated from 1991 to end 2001, when it was incorporated into the LLNP) took the form of Specific Purpose Payments (as annual grants) to the States/Territories. Funding details by electorate are therefore not available.

In the period from January 1998 to end June 2001, TAFE NSW – Sydney Institute was the provider under the Literacy and Numeracy Programme (the programme also was incorporated into the LLNP). Funding details prior to the 2000/2001 financial year are unavailable and information cannot be provided.

TAFE NSW – Sydney Institute is the current provider in the electorate for LLNP. OTEN, an arm of TAFE NSW also provides distance training to people living in all electorates who cannot attend face to face training for personal, medical or other reasons.

It should be noted that Sydney Institute also has campuses located outside the electorate of Barton and that payments made to Sydney Institute cannot be broken down to electorates.

Funding provided to TAFE NSW – Sydney Institute for the Literacy and Numeracy Programme and LLNP is as follows:
- 2000/01 Financial Year - $257,317.60 GST exclusive
- 2001/02 Financial Year - $693,932.25 GST exclusive
- 2002/03 Financial Year - $2,150,278.23 GST exclusive
- 2003/04 Financial Year - $166,177.51 GST exclusive, to date.

New Apprenticeships Incentives Programme

Since 1998, $5.539 million in employer incentives have been paid in the electorate of Barton.

DEST does not have information on incentive payments for apprentices between 1996 and 1998 under the Australian Traineeship System.

**Aviation: Brisbane Airport Master Plan**

(Question No. 2187)

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 11 August 2003:

(1) Further to the answer to question No. 2055, can he confirm that the Government Response to the Report of the Senate Rural and Regional Affairs and Transport References Committee Inquiry into the Development of the Brisbane Airport Corporation Master Plan dated May 2002, says in respect of Recommendation 2, that “…the Government will prepare an amendment to the legislation to clarify the relationship between airport master plans and major development plans”.

(2) Is the reason given for this planned amendment in the Federal Government’s response that: “The Government considers that some of the public concern associated with the development of the Brisbane Airport master plan reflected a lack of understanding of the status of the master plan and its relationship to major developments on airport…”?

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

(1) Yes. This recommendation is being progressed in the context of the Government’s current review of the Airports Act 1996.

(2) Yes.

**Aviation: Sydney (Kingsford Smith) Airport**

(Question No. 2188)

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 11 August 2003:
(1) Further to the answer to question No. 2057, which provision in the Airports Act 1996 requires that “any developments on the airport site are to be consistent with the approved Master Plan”, and, in particular
   (a) does Division 4 of Part 5 of the Act specify consistency of major development plans with the master plan, if so, what are those provisions,
   (b) does Division 5 of Part 5 of the Act specify consistency of building activities to the master plan, if so, what are those provisions, and
   (c) does Division 6 of the Act specify consistency of environmental management to the master plan, if so, what are those provisions.

(2) Further to the answer to question No. 2055, if, as the Act states, “any developments on the airport site are to be consistent with the approved Master Plan”, why does the Government’s Response to Recommendation 2 of the Report of the Senate Rural and Regional Affairs and Transport References Committee Inquiry into the Development of the Brisbane Airport Corporation Master Plan state that “the Government will prepare an amendment to the legislation to clarify the relationship between airport master plans and major development plans”.

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

(1) The following are the relevant sections of the Airports Act 1996 (the Act):
   (a) Division 4 and Part 5 Subsection 94(5) of the Act states that:
       “If a final master plan is in force for the airport, the Minister must not approve the draft major development plan unless it is consistent with the final master plan.”
   (b) Division 5 and Part 5 Subsection 99(1) of the Act states that:
       “99(1) An airport-lessee company for an airport must not:
       (a) carry out building activities on the airport site; or
       (b) cause or permit to be carried out on the airport site a building activity;
       unless:
       (c) carrying out the activity is in accordance with an approval granted under regulations made for the purposes of this Subdivision; or
       (d) all of the following conditions are satisfied:
       …
       (ii) in the case where there is a master plan in force for the airport – the activity is consistent with the plan;
       …
   (c) Division 6 Subsection 71(2) of the Act states that:
       “In the case of an airport other than a joint-user airport, a draft or final master plan must specify:
       …
       (f) the airport-lessee company’s assessment of environmental issues that might reasonably be expected to be associated with the implementation of the plan; and
       (g) the airport-lessee company’s plan for dealing with the environmental issues mentioned in paragraph (f) (including plans for ameliorating or preventing environmental impacts); and
       (h) if a draft environmental strategy for the airport has been approved – the date of that approval;
       …”
Further, Part 6 of the Act directs how an airport should manage the environmental issues arising on the airport, including detailed requirements in relation to an environmental strategy, mentioned in Subsection 71(2)(h) above.

(2) The Government in its response to Recommendation 2 of the Senate inquiry, endorsed taking steps to “clarify the relationship between airport master plans and major development plans” as a reasonable measure to take in response to public concern associated with the development of the Brisbane Airport master plan.

The Government acknowledges that there has been confusion in the public’s mind as to the purpose of the master plan compared to that of the major development plan. Evidence presented to the Senate Committee indicated that the uncertainty centred around the primary purpose of an airport master plan. These concerns were demonstrated by the variety of interpretations that various stakeholders had regarding the purpose of a master plan, and in particular, how they differ from the role of a major development plan.

**Aviation: Sydney (Kingsford Smith) Airport**  
(Question No. 2191)

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 11 August 2003:

(1) Further to the answer to question No. 1414 (Hansard, 13 May 2003, page 14132), what is the relevance of his Joint Media Release with the Minister for Finance and Administration, Senator the Hon Nick Minchin, which stated that the “sale of (Sydney) airport would not change the Government’s noise management policies in any way…” to the Coalition aviation policy titled Soaring Into Tomorrow that states the “Coalition will not lease Sydney Airport and Sydney West Airport until there is a satisfactory solution to the current aircraft noise problem in Sydney”.

(2) Can he explain whether Sydney Airport’s noise management policies satisfy the condition precedent in the Coalition’s Aviation Policy titled Soaring Into Tomorrow that Sydney Airport will not be leased until there is a satisfactory solution to the current aircraft noise problem; if it does not, then what is the Government’s position with respect to Sydney Airport’s aircraft noise problem following the lease in light of the fact that Sydney Airport’s aircraft noise problems have not been solved.

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

(1) and (2) I have dealt with these matters exhaustively in response to questions previously asked by the Honourable member.

**Veterans’ Affairs: Clarke Review**  
(Question No. 2301)

Ms Jackson asked the Minister for Veterans’ Affairs, upon notice, on 19 August 2003:

(1) Which organisations does she intend to consult in regard to recommendation 63 of the Clarke Review.

(2) Has she been in contact with any of these organisations to discuss recommendation 63 of the Clarke Review; if so, when and what were the outcomes; if not, when will she arrange to meet with the relevant stakeholders to determine their position on recommendation 63.

(3) Has she set down a timetable for the implementation of the recommendations of the Clarke Review.

(4) Will she amend the relevant legislation so as to allow service personnel who served in the British force in South-East Asia in 1959 access to the Gold Card and give equal recognition to all Commonwealth service personnel.
Mrs Vale—The answer to the honourable member’s question is as follows:

(1) The report of the Review of Veterans’ Entitlements has been publicly available since February 2003 and, since that time, I and my Department have received a considerable volume of correspondence from ex-service organisations and individuals on the findings and recommendations. Various meetings, conferences and congresses of ex-service organisations and the War Widows’ Guild have discussed the Report. In addition, the Government is undertaking extensive consultation with ex-service organisations regarding the full range of Clarke Review recommendations, including Recommendation 63. Organisations consulted include those representing broad sections of the veteran community such as the RSL, Legacy, the Vietnam Veterans Federation of Australia (VVFA), Vietnam Veterans Association of Australia (VVAA), Australian Federation of Totally and Permanently Incapacitated Ex-Servicemen and Women (TPI), the Injured Persons Association National Inc, the Australian Peacekeepers and Peacemakers Association (APP), the Regular Defence Force Welfare Association (RDFWA), the Australian Veterans and Defence Service Council Inc (AVADSC), and the Armed Forces Federation of Australia (ArFFA). Additionally, the Australian Special Air Service Association (ASASA) has also been consulted regarding this Report’s recommendations.

(2) Consultation regarding the full range of Clarke Review recommendations is ongoing. A number of meetings have already taken place and discussions with ex-service organisations are continuing.

(3) The Government will not make any decisions regarding the recommendations of the Clarke Review until the views of the ex-service community have been fully canvassed.

(4) A final decision has not been made regarding Recommendation 63 of the Clarke Review. However, acceptance of this recommendation will not provide access to the Gold Card for this group of veterans. It is a firmly established principal that each British, Commonwealth and Allied country accepts and maintains responsibility for providing compensation and associated benefits, including health care, for those disadvantaged following service in that country’s armed forces irrespective of where that individual should later choose to live. The Clarke Review accepted this principal. Consequently, the granting of ‘qualifying service’ for this group would provide access to the Repatriation Pharmaceutical Benefits Card (Orange Card). Additionally, depending on the veteran’s individual circumstances, Recommendation 63 would provide access to either an Invalidity Service Pension or, at age 60, an age based Service Pension.

Business: Regional Business Development Analysis
(Question No. 2330)

Mr Martin Ferguson asked the Minister for Transport and Regional Services, upon notice, on 8 September 2003:

(1) In respect of the almost 200 written submissions and consultation with some 1,000 businesses, has he or his department undertaken any analysis of the time taken by business in developing and providing submissions to the Regional Business Development Analysis; if so, how much time was taken by businesses and business organisations to prepare submissions to the Regional Business Development Analysis.

(2) How much has the Regional Business Development Analysis cost.

(3) What was the total cost for daily sitting fees for members of the independent panel.

(4) What was the total cost of travel and travel allowance for members of the independent panel.

(5) How many staff from (a) the Department of Transport and Regional Services and (b) other Commonwealth agencies have worked on this project.

(6) How many staff days had Commonwealth Officers worked on this project up to 7 July 2003 when the action plan from the independent panel was presented to him.
(7) Has a report from the Regional Business Development Analysis been considered by Cabinet; if so, were comments provided to Cabinet from (a) the Treasury, (b) the Department of Finance and Administration, (c) the Department of Agriculture, Fisheries and Forestry, and (d) the Australian Fisheries Management Authority.

(8) What is the current status of the action plan submitted by the Regional Business Development Analysis independent panel to him on 7 July 2003 and when does he intend to release the action plan.

(9) Will he be providing any feedback to the people who and the organisations which provided the almost 200 submissions and 1000 consultations to the independent panel; if so, when.

(10) When will he provide a Government response to the action plan.

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

(1) No such analysis was undertaken. However, the time taken would vary greatly as submissions ranged from just a few pages to more substantial documents.

(2) A total of $1,484,644 was expended on the Regional Business Development Analysis from early 2002 until 7 July 2003.

(3) The total cost of sitting fees was $46,207.

(4) Travel costs for the panel were $64,331.

(5) (a) On average, 6 staff from the Department of Transport and Regional Services worked on the project. This number varied depending upon workload pressures. (b) One officer from the Department of Agriculture, Fisheries and Forestry worked on the project for a period of 13 months.

(6) Records of actual staff days are not kept. It is estimated that approximately 1,830 staff days were involved on the project.

(7) Details of Cabinet discussions are confidential.

(8) The Action Plan was publicly released on 27 August 2003.

(9) A printed copy of the Action Plan and Minister Anderson’s media release were mailed to each person/organisation that provided a submission, and the Action Plan is publicly available on the RBDA website. Additional printed copies are also available on request.

(10) The Government is currently examining the report and its recommended actions.

Aviation: Sydney (Kingsford Smith) Airport
(Question No. 2334)

Mr McClelland asked the Minister for Transport and Regional Services, upon notice, on 8 September 2003:

Is he familiar with the fourth message of the Community Panel Report to Sydney Airport Corporation in June 2003 recommending that the Federal Government carry out a review of the need for a second Sydney Airport and identifying a suitable site for such a facility and can he advise when such a review will be undertaken.

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

I have addressed the matter of the Community Panel Report to Sydney Airport Corporation Limited in my answer to question 2333. In regard to a review of the need for a second Sydney airport, the Government announced in December 2000 that it would be premature to build a second major airport in the city. It also announced that it will further review Sydney’s airport needs in 2005, and this is still the intention.
Education: National Asian Languages and Studies in Australian Schools
(Question No. 2360)

Mr Danby asked the Minister for Education, Science and Training, upon notice, on 9 September 2003:
(1) Can he inform the House about the reasons for the National Asian Languages and Studies in Australian Schools (NALSAS) program being established.
(2) Can he inform the House of the number of Year 12 students studying (a) Modern Standard Chinese, (b) Indonesian, (c) Korean, and (d) Japanese in each State and Territory in each school year from 1993, the year before the NALSAS program commenced, to the present.
(3) How many of these students in each State and Territory for each language and year are ‘background speakers’ and ‘native language speakers’.
(4) How many of these students in each State and Territory for each language and year were at state schools, private schools, specialist language schools and ethnic language schools.
(5) How many university students are studying (a) Modern Standard Chinese, (b) Indonesian, (c) Korean, and (d) Japanese in each State and Territory.
(6) How many university students graduate having completed a major course in (a) Modern Standard Chinese, (b) Indonesian, (c) Korean, and (d) Japanese in each State and Territory.
(7) Is Government policy intended to encourage and support the studying of Asian languages by Australian students; if so, which Government programs were in place for each of the academic years since 1990 to encourage the study of (a) Modern Standard Chinese, (b) Indonesian, (c) Korean, and (d) Japanese; if not, why not.
(8) What funding has the Government provided to NALSAS for each of the financial years since it was established.
(9) What is the common and agreed system of collecting data on NALSAS languages and Asian studies.

Dr Nelson—the answer to the honourable member’s question is as follows:
(1) The Australian Government and the States and Territories agreed to fund the National Asian Languages and Studies in Australian Schools (NALSAS) Strategy, following a 1994 report to the Council of Australian Governments (COAG) entitled Asian Languages and Australia’s Economic Future. The Strategy aimed to support enhanced and expanded Asian languages and studies delivery through all school systems in order to improve Australia’s capacity and preparedness to interact internationally, in particular, with key Asian countries. The NALSAS Strategy targeted the Chinese (Mandarin), Japanese, Indonesian and Korean languages. These languages were chosen on the basis of regional economic forecasts made by the Department of Foreign Affairs and Trade.
(2) National figures, derived from data supplied by State and Territory accreditation authorities for the National Report on Schooling, for Year 12 students studying Chinese, Indonesian, Korean and Japanese are available for the years 1993-2002. A breakdown by State and Territory is not available.


<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Japanese</td>
<td>4,320</td>
<td>5,451</td>
<td>5,032</td>
<td>5,381</td>
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<td>5,524</td>
<td>5,198</td>
<td>5,292</td>
<td>5,401</td>
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</tr>
<tr>
<td>Chinese</td>
<td>2,198</td>
<td>2,921</td>
<td>2,469</td>
<td>2,361</td>
<td>2,478</td>
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<td>2,569</td>
<td>2,935</td>
<td>3,574</td>
<td>4,117</td>
</tr>
<tr>
<td>Indonesian</td>
<td>1,207</td>
<td>1,448</td>
<td>1,451</td>
<td>1,762</td>
<td>2,000</td>
<td>2,003</td>
<td>1,820</td>
<td>2,089</td>
<td>2,255</td>
<td>2,126</td>
</tr>
<tr>
<td>Korean</td>
<td>-</td>
<td>247</td>
<td>185</td>
<td>248</td>
<td>286</td>
<td>386</td>
<td>327</td>
<td>239</td>
<td>226</td>
<td>252</td>
</tr>
</tbody>
</table>
(3) Data on the numbers of ‘background speakers’ and ‘native language speakers’ is not available.

(4) Data on the number of students in each State and Territory for each language, for the years 1993 to the present, at state schools, private schools, specialist language schools and ethnic language schools is not available.

(5) Data on the number of university students commencing and enrolled in Asian languages (collected by sub-region rather than by individual language) for 2001 and 2002 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>NSW</th>
<th>Vic</th>
<th>Qld</th>
<th>WA</th>
<th>ACT</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commencing students</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>enrolled in</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asian languages</td>
<td></td>
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</tr>
<tr>
<td>at Australian</td>
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</tr>
<tr>
<td>universities in 2001</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>South West Asian and North African languages</td>
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<td>16</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>Southern Asian</td>
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<td>0</td>
<td>0</td>
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<td>South East Asian</td>
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<td>2</td>
<td>1</td>
<td>0</td>
<td>18</td>
<td>20</td>
</tr>
<tr>
<td>East Asian</td>
<td>67</td>
<td>83</td>
<td>89</td>
<td>5</td>
<td>14</td>
<td>258</td>
</tr>
<tr>
<td>Total</td>
<td>71</td>
<td>121</td>
<td>90</td>
<td>5</td>
<td>34</td>
<td>321</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Commencing students enrolled in Asian languages at Australian universities in 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
</tr>
<tr>
<td>-----</td>
</tr>
<tr>
<td>South West Asian and North African languages</td>
</tr>
<tr>
<td>Southern Asian languages</td>
</tr>
<tr>
<td>South East Asian languages</td>
</tr>
<tr>
<td>East Asian languages</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Students enrolled in Asian languages at Australian universities in 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
</tr>
<tr>
<td>-----</td>
</tr>
<tr>
<td>South West Asian and North African languages</td>
</tr>
<tr>
<td>Southern Asian languages</td>
</tr>
<tr>
<td>South East Asian languages</td>
</tr>
<tr>
<td>East Asian languages</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Students enrolled in Asian languages at Australian universities in 2002</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
</tr>
<tr>
<td>-----</td>
</tr>
<tr>
<td>South West Asian and North African languages</td>
</tr>
<tr>
<td>Southern Asian languages</td>
</tr>
<tr>
<td>South East Asian languages</td>
</tr>
<tr>
<td>East Asian languages</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

(6) Data on the number of university students completing an award course in Asian languages (collected by sub-region rather than by individual language) for 2001 and 2002 is as follows:

<table>
<thead>
<tr>
<th>Students completing award courses in Asian languages at Australian universities in 2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
</tr>
<tr>
<td>-----</td>
</tr>
<tr>
<td>South West Asian and North African languages</td>
</tr>
<tr>
<td>Southern Asian languages</td>
</tr>
<tr>
<td>South East Asian languages</td>
</tr>
</tbody>
</table>
Students completing award courses in Asian languages at Australian universities in 2002

<table>
<thead>
<tr>
<th></th>
<th>NSW</th>
<th>Vic</th>
<th>Qld</th>
<th>WA</th>
<th>NT</th>
<th>ACT</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Asian languages</td>
<td>68</td>
<td>41</td>
<td>32</td>
<td>13</td>
<td>0</td>
<td>14</td>
<td>168</td>
</tr>
<tr>
<td>Total</td>
<td>72</td>
<td>61</td>
<td>36</td>
<td>19</td>
<td>0</td>
<td>26</td>
<td>214</td>
</tr>
</tbody>
</table>

(7) While education, including languages education, is primarily the responsibility of State and Territory education authorities, the Australian Government recognises that languages education is a national priority and need. Consequently, since 1992, the Australian Government has supported the study of languages generally, including Asian languages, through the following programmes:

<table>
<thead>
<tr>
<th>Dates</th>
<th>Programme Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992 - 2000</td>
<td><strong>Priority Languages Element (PLE)</strong> Support for school language programmes in Aboriginal languages, Arabic, Chinese, French, German, Indonesian, Italian, Japanese, Korean, Modern Greek, Russian, Spanish, Thai and Vietnamese. (Chinese, Indonesian, Japanese and Korean transferred to NALSAS from 1994)</td>
</tr>
<tr>
<td>1992 – 2000</td>
<td><strong>Community Languages Element (CLE)</strong> Support for community language classes held during regular school hours (insertion classes) and for after hours classes, including in ethnic schools, in each State and Territory.</td>
</tr>
<tr>
<td>1994 – 2002</td>
<td><strong>National Asian Languages and Studies in Australian Schools (NALSAS) Strategy</strong> Identified Chinese, Indonesian, Japanese and Korean as the four key Asian languages. The Government undertook that the increased emphasis on these Asian languages would not diminish its commitment to the other identified priority languages. To this end, the Commonwealth adjusted the Priority Languages Element (PLE) to cater for the ‘other’ priority languages.</td>
</tr>
<tr>
<td>2001 – to date</td>
<td><strong>Languages Other Than English (LOTE) Element</strong> Combined PLE and CLE to support languages generally, including Asian languages, in Australian schools and ethnic schools.</td>
</tr>
</tbody>
</table>

(8) The Australian Government provided the following funding for NALSAS for the period 1994 to 2002. Note that in 1997 NALSAS funding shifted from the Appropriations Act to the States Grants (Primary and Secondary Education Assistance) Act 1996 and so is calculated on calendar rather than financial years from then.

<table>
<thead>
<tr>
<th>Year</th>
<th>(million $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994-1995</td>
<td>$2.800</td>
</tr>
<tr>
<td>1995-1996</td>
<td>$10.217</td>
</tr>
<tr>
<td>1996-1997</td>
<td>$10.057</td>
</tr>
</tbody>
</table>

QUESTIONS ON NOTICE
Year | (million $)  
---|---  
1997 | $30.441  
1998 | $21.562  
1999 | $44.437  
2000 | $29.960  
2001 | $30.007  
2002 | $30.432  
**TOTAL** | **$209.913**

(9) For 2000 and 2001 education authorities agreed to report on student participation in each of the four NALSAS languages P – 12. They also agreed to participate in studies of Asia sample survey conducted in 2001. Since 2002, no agreed system of collecting specific data on NALSAS languages or studies of Asia has been in place.

**Aviation: Melbourne International Airport**
*(Question No. 2361)*

**Mrs Crosio** asked the Minister for Transport and Regional Services, upon notice, on 10 September 2003:

1. Is there a new luggage wrapping facility at Melbourne International Airport.
2. Does the Government plan to introduce this service at other airports around Australia.
3. Has the Government studied the current security practices in place throughout the world before implementing this new service.
4. As many airports, particularly in the US, demand that luggage “not be locked” for security purposes, why has this service been introduced.
5. What is the cost of this service.

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

1. I am aware that a privately operated luggage wrapping service known as Protectabag, operates within the public area of the Melbourne Airport International Terminal Building and that it commenced on 20 December 2002.
2. No. The luggage wrapping service is a privately owned and operated retail business; it is not an Australian Government business nor has its use been mandated by the Australian Government.
3. The service has not been implemented by the Australian Government.
4. I understand that the service is being marketed as a protection to passenger’s baggage from damage during handling at airports and carriage on aircraft. A bag treated by Protectabag will still be subject to security measures within Australia and overseas.
5. I understand the cost of the wrapping service is $7.50 per bag (inclusive of GST).

**Aviation: Airport Security**
*(Question No. 2429)*

**Mr McClelland** asked the Minister representing the Minister for Justice and Customs, upon notice, on 18 September 2003:

(Please note that after due consideration and as agreed with ACS, this question has now been transferred to the Minister for Transport and Regional Services):

What measures has the Minister taken since 11 September 2001 to implement heightened security at airports and at which airports has such security been implemented?
Mr Anderson—The answer to the honourable member’s question is as follows:

The Government has taken many measures since 11 September 2001 to increase the already high levels of security in Australia’s aviation industry, including:

- greater controls over access to airport secure areas;
- increased passenger and luggage screening including 100 percent checked bag screening on certain international flights;
- a broadening of the categories of items not to be carried in the cabin of an aircraft;
- an increase in the number of airports where passenger screening takes place;
- an increased Australian Protective Service presence at airports; and
- the deployment of armed air marshals on domestic services.

On 11 December 2002 a further major package of security measures was announced including:

- Requiring all airports that handle scheduled jet operations to screen for all passengers and their carry-on baggage, including those flying on propeller services. As a result, the number of airports where security screening is required will increase;
- Mandating the introduction of screening for passengers and carry-on baggage at additional locations where an airport operator or airline requests that security standards should apply;
- Mandating the introduction of 100 percent checked bag screening (CBS) for all international flights by 31 December 2004, a full year ahead of the ICAO deadline. In addition, domestic terminal operators at the major category one and two airports (Adelaide, Melbourne, Brisbane, Sydney, Perth, Cairns, Canberra, Gold Coast and Darwin) will be required to have a permanent checked bag screening capability by the same date;
- Introduction of explosives trace detection at domestic and international passenger screening points; and
- Threat Image Projection Systems to be mandatory for passenger screening x-ray equipment from 30 September 2003.

For security reasons I will not specify the details of measures at individual airports, beyond advising the aviation security regulatory regime set out in the current Air Navigation Act and its Regulations is based on an intelligence assessment of threats to Australian aviation.

Veterans: Entitlements
(Question No. 2455)

Mr Murphy asked the Minister for Veterans’ Affairs, upon notice, on 18 September 2003:

Further to the answer to question No. 2048 (Hansard, 8 September 2003, page 18983), what is the current position in relation to the Government’s response to the 109 recommendations of The Clarke Review.

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

Consultation regarding the full range of Clarke Review recommendations is ongoing. A number of meetings have already taken place and discussions with ex-service organisations are continuing.

The Government will not make any decisions regarding the recommendations of the Clarke Review until the views of the ex-service community have been fully canvassed.
**Aviation: Brisbane Airport Master Plan**  
*(Question No. 2461)*

**Mr Murphy** asked the Minister for Transport and Regional Services, upon notice, on 18 September 2003:

(1) Further to the answer to question No. 2055 (Hansard, 12 August 2003, page 18185), what is the present status of the Government’s review of the Airports Act 1996 and when will the review be completed?

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

Further to my answer to question No. 2055, I provide the following details. My Department has received sixty one submissions in relation to the review of the Airports Act 1996. The last submission from the public was received on 25 July 2003. My Department is now preparing a report on the review, with recommendations, for my consideration in due course. At this stage, the report is likely to be lodged with my Office in November 2003.

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**Pan Pharmaceuticals Ltd**  
*(Question No. 2491 and 2492)*

**Mr Rudd** asked the Minister for Foreign Affairs and the Minister for Trade, upon notice, on 17 September 2003:

(1) Did the Minister’s department receive communications between the Australian Embassy in Hanoi and Canberra in 1999, 2000, 2001 or 2002 on concerns raised by the Vietnamese authorities about the quality and content of pharmaceutical products imported from Australia from the Pan Pharmaceutical company or one of its subsidiary/derivative companies.

(2) When were representations made by the Vietnamese authorities to the Australian Embassy about their concerns and what was the nature of their concerns.

(3) What action did the Vietnamese authorities take to the continued sale and distribution of these pharmaceuticals in Vietnam and when.

(4) What were the dates on which these Vietnamese representations to the Australian Embassy in Hanoi were reported to Canberra.

(5) What were the dates on which the Vietnamese government took action against the sale and distribution of Pan Pharmaceutical products and when was this reported to Canberra by the Embassy in Hanoi.

(6) What action did the Minister’s department take in response to the report from the Australian Embassy in Hanoi on the Vietnamese concerns about the quality of the Pan Pharmaceutical products and any action the Vietnamese authorities had taken in relation to Pan Pharmaceuticals.

**Mr Vaile**—On behalf of the Minister for Foreign Affairs and myself, the answer to the honourable member’s question is as follows:

(1) No.

(2) to (4) Not applicable – see answer to (1).

(5) In early May 2003, following Australia’s lead, the Vietnamese Government recalled all Pan Pharmaceutical products manufactured after 1 May 2002 and placed a ban on their circulation in Vietnam. It also deregistered six Pan Pharmaceutical Products. The Embassy in Hanoi reported this to Canberra on 9 May 2003.

(6) Not applicable – see answer to (1).