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

**NATIONAL RESIDUE SURVEY CUSTOMS LEVY RATE CORRECTION (LAMB EXPORTS) BILL 2003**

First Reading

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

Second Reading

Mr TRUSS (Wide Bay—Minister for Agriculture, Fisheries and Forestry) (9.01 a.m.)—I move:

That this bill be now read a second time.

The purpose of this bill is to correct the rate of National Residue Survey (NRS) levy applicable on certain exports of lambs.

The amendments to the National Residue Survey (Customs) Levy Act 1998 (the act) validate the levy already collected at an agreed rate of 8c per head first set in June 1998 in respect of lamb exports with a value of more than $75 under the Primary Industries Levies and Charges (National Residue Survey Levies) Regulations 1998 (the regulations).

Since 1 July 2000 a levy of 4.7c per head has applied through a drafting fault in the regulations, rather than the intended rate of 8c per head.

The peak industry body, the Sheep Meat Council of Australia, and its member organisations are committed to an NRS transaction levy rate of 8c per head in respect of lamb exports with a value of more than $75.

The Sheep Meat Council of Australia has formally requested that this drafting fault be amended, and for the validation of the levy already collected at the agreed rate of 8c set in June 1998.

The levy recovers the cost of the lamb industry’s residue monitoring program that is required for market access.

I present the explanatory memorandum.

Debate (on motion by Mr Fitzgibbon) adjourned.

**NATIONAL RESIDUE SURVEY EXCISE LEVY RATE CORRECTION (LAMB TRANSACTIONS) BILL 2003**

First Reading

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

Second Reading

Mr TRUSS (Wide Bay—Minister for Agriculture, Fisheries and Forestry) (9.04 a.m.)—I move:

That this bill be now read a second time.

The purpose of this bill is to correct the rate of National Residue Survey (NRS) transaction levy on certain sales of lambs.

The amendments to the National Residue Survey (Excise) Levy Act 1998 (the act) validate the levy already collected at an agreed rate of 8c per head first set in June 1998 in respect of lambs with a sale price of more than $75 under the Primary Industries Levies and Charges (National Residue Survey Levies) Regulations 1998 (the regulations).

Since 1 July 2000 a levy of 4.7c per head has applied through a drafting fault in the regulations, rather than the intended rate of 8c per head.

The peak industry body, the Sheep Meat Council of Australia, and its member organisations are committed to an NRS transaction levy rate of 8c per head in respect of lamb with a sale price of more than $75.

The Sheep Meat Council of Australia has formally requested that this drafting fault be amended, and for the validation of the levy
already collected at the agreed rate of 8c set in June 1998.

The levy recovers the cost of the lamb industry’s residue monitoring program that is required for market access purposes.

I present the explanatory memorandum.

Debate (on motion by Mr Fitzgibbon) adjourned.

PRIMARY INDUSTRIES (EXCISE) LEVIES AMENDMENT (WINE GRAPES) BILL 2003

First Reading

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

Second Reading

Mr TRUSS (Wide Bay—Minister for Agriculture, Fisheries and Forestry) (9.06 a.m.)—I move:

That this bill be now read a second time.

The proposed amendment to the Primary Industries (Excise) Levies Act 1999 only affects the maximum rate of levy that may be applied to the research and development component of the wine grapes levy. The maximum rate currently is $3 per tonne of wine grapes. The present operative rate set under the Primary Industries (Excise) Levies Regulations 1999 is also $3 per tonne. Thus, this amendment will allow future changes to the operative rate to occur within the proposed $10 maximum rate.

The Australian wine industry first sought the imposition of a levy in 1979 to assist with research and development through the Grape and Wine Research and Development Corporation.

Since then the operative rate of the levy has been increased to $3 per tonne, with the last levy increase occurring in February 1999. The industry has also expanded enormously, with exports growing to around $2.4 billion annually. A critical underpinning of this growth has been a strong research and development effort. The Australian industry is globally recognised as being a technological leader, particularly in regard to its capacity and willingness to adopt new ideas and technology which might give it a competitive edge in the marketplace.

Nevertheless, despite this, the levy as a percentage of the gross value of production of the wine industry represents only 0.3 per cent, much less than some other agricultural commodities such as grains and wool. The wine industry recognises that if it is to remain at the technological cutting edge it needs to increase its R&D efforts further and has therefore sought approval, through its peak body, the Winemakers Federation of Australia, to increase the allowable maximum rate of levy from $3 to $10 per tonne. The Winemakers Federation of Australia is the declared winemakers’ organisation for the purposes of the legislation and represents some 95 per cent of wine production in Australia.

The Australian government matches the expenditure of those levy funds on eligible R&D projects up to 0.5 per cent of the determined gross value of production of the industry concerned. However, this amendment of itself has no direct financial impact for the Australian government.

This amendment will provide the industry with the capacity to seek an increase in the operative rate for future vintages from 1 July 2004. Any proposed change to the operative rate will need to meet all Australian government requirements, including adhering to its levy principles, and will be actioned via regulation where it will be subject to normal parliamentary scrutiny processes.

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

Debate (on motion by Mr Fitzgibbon) adjourned.
WORKPLACE RELATIONS AMENDMENT (IMPROVED PROTECTION FOR VICTORIAN WORKERS) BILL 2002

Second Reading

Debate resumed from 25 November, on motion by Mr Abbott:

That this bill be now read a second time.

upon which Mr Emerson moved by way of amendment:

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

“while not declining to give the bill a second reading, the House condemns the Government for:

(1) taking four years to agree to these urgent amendments; and

(2) seeking to undermine the effect of this Bill through the actions of the Employment Advocate and through the Workplace Relations Amendment (Choice in Award Coverage) Bill”.

Ms PANOPOULOS (Indi) (9.09 a.m.)—I rise to speak on the Workplace Relations Amendment (Improved Protection for Victorian Workers) Bill 2002. I feel particularly compelled to speak on this bill as it affects a considerable number of workers not only in my home state of Victoria but also in my electorate. Through the swift passage of this bill the Howard government aims to strengthen and improve the economic and workplace conditions of a large number of Victorian workers—notably those in the textile, clothing and footwear industry, who make up a considerable percentage of the workforce in my hometown of Wangaratta and in other areas of my electorate such as Benalla and Wodonga.

It is useful to comment on the industrial relations history of Victoria that precedes the discussion on this bill. The industrial jurisdiction of some Victorian workers was ceded to the Commonwealth in 1996 under the Kennett government, when a referral of state powers took place as part of the significant industrial relations changes undertaken by that government. More recently, in October 2000 the Bracks Labor government introduced into the Victorian parliament the Fair Employment Bill, which would have reinstated a Victorian industrial system. Thankfully this bill was rejected in the Victorian upper house in March 2001.

The Bracks government’s Fair Employment Bill 2000 rightly caused dismay among many small and medium sized businesses. This bill was bad news for the industrial relations system, and its passage would have resulted in the loss of up to 40,000 jobs. It was simply an attempt to reunionise workplaces and to impose on businesses an unfair and inflexible system of awards that was more suited to the 1980s and the dark old days of John Cain and Joan Kirner.

The state government bill would have increased operating costs for employers and threatened the jobs of those in rural and regional areas through regressive motives of reinstating state industrial awards and unnecessary bureaucratic costs. In the past, the Bracks government in Victoria has supported the idea of a single unitary workplace relations agenda, yet it has claimed that the federal government’s current package for workers is too little too late. The Commonwealth and the state governments were in the process of discussing this issue when the Bracks government announced that it would set up yet another committee to review the system, which culminated in the Fair Employment Bill. A sneaky system of backdoor re-regulation of the Victorian industrial relations system will do nothing to assist businesses to increase jobs growth. The Victorian government introduced legislation that would have made further regulation of the industry a top priority. One might be tempted to ask why this was the case when the federal
government was introducing legislation aimed at strengthening the conditions and safety net of Victorian workers.

This would not have been an ideal situation. If Commonwealth and state legislation existed concurrently, it would have created an undesirable situation of overgovernance for employers, as well as general workplace and bureaucratic confusion. We Victorians understand that the Bracks government know quite a lot about bureaucracy; they are the masters of bureaucratic spin. They have commissioned almost 800 reviews and committees since taking office, and $100 million has been spent on outside consultancies. All this has occurred at a time when 21,000 jobs have been lost in the manufacturing industry and the budget position has substantially deteriorated. It is little wonder that the Victorian business community stated that the honeymoon was over for the Bracks government. Shaun Carney’s article in the *Age* last Saturday was entitled ‘What is Bracks here for?’

Under its 2001 election platform, the coalition aimed to retain the current Victorian arrangements. It specifically stated in its election policy that it would ‘maintain the current single system of federal workplace relations laws that apply to Victoria and proposals by the Victorian state Labor government to recreate new state industrial laws and duplicate industrial tribunals and bureaucracies’. This legislation is fully consistent with the Howard government’s industrial relations agenda and has been an open and transparent policy since the last election, as has the Howard government’s legislation on unfair dismissal laws, which have met with opposition from the Labor Party 22 times since 1996. We should not be afraid to let the community know how much Labor’s refusal to step into the 21st century is costing small business.

A report released last year by the Melbourne Institute of Applied Economic and Social Research into the effect of unfair dismissal laws on small and medium sized businesses states that Labor’s refusal to agree to the government’s reforms has cost small and medium sized businesses $1.3 billion per year and has contributed to the loss of about 77,000 jobs. These significant social and economic costs further highlight the unions’ stranglehold on Labor and clearly articulate that any change to the 60-40 rule is simply window-dressing, well short of achieving anything in substantial terms. This bill is aimed at protecting Victorian workers and I feel that, with the additional legislation this government has introduced, it will go a significant way towards doing that.

Only a few examples are required to illustrate the undue influence that unions have in Victoria and their dominance of Steve Bracks and the Victorian Labor government. For instance, the cost of Federation Square, where workers were allowed a 36-hour week, blew out from $100 million to $450 million. In another deal to keep the unions happy, Steve Bracks refused Commonwealth funding of $90 million towards the $425 million redevelopment of the MCG because the strings attached by the federal Minister for Employment and Workplace Relations were unacceptable to the building union. Victorian taxpayers should be asking very pertinent questions as to where Mr Bracks is going to find the extra $77 million of public funds needed to complete the federal government’s offer of assistance for this project. The former federal workplace relations minister simply requested that the MCG redevelopment comply with the building industry national code of practice, which allows for access to a building site by the federal Office of the Employment Advocate to ensure compliance with the Workplace Relations Act. This act makes closed shops illegal, a con-
cept that clearly sits very uneasily with the CFMEU. And, as Victorians know, if it is not acceptable to the CFMEU, it is not acceptable to Mr Bracks.

The CFMEU has gained more than $1 million from developers in phantom union tickets and donations to its funds, in order to cover up non-union labour and subcontractors. This allowed it to buy industrial peace on building sites. This was the union that caused $100,000 worth of damage at the National Gallery of Victoria site in a protest against a demolition contractor covered by the rival Australian Workers Union. Late last year, Melbourne workers and commuters were given an inconvenient taste of the union’s anarchy when the CBD traffic network was disrupted so that militant unionists could march in support of their boss, Martin Kingham, when he was due to face contempt charges for refusing to cooperate with the building industry royal commission.

This effort was only the tip of the iceberg when compared to the disgraceful efforts of some union leaders who, somewhat regrettabley, decided to protest in the streets of Melbourne on Remembrance Day. Thousands of unionists politicised this sacred day on which we remember and reflect on the sacrifices of our troops, who defended our freedom and the way of life we value today. Not being content with the far-reaching lawlessness in the construction industry, the union movement have now taken this lawlessness to the streets for their own selfish motives. It is little wonder that union membership has dropped to around 18 per cent of the private sector work force. Offensive and politically motivated stunts of the calibre seen on Remembrance Day in Melbourne will only sharpen this decline in union affiliation. The politicisation of Remembrance Day might be appropriate for the union bosses, who try to control 18 per cent of the work force, but for the rest of the community the union movement’s protest was nothing more then an offensive stunt and an excuse for another day off.

The influence of union powerbrokers and heavyweights extends to the highest levels of the Bracks government, and it should go neither unnoticed nor underestimated. Instead of making misguided and weak efforts to bolster the influence of the union movement on public policy, the Bracks government would be doing industrial relations in Australia a far greater service by persuading all of the other state Labor governments to transfer their industrial relations powers to the Commonwealth, as Victoria did in 1996. Through this mechanism, a better deal would be struck for all workers, with higher pay, more jobs and greater flexibility and efficiency within the workplace relations system. The reintroduction of a separate industrial relations system in Victoria would simply enhance the influence of the union movement and guarantee the access of unions to small businesses on their terms and conditions—which would result, inevitably, in the loss of jobs and produce a negative impact on the economy of Victoria.

The Workplace Relations Legislation Amendment (Improved Protection for Victorian Workers) Bill amends the Workplace Relations Act to give employees greater entitlements and workplace benefits. These improvements come in the form of more generous entitlements for overtime, bereavement and carer’s leave, and supported wage arrangements in certain industries. This legislation will positively benefit over 500,000 people. The federal government aims to improve the industrial relations system for workers in Victoria working under schedule 1A of the federal Workplace Relations Act. Contract outworkers—primarily those employed in the Victorian clothing, textile and footwear industry—will see the benefits of this legislation as well, as it will give them
an entitlement to be paid at a similar rate to other employees.

To allow for the proper implementation of this bill, departmental workplace inspectors are given the right to access documents from workplaces where alleged breaches are said to have occurred. Also, regulations requiring employers to uphold proper record-keeping practices for employees not covered under federal awards will be enforced. Minimum rates of pay are set for textile, clothing and footwear contract outworkers, and employers will be forced to keep proper wages records and use a more transparent method for the accrual of annual and personal leave entitlements.

The bill gives power to the Victorian government to participate in proceedings under investigation by the Australian Industrial Relations Commission in matters of wage adjustment and suspension or termination of a bargaining period. Greater entitlements and security are provided for those who perform work duties as outworkers for the textile, footwear and clothing industry in Victoria. These workers are sometimes in a disadvantageous workplace situation and often find themselves receiving far lower rates of pay than factory workers completing similar duties. Contract outworkers usually find themselves without clearly defined entitlements. This problem is particularly manifest within the textile and clothing sectors due to the recent restructuring and the competitive nature of the industry. Contrary to the grandstanding of many on the other side, the government understands the needs of those working in this particular industry and the need for them to have additional safety net measures. The very fact that this legislation is before the federal parliament shows the government’s commitment to these workers.

These workers endured 13 years of ALP government, a period that was most renowned for the unholy trinity of high interest rates, high inflation and high unemployment. During those years such burdens did nothing to assist Australian families or workers in the industries already mentioned. For all their moral posturing about representing the underdog, the ALP has a parlous record on the issue of industrial relations. During those 13 years, award wages fell in real terms. During the last financial year of the previous federal Labor government, real wages growth was zero. We know that throughout the period of the Hawke government award earnings dropped by seven per cent whilst unemployment benefits simultaneously rose by some 18 per cent. The Labor Party-ACTU accord had the unenviable consequence of lifting welfare rates while wage rates fell.

The Howard government has worked to increase the wages of Australian workers, including the low paid. The lowest paid workers have now received safety net rises of $82.00—or 7.9 per cent in real terms. Since May 1996, real average weekly earnings for all persons have increased by some 6.3 per cent, and this bill seeks to continue this promising trend of wages growth for the low paid during this period of government.

The Victorian referral of industrial relations powers to the Commonwealth is the single most important thing that has occurred in the workplace relations system in that state in recent years. There are considerable benefits in maintaining the unitary system of workplace relations in Victoria, a method aimed at eliminating the costly and time-consuming demands of administration inherent in additional and overlapping regulatory systems. We do not want to go back to a system of reregulation, which is what the implementation of a specific state based system would represent. Rather, the Australian government want to protect the rights of those workers in Victoria employed under schedule 1A of the Workplace Relations Act and to
assist those contract outworkers within the textile, clothing and footwear industry to be paid at a similar rate as others.

By increasing the safety net of these Victorian employees, this bill secures greater rights for workers without the job losses that would be forthcoming with the reintroduction of the archaic Victorian state-based system. These workers deserve extra help and extra support. This bill offers that support, and for those reasons I commend the bill to the House.

Mr TANNER (Melbourne) (9.25 a.m.)—It is always entertaining to hear members on the government side of the House put forward propositions that they do not really believe in and have never supported. The preceding speech by the member for Indi is a perfect illustration of this. The Workplace Relations Amendment (Improved Protection for Victorian Workers) Bill 2002 is only in the House because the Bracks government was fortunate enough to win a majority in the Legislative Council in the Victorian elections late last year and therefore was in a position to ensure that one way or another something was going to be done about the situation of the 400,000-odd Victorian workers who are still effectively not covered by genuine award coverage as a result of the abolition of the system by the former state government—the former Kennett government in Victoria.

The history of this is that the Kennett government chose to strip back the Victorian industrial relations system to a bare four or five core conditions and to write off all the other protections for workers that exist in the award system in various ways around the country, both at the federal level and at the state level. Over time, the net effect of this was that, although some of those workers were subsequently roped into federal awards, around 400,000 were left stranded because they mostly worked for smaller enterprises, they were in ununionised sectors or they were in situations where it proved effectively impossible for trade unions to obtain award coverage for them. That has meant that for a number of years a particular segment of workers in Victoria have been in a substantially inferior position, compared with the rest of the work force, in terms of the protection of their wages and conditions, their working entitlements and their contracted employment with their employers.

This issue was first pursued by the Bracks government after it was elected in 1999, so the debate between the Bracks government and the Howard government about this issue has now gone on for approximately four years. It was only the re-election of the Bracks government, with a majority in the Victorian Legislative Council for the first time ever, that forced the Howard government’s hand on this issue. If that had not occurred we would not have seen protection granted to these workers, because the Liberals would have used their majority in the Legislative Council in Victoria to prevent the Victorian government from legislating to protect these workers, and the Howard government would have done nothing because ideologically it is the same as the Kennett government—it does not believe in genuine safety net protection for workers.

The previous speaker referred at some length to militant unions, naming a few names and referring to a few incidents—as if they had anything to do with the issue that is before the parliament today. Irrespective of one’s views of trade unions and the behaviour of individual trade union leaders, the crucial fact about the people who will benefit from the legislation before the parliament today is that they are almost totally ununionised. They are not militant unionists. They are not people who are marching down Swanston Street. They are
not people who are on strike. They are not even people who are engaged in collective bargaining with their employers. These are the people who have slipped through the net. These are people who, by and large, are in low-paid circumstances and do not have industrial representation, the benefit of union representation, industrial muscle or any collective power to enable them to negotiate reasonable outcomes for themselves in their contracts of employment. This bill does not benefit trade unions or militant unionists; it benefits the ununionised, the workers in those smaller enterprises who do not have award coverage and whose state award coverage was removed by the former Kennett government.

It is something that is close to my heart because in my former role as secretary of what was then the Federated Clerks Union of Victoria I had a lot of contact with people like this because in the state industrial relations system, as it previously functioned, the price that our union had to pay in effect for a formal role in that system—the ability to nominate members onto the conciliation and arbitration boards covering the areas we represented—was to provide representation for ununionised workers as well as members of our union. So I handled many unfair dismissal cases for people who were not members of our union and I dealt with many situations that involved the kinds of workers that will benefit from this legislation. They are not industrially powerful, strong or militant. They are not union members. In the vast majority of cases they have no collective bargaining power. They have to take what is on offer. They are not able to put pressure on the bosses and in most cases they have inferior working conditions and wages—and in many cases they get very badly treated.

It is a very important step and all credit is due to the Bracks government for sticking to its guns on this issue so that these workers will now get the kind of award coverage that the rest of Australia takes for granted. It will take some time because the legislation before us provides for a substantial expansion of the four or five core provisions that were retained by the Kennett government and also provides for the capacity for the federal Industrial Relations Commission to gradually and over time deal with claims for inclusion within federal awards on a common rule basis.

That is the crucial distinction here: by definition, these are workers who were previously covered by common rule awards, where there is no requirement to individually rope in specific employers in order to ensure that the workers are covered by the award. What this legislation does is effectively ensure that they can be covered by common rule awards in the federal system into the future. That is a very important step. It is important for basic justice for people who are invisible in our society: by and large, people who sustain many small or medium sized businesses working as labourers, cleaners, clerical workers and hospitality workers but who do not have the bargaining power to be in strong unions. These people are usually not unionised and often have to put up with the kinds of wages, conditions and treatment that most other workers—particularly, workers who are members of unions—do not have to tolerate.

One of the things that is part of and inevitably connected with this debate is the question of unfair dismissals. Yet again, from the government side we hear the mantra that, if it were not for unfair dismissal legislation, there would be hundreds of thousands of new jobs, employment nirvana would break out, thousands of happy workers would be dancing through the streets—roughly akin to what we sometimes see in North Korea—and all would be light and beauty on the indus-
trial and economic horizon. This, of course, is an absolute and complete fantasy.

We do have an unemployment figure at the moment that is relatively low. It is certainly lower than it was two years ago and lower than it was two years before that. That seems to be unaffected by the unfair dismissal laws. There is no evidence of a causal link between unemployment levels and unfair dismissal laws. Why? Because employers employ people based on demand. Employers put people on because they need the work done—because they are selling products and they do not have the capacity to do that work or cover that work with existing staff. That is what drives employment. Regulatory arrangements can hinder and inhibit that, but there are no substantive pieces of evidence to demonstrate that the unfair dismissal laws do that in practice.

The thing that I find offensive about the debate about unfair dismissal laws and how workers are treated is that we see trotted out time and time again surveys in which small business says that it thinks the unfair dismissal laws are a disaster; they are inhibiting its capacity to employ people, generate economic growth and achieve better businesses; and, if these unfair dismissal laws were not in place, there would be a much larger number of people in employment. Nobody ever asks sacked workers what they think. Nobody ever surveys workers who have been sacked to ask them what they think about unfair dismissal laws and whether they think it is reasonable that people whose entire livelihoods—indeed, whose entire lives—are often wrapped up in their employment relationship should have some basic justice and some capacity for an independent umpire and external redress if they believe they have been capriciously, harshly or unjustly dismissed.

Nobody ever asks sacked workers what they think about unfair dismissal laws. They are treated as invisible. They are treated as people who do not deserve to have any rights and who are just numbers—just there as cannon fodder for businesses to employ. In fact, for many workers and possibly most workers, their job is their lifeline. It defines their lives. It is crucial to their standard of living and to their ability to sustain a family. It is crucial to their position in society.

For workers who do lose their jobs and are sacked, the consequences can often be absolutely devastating. The consequences can be prolonged unemployment, depression and other health problems, marriage breakdowns and sometimes, in extreme cases, suicide. Jobs matter to people. They are fundamental to workers’ lives. Therefore, to argue for a system where employers have absolute power and the ability to hire and fire without any kind of redress should that ability be exercised unjustly or capriciously is an insult to those workers because their employment is fundamental to their lives. This is particularly so for workers who are not members of unions and do not have industrial muscle or clout to draw on from other sources to back them up. Those are the kinds of workers that this legislation relates to. It is fundamentally important to those workers that they have some kind of backup and protection and some safe knowledge that, if they are treated unfairly, there is at least a mechanism for arguing their case, having their day in court and having their grievance addressed.

What this legislation—legislation that has been forced on the Howard government by the Bracks government—is about is ensuring that those workers get a reasonable deal and basic protection equivalent to what other workers in Australia are entitled to and effectively take for granted. That is what this legislation is about—ensuring some degree of justice, universality and uniformity across
the work force so that ordinary, invisible workers who are not militant, not unionised and not powerful are extended some basic protection by our society.

In conclusion, I want to draw this issue to the nub of the debate between the government or the conservative parties and the Labor Party about industrial relations. The core division and the core political divide between the conservative parties and Labor is the attitude to the contract of employment. The conservative parties regard the contract of employment as just another contract—the same as a contract to buy a sack of potatoes, a bag of jelly beans, a tram or theatre ticket or anything else. To the conservative parties, that is what the contract of employment is—it is just another contract.

Labor, on the other hand, regards the contract of employment as entirely different, as special, as the cornerstone of our society, as something which has more than just a narrow economic or production function. The conservatives see the contract of employment as simply the indicator or the mechanism for governing the labour input into the production process. People who work in enterprises are simply another input, like capital or land. Labor, on the other hand, acknowledges that it is a fundamental role of the contract of employment. Clearly, it is a fundamental input into the production process, and therefore efficiency, costs and those other issues are critical, but it is not the only role that the contract of employment plays in our society.

The contract of employment is also the overwhelmingly dominant means by which the rewards of the production process are distributed to people. It is the overwhelmingly predominant means by which people live, by which people survive and by which we are able to distribute the benefits of the wealth we create and the goods and services we generate to people so that they can be consumed. The contract of employment, and the entitlements that it conveys to wages and other entitlements, is the primary mechanism through which those benefits are distributed. Society has an interest in those benefits being distributed in an equitable way, as well as in the input to the production process being conducted in an efficient way. So there is a need for social efficiency and social equity, as well as economic efficiency. The final and equally crucial aspect of the contract of employment is that it defines who we are. For the vast majority of adults in our society, we are defined by our current work, and by our past work if we are retired. It is what defines our place in society, our identity, our self-worth and our role in the community.

We have all invested in our employment a very important psychological and emotional set of issues that help to make us human beings. Therefore, some sense of dignity and protection matters to people. It matters to ordinary workers in apparently unexciting, boring and dead-end jobs. It matters to those people that they are treated with some respect. It matters to workers that they are treated with some dignity and that they have some basic protection from being kicked around. It matters to them as individuals, not just in dollars and cents terms but as members of our society, as productive members of the community and as people who are capable of having families, bringing up kids and all of those things. That kind of dignity, protection and self-respect matters, and that is why it is important. For the large number of workers who do not have the industrial muscle that strong unions convey and for the large number of workers who work in small enterprises and are ununionised, that is why it is important for the state to intervene to ensure that they have protection, dignity and access to basic justice.

It is great to see that this legislation is finally being forced on the Howard govern-
ment by the Bracks government. I believe that it is a very important and long-overdue victory for those hundreds of thousands of Victorian workers—those largely invisible workers—whom people on the conservative side of politics regard as numbers, as inputs into the production process, not as real people with real needs, including the need for basic respect and dignity.

Mr BARRESI (Deakin) (9.41 a.m.)—I rise to speak in support of the Workplace Relations Amendment (Improved Protection for Victorian Workers) Bill 2002 and I welcome this opportunity, as I have a keen interest in the welfare of workers throughout the state of Victoria. I will just pick up on the very last point that the member for Melbourne was so compelled to accuse all members on this side of—that is, we do not like workers and we have some ideologically based feelings against them. Like the member for Melbourne, I have had extensive industrial relations experience. I know firsthand—from dealing with workers on the shop floor, whether it be through the SDA or the Storeman and Packers Union, as it was back in those days, or through the National Union of Workers or the automotive industry—that not all workers welcome at all times the intervention of the union movement on their behalf. At all times, however, whether they welcome it or not, it is imposed upon them.

In recent years I have begun to question the appropriateness of our federal-state system of government in this country. Federalism was to some extent an idea of its time—a time when distance was a barrier, state-colonial pride was dominant and local politics could be isolated from national or international relationships. All too often, however, the public is asking for solutions to community and economic problems and not prepared to accept jurisdictional excuses by the three levels of government. Nowhere is this more relevant than in the area of industrial relations and the assistance that business is looking for from government. Businesses these days are not confined by their own state borders; they go across borders and have involvement in at least a number of state jurisdictions, if not in overseas countries.

A strong, focused and uniform industrial relations system is essential. Victoria is the only state in Australia where workplaces are regulated under a single system. As a result, businesses have benefited from a system that is less complicated and costly than where separate federal and state systems exist. Uniform workplace relations in Victoria, as you would know, Mr Deputy Speaker Jenkins, have been possible since the forward-thinking Kennett government referred powers to the Commonwealth in 1996. As this bill is currently before the House, I urge all members to seriously consider the benefits of maintaining a uniform workplace relations system. I welcome the fact that the opposition will not decline to give the bill a second reading.

This bill was introduced into the House on 21 March last year. Since then, the federal government has made a concerted effort to ensure that the Bracks Labor government in Victoria does not move to reregulate the workplace relations system. It has been under threat of reregulation since the accession of the Bracks government. I welcome the Bracks ALP government’s decision to introduce the Federal Awards (Uniform System) Bill to once again refer power for common law rule awards to the Commonwealth.

It is disappointing, however—and we heard this from the member for Melbourne—that this has been done under the threat by the Bracks government to legislate to reintroduce a separate system of industrial relations; in other words, a return to the two-
tiered system of industrial relations. This would have been a retrograde step and the losers in such a system would have been the workers of Victoria—the same workers and businesses in Victoria that have benefited from a single system of industrial relations since the Kennett government’s referral of powers to the Commonwealth.

Only three years ago the Bracks government attempted to do this by introducing the Fair Employment Bill 2000. Through this bill it proposed a new system of state industrial laws and regulations. Thankfully, back then the state ALP government did not control the upper house in Victoria, and that bill was rejected. Since controlling the upper house after the last state election, the Bracks government has once again threatened to introduce a bill to return to a two-tiered system of government. Such a move would incur considerable costs to Victorian workers and businesses.

The joint announcement by Minister Kevin Andrews and the Victorian Minister for Industrial Relations, Rob Hulls, is a step in the right direction. The subsequent reintroduction of legislation means that, if passed, approximately 350,000 Victorian employees will have greater access to the federal award system. Both the Commonwealth and Victorian parliaments are debating this bill. This is a good thing; this is a good example—albeit under threat—of a state system and a federal system of government coming together to identify a solution which will benefit the workers, regardless of jurisdictional boundaries. It recognises that the workplace relations system needs adjusting now and then. The Victorian Labor government have come to the party and have recognised the benefits of maintaining a uniform system. It is now time for their federal ALP counterparts to do the same, rather than constantly making ideological accusations that this side of the House is against workers.

This side of the House is for workers. It is for giving them opportunities to work and to prosper, and for businesses to flourish and to employ more people, therefore providing personal financial security.

In addition, this amendment bill move will strengthen the role of common rule awards in Victoria, which will mean that all workers in an industry will be entitled to the same minimum conditions of employment. This is a very important step. If the Commonwealth rejects Victoria’s latest referral, the Victorian government has proposed an alternative system—a new set of common rules will go through the Victorian Civil and Administrative Tribunal. The Commonwealth parliament must act to prevent the re-creation of two separate systems. Such a costly backward step would be complex and costly for, amongst others, many businesses and workers in Deakin.

Mr Deputy Speaker Jenkins, as you are aware, I have spent a considerable period of my life in industrial relations and in personnel management. From this extensive involvement, I believe that an effective role for the Australian Industrial Relations Commission is essential. Under the Workplace Relations Act the commission has the discretion to declare that a federal award applies to an industry, in whole or in part, as a common rule award. An important aspect of this amendment bill is the fact that it safeguards the application of these common rules to all Victorian workers.

The Australian Industrial Relations Commission, as Australia’s peak workplace relations body, will receive valuable guidance from this proposed amendment. I believe it is essential that a solid framework be in place to enable the commission to take important matters into account when making common law decisions. Victorian businesses and workers will benefit from a workplace rela-
tions system that is not only unitary but effective, productive and reliable. While the proposed amendment provides reassurance to workers, it is also business friendly. As changes to workplace relations can often cause confusion, transitional arrangements are included in the bill to provide Victorian businesses with breathing space to adapt to the new arrangements. As many members of the House will be aware, the Workplace Relations Act 1996 finally gave a fair go to Victorian workers who fell outside federal awards and agreements. Since this legislation, Victorian employees have enjoyed the benefits of the legislated safety net entitlements under schedule 1A of the act. This bill improves the minimum terms and conditions contained in schedule 1A.

I support the development of minimum terms and conditions for Victorian workers and workers in the ACT and the Northern Territory. Workers will now have a guaranteed rate of pay for their valuable hours of overtime worked. As well, the leave provisions of the Workplace Relations Act are safeguarded and strengthened in this bill. As most Victorians would know—indeed, as most Australians can attest—people often need time off work to attend to loved ones and family members. Instead of the current minimum provision of five sick leave days per year, this bill proposes extending the leave entitlement to eight days per year. Of this, up to five days can be taken for caring purposes. This will be good news to parents and people who often need to tend to elderly family members. It is also worth noting that bereavement leave entitlements are strengthened in this bill. Workers will be entitled to two days paid bereavement leave and this will help with the considerable burden that losing a loved one places on families.

Of course, workers and businesses deserve the right to meet and negotiate entitlements to make sure that they are fair, just and meet their expectations. I am personally heartened that this bill embraces a consultative system of enterprise bargaining. I have told the House previously of my support for enterprise bargaining as it facilitates greater communication between employees and employers. Employers deserve the right to control the level of wages when the level of output is cut due to circumstances outside the control of the business. This bill facilitates this by allowing employers to temporarily stand down schedule 1A workers while they cannot be usefully employed. This measure will save forced job losses from occurring and will help prevent extraordinary events, such as fire and industrial accidents, sending businesses broke. It enables flexibility for employers to maintain the work force without having to lay off people, particularly in businesses where much of the work can be seasonal and based on fluctuations in demand and supply.

The minimum conditions and entitlements outlined in this bill provide a comprehensive safety net in the absence of an award or agreement. However, the true benefits of the proposed amendments to workplace relations lie in the continuing ability of businesses and workers to set conditions through EBAs and Australian workplace agreements. The ability of the government to enforce the entitlements outlined in the bill is an obvious point of concern for workers. This bill seeks to allay the fear that the Victorian government will have a negligible role in its own industrial affairs. This has not been the case since the initial referral of power in 1996. Under this bill, the Victorian government will have the ability to automatically intervene before the Australian Industrial Relations Commission in specific circumstances. This bill seeks to make this right automatic and statutory under section 170MW of the act. These changes provide a workable role for the Victorian government. While not creating a
separate industrial relations system, as occurs in other states, it still provides the Victorian government with that ability to intervene and to refer matters.

The newly revised roles for the Australian Industrial Relations Commission and the state government, as well as the common rule system, all work to provide a new industrial relations framework for Victorian workers. Hopefully, this framework and the resulting positive experience will be a model for other states to copy. This can help Australia move towards a single—and enviable—workplace relations system rather than a two-tiered system, as we have in so many states currently. This bill recognises, through the common rules, that outworkers require recognition for their contribution to the industry.

In keeping with its commitment to avoid overregulating the Victorian workplace relations system, I am pleased to say that the Commonwealth’s approach to outworkers is to provide in the bill an entitlement to minimum rates of pay. Some would say that this is not enough and that it should cover all other entitlements. I understand that, regardless of this bill, Rob Hulls, the Victorian Minister for Industrial Relations, intends to introduce separate legislation in Victoria concerning outworkers that operate under Victorian state law. I just hope that, in doing so, the Victorian government does not kill the entire industry associated with outworkers and therefore drive out of business many of those people who are enjoying employment on their conditions and their terms.

As a Victorian federal MP, I am pleased to see that this bill proposes a heightened level of cooperation between the Victorian and Commonwealth governments. I am disappointed, however, that it was done under the threat of political blackmail. This now seems to be the modus operandi of the state ALP government. If they do not like what you are doing, they threaten you so that you adjust. We have seen that in a number of examples already. We have seen it in that quaint little example which is raised every now and again in this House, and which is very important in my area: the Scoresby Freeway. The Victorian government have deliberately threatened local government—that their funding will be under threat if they do not toe the line and accept the decision. We have seen it in the threats over Point Nepean and we have seen it in relation to the MCG redevelopment. They are a state government who basically spit the dummy. If they do not like what the public—the community—or the federal government do, they attempt to threaten and blackmail them into submission. This has happened in this case.

At present, Victoria benefits from having the most lightly regulated workplaces of any state. This has provided both employers and employees with opportunities to advance their own goals and objectives. Next time Premier Bracks stands up and gloats about the increase in employment in Victoria, the growth in business and the attraction of businesses to Victoria, I hope that he also acknowledges the role that the Commonwealth has played in providing the economic and industrial base to allow this to happen. An effective workplace relations system is best achieved when workers and businesses operate under a unitary system. The workplace relations amendment proposed through this bill helps employees and employers in Victoria by strengthening their position and having a more successful industrial relations system. It is with this in mind that I support this bill.

Ms BURKE (Chisholm) (9.56 a.m.)—I rise today to welcome the Workplace Relations Amendment (Improved Protection for Victorian Workers) Bill 2002. It has been a very long time coming. But let us talk about
blackmail and about having introduced a bill way back at the beginning of 2002 which we are now debating at the end of 2003. Let us talk about light-touch regulation, which ensures that workers have no access to a decent hourly rate of pay, no access to overtime, no access to sick leave and no access to holiday pay. That is what light-touch regulation does. It gives all the power to the employers—who already have all the power—and gives no power to the employees. What bargaining power does a hairdresser have when they say, ‘I would really like a Sunday off this year’? In a minute I will describe a worker who appeared before the inquiry into the Victorian legislation. He said that he would have liked one Sunday off. He managed to get three Sundays off, for all of 2003. That is what light-touch regulation gives you. It gives you nothing; it gives you no protection.

At last this bill is here to protect 400,000 of Australia’s most disadvantaged workers. It will ensure that these workers finally get the conditions they need—and deserve—to live fulfilling lives. It will not ensure that they get decent pay—because the minimum wage is not really up there—but it will at least ensure that they have access to regulation, which they have been devoid of since the Kennett government annihilated the industrial relations system in Victoria. This day has certainly been a long time in coming; it has been way too long in coming. While the government is putting forward this bill with a huge sigh of relief that, thanks to the initiative and fighting spirit of the Victorian government, thousands of workers will gain what are basic entitlements. These schedule 1A workers, who have rightfully felt like second-class citizens when compared to fellow Victorians covered by the federal award, will now have a statutory entitlement to be paid for work performed in excess of 38 hours. Unjustly, they previously had to live with being entitled to no pay at all for work after the first 38 hours and with no restriction on the number of hours that they could be required to work. An employer could demand that they work any hours and would not have to pay them beyond their basic wage.

As hairdresser Mark Brown told the Victorian government’s industrial relations task force back in 2000, he had no choice but to work exorbitant hours. He was often forced to work two 12-hour days in any given week and to work without breaks or with as little as 15 minutes for lunch. We are talking about a hairdresser who is standing on his feet all day. This is excessive and obscene and is probably in breach of every health and safety regulation there is. Mr Brown told the task force:
I have no room within the Victorian minimum standards to negotiate this, let alone negotiate for access to real terms and conditions. If the government wants to talk about blackmail, let us talk about the blackmail in the funding to Victoria. Let us talk about the blackmail in the funding of the upgrade of the MCG. It came with strings attached: ‘You do it our way’—according to the feds—’or you do not get that money.’ The money for the Commonwealth Games has the same strings attached. If Mr Barresi wants to talk about the Mitcham-Frankston Freeway, maybe he could also remember that the federal government has pulled the pin on the federal funding that ensured that road went ahead.

To return to this legislation, there is a huge sigh of relief that, thanks to the initiative and fighting spirit of the Victorian government, thousands of workers will gain what are basic entitlements. These schedule 1A workers, who have rightfully felt like second-class citizens when compared to fellow Victorians covered by the federal award, will now have a statutory entitlement to be paid for work performed in excess of 38 hours. Unjustly, they previously had to live with being entitled to no pay at all for work after the first 38 hours and with no restriction on the number of hours that they could be required to work. An employer could demand that they work any hours and would not have to pay them beyond their basic wage.
lunch hours on a daily basis, tea breaks on twelve hour shifts, the supply of equipment or holidays I may wish to take.

Meanwhile, his colleagues on federal awards—and many hairdressers are on federal awards—are entitled to and receive compensation for public holidays, overtime rates for working in excess of 38 hours, longer lunch breaks and, in some cases, paid morning and afternoon tea breaks. Under a federal award, they are also entitled to one Sunday off a month, whereas Mr Brown told the task force that, against his wishes, he had worked all but three Sundays in the previous year. I hope Mr Brown does not have small children because he would probably never see them, working 12-hour shifts and Saturdays and Sundays.

I am also pleased that this bill will entitle these neglected workers to carers leave and bereavement leave. I can only imagine the hardship faced by those workers who have been unable to properly care for sick loved ones or to grieve their loss. Can you imagine not being entitled to take grievance leave or to take the time off to attend a close relative’s funeral? This was the situation of these workers.

In removing the segregation between workers in Victoria, this bill will also remove unfair advantages to those employers who would only meet the minimum conditions of schedule 1A. Many employers who were providing decent terms and conditions to employees were being undercut by those only providing the bare minimum. A decent employer may have been undercut by competitors who did not care what they paid. There were no rules or regulations; there was no way of enforcing this. You could have had two hairdressing salons side by side, which often happens in strip shopping centres, and one may have been paying decent wages and one may not have been paying decent wages. Therefore, what the customer pays going through the door would vary greatly—and we have seen this. So decent employers have also been prohibited by this lack of regulation in the system.

Most people want regulation. Most people want to know what the rules are. If we have a free market, people get very confused. They do not like it. Employers need to know the boundaries. They need to know that it is fair and equitable and that they are on an even, competitive field with all the other employers around them. When this government talked about introducing AWAs, most employers said: ‘That would be far too complicated. We would have to work out what the market dictates and what those conditions are. We like to know what the playing field is. If we want to pay above that is our choice, but we know the bottom line and we know how to treat our employees decently.’

Kamcorp Industrial Relations told the Victorian government’s industrial relations task force that its clients, Baking Australia—whose brands include Buttercup and Sunicrust—and Pampas, were competing against small to medium sized firms in the same industry who were paying against sector rates. The task force was told that firms in the baking industry that do not have an enterprise agreement and are not bound by an award are paying their employees at rates of at least 12 per cent less than large firms such as Baking Australia. I am pleased that this bill will remove this reward for employers who provide shabby conditions to their workers.

In supporting this bill, I would like to commend the Victorian government—in particular Minister Hulls and previous ministers John Lenders and Monica Gould—for taking up this fight. I commend their fortitude in fighting for Victorian workers and ensuring, after many years now, that they receive their due entitlements. We all know that this bill
would have had an entirely different slant if the Victorian government did not have the power and the will to make the federal government redundant in this matter. We would never have seen this legislation, because we had not seen such legislation until now.

To assess where the federal government really stands on whether these workers should gain their just entitlements, you only need look at another piece of legislation before the House: the Workplace Relations Amendment (Choice in Award Coverage) Bill 2002. This legislation would make it much harder for non-unionised small business employers to be covered by awards. Instead of congratulating itself today on finally—and against its will—acting to protect the rights of Victorian workers, the government should be ashamed for turning a blind eye to their hardships for so many years. However, I do commend the bill to the House. It is a happy day for those many Victorians who have not been covered by awards for such a long time.

Mr GAVAN O’CONNOR (Corio) (10.05 a.m.)—The Workplace Relations Amendment (Improved Protection for Victorian Workers) Bill 2002 is probably about as good as it will ever get for the workers of Victoria under this coalition government. In a nutshell, the bill provides federal award protection for around 400,000 Victorian workers who were stranded in no-man’s-land as far as their working conditions were concerned, following the failed industrial relations experiment of the failed and disgraced Kennett Liberal government in Victoria.

There are two things that need to be clearly understood about the legislation we are debating today. Firstly, the Howard government has not ventured into providing this protection of its own volition. As the previous speaker in this debate, the member for Chisholm, alluded to, it was forced into it by a Labor government, which has a majority in both houses of the Victorian parliament. Secondly, while this government is agreeing to widen the scope of federal awards in Victoria, it also has before the parliament a choice in award coverage bill, which is seeking to restrict the expansion of the scope of award coverage. If that was not enough, on the web site of the Office of the Employment Advocate—that toothless tiger that has become the mouthpiece of the government and employers in this country—there are new pro forma AWAs which are explicitly designed to avoid common rule award coverage.

If any Victorian worker or battler had any illusions about the benevolence of this conservative government then a reflection on what the government are actually doing is ample evidence of their real motive in this whole area. The reality is that they have been dragged kicking and screaming again to the legislative table on this bill. The reason is simply the existence of a Labor government in Victoria with a majority in both houses. It must be particularly galling for government members to come into this House to debate this bill knowing that this industrial relations bill is here because of the failed industrial relations experiment of a disgraced Liberal government in Victoria. That must be a particularly galling thing for honourable members to contemplate as they come into this House to tell Victorian workers how well off they are going to be following the passage of this legislation.

Members opposite could do with a little humility as we debate this bill, instead of that pious arrogance they usually display in debating industrial relations issues. To get a real understanding of this bill and the motivation behind it, one has to have a real appreciation of Victoria’s industrial relations history in recent years. Far be it from me to suggest that members opposite learn the lessons of history, as they seem intent in their
industrial relations agenda to repeat the mistakes of history in this area. Nothing I will ever do or say on the floor of this parliament will get the Liberal leadership to change its ways. To put it simply, you cannot change the spots on the conservative leopard.

But I must admit that in my weakest moments I am wont to shed the odd crocodile tear for the lemmings on the government’s backbench—that spineless government backbench that is meekly manipulated by the Prime Minister and the minister now in charge of the industrial relations portfolio. They too will suffer the same fate federally as their Victorian Liberal counterparts who took the same perverse pleasure in pursuing an industrial relations vendetta against Australian workers and particularly Victorian workers. I must say it is pretty nauseating to see coalition members from Victoria getting up in this House and portraying themselves as friends of Victorian workers, given what this government has already been responsible for federally in the industrial relations arena.

The simple fact for members opposite is that your hearts are not in this bill. You have been forced to the table by a state Labor government with a majority in both houses of the Victorian parliament. That is the reality of this bill.

It is instructive to study the background to this bill to get an understanding of its necessity. The Kennett government abolished state awards in 1993 and embarked on one of the most radical industrial relations experiments in the world—an experiment which brought it to electoral disaster, as it eventually paid the ultimate political price with a defeat that saw Labor come to power in Victoria with a majority in both houses. The broad result of only those Victorian employers named in federal awards being required to comply with award conditions was that 400,000 Victorian workers—many of those in my electorate of Corio, which encompasses the Geelong area—were left with a substandard safety net of five minimum terms and conditions. Let me go through those five minimum terms and conditions. They are contained in schedule 1A of the Workplace Relations Act. They are simply a minimum hourly rate of pay, four weeks of annual leave, five days of sick leave, unpaid parental leave and a period of notice for termination of employment. That is the legacy of a Kennett Liberal government: five bare-minimum conditions.

What did they mean in actual practice for Victorian workers, the most vulnerable in Victorian society and the most vulnerable in the Geelong region and the Corio electorate? It meant no overtime rates, no weekend rates, no limit on the number of hours or times of the day that an employee could be required to work, no bereavement leave at all and no annual leave loading. These were the sorts of consequences of the Kennett Liberal experiment in Victoria. In this House yesterday we heard that the mother of one of the members on this side of the House—the member for Fremantle—had passed away recently. The member was not able to attend the House yesterday. I pass on my condolences to the member for Fremantle on her sad loss, because I know personally how close she was to her family. This parliament was able to give her bereavement leave to be with her family at this tragic time. But this was not the case under the Kennett government. Any worker whose parent or family member passed away was not entitled to even one day off—not even if their child passed away. That is how outrageous the industrial relations system was in Victoria.

It is no wonder that the Victorian people took the stick to the Kennett Liberal government, threw them out of office and gave Labor a majority in both houses of the parliament. That is the political reality in Victoria today. Labor governs with a majority in both houses of the parliament. That majority
was achieved partly because of the attitude of the Kennett Liberal government to industrial relations—an industrial relations agenda which was warmly embraced by the Prime Minister and the former minister for industrial relations.

The original bill which was presented to this parliament was unacceptable to members on this side of the House. We have seen a torturous period of negotiation on the part of the Howard government with the Victorian government to come up with an acceptable framework so that this bill can pass through the parliament. There are some amendments that we on this side of the House are prepared to support: for example, the amendment that the commission can declare that an award or the terms of an award can apply as common rule in the state of Victoria. We also accept the amendment that the commission can declare that part of a common rule order can come into effect at a later date to the overall declaration—a phasing-in provision. We also accept that only one common rule award can apply to a business and that common rule declarations can start to be made 12 months from the date of proclamation of the legislation. Of course, we also accept the annual leave provisions of schedule 1A in the original bill, as amended to make them acceptable to this side of the House.

It is a sad reality that it took years for this particular piece of legislation to see the light of day in this House and in a form that is acceptable to the opposition. I think it is a scathing indictment of this government that it has not been able to present to this House a piece of legislation that would remove the dual system that exists in Victoria as far as employees and employers are concerned. The fact of the matter is this: the situation that grew up under the Kennett years penalised some Victorian employers. There were some employers who were able to unscrupulously use the provisions of the pernicious industrial relations system introduced by the Kennett Liberal government in Victoria to their economic and commercial advantage. There were other employers who were not able to put themselves in that commercially advantageous position. As the member for Chisholm, who preceded me in this debate, eloquently outlined, this particular piece of legislation will restore some equity in that area of the industrial relations agenda.

But let there be no illusion about this legislation and the fact that this government seeks at every opportunity to drive the boot into Australian workers. Workers in Geelong have experienced first-hand the thuggery of the federal government when it comes to industrial relations. I note the presence of the Minister for Employment and Workplace Relations in the chamber today. He had a Dorothy Dixer served up to him yesterday on union thuggery. I am sorry, Mr Deputy Speaker, but my sides were splitting when I heard the question, because I had to reflect on the dogs, the mercenaries, the balaclavas and the thuggery of this government when it came to the Victorian maritime workers—many of whom are in my electorate. We have long memories in the Geelong workforce. Geelong workers know very well who protects their hard-won industrial relations wages and conditions: it is always the Labor Party that protects them. It is no coincidence that in the Geelong area every single Liberal member was thrown out—every single one of them was consigned to the political scrap heap because of the industrial relations agenda of the Kennett Liberal government.

The honourable member for Corangamite sits out there on the rock supporting the Prime Minister and the Minister for Employment and Workplace Relations with their pernicious industrial relations agenda. But we will get him too. We have a good candidate in the field for Corangamite. We will nail the member for Corangamite’s colours
to the mast, and then all the members in the Geelong region will be Labor members. We do not intend to leave one of you standing in the Geelong area. We bowled six of you out at the state level at the last election, and the reason for that was in part your attitude to industrial relations. The work force in my electorate have a very long memory. They know that it was a federal Liberal government with its balaclavaed mercenaries that sooled the dogs onto them on the wharves in Victoria. We now know, and every building worker and their family now knows, that this government is intent on bringing before this parliament a set of legislation relating to the construction industry that is designed to get at building workers.

I want to tell you a little about those building workers. I have seen them taking the hat around for other workers desperately in need of assistance. I have seen them putting their hands in their pockets, forking out for families that are facing difficult times. I have seen those construction workers supporting a breakfast program at Whittington Primary School for kids who do not have anything to eat before they come to school. Those are the people that this government wants to drive the boot into. If members opposite think they had a tough time with the maritime workers, they had better think twice about what is going to happen in the Geelong region when they take on our construction workers. We have already done six of you over. There are no Liberals left in Geelong at the state level—that is the reality. You paid the price for your pernicious industrial relations agenda.

We do not really have any qualms about supporting this piece of legislation, because this piece of legislation provides sensible federal award coverage for many of the workers in Geelong, in my electorate of Corio, who have been penalised in the past because of the disgraced Kennett Liberal government’s industrial relations agenda. I am very pleased that finally, after years of negotiation, we have got a piece of legislation in this House that brings some justice to my low-paid workers in Geelong. I will be supporting this legislation, and I hope it receives an expeditious passage through both houses of this parliament.

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (10.23 a.m.)—The Workplace Relations Amendment (Improved Protection for Victorian Workers) Bill 2002 is beneficial legislation, and I am pleased to note that the opposition is proposing to support the bill. I am disappointed that the member for Rankin and some of his parliamentary colleagues used the debate to raise issues that are not relevant to the bill before the House. I would like to put the government’s workplace relations legislation in this context—namely, that over the past almost eight years in government there have been about 1.3 million extra jobs created in Australia. Not only are there more jobs; there are also higher wages: real wages for full-time employees in Australia have risen by more than $90 in the past seven or so years since 1996, compared to a rise of just $12 between 1985 and 1996 under the previous government. Part of the reason for that is the structural reforms that this government has brought about to workplace relations.

The member for Bendigo raised the question of possible technical defects with the bill. I remind him that the common law provisions have been the subject of rigorous consultation with the Victorian government, so it is unlikely that there will be any unforeseen consequences. Indeed, the beneficial nature of this legislation, which has been remarked upon by many speakers in this debate—it is particularly beneficial for some 350,000 workers in Victoria—is a result of
the commitment that this government made to address the situation. I should say that members opposite have made much of their belief that Victorian workers have been left on the scrap heap. On this point, it is worth noting that since 1997 Victorian workers and their unions have had the capacity to apply for federal awards without the need for an interstate industrial dispute, and Victorian unions have generally not availed themselves of this opportunity. So the need to legislate to give the Australian Industrial Relations Commission the power to declare federal awards as common rules is in part a reflection of the inertia of Victorian unions over the past seven years.

As I said, the bill before this parliament is beneficial legislation. I trust that it will not be delayed in reaching the Senate after today and I trust that with the cooperation of the opposition the legislation can be passed through the Senate before this parliament gets up for the Christmas break. I therefore commend to the House the bill and the amendments I will shortly move to it.

Question agreed to.

Original question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (10.28 a.m.)—by leave—I present a supplementary explanatory memorandum to the Workplace Relations Amendment (Improved Protection for Victorian Workers) Bill 2002 and move government amendments (1) to (10) as circulated together:

(1) Clause 2, page 2 (at the end of the table), add:

4. A single day to be fixed by Schedule 3
   Proclamation.
5. The later of:
   Schedule 4
   (a) at the same time as the
   provisions covered by
   table item 4; and
   (b) immediately after the
   commencement of item 3
   of Schedule 2 to this Act.

(2) Clause 2, page 2 (after line 6), after subclause (2), insert:

(2A) A Proclamation under item 4 of the
     table must not specify a day that occurs
     before the day on which section 52 of
     the Federal Awards (Uniform System)
     Act 2003 of Victoria
     commences.

(3) Schedule 1, item 26, page 10 (line 24) to page 11 (line 1), omit subclause 1A(1), substitute:

Calculation of annual leave

(1) An employee is entitled to annual leave, for each year worked, of the number of hours calculated by multiplying by 4 the usual number of ordinary hours worked by the employee per week during the year.

(1A) However, if the variations from week to week in the number of ordinary hours worked by the employee during the year are such that there is no such usual number of hours, the employee is entitled to annual leave, for that year, of the number of hours calculated by:

(a) working out the average number of ordinary hours per week the employee worked during the year; and

(b) multiplying that number of hours by 4.

(1B) For the purposes of subclauses (1) and (1A):

(a) hours when the employee is absent from work on paid leave, including (but not limited to) paid annual
leave, paid personal leave or paid bereavement leave; and
(b) hours when the employee is absent from work because of a public holiday (being ordinary hours the employee would otherwise have been required to work on that day);
are to be counted as if they were ordinary hours worked by the employee.

(4) Schedule 1, item 26, page 11 (line 8), after “is to be paid at”, insert “the rate that, immediately before the leave is taken, is”.

(5) Schedule 1, item 26, page 11 (after line 18), at the end of subclause 1A(2), add:
Note: One situation in which an employee’s annual leave entitlement will be affected by pro-rating as mentioned in paragraph (a) is when the employee is employed for less than a full year.

(6) Schedule 2, item 3, page 20 (line 7), omit “or (5) (as appropriate)”.

(7) Schedule 2, item 3, page 20 (lines 22 and 23), omit “This subsection is subject to subsection (5).”.

(8) Schedule 2, item 3, page 20 (lines 26 to 31), omit subsection (5).

(9) Page 28 (after line 7), at the end of the Bill, add:

Schedule 3—Common rules

Part 1—Common rules generally

Workplace Relations Act 1996

1 After paragraph 45(1)(d)

Insert:
(da) a declaration made by a member of the Commission under a provision of Division 5 of Part VI, or a decision by a member of the Commission not to make such a declaration; and

2 Before paragraph 45(3)(b)

Insert:

(ad) in the case of an appeal under paragraph (1)(da) against a declaration under a provision of Division 5 of Part VI—by an organisation or person to whom the common rule applies; and

3 Before subsection 45(4)

Insert:

(3B) The Full Bench must, on application, grant to a Minister of Victoria, on behalf of the Government of Victoria, leave to intervene in an appeal against a decision of a member of the Commission made under section 141 or subsection 142(5) (as that section or subsection has effect because of subsection 493A(2)).

4 At the end of subsection 141(1)

Add:

Note: The Commission may also make common rule declarations for Victoria (see section 493A).

5 At the end of section 141

Add:

(5) In deciding whether to declare a term of an award to be a common rule under subsection (1) or (2), the Commission must take into account the following:
(a) the importance of avoiding overlap of awards and minimising the number of awards applying in relation to particular employers;
(b) for a declaration under subsection (1)—whether there are other awards applying to work performed in the industry in relation to which the industrial dispute arose, and if so, the extent to which the first-mentioned award is the most relevant and appropriate award for the work performed in that industry;
(c) for a declaration under subsection (2)—whether there are other awards applying to work performed in the public sector employment in relation to which the industrial dispute arose, and if so,
the extent to which the first-mentioned award is the most relevant and appropriate award for the work performed in that public sector employment.

(6) If:
(a) an application is before the Commission, which if granted, would result in the Commission declaring a term of an award to be a common rule under subsection (1); and
(b) there is another award applying to work performed in the industry in relation to which the industrial dispute arose;
the Commission may, on application or on its own initiative, declare a term of the other award to be a common rule under subsection (1). This subsection does not limit the Commission’s powers under this section.

(7) If:
(a) an application is before the Commission, which if granted, would result in the Commission declaring a term of an award to be a common rule under subsection (2); and
(b) there is another award applying to work performed in the public sector employment in relation to which the industrial dispute arose;
the Commission may, on application or on its own initiative, declare a term of the other award to be a common rule under subsection (2). This subsection does not limit the Commission’s powers under this section.

(8) In deciding whether to exercise the power conferred by subsection (6) or (7), the Commission must take into account the following:
(a) the matters mentioned in paragraph (5)(a);
(b) for an exercise of power under subsection (6)—the extent to which the other award mentioned in paragraph (6)(b) is the most relevant and appropriate award for the work performed in the industry concerned;
(c) for an exercise of power under subsection (7)—the extent to which the other award mentioned in paragraph (7)(b) is the most relevant and appropriate award for the work performed in the public sector employment concerned.

(9) Without limiting the conditions, exceptions and limitations that can be specified in a declaration of a common rule under subsection (1) or (2), the Commission may specify a condition in such a declaration that the common rule is to come into force for a specified employer, or specified class of employers, on a specified day later than the day on which the declaration is made.

(10) Unless the Commission is satisfied that there are exceptional circumstances, a declaration of a common rule under subsection (1) or (2) cannot come into force before the day on which the declaration is made.

(11) For the purposes of this Act, an organisation is an organisation to which a common rule applies if the organisation is bound by the term of the award, or the variation, to which the relevant declaration relates.

6 After section 141
Insert:

141A Reference of application for declaration to Full Bench
(1) This section applies to an application for a declaration under a provision of this Division.
(2) A reference in this section to a part of an application includes a reference to a
question arising in relation to an application.

(3) If a proceeding in relation to an application is before a member of the Commission, any of the following:

(a) a party to the proceeding;
(b) the Minister;
(c) if a Minister of Victoria has intervened in the proceedings in accordance with section 141B—that Minister, on behalf of the Government of Victoria;

may apply to the member to have the application, or a part of the application, dealt with by a Full Bench if the member is of the opinion that the application or the part of the application is of such importance that, in the public interest, it should be dealt with by a Full Bench.

(4) If an application is made under subsection (3) to a member of the Commission other than the President, the member must refer the application to the President to be dealt with.

(5) The President must confer with the member about whether the application under subsection (3) should be granted.

(6) The President must grant the application under subsection (3) if the President is of the opinion that the application or the part of the application is of such importance that, in the public interest, it should be dealt with by a Full Bench.

(7) If the President grants an application under subsection (3), the Full Bench must:

(a) refer a part of the application to a member of the Commission to hear and determine; and
(b) hear and determine the rest of the application.

(8) If the President grants an application under subsection (3) in relation to an application:

(a) the Full Bench may refer a part of the application to a member of the Commission to hear and determine; and
(b) the Full Bench must hear and determine the rest of the application.

(9) The President or a Full Bench may, in relation to the exercise of powers under this section, direct a member of the Commission to provide a report on a specified matter.

(10) The President must, after making such investigation (if any) as is necessary, provide a report to the President or Full Bench, as the case may be.

(11) The President may, before a Full Bench has been established for the purpose of hearing and determining, under this section, an application or part of an application, authorise a member of the Commission to take evidence for the purposes of the hearing, and:

(a) the member has the powers of a person authorised to take evidence under subsection 111(3); and
(b) the Full Bench must have regard to the evidence.

141B Intervention by Minister of Victoria

The Commission must, on application, grant to a Minister of Victoria, on behalf of the Government of Victoria, leave to intervene in proceedings in which it is proposed to make a declaration of a common rule under section 141, or a declaration under subsection 142(5) (as that section or subsection has effect because of subsection 493A(2)).

7 At the end of Division 5 of Part VI

Add:

142A Applying single common rule to a business of employer
(1) This section applies if:
   (a) a declaration (the old declaration) of a common rule is in force under subsection 141(1) or (2); and
   (b) the common rule applies in relation to a business carried on by an employer; and
   (c) the Commission has decided to make a declaration (the new declaration) under subsection 141(1) or (2) of another common rule (the new common rule) that could apply in relation to that business of the employer; and
   (d) the new common rule is not a variation of a term of an award to which the first-mentioned common rule relates.

(2) The Commission may specify in the new declaration that the new common rule does not apply in relation to that business of the employer.

(3) In deciding whether to make that specification, the Commission must take into account the matters referred to in subsection 141(5).

(4) This section does not limit the conditions, exceptions and limitations that can be specified in a declaration under subsection 141(1) or (2).

142B Application of section 109 to declarations under this Division

Section 109 applies to a declaration under this Division, or a decision not to make such a declaration, as if it were an order in relation to an industrial dispute.

142C Common rule taken to be award

To avoid doubt, a common rule declared under subsection 141(1) or (2) is taken to be an award of the Commission for the purposes of sections 152, 170LY and 170VQ.

Part 2—Common rules in relation to Victoria

Workplace Relations Act 1996
493A(2)) is taken to be an award of the Commission for the purposes of subsection (1).

Part 3—Application and transitional provisions

10 Application of item 5

The amendment of the Workplace Relations Act 1996 made by item 5 of this Schedule applies to applications for a declaration under a provision of Division 5 of Part VI of the Workplace Relations Act 1996 made on or after the commencement of that item.

11 Application of item 7—section 142A

Section 142A of the Workplace Relations Act 1996 (as inserted by item 7 of this Schedule) applies in relation to the making of a new declaration mentioned in paragraph 142A(1)(c), regardless of whether the old declaration mentioned in paragraph 142A(1)(a) was made before, on or after the commencement of that item.

12 Application of item 8

The amendment of the Workplace Relations Act 1996 made by item 8 of this Schedule applies in relation to awards made before, on or after the commencement of that item.

13 Transitional—date when common rule comes into force

(1) If the Commission makes a declaration of common rule under section 141 of the Workplace Relations Act 1996 (as it has effect because of subsection 493A(2) of that Act) within the period of 12 months starting on the day on which this item commences, the declaration comes into force immediately after the end of that period.

(2) Subitem (1) does not apply if the Commission specifies a condition in the declaration that the common rule is to come into force after the end of that period.

(10) Page 28, at the end of the Bill (after proposed Schedule 3), add:

Schedule 4—Common rules and contract outworkers in Victoria in the textile, clothing and footwear industry

Workplace Relations Act 1996

1 At the end of Subdivision A of Division 2 of Part XVI

>Add:

540A Concurrent operation of Victorian laws

This Part is not intended to exclude or limit the operation of a law of Victoria that is capable of operating concurrently with this Part.

2 Subsection 541(1)

After “subsection (3)”, insert “or (5) (as appropriate)”.

3 At the end of subsection 541(3)

Add “This subsection is subject to subsection (5).”.

4 After subsection 541(4)

Insert:

(5) If:

(a) both of these conditions are satisfied:

(i) the contract outworker or other individual is subject to one or more terms of an award that are common rules under Division 5 of Part VI;

(ii) that term or those terms provide for him or her to be entitled to be paid an amount for performing the work; or

(b) in a case where paragraph (a) does not apply—both of the conditions mentioned in that paragraph would be satisfied, if he or she had performed the work as an employee in or about any premises in Victoria;
the statutory amount owed to him or her is the greater of the following amounts:

(c) the amount mentioned in subparagraph (a)(ii);
(d) the amount that would have been worked out under subsection (3) in relation to his or her performance of the work, if this subsection did not operate.

Example: The term of an award that is a common rule under Division 5 of Part VI provides for a contract worker to be paid an amount for the work that is higher than the amount worked out in accordance with clause 1 of Schedule 1A. Therefore, the statutory amount owed to the worker is the amount provided for by the term of the award.

5 Application of items 2, 3 and 4

The amendments made by items 2, 3 and 4 of this Schedule apply to work performed after the commencement of this Schedule under a contract for services, whether or not the contract was entered into before or after that commencement.

Since the Kennett government’s 1996 referral of power, Victoria has been regulated by a single system of workplace relations. Victoria has derived significant benefits from this, including strong jobs growth and lower unemployment—a matter which I remarked upon earlier this morning. This is because employers have not had to cope with the cost and complexity of dealing with separate state and federal workplace relations systems. I am very pleased that the Victorian government has agreed to preserve the national workplace relations system as it operates in Victoria. The introduction of a state based industrial system—which would have been the consequence of this legislation now before the House not being passed—would have cost Victorian jobs.

Amendments (1), (2) and (9) will insert measures into the Workplace Relations Act that will give approximately 350,000 Victorian employees greater access to the federal award system. These amendments will, firstly, give the Australian Industrial Relations Commission the power to declare federal awards to be common rules for industry in Victoria. Secondly, they will amend the common law provisions of the act to give the commission more guidance about the matters it should take into account in deciding whether to declare an award to be a common rule in Victoria or the territories. Thirdly, it will provide for a 12-month transitional period to give breathing room for Victorian businesses to adapt to the new arrangements. During this transitional period, the Australian Industrial Relations Commission will be able to hear and determine applications for common rule declarations. However, these declarations will not come into force until the 12-month period has passed or at a later date specified by the commission.

The second matter relates to the minimum rate of pay for contract workers in the textile, clothing and footwear industry in Victoria. At present the bill provides that contract outworkers receive the rate of pay that would be payable to an employee performing the same work, as set out under schedule 1A of the Workplace Relations Act. Amendments (6) to (8) and amendment (10) will now provide that a contract outworker is entitled to either the schedule 1A minimum rate of pay or the minimum rate of pay provided under the relevant common rule award which would be applicable to the work if performed by an employee, whichever is the higher. Finally, amendments (3), (4) and (5) will clarify how the annual leave entitlements in schedule 1A are to be calculated, the rate at which annual leave is to be paid and the enti-
tlement to pro rata annual leave. I commend the amendments to the House.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (10.31 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

TAXATION LAWS AMENDMENT BILL (No. 5) 2003

Second Reading

Debate resumed from 23 June, on motion by Mr Slipper:

That this bill be now read a second time.

upon which Mr Cox moved by way of amendment:

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

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

(1) condemns the Howard Government for its lack of fiscal control, having increased both outlays and tax substantially;

(2) notes that the Government has also allowed the budget position to materially deteriorate by failing to deliver its own stated objective of a revenue neutral outcome on the Review of Business Taxation and its failure to confront major threats to the revenue through a growing tax avoidance industry including through the use of offshore tax havens; and

(3) notes that, as a result of these failures, the Government lacks the capacity to enhance the international competitiveness of Australia’s taxation system, return the full value of bracket creep either through tax cuts or services, provide the health and education services needed by low and middle income Australians, and support the provision of retirement incomes for all Australians.”

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (10.32 a.m.)—The Taxation Laws Amendment Bill (No. 5) 2003 makes amendments to the income tax law and other laws to give effect to several taxation measures. Firstly, the bill includes amendments that implement changes to the thin capitalisation regime. The thin capitalisation provisions which commenced on 1 July 2001 ensure that multinational entities do not inappropriately allocate an excessive amount of debt to their Australian operations. The amendments in the bill will ensure that the legislation is consistent with the government’s policy intentions and further clarifies aspects of the operation of the law. The measures will assist business in effectively complying with the thin capitalisation measures. The amendments will ease the compliance burden on business while maintaining the integrity of the tax law.

Secondly, this bill amends the Fringe Benefits Tax Assessment Act 1986, from 1 April 2003, so that fringe benefits provided to employees whose duties are performed in or in connection with a public hospital will qualify for the $17,000 capped fringe benefits tax exemption regardless of whether or not the hospital is a public benevolent institution. In addition, the amendments provide that, for the purposes of the fringe benefits tax exemption for remote area housing, a remote area for a public hospital will be one that is at least 100 kilometres from a population centre of 130,000 or more, regardless of whether or not the hospital is a public benevolent institution.

Thirdly, the amendments implement the government’s 2001 election commitment to reduce the tax rate on the excessive component of an eligible termination payment—that is, a lump sum from a super fund. The reduction is delivered through a cut in the tax
rate from 47 per cent to 38 per cent on the excessive component originating from a taxed source and a reduction in the amounts of contributions which are subject to the superannuation surcharge. The amount of the reduction will depend on the contributions, if any, made by the super fund in the year that the excessive lump sum payment is paid.

Fourthly, amendments in this bill will overcome an anomaly in the tests that apply to companies deducting prior year losses and bad debts written off. Lastly, this bill makes amendments that will allow corporate tax entities to choose the amount of prior year losses they want to deduct in an income year. This will ensure that tax losses are not used up against franked dividend income, which is already effectively tax free by way of the franking tax offset. This measure will ensure that a corporate group is not disadvantaged by the move to the consolidation regime. It is a pleasure to be summing up debate on a bill that will reduce the compliance burden, implement the government’s election promises and cut taxes.

The DEPUTY SPEAKER (Hon. B.C. Scott)—The original question was that the bill be now read a second time. To this the honourable member for Kingston has moved as an amendment that all words after ‘That’ be omitted with a view to substituting other words. The immediate question is that the words proposed to be omitted stand part of the question.

Question agreed to.

Original question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr COX (Kingston) (10.37 a.m.)—by leave—I move opposition amendments (1) to (3):

(1) Schedule 1, item 14, page 15 (lines 11 to 16), omit subsection (2C).

(2) Schedule 6, page 54 (line 1) to page 61 (line 9), omit the Schedule.

(3) Schedule 8, page 69 (line 1) to page 79 (line 13), omit the Schedule.

Of the three amendments that I am proposing, the first is to schedule 1, and it relates to the revaluation of individual assets rather than an entire class of assets. This accounting standard provides that, when assets are revalued, all of the assets in a class need to be revalued at that time. This will ensure that tax losses are not used up against franked dividend income, which is already effectively tax free by way of the franking tax offset. This measure will ensure that a corporate group is not disadvantaged by the move to the consolidation regime. It is a pleasure to be summing up debate on a bill that will reduce the compliance burden, implement the government’s election promises and cut taxes.

While it is a cost-saving expedient, it seems to me that it is undesirable to provide situations where companies depart from standard accounting practices. I am curious whether, without conducting a valuation according to appropriate principles, the companies are necessarily going to know if other assets in that class have in fact gone down or up. But, more particularly, unless all of those assets have been revalued, the ATO will have no audit trail to determine whether assets in that class have gone down in value, while the company may have ignored the fact that they had gone down in value and may have simply chosen to revalue some assets that had gone up in value so that they could meet the thin capitalisation test.

The second amendment relates to schedule 6, which would reduce the tax on excessive eligible termination payments. The excessive component of an ETP is that part of a
payment that exceeds the taxpayer’s reasonable benefit limit. The current RBL for a lump sum is $562,192, and for a pension it is $1,124,384. ETPs may have a number of components, but only some of them count towards the RBL and may result in an excessive benefit. In the case of a benefit paid by a super fund, these are the retained amount of the CGT exempt component, the retained amount of the pre-July 1983 component, 85 per cent of the untaxed element of the retained amount of the post-June 1983 component and the taxed element of the retained amount of the post-June 1983 component. Currently, the whole of an excessive component is taxed at the top marginal rate of 47 per cent plus the Medicare levy. The government’s rationale for the reduction is the 15 per cent contributions tax already paid on that part of the ETP. The government will argue that the new 38 per cent rate and the contributions tax of 15 per cent are equivalent to the 47 per cent rate. However, the effective rate will differ according to the circumstances of individual taxpayers.

Schedule 6 will also reduce the superannuation surcharge for taxpayers receiving an ETP with an excessive amount. The surcharge on contributions will be reduced by the lesser of the amounts—the grossed-up excessive component or the surcharge on the contributions. (*Extension of time granted*) The excessive component is grossed up for any post-June 1983 taxed element by dividing that excessive component by 0.85 per cent. The reduction in the surcharge on contributions will prevent the surcharge applying in addition to the tax on the excessive component of an ETP for the year in which the ETP is paid.

When this bill was introduced, the shadow Treasurer announced that Labor would oppose this measure. This measure has a current estimated cost of $5 million a year. Labor’s policy is not to cut the surcharge for those on higher incomes but instead to reduce the contributions tax for all taxpayers. In particular, because of the unequal distribution of the benefits of this, the government’s rationale for wanting to do it seems to me to be more an expedient than a precise matter of equity.

The third amendment deals with schedule 8, and that is to omit the schedule. Schedule 8 deals with tax losses. The Labor Party in its budget response announced that it would be opposing this measure, not because it has any criticism of this measure at all but because a decision had been taken on the basis of priorities to use this money elsewhere, in particular for health, and that remains the opposition’s position.

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (10.44 a.m.)—I have listened with interest to the member for Kingston’s speech on his proposed amendments to the Taxation Laws Amendment Bill (No. 5) 2003, but on this occasion the government finds itself unable to support any of the three amendments proposed. In relation to the schedule 1 amendment, the subsection that the member for Kingston proposes to omit is a fundamental part of meeting concerns about how assets can be revalued under the thin capitalisation rules. Subsection 2C would allow one or more assets of a class of assets to be revalued without having to revalue all the assets in the class. Without subsection 2C, the accounting standards would require the whole class of assets to be revalued and this would impose a heavy and unnecessary compliance burden on taxpayers.

The measures were developed in consultation with industry and they contain a number of protections to avoid any kind of misuse. For example, a single asset cannot be revalued if any other asset in the asset class has fallen in value, and the revaluation must be
verified by an independent expert. There are extensive record-keeping requirements and the tax commissioner may substitute a value where he is dissatisfied with a particular revaluation. There is always a tension between the intensity of the compliance regime and the integrity benefits which the regime delivers. The bill is well and truly focused on outcomes rather than on process. It is our view that, with the safeguards put in place, we will be able to get the benefits of preserving the integrity of the thin capitalisation structure without imposing an arduous and unnecessary compliance burden on industry. The proposed amendment is a fundamental change to the intention of the thin capitalisation rules which would perpetuate a problem for taxpayers when they revalue assets for thin capitalisation purposes. Under the opposition amendment, taxpayers would have to either incur the cost of revaluing all assets in a class of assets to meet thin capitalisation rules or suffer the costs of the disallowance of debt deductions. The government does not support this opposition amendment.

In relation to the second amendment, which concerns schedule 6 and excessive ETPs, the government likewise does not support the opposition amendment. The overall tax rate of excessive lump sums from superannuation funds is around 56 per cent, reflecting the application of contributions tax, the Medicare levy plus the ETP tax rate for excessive components of 47 per cent. This rate is even higher when you consider the application of the surcharge. The government seeks to reduce the tax rate on the excessive component of certain eligible termination payments to more closely align the overall tax rate with the top personal marginal tax rate. This measure was taken to the 2001 federal election as part of the government’s A Better Superannuation System package. The measure simply tries to avoid a situation where the effective marginal tax rate on the excessive component of an ETP from a superannuation fund exceeds the top marginal tax rate. As a result of this measure, the tax rate on the part of the excessive component that represents the taxed element of the post-June 1983 component will be reduced from 47 per cent to 38 per cent, plus the Medicare levy.

The opposition’s amendment makes a very clear statement. The opposition supports a higher top marginal tax rate in respect of superannuation benefits. I am not sure if the views of the member for Kingston align with the views of the member for Werriwa but we are all trying to work our way through the morass and contradictions of opposition tax policy at present. The shadow Treasurer has previously attacked this measure for reducing the tax paid by executives on golden handshakes received upon termination of employment. I wish to assure the House that this measure does not reduce the tax paid by executives on golden handshakes. Clearly, the shadow Treasurer does not understand this measure. (Extension of time granted)

The second part of the measure reduces the individual’s surchargeable contributions in the year in which they receive the excessive eligible termination payment. The reduction reflects the extent to which the year’s contributions have added to the excessive component of the ETP. The rationale for this is as follows. In attempting to align the overall tax rate on excessive components with the top marginal tax rate, the extent to which the surcharge has applied to excessive benefits is not known. Accordingly, the proposed tax rate on excessive benefits of 38 per cent, plus Medicare, does not include consideration of the surcharge. However, it is possible to fully account for the surcharge in the year the eligible termination payment is paid, hence the second part of this measure.
The government has taken the prudent course and has opted for a model that will alleviate incidences of overly high taxation with a minimum of administrative burden. In moving this amendment, the opposition have made a clear statement that they support a top effective marginal tax rate of at least 56 per cent on superannuation benefits. In that regard, I note that, in the recent survey of Labor candidates for the federal parliament in the last election, over 60 per cent of the ALP’s candidates said that Australia’s tax rates were generally too low and should be increased, so in that regard the member for Kingston is in accord with the majority of his colleagues.

Finally, on opposition amendment (3) in relation to tax losses, the measure which was announced in the 2002-03 budget complements the introduction of the consolidations regime. Broadly, from 1 July 2002, companies will no longer be required to waste losses against franked dividend income. Wastage arises because franked dividends are already effectively freed up from the tax because of the franking rebate. The measure will ensure company groups are not disadvantaged when they move into the consolidations regime. Company groups already have the ability to quarantine losses from franked dividend income to ensure the losses are not wasted, but the introduction of the consolidations regime would otherwise remove that ability. Therefore, the measure in this bill is essential to the smooth implementation of the consolidations regime.

Further, because the measure will apply to all companies, businesses that choose not to consolidate or that are not required to consolidate will also be beneficiaries of the measure. They would generally be businesses in the small to medium business sector. Broadly, the measures ensure the same pre-consolidation outcome by allowing an otherwise wasted current year loss to be carried forward as a prior year loss and by allowing companies to choose how much of their prior year losses they want to deduct.

It should be noted that the prior year loss treatment was a recommendation of the Ralph Review of Business Taxation. The Labor Party has already indicated its support for consolidations by passing a number of bills that provide the legislative framework for the regime. Not to pass this measure would mean that framework is incomplete. I call on the opposition to reconsider its position and support this measure. The government does not support this opposition amendment.

Question negatived.

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (10.54 a.m.)—by leave—I present a supplementary explanatory memorandum to the bill and I move government amendments (1) to (15) together:

1. Schedule 1, item 18, page 18 (line 6), omit “Add”, substitute “If the entity is a *financial entity throughout the relevant year, add”.

2. Schedule 1, item 19, page 18 (line 11), omit “Add”, substitute “If the entity is a *financial entity throughout that period, add”.

3. Schedule 1, item 20, page 18 (line 15), omit “Add”, substitute “If the entity is a *financial entity throughout the relevant year, add”.

4. Schedule 1, item 21, page 18 (line 20), omit “Add”, substitute “If the entity is a *financial entity throughout that period, add”.

5. Schedule 1, item 38, page 28 (lines 17 to 22), omit the item, substitute:

   38 At the end of subsection 820-215(2)
   Add:
; (f) the entity's only activities during that year were the Australian business;

(g) the entity's only assets and liabilities during that year were those referred to in paragraph (c) of this subsection.

However, the assumptions set out in paragraphs (f) and (g) of this subsection are not to be made in taking into account the relevant factors mentioned in subsection (3).

(6) Schedule 1, page 28, (after line 22), at the end of the Schedule, add:

**Part 12—Maximum allowable debt**

Income Tax Assessment Act 1997

39 Paragraph 820-90(1)(c)

Before "the", insert "unless the entity has * worldwide equity of a negative amount—"."

(7) Schedule 1, page 28, at the end of the Schedule (after proposed Part 12), add:

**Part 13—Non-debt liabilities**

Income Tax Assessment Act 1997

40 Subsection 995-1(1) (paragraph (c) of the definition of non-debt liabilities)

Repeal the paragraph, substitute:

(c) if the entity is a * corporate tax entity—a provision for a * distribution of profit; or

(ca) if paragraph (c) does not apply—a provision for a distribution to the entity's * members; or

(8) Schedule 2, item 28, page 37 (lines 9 to 11), omit subsection (2A), substitute:

(2A) An * equity interest in the entity is an * excluded equity interest at a particular time during the relevant period if, and only if:

(a) if subsection (1) does not apply to the holder of the interest for all or part of the relevant period:

(i) the entity is an * associate of the holder; and

(ii) at that time, the interest has * on issue for a period of less than 180 days; or

(b) if subsection (1) applies to the holder for all or part of the relevant period:

(i) the entity is an associate of the holder; and

(ii) at that time, the interest has been on issue for a period of less than 180 days; and

(iii) the interest is covered by subsection (3) at that time.

(9) Schedule 2, items 30 to 32, page 37 (lines 14 to 19), omit the items.

(10) Schedule 6, item 5, page 54 (line 24) to page 55 (line 2), omit paragraph (a), substitute:

(a) 38% for the amount (if any) of the EC part of the taxable income that does not exceed the difference between:

(i) the amount that would have been the taxed element of the retained amount of the post-June 83 component of the ETP if the amount of the excessive component of the ETP had been nil; and

(ii) the taxed element of the retained amount of the post-June 83 component of the ETP;

worked out disregarding section 27AAA of the Assessment Act;

(11) Schedule 6, item 6, page 55 (lines 7 to 14), omit paragraph (a), substitute:

(a) 38% for the amount (if any) of the EC part of the taxable income that does not exceed the difference between:

(i) the amount that would have been the taxed element of the retained amount of the post-June 83 component of the ETP if the amount of the excessive component of the ETP if the amount of the excessive
component of the ETP had been nil; and

(ii) the taxed element of the retained amount of the post-June 83 component of the ETP;
worked out disregarding section 27AAA of the Assessment Act;

(12) Schedule 6, item 7, page 55 (lines 19 to 26), omit paragraph (a), substitute:

(a) 38% for the amount (if any) of the EC part of the taxable income that does not exceed the difference between:

(i) the amount that would have been the taxed element of the retained amount of the post-June 83 component of the ETP if the amount of the excessive component of the ETP had been nil; and

(ii) the taxed element of the retained amount of the post-June 83 component of the ETP;
worked out disregarding section 27AAA of the Assessment Act;

(13) Schedule 6, item 8, page 55 (line 31) to page 56 (line 2), omit paragraph (a), substitute:

(a) 38% for the amount (if any) of the EC part of the taxable income that does not exceed the difference between:

(i) the amount that would have been the taxed element of the retained amount of the post-June 83 component of the ETP if the amount of the excessive component of the ETP had been nil; and

(ii) the taxed element of the retained amount of the post-June 83 component of the ETP;
worked out disregarding section 27AAA of the Assessment Act;

(14) Schedule 8, page 77 (after line 7), after item 17, insert:

17A Subsection 707-310(3) (table item 6, paragraph (c) of column 2)
Repeal the paragraph, substitute:

(c) any net assessable film income; reduced by the amount (the transference’s grossed-up franking offset amount) worked out in accordance with paragraph (3A)(c)

17B After subsection 707-310(3)
Insert:

(3A) For the purposes of subsection (3):
(a) the transferee’s tax losses to which paragraph (b) of, or the table in, that subsection applies are to be worked out on the assumption that the transferee chooses to deduct under subsection 36-17(2) all of the tax losses and that subsection 36-17(5) does not apply to that choice; and

(b) except as mentioned in paragraph (a) of this subsection, amounts worked out as described in column 2 of an item of the table in subsection (3) are to be worked out making the same choices as the transferee actually makes in working out its taxable income as stated in its income tax return for the income year; and

(c) the transferee’s grossed-up franking offset amount mentioned in column 2 of item 6 in the table is the amount worked out using the formula:

\[
\frac{1}{\text{General company tax rate}} \times \text{Franking offsets}
\]

where:

franking offsets means the total amount of tax offsets to which the transferee is entitled for the income year under Division 207 and
Amendment (6) relates to the worldwide gearing debt amount. Because of the way in which worldwide equity is defined, it is possible for an Australian entity and its controlled foreign entities to have negative worldwide equity. Applying the current method statement to an entity with negative worldwide equity provides an inappropriate outcome as it will allow the entity to have more debt than assets for thin capitalisation purposes. In no other situation do the thin capitalisation rules allow such an outcome. To maintain the integrity of the thin capitalisation regime and guarantee that there is no revenue leakage, it is necessary to amend the law to prevent such an outcome.

Amendment (7) relates to non-debt liabilities. Currently, the definition of non-debt liability—a liability that is neither debt nor equity—applies inconsistently between different kinds of entities. This was an oversight in the existing legislation. An amendment is required to ensure that all entities receive comparable treatment.

Amendments (8) and (9) relate to excluded equity interests. An excluded equity interest is deducted from the assets of the entity, thereby reducing the maximum allowable debt of the entity. Where the equity is on issue for a considerable period, it is unlikely that an entity has issued it purely to manipulate the thin capitalisation calculation. Under this amendment, excluded equity interests will be limited to transactions between associates and where the interest is on issue for no fewer than 180 days.

In relation to reducing the tax on excessive eligible termination payments, the bill reduces the tax payable on a lump sum that exceeds the reasonable benefit limit, which is $588,056 in 2003-04. The rate of tax is reduced from 47 per cent to 38 per cent, recognising that part of the benefit that has already been subjected to contributions tax.
Parliamentary amendments (10) to (13) will ensure an equivalent reduction in the tax payable on a death benefit in excess of the pension RBL—that is, $1,176,106 in 2003-04—when it is paid to a dependant of a deceased member. This was always intended to be the case, but the way the bill interacts with the current law means that this is not currently achieved. The amendment will overcome this technical anomaly and ensure that our policy is fully implemented.

In relation to tax losses, the bill will ensure that companies do not have to use up tax losses—that is, waste them—against franked dividend income, which is already tax free. The changes will allow companies to choose the amount of prior tax year losses they want to deduct. Parliamentary amendments (14) and (15) will ensure that this does not have unintended consequences for the consolidation loss rules.

Mr COX (Kingston) (11.00 a.m.)—These amendments deal with thin capitalisation, the decrease in tax on excessive termination payments and tax loss measures in the Taxation Laws Amendment Bill (No. 5) 2003. While Labor have moved to omit both the taxation on excessive termination payments and the tax losses measures, we do support these amendments. These amendments are largely technical and will improve the operation of these measures if they are passed by the Senate.

Amendments (1) to (7) deal with the thin capitalisation provisions. Amendments (1) to (4) clarify that the new arrangements for borrowing securities, which Labor supports, will only apply to financial entities. This aligns the bill with the current legislation and removes any ambiguity. Amendment (5) aims to ensure that only Australian operations are included when the arms-length debt amount is determined. Amendment (6) ensures that companies with negative worldwide equity, a situation not envisaged in the original drafting of the bill, will not be able to claim interest deductions. Amendment (7) deals with the definition of non-debt liabilities and ensures that all entities use the same definition. Currently, the definition includes only the provision for a distribution made by a corporate entity, which excludes other entities such as trusts.

Amendments (8) and (9) will ensure that entities cannot artificially increase their equity on valuation day and thereby increase their maximum allowable debt. Amendments (10) to (13) deal with the reduction in the tax on the excessive component of ETPs paid by superannuation funds applying to the death benefits paid to a dependent of a deceased member. Whilst Labor does not agree with this measure, it would not be fair if a reduction was to apply in these circumstances. For this reason Labor will support these amendments. Amendments (14) and (15) deal with the tax losses measure and will ensure that, consistent with the rest of the consolidation legislation, companies cannot use transferred losses before group losses. This is an integrity measure that Labor will support.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (11.03 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

BUSINESS

Rearrangement

Dr NELSON (Bradfield—Minister for Education, Science and Training) (11.03 a.m.)—by leave—I move:
That consideration of government business notice No. 1, Parliamentary Zone, Security upgrade works at Parliament House loading dock, be postponed to a later hour this day.

Question agreed to.

STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) AMENDMENT BILL 2003

Second Reading

Debate resumed from 18 September, on motion by Dr Nelson:

That this bill be now read a second time.

Mr PROSSER (Forrest) (11.04 a.m.)—The implementation of the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003 will give effect to the government’s 2003-04 budget initiatives for schools. It includes the provision of additional capital funding for the years 2004-07 for non-government schools. The bill will provide additional funding in 2004 for the Strategic Assistance for Improving Student Outcomes program as well as additional and ongoing funding for 2003-04 for the National Literacy and Numeracy Strategies and Projects program.

This bill continues a commitment to the capital grants program which supports non-government schools throughout Australia for construction and refurbishment work on school buildings. Initial 2003 funding totals some $91 million. This bill will appropriate approximately $48.3 million for capital funding in non-government schools over four years: 2004, 2005, 2006 and 2007. This amendment will maintain capital grants for non-government schools in real terms at the 2003 level. Without this amendment, the level of capital funding for non-government schools for the years 2004-07 would fall more than $11.7 million each year below the 2003 funding level, adversely affecting schools serving the most educationally disadvantaged students.

Over the 2001-04 funding quadrennium, schools receive over $1.3 billion in Australian government funding under the capital grants program. Of this funding, almost $950 million will go to government schools and over $373 million to non-government schools. This means that over 72 per cent of capital funding will go to government schools—a sector with only 68 per cent of all enrolments.

There are 61 government schools and 25 non-government schools in my electorate of Forrest. A significant number of them have carried out capital works construction and refurbishment work on their school buildings to cater for the increased student enrolments which reflect the continuing steady growth of residents in the region. Indeed, the inner regional local government area of Dardanup within my electorate was recorded as having the seventh fastest population growth in Australia between 1996 and 2001, with an average annual growth rate of some 6.2 per cent.

Capital grants funding is important to maintain the level of infrastructure for schools so they can continue to grow, to improve education outcomes and to provide greater choice and diversity for all students. This bill will bring these measures into effect. The government’s eighth budget allocation recorded funding of $6.9 billion to Australian schools and students for 2003-04, which represents an increase of some $528 million or 8.3 per cent over last year.

In the 2001-04 funding quadrennium, the Commonwealth government will provide approximately $25 billion in direct funding to schools and school students, with the majority of this funding being appropriated through the States Grants (Primary and Secondary Education Assistance) Act 2000. The federal government’s primary objective in
school funding is to achieve a quality education for all Australians. One of the fundamental principles underlying the federal government’s role in school education is to support the right of parents to choose the educational environment which best suits the needs of their child, whether it is in the government or the non-government sector.

Government schools enrol 68 per cent of total enrolments, and these students get some 76 per cent of the public funding for schooling. In 2003-04, government schools will get an estimated $19.9 billion from taxpayers for their 2.3 million students. This $19.9 billion represents combined Commonwealth and state funding. Non-government schools get about $6.2 billion in funding for their more than one million students. Federal government spending on government schools is at the highest level ever. In 2003-04, the Australian government will spend an estimated $935 million more on government schools and students than in 1996—an increase of almost 60 per cent. This substantial commitment highlights the national leadership in education shown by the government.

Since 1985, the federal government has been the primary source of public funding for non-government schools. In 2001, the Australian government introduced a new funding system for non-government schools which more accurately reflected the needs of the communities they serve, using a measure of the socioeconomic status of the school community. Also, enrolments in non-government schools are increasing at a greater rate than those in government schools. Non-government school enrolments have increased by 13.3 per cent over the period 1996 to 2002 and are projected to increase by 1.6 per cent in 2003. Government school enrolments have increased by 1.6 per cent over the period 1996 to 2002 and are projected to increase by 0.2 per cent in 2003. The increase in non-government funding does not mean that funding is taken away from government schools, as has been wrongly claimed.

The 2003-04 budget continues the government’s commitment to improving the literacy and numeracy outcomes for Australian students. This bill will also provide additional funding of some $54.3 million through the Strategic Assistance for Improving Student Outcomes program and the National Literacy and Numeracy Strategies and Projects program over the years 2003 and 2004 to improve the learning outcomes of educationally disadvantaged students, particularly in the key areas of literacy and numeracy. This funding demonstrates the Howard government’s continued support for the acquisition of vital literacy and numeracy skills by all Australian students. Literacy and numeracy are the most important foundation skills students need during their education. This government places a high priority on the development of and proficiency in these skills to enable young people to utilise education, employment and training opportunities in later life.

The government introduced reporting of national benchmarks for literacy and numeracy standards for years 3, 5 and 7, against which all students’ achievements can be measured and reported. Funding under the Strategic Assistance for Improving Student Outcomes program is used by government and non-government education authorities to support critically important programs in schools for students requiring additional assistance in these vital foundation skills. This government is continuing its commitment to these fundamental skills through its significant funding for literacy and numeracy. The National Literacy and Numeracy Plan provides for assessment of all students by their teachers as early as possible in the first years of schooling and for early intervention for those students identified as having difficulty.
Importantly, the plan also provides for professional development for teachers.

The attainment of appropriate literacy and numeracy skills in the early years of schooling provides the foundation for learning. This continued funding of the Australian government’s literacy and numeracy programs will continue to assist students to attain the necessary literacy and numeracy skills they need to participate fully in further education, employment and society. In terms of reporting benchmarks and assessment data to parents, in 2001 the government made an election commitment to secure state and territory reporting to all parents of their child’s literacy and numeracy against national standards. Benchmark data provides parents and the school with independent information on a student’s literacy and numeracy achievement levels and highlights future learning needs. All Australian parents have a right to know how their children are performing against national minimum literacy and numeracy standards.

This is a significant development for Australian education. At present, only Western Australia, the Northern Territory and the ACT report a child’s results against the national benchmarks. Victoria, Queensland and South Australia have also given public commitments to report to parents against the national benchmarks. From 2004, all parents across the country will begin to receive reports of their child’s literacy and numeracy achievements against national benchmarks. This is an important decision. It represents another foundation stone in the building of a nationally consistent, high-quality education system.

The analysis of results from the Western Australian literacy and numeracy assessment indicates that girls continue to do better than boys in literacy in all years. The difference in performance between boys and girls increased from years 3 to 5 and from years 5 to 7, and it is most evident in writing. However, boys’ and girls’ numeracy results are comparable. It is pleasing to note that the performance of year 7 students in the Bunbury district in the 2002 assessment in reading, writing, spelling and numeracy indicated that more than 88 per cent met the benchmark for reading skills and over 85 per cent of students in the Warren Blackwood district also met the benchmark. The monitoring and continuous improvement of literacy and numeracy benchmarks will ensure students are provided with the best opportunities for educational outcomes to further their employment and training throughout their lives and to enrich their social achievements. The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003 confirms the government’s commitment to school education and improving the outcomes for all students.

The federal government’s funding in education represents a major investment in our future society. Through increasing financial assistance to schools, particularly schools serving the neediest communities, the Australian government seeks improved outcomes from schools and a brighter future for all Australian students. Through this funding the Australian government will put Australia in a better position to make major contributions to our global future and to continue our tradition of innovation and technical skill. This funding commitment highlights the national leadership shown by this government in demanding the best for our students. This substantial commitment to education strengthens this government’s leadership role in working towards a nationally consistent, high-quality education system. Quality education is vital to Australia’s future. Therefore, it is necessary not only to maintain levels of funding for all children but also to cater for the needs of educationally disadvantaged students, par-
particularly in the key areas of literacy and numeracy. I commend the bill to the House.

Mr ORGAN (Cunningham) (11.16 a.m.)—The purpose of the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003 before us is to amend the States Grants (Primary and Secondary Education Assistance) Act 2000 to provide additional funding for capital grants for non-government schools for the years 2004-07, and additional funds for school literacy and numeracy programs and projects for the years 2003-04. As part of the 2003-04 budget the Minister for Education, Science and Training committed a further $48.2 million for capital grants for non-government schools over four years from 2004 to 2007 and another $210 million for literacy and numeracy programs. The additional literacy and numeracy funding will be provided over the next four years to 2006-07. This bill gives effect to these measures. It provides the additional capital funding for non-government schools for the years 2004-07.

Capital grants assist government and non-government school authorities with the provision and upgrading of school infrastructure. This infrastructure includes land, buildings, water, electricity, equipment, library materials, cataloguing services, furniture and residential accommodation for government school students. According to figures in the 2001 report on financial assistance granted under the current act, capital grants represent about six per cent of total Commonwealth specific purpose payments to schools. The majority of these grants are allocated to government schools. From 1996 to 2001, Commonwealth grants totalled $1.85 billion, of which 70.5 per cent was allocated to government schools and 29.3 per cent was allocated to non-government schools.

There are a number of issues concerning the quality of school infrastructure. There is increasing pressure on school communities to raise funds and support capital investment. These issues are made more significant by research findings which suggest that there is a correlation between the quality of school infrastructure and educational outcomes. So infrastructure is very important. Public education is seriously underfunded throughout the nation. At the end of the day, money is at the heart of supporting a quality educational system. To make up the shortfall, parents and communities are being called upon to contribute at an unprecedented level.

In New South Wales, for example, and in my own electorate of Cunningham, parents of primary school pupils are paying millions of dollars to meet basic educational needs, including salaries for teachers, new school buildings, sports courts and computers. This applies to the secondary sector as well. Parents are putting in thousands of hours of voluntary labour to clean toilets, maintain gardens and repair playground equipment, and a lot of this should be taken up by government. Government should be providing the funding for these necessary services. This growing dependence on parents reflects a crisis in the state school system. The President of the New South Wales Parents and Citizens Association, Ms Bev Barker, said parents were very ‘cranky’ that they were having to pay for essentials. She said, ‘But they all do it because they don’t want their kids to miss out.’ She went on to say: ‘P&Cs are resentful. They are fed up with having to put in this effort and they are fed up with all the money which is going into the non-government sector.’

Despite the fact that the government argues that government schools are the winners when it comes to capital funding, it is obvious that, with its overall funding regime, private schools are the big winners, and parents and communities can see that. This is principally the reason why the Greens are
opposed to this bill. The government is obviously unwilling to redress the bias towards private schools in federal education funding and the damage which is being done to public education as a result of the bias. The Greens acknowledge that the federal government gives more capital funds to public education than to private schools, but the effect of this is completely swamped by the outrageous bias towards private education in per capita funding. Whatever miniscule advantage is given to public education by capital funds, it is further whittled away by this bill.

The Greens support an increase in funding of literacy and numeracy, provided it is directed to public education, where the needs are greatest. But, as the main thrust of the bill is to commit even more funding to private schools, the Greens cannot support the dedication of further federal funding to private schools when those funds are so desperately needed in the public sector. Although this bill does not deal with per capita grants or start-up grants to private schools, the Greens consider it impossible to consider capital funding in isolation from these two other aspects of federal funding. The total package of federal funding is grossly unfair to the public system and flies in the face of expected community standards with regard to the overall funding of education in this country. Public education must be prioritised. Private schools, particularly the nation’s wealthiest private schools, are at present unduly benefiting from the federal government’s inequitable federal funding priorities.

State and territory education ministers have demanded that the federal government scrap its school funding system, which they argue is delivering massive increases to the wealthiest private schools at the expense of others. Commonwealth funding to private schools increased by an average of $996 per student from 1999 to 2003. This represents more than seven times the increase to government schools. By 2007 government schools in Australia would be getting $828 per student and private schools would be getting a massive $4,531 per student. Further increasing capital funds to private schools will inflict yet further disadvantage on public education, which is an affront to a nation that aims for egalitarianism and equal opportunity.

It is clear what this government’s priorities are with regard to education in this country: they are striving for neither equality nor fairness. They want to ensure that the ruling class in this nation stays that way. They know that educational advantage and fuelling the empty prestige of the wealthiest private schools will lead to the Australia they want to create. I congratulate the federal government on one thing: they know what they want to achieve and they are doing their utmost to achieve it. They want a divided Australia where the rich stay rich and the poor get poorer, and the minister is achieving this goal.

Seventy per cent of federal funds go to private schools—a massive growth over the last four years since the introduction of SES based funding, particularly to the wealthiest private schools in this country. For example, under the old ERI funding formula, Trinity Grammar School would have been given $1.579 million in 2001, but under the new SES regime Trinity Grammar School will be given $5.481 million in 2004, a massive increase of 247 per cent. Similarly, other wealthy private schools will receive increases in funding. The exclusive schools of Frensham, King’s and Newington will receive increases of 270 per cent, 196 per cent and 176 per cent respectively. These utterly inequitable increases in funding for the wealthiest private schools can only be justified by concluding that the federal government has implemented a funding regime that
aims to benefit the wealthiest private schools. The nature of this regime is deeply discriminatory against the nation’s public schools, which require funding increases much more than the nation’s wealthiest private schools do. This is an unjustifiable and biased approach to funding education in this nation.

Whilst the wealthiest private schools unduly benefit, federal funding of public education barely achieves CPI increases. The minister will no doubt argue that public education is the responsibility of the states, yet he knows full well that the states are crying poor. If he reads the newspapers, he will see that state governments around Australia are telling teachers that there is just no money in the coffers for salary rises that even keep pace with inflation. This simply reflects the priorities of the state governments. There are ample sources of revenue but, to the teachers, students and parents who rely on public education, the reality is that neither state nor federal governments are taking responsibility for finding the growth funds that are urgently needed for our education system and thus for our future.

The pattern is clear: big bucks for the children of the big end of town and crumbs for the children in public education. Not only is the increase in capital funding for private schools robbing budget dollars from public education but the allocation of capital funds for private schools is done without any regard for the implications for public education. There is only a certain amount of money available in this bucket, and it is being disbursed inequitably at the moment.

It is time that the federal government owned up to its responsibility to public education, instead of so blatantly treating private education with a large dose of favouritism. There is no doubt that, out in the community, this is what people are starting to feel. I have had a number of discussions with schools in my electorate over the last year—public schools, private schools and other sorts of schools—and especially among the public sector there is very much a feeling that they are starting to be seen as the second tier of the education system. People are saying to them, ‘If we want to get a quality education, we need to go to the better funded schools.’ In my day, it was quite clear that a public school gave just as good an education as any other school in the Illawarra area, and I think it is a real shame that these perceptions are now changing.

As federal members of parliament we need to get the message out that we totally support the public education system and that we are going to fund it so that it provides quality education to all people in our community, regardless of their ability to pay. The time has come to ensure that taxpayers’ dollars in the federal education budget go to public education, where they belong. That should be the priority. The overwhelming majority of students utilise the public education system, with private schools still being the playground of the elite. The federal government needs to prove that its education priorities lie in maximising educational opportunities for all Australians, not only those who are already in a privileged enough position to afford to pay for it. For these reasons, I cannot support this bill.

Mr MOSSFIELD (Greenway) (11.27 a.m.)—I rise to speak on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003. This bill amends the States Grants (Primary and Secondary Education Assistance) Act 2000 to provide additional funding of $41.8 million for capital grants for non-government schools for the years 2004-07 and additional funding for school literacy and numeracy programs and projects for the years 2003-04. I also support the amendments moved by the
shadow minister for education, the member for Jagajaga.

Of course, when the government describe this as ‘additional’ funding, they are, as usual, not being wholly accurate. The funding level for capital works programs in 2003 is $87.4 million. The funding for 2004 and beyond is $76.94 million, a reduction of $10.46 million per year which, of course, adds up over a four-year period to—you guessed it—$41.8 million, the exact figure of additional money contained in this bill. So in fact it is not additional money but maintenance of the current level of funding. It is a bit like those rug sales that you see advertised until midnight on a Sunday, in which they double the price of the rug and give you a 50 per cent discount so that it sounds like you are getting a really good deal. In this case, the government have cut the funding for capital works and have then come to the rescue with their generous offer of exactly what the schools were getting before. This bill also does nothing to address the need for capital expenditure in government schools. As with all things educational, the government focus on the private sector, to the detriment of government schools.

There are a number of concerns with this bill. Accountability is very important wherever the taxpayer dollar is spent. Unfortunately, with this bill public scrutiny, particularly with regard to the needs criteria, is unclear and lacks transparency. The additional funding provided for high-fee schools under the Commonwealth general recurrent program could lead to increased capital investment in these schools. This will lead to an increased resource gap between the high-fee schools and other government and non-government schools.

Many of our public schools are quite old. They need a massive injection of funding for urgent upgrading. If members have dealings with their local primary school, they will be aware of the example of the electricity grid. Much of the wiring is as old as the schools—that is, 40 or 50 years old. The electricity requirements of our schools have drastically changed since many of these schools were built. Our local principal recently pointed out that the school desperately needed airconditioning for the classrooms. The comfort of the students is important for getting good educational outcomes. When you have stifling hot classrooms, lessons suffer. But it will cost some $40,000 to upgrade the wiring to cope with the airconditioning.

At other schools around the country, the choice is airconditioning or computers. They cannot turn on both at the same time. The money contained in this bill is welcomed for what it is—a relatively small amount for capital funding for private schools—but it could have been much more, certainly for those private schools catering to low-income areas, many of which I represent. Our schools are in desperate need of a massive injection of funds for capital works. Yes, it is a state government responsibility, but it is more than that. It is a national problem which exists not just in New South Wales but also in all the other states and territories. It is a national issue that requires national leadership.

People should remember that every time the government cut taxes for multinational companies they cut their ability to fund education, they cut their ability to fund hospitals and they cut their ability to fund the future infrastructure needs of our nation. Education infrastructure is a foundation stone upon which our future will be built. If a child fails to learn because it is too hot to concentrate, his or her future, as well as that of our country, will suffer. Unless we harness the full potential of all our citizens, we as a nation cannot reach our potential. Education is the foundation. Without adequate resources for
our schools we will have children not reaching their full potential.

Recently I was privileged to present the Australian student prize to six Greenway residents. As members will know, the Australian government recognises the top 500 students in the nation with this prize. To have six students in my community considered to be among the very best is a wonderful result. All six, I might add, were products of our public education system. They all went to selective high schools, but prior to that they attended public schools in the electorate of Greenway. Selective high schools produce good education outcomes, but I want to see ordinary public high schools getting the same resources and to see a few names from those schools on the list of outstanding achievers. Professor Vinson of the University of New South Wales has conducted an inquiry into the standards of schools. In July last year he said:

In so many instances the fabric of the public schools is simply unworthy of what is being attempted within them and fails to honour our society's obligation to its children.

The New South Wales government has committed over $1 billion to upgrade school infrastructure over the next few years. This is a good start. The federal government must come to the party and help out as well, not just in New South Wales but all around the country.

Another issue of concern with this bill is that we do not know whether the facilities supported by public funding for specific purposes are still being used for educational purposes. There is no information available on how many of these properties have been sold, leased or transferred for non-educational purposes. We do not know, for instance, if some school authorities have made capital gains on facilities that have received public funds. As the Deputy Leader of the Opposition said in her speech, this is a potentially scandalous state of affairs. The member for Jagajaga went on to point out that there is very little information on the kinds of projects being supported by public funds and that there is no way to tell from the official reporting on the legislation that is provided to the parliament under the act.

The latest report on the States Grants (Primary and Secondary Education Assistance) Act provides a half-page description of the total funding available and the way this is distributed to non-government schools through block grant authorities. After that it is just a one-line report on the total funding for non-government schools in each state and territory. There is no information about the range of projects supported by the program, the education priorities being promoted by federal funding or the education outcomes that have been produced. Without more detailed information, neither the government nor the public can make judgments on how to best position capital grants for the future.

This bill allows members to speak about the strengths and weaknesses of the education system in their electorate. It allows us to highlight the contribution that parents, teachers and staff are making to schools in their community. I am always delighted to meet with school children from my electorate who visit Parliament House. I am often intrigued by the many questions that they ask. One interesting question that was thrown at me was: ‘Do you have to be intelligent to be a member of parliament?’ I should have been able to answer that fairly easily, but it was interesting to note that question.

We do meet children from our own schools at prize presentation functions and many other functions. It is always regrettable that at this time of the year so many of these presentations are held when parliament is sitting, so we cannot attend as many as we
would like. But there is a genuine interest amongst schoolchildren as to who their representatives are and where they come from. They are often quite surprised to learn that we live in the electorate, in many cases only a stone’s throw from where they go to school. So our contact with the students from our schools is very important.

We continue to see the P&Cs very active—which is also a very important involvement—with many activities, such as sausage sizzles, fetes, cake stalls, trivia nights and that sort of thing, to fundraise for their particular school. These fundraising activities help to pay for literacy and numeracy programs, books, uniforms, teaching aids, blinds, airconditioning, excursions, bus hire, musical instruments, shelters, seating, footpaths and a whole host of other vital equipment. At a trivia night held recently at Quakers Hill East Public School in my electorate, the P&C raised some $3,000 that will go to provide shelter for an outdoor learning area. From all accounts it was a great evening, and those who put it together should be congratulated on their efforts. Kings Langley Public School, another school in my electorate, was the fourth highest fundraiser in New South Wales for the year 2000, raising around $60,000. But many schools struggle in this regard, resulting in a growing divide between the haves and the have-nots—and that cannot be good for educational outcomes.

Class sizes are another concern in our school system. Writing in an article in the *Australian* earlier this year, Christopher Bantick, an experienced schoolteacher, said:

The No 1 cause of state school teacher angst is class sizes. This goes beyond pay, holidays and whether there are Tim Tams in the staffroom at recess. As increasing numbers of teachers leave the profession and are not replaced in adequate numbers, this increases the burden on staff in schools.

It is not unrelated that the increase in violence and intimidation many state school teachers face is due to the pressures of class sizes. But we should not focus on violence in schools, because we also see some magnificent extracurricular activities that require an amazing joint effort by the school community—parents, teachers, students and staff. One such activity is the annual smoke-free rock eisteddfod held at the Entertainment Centre that combines the musical talent, the production skills and the imagination of school communities. I was delighted that this year schools from the Greenway electorate—Terra Sancta College and St Andrew’s College—were premier division grand finalists of this event.

Of course, with our education system there are many difficulties to be faced by students and staff. One growing problem is the need for teachers to become security officers and playground supervisors. Not only must teachers respond to the new school syllabus, the roll-out of thousands of computers, more paperwork and soaring social problems among students; they also have playground duty, marking and lesson preparation, road safety, drama performances et cetera. This creates enormous pressure on the teaching staff of our education system.

Clearly there is a need for education policy makers to relieve qualified teachers of non-core education activities such as playground duty to enable them to respond more directly to the education needs of their students. There needs to be an investment in the support mechanisms for teachers, such as more teachers’ assistants and more general support staff. We must also encourage more young people into the profession. This is a major area of concern, with some 25 per cent of teachers due to retire in the next five years.
But, with all these difficulties, we are seeing some amazing successes in our education profession. I recently attended the Wyndham business breakfast at Wyndham College, where local businesspeople received a report on the school-to-work program of the college. Wyndham College is one of the success stories of the New South Wales education system. Established in 1999 as a comprehensive high school, Wyndham College enrolls students in years 11 and 12 within the Nirimba collegiate group of schools. The college draws students from years 7 to 10 from the Quakers Hill, Riverstone and Seven Hills high schools. Situated in the Nirimba education precinct, Wyndham College is co-located with the University of Western Sydney, Nirimba College of TAFE and Terra Sancta College senior campus. The unique co-location arrangement allows Wyndham to share facilities with these other institutions and gain the maximum educational benefits for the students.

Being a new college has also meant that many of Wyndham's facilities are state of the art. Unfortunately, Wyndham is the exception rather than the rule. Many schools do not have the resources available to them. This bill is welcome in that it provides some money to some schools for a little bit of work. But so much more is needed, and the federal government must take the lead and provide the support to our schools that will result in better education outcomes for future generations.

This bill provides $43 million for literacy and numeracy programs over the next two years. This too is welcome—but again, like Oliver, I would say, ‘Please sir, I want some more.’ Literacy and numeracy are so incredibly important to our future; it cannot be understated. The first week of September was National Literacy Week, and the government issued excellence awards to some 74 schools around the nation. Parklea Public School in the Greenway electorate was one of the 15 schools in New South Wales that received an achievement award of $2,000. I would like to place on record my congratulations on the excellent work that is being done at Parklea and indeed in other schools in the community in this very vital area. It is good to see the hard work recognised.

Labor will support this bill, but it is my belief that it represents another lost opportunity to invest in the education infrastructure that is so desperately needed to build the foundation of our country's future. As I indicated, the member for Jagajaga will move an amendment, which I think is very appropriate. The amendment reads:

"1A After subsection 73(1)
Insert:
(1A) The Minister may not make a determination authorising the payment of financial assistance under subsection (1) unless evidence has been provided that schools or student hostels proposed to receive assistance meet criteria of educational and financial need specified for the purposes of this subsection.

That is an area that I have been speaking about. With those reservations, the Labor Party will be supporting this legislation.

Mr ANDREN (Calare) (11.45 a.m.)—The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003 amends the act to provide additional funding for capital grants for non-government schools for the years 2004-07 and additional funding for school literacy and numeracy programs for 2003-04. In dollar terms, this is $48.2 million for capital grants and $44.6 million for literacy and numeracy. I want to concentrate on capital grants. From 1996 to 2001, Commonwealth capital grants to all schools totalled $1.85 billion, with 70.5 per cent going to government schools and 29.3 per cent to non-government schools. Over
the last decade, capital funding for non-
government schools has been maintained at
existing levels. This bill maintains these
grants at 2003 levels, with government
schools receiving around $222 million per
annum from 2004 to 2007 and non-
government schools receiving $87.4 million.
So far so good.

It is reported that both government and
non-government schools are experiencing
problems with current infrastructure. This is
heightened by new emphases on curriculum
and teaching methods. Recent research, quite
unsurprisingly, found a high correlation be-
tween the quality of school infrastructure and
educational outcomes. The infrastructure
problems in government schools have been
well documented, with stories of classes be-
ing held in corridors because of a shortage of
both classrooms and teachers in some
schools. However, as I understand it, we
have teacher graduates without jobs and we
do not appoint teachers to specific schools,
as we once did. When I trained as a teacher
many moons ago in the age of black-and-
white television, it was obligatory to do
country service unless there were exceptional
circumstances. That service was credited
when you applied for transfer elsewhere, to
the coast or to a metropolitan area. Surely the
same should apply to all teacher appoint-
ments, whether to outback New South Wales
or Western Sydney. However, that will not
fix the building shortage—the shelter sheds,
the all-weather pavilions or the assembly
halls. Nor will it fix the general malaise
within the teaching profession which, by
normal standards, is not regarded as under-
paid. But I believe it is significantly under-
paid if we regard teaching as the most impor-
tant of all professions—and I certainly do. If
we do not increase salaries then we should
be prepared to put up with mediocre out-
comes, disillusionment and low morale and
more and more teachers leaving the profes-
sion for less stress and higher pay. We have
to reprioritise our valuation of what a person
is worth. What possible contribution to hu-
man social wealth does a merchant banker
make compared with the contribution of a
teacher? We have to find the resources in our
budgets to properly reward teachers and to
provide the necessary teaching infrastructure.
No doubt there are many smaller, newer in-
dependent schools also finding it difficult to
raise capital funds within their own commu-
nities.

With the growth in the independent school
sector, something that I have concerns about,
there are obviously many schools with a low
community funding capacity. I am uncom-
fortable that in our obsession with freedom
of choice in everything—except politicians'
superannuation—we run the risk of spread-
ing scarce taxpayer dollars over a broader
and broader school spectrum, diluting the
effectiveness of those dollars. We also run
the risk of fostering a more sectarian society
rather than a secular multicultural one. But I
also recognise the reality of church based
education that began in this country in the
1800s and that is not about to be phased out.

However, I want to say a few words about
equity of access to education and equity of
funding. I attended the 150th birthday cele-
brations of Bathurst Public School recently
and was inspired by the stories from former
staff and students about the wonderful educa-
tional experience that school has offered
generation after generation of Bathurst citi-
zens. Last Saturday, I attended the 50th anni-
versary of the little Errowanbang Public
School in a valley just to the north of Car-
coar. Again, I was inspired by the teachers
and the stories of former teachers, headmas-
ters, staff and students about the wonderful
community education that that small school
has provided. At both the large Bathurst pub-
lic school and the tiny Errowanbang school,
the story about public education was the
same: it offers an opportunity for kids of all backgrounds and all income levels to mix, become mates, grow up together and understand the difficulties of the less fortunate.

In the case of Bathurst, it is an education city with a strong independent school presence and excellent state infant, primary and secondary schools. I have a close relationship with all of them and have worked to ensure a fair outcome for their genuine needs, especially in relation to, say, interim funding arrangements needed to help several local independent schools overcome shortfalls in the transfer to the new SES formula. The Calare school community, both state and independent, know I speak openly about the absolute requirement to allocate education funding on a needs basis. I speak from the perspective of a former schoolteacher from a family of schoolteachers—one who educated his children at both state and independent schools. But I was prepared to pay, and I did pay, for that independent education which offered my sons several options that I did not believe were available at high school level in the smaller rural community. I was reasonably relaxed about my taxes being used for independent school funding where needed to meet the costs of teaching the 30 per cent or so of students educated in the private sector. But I was uncomfortable to note that such funding freed up financial resources from foundations, wealthy benefactors and other sources, including fees, of course, and allowed the construction of infrastructure beyond the wildest dreams of most public schools.

It must be kept in mind that funding for government schools is largely—by an overwhelming amount—the responsibility of state governments. Too often this debate is muddled by claims that the federal government school funding allocations are a reflection of all education funding. In New South Wales, government schools received 91.1 per cent of funding, according to the latest budget figures, while non-government schools received 8.9 per cent. It is disturbing to see the state budget in New South Wales for 2002-03 and 2003-04 increase by just—wait for it—$70,000 in a $6 billion budget, with state schools receiving—wait for it—$43,300 in extra funding. Is that what you call maintaining spending in real terms? It should be remembered, too, that Commonwealth specific purpose payments represent about 12 per cent of total spending on government schools. This would be about $720 million of the New South Wales budget of $6 billion.

While the state government readily deflects criticism of school funding to the federal government, one should seriously question the Carr government’s commitment to the public education sector. If schools need upgrading, where is the extra money? Where are the poker machine tax dollars from the clubs that are allegedly going to go to schools and hospitals? Are teachers worth only a six per cent pay rise over two years, with a salary range of $40,000 to $60,000?

Back to federal funding, I commissioned a research paper a few weeks back from the Parliamentary Library, and it says in part:

Broadly the history of Commonwealth funding for school education has been characterised by a principle of needs-based funding; increased funding in real terms for both the government and non-government school sectors; and a shift in the proportionate share of Commonwealth funding from the government to the non-government schools sector. The sector funding share has shifted significantly to non-government schools under the current government, a shift which is only partially accounted for by the shift in enrolments.

Put that together with the shortfall in funding from the New South Wales government and you can begin to understand the anger and frustration of the school communities in the
public school sector in New South Wales—I cannot speak for the other states—and indeed the singling out of the independent schools sector, perhaps unfairly, I would suggest, as the reason for the shortfall. It is both the state and, to a lesser degree, the federal government that are causing that problem. That is the crux of the concern in the community about an increasing gap between the ‘can pay’ parents and ‘can’t pay’ parents in our society. Education, of all budget areas, should offer equal opportunity, and that starts with government spending.

I know this bill relates to capital and targeted program grants, but it is important in the context of this debate to look at the recurrent grant issue. Of course, recurrent grants are assessed according to the index known as the average government school recurrent costs. Since 2001, the rate at which approved non-government schools and systems are funded—apart from the Catholic system—has been determined by so-called SES or socioeconomic status, which is allegedly a measure of the capacity of a school community to support that school. The SES index includes postcode based income, education and occupation data and is arrived at by linking student residential addresses to 1996 census collection districts. A school’s average SES score determines its per student general recurrent funding rates as a percentage of the average government school recurrent costs.

This may all sound very fair, but it is not. In submissions to the government since the SES scheme was introduced, I have pointed out that the SES scheme misses out on several crucial measures of equity. The SES does not necessarily reflect the SES status of individual families but rather measures the average SES status of the census collection district in which a student lives. The distortion that is possible when a child from a very well-off family in, say, the Bourke CCD is measured against the SES of that district is obvious. This anomaly in particular can turn up in boarding schools, where students are more likely to be drawn from areas where extremes of wealth and poverty are likely to coexist. Some of the biggest winners under this scheme are schools like the King’s School, as has been pointed out on numerous occasions in this place. Such unwarranted funding further frees up the private fundraising capabilities of these schools, and so the gap between the haves and have-nots of education widens.

I would like to draw a parallel between what is happening here and what has been pointed out in the report released this week by a parliamentary inquiry into local government. The fact is that there is a have and have-not situation emerging rapidly in the local government sector and there have been suggestions made that we have a close look at the formula. I suggest that we need to have a look at the formulas applying to our education expenditure. I do not believe the SES scheme does that job. It may be an improvement on the process we had before, which was begun more than 15 or 16 years ago, but I believe it certainly requires close attention.

The government argues that it is either too difficult or too intrusive to ask parents for income and occupation information directly. heavens above! We do it in other areas. It was pointed out by the Minister for Health and Ageing in question time yesterday, in terms of eligibility for the Medicare safety net, that we are geared up to get that information. If we are geared up for that, we are geared up in every other area of Centrelink payouts. It is fatuous to suggest that we are not geared up to get this information to ensure not only the perception of fairness but the reality of fairness in our funding of the independent school sector vis-a-vis the state sector. I recommended back in 2000 that the Youth Allowance test be applied to all inde-
pendent school students as a basic test of funding equity. I repeat that recommendation to the Minister for Education, Science and Training today.

Further increasing public alarm over the blatant unfairness in educational funding is the establishment grants scheme, under which grants are available for new non-government schools but not for government schools. The government has consistently argued that its school funding policy is about encouraging freedom of choice in education for parents. However, there has been no decline in the level of independent school fees and those fees remain prohibitive for many families. Yet the Prime Minister is on the record in September 2000 as saying that the increased funding under the SES system would make non-government schools more affordable by placing a check on the growth in school fees.

As we debate this bill and see that capital funding for non-government schools has been maintained for over a decade, the same cannot be said of recurrent funding under the new SES process—and that is not even considering the separate and quite generous arrangements made for the Catholic system. It is sobering to note that from this financial year the Commonwealth’s funding for non-government schools will surpass its total expenditure on higher education. I look forward to further debate on that funding reform. I certainly can support the basic short-term necessity for the further funding provisions in this bill. I see no reason why the amendments moved by the opposition should not improve this bill. But I draw to the minister’s and the government’s attention, if they are interested—and I am sure that the current education minister is—that there needs to be not only the appearance but the reality of equity in our education funding. We fall far short of that.

Ms HALL (Shortland) (12.01 p.m.)—It gives me great pleasure to speak on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003. It is a bill that provides funding for capital projects in non-government schools and targeted programs for both government and non-government schools. I always consider bills relating to the education of young people attending our schools to be amongst the most important that we discuss in this place. Access to education and equity in education ensure that all students have the opportunity to share in the wealth of our nation, to have the skills that they need to find employment in the industries of the 21st century, to embrace change and to enter the global economy when they leave school.

To my way of thinking, it is always very important to ensure that every student in Australia has access to the same standard of education. This bill provides funding of $41.8 million over four years, for the period 2004-07, for approved projects in non-government schools. In effect, it maintains the 2003 funding level for the years 2004-07 for non-government school capital grants. That takes it up to around $87.4 million. The current legislation’s allocation for 2004 and beyond is $76.94 million—a reduction of $10.46 million or $41.84 million over four years. The reduction results from the termination of the previous commitment. The government is now proposing to extend the commitment for the period 2004-07 for non-government school capital grants. That takes it up to around $87.4 million. The current legislation’s allocation for 2004 and beyond is $76.94 million—a reduction of $10.46 million or $41.84 million over four years. The reduction results from the termination of the previous commitment. The government is now proposing to extend the commitment for the period 2004-07. This will enable capital grants programs to be offered to approved projects under the advanced approval arrangements. This will enable schools to plan and to put in place support for the advanced approval process. As I have already mentioned, it pre-empted in part—and that relates to the reduction that I referred to—allocations for the next quadrennium.
It is with great concern that I note there is no extra funding for government schools. Given my statement at the beginning of my speech that learning, knowledge and a sound education are the keys to success for all students attending our schools, I consider it to be of great concern that the government is prepared to allow one sector to plan and to put in place advance funding while the other sector is, to a large extent, ignored. The government and the minister have been implying that government schools actually get more than their share because the number of students attending government schools has declined. They are looking at that based on enrolment and the formula that this government has put in place, which has disadvantaged public schools and the majority of students who attend those public schools.

I need to emphasise that I support this legislation and, in particular, I support the amendments moved by the shadow minister. I am not opposed to what the government has put before us now. But what I vehemently oppose are the double standards of this government, the different treatment of those students and schools that are funded through the public purse and those that are funded through the private sector. It really fits in with this government's approach to developing a society of haves and have-nots.

The national school report on funding, which was endorsed by all education ministers—and this relates to what I was just saying about the minister and the level of funding—shows that the expenditure by this federal government on students attending government schools is $350 per student. For those students attending independent schools, it is $1,500 a year. Catholic schools—and I think it is important to emphasise that the Catholic schools, next to the public school sector, are those that are most disadvantaged under this government—receive $800 per student. Non-government schools across the board receive $1,000 per student. That sets up a situation of double standards and inequity whereby those students that go to our state schools are getting a much smaller share of the education dollar provided by the federal government. Rather than looking at addressing inequity and creating equality of opportunity, this government is putting in place a situation in which those students are going to be educationally disadvantaged.

Research shows that students who attend a school in which the classrooms and the learning environment generally are of a high standard perform a lot better and achieve much better results than those students who attend school in an environment where the buildings are run-down, where they do not have adequate resources and where the general environment is very poor. A poor environment inhibits learning, and a good environment actually promotes it. This government is prepared to put money into promoting that good learning environment in the private sector for non-government schools, but it has been very reluctant to do so when it comes to government schools. That is of great concern to me.

I will quickly mention the SES formula that this government has instituted, which is once again acting against the needs of those students attending state schools. It creates great inequity. That issue has been discussed at great length within this parliament, with examples of schools like King's receiving large amounts of money while government schools in disadvantaged areas are receiving a lot less money.

I now turn to how this piece of legislation will impact on the electorate I represent within this parliament: the Shortland electorate. I have looked at the number of students that attend non-government schools as opposed to government schools. Within the
state of New South Wales, the Shortland electorate has one of the lowest numbers of students attending private schools. Only 20 per cent of all students in the Shortland electorate attend non-government schools. Out of those, 14.2 per cent attend Catholic schools and the remainder attend other non-government schools. So this piece of legislation we are discussing today is not going to benefit to a great level the people and the students that I represent in this parliament.

When I look at the region that I come from I also look at Dobell, which is the electorate that adjoins Shortland on the Central Coast. In the Dobell electorate, a total of 20.7 per cent of the students attend non-government schools and, of those, 13.7 per cent attend Catholic schools. I find that quite concerning. I am quite concerned that the member for Dobell is not speaking on this issue. I am even more concerned that it was reported that at the opening of a recent Catholic school in his electorate he said that government schools were getting far too much money and he was going to work to see that that was turned around. That is not in the interests of the people that he and I both represent in this place. We must ensure that there is equality and that quality education is available to students attending government schools. There are even fewer students attending non-government schools in the member for Paterson’s electorate. In his electorate, only 17.6 per cent of students attend non-government schools. He should also be down here with me arguing for a greater share for those students that attend government schools in his electorate.

I asked myself: if all this money is being put into non-government schools, what are the needs within the Shortland electorate? I quickly had a look at some of the schools—and this is by no means a detailed list of the overall information available; these are just the details of a couple of schools that have let me know about the level of their capital works needs. Floraville Public School, which is the school that my children attended, is in need of a new hall and canteen. When I say it needs a new hall, in fact the school does not have a hall. It at least has a canteen of sorts, but it has absolutely no hall at all. The school needs a new library. The library it has is very small and was designed at a time when there were far fewer students attending that school. The school needs buildings replaced because they are completely riddled with white ants. They are pretty significant things that need to be done.

Belmont High School is in need of major capital works. Once again, that is a school that my children attended. I can attest to the fact that major upgrades are needed there. I can also attest to the fact that it does not even have a school hall—this is a high school!—where a significant number of students can gather. It has no quality indoor hall for those students. It has been fighting for that for a long time, yet there is no extra funding for these public schools.

Belmont North Public School also needs a capital works upgrade. Swansea High School, and this is of great concern to me, urgently require work on their industrial arts centre and need new equipment. The conditions in their industrial arts rooms contravene occupational health and safety standards, yet this school will not benefit in any way under this government’s proposals. Valentine Public School, like Belmont North, has no school hall. Wyong High School, which is in the electorate of the member for Dobell, needs urgent redevelopment. Gorokan High School needs a drama centre. A lot of work needs to be done on Toukley Public School. In fact, it has been put to me that it really needs to be rebuilt. The playing areas at Gorokan Primary School need updating. New classrooms and a toilet block are needed at Warnervale Public School, which
is also in the electorate of the member for Dobell. Gateshead West Primary School needs walkways and a retaining wall repaired. There are rusted iron sheets on the roof, repairs needed to electrical switchboards and carpets needed for the classrooms. They are basic needs. The main driveway is unsafe and the driveway in the infants car park needs repairs as well.

Windale Public School is in an area that has a significant level of needs for the disadvantaged. Disabled children attend that school and need access ramps to buildings. Kahibah Public School has asphalt in the playground that needs fixing. Redhead Public School’s toilet block has been damaged by tree roots and needs fixing. At Charlestown South Public School the blinds need repairing. There are also sewerage and grounds maintenance problems, and problems with internal rooms. They all need to be fixed. The canteen at Charlestown East Public School is inadequate, the library is a demountable and work needs to be done on grounds maintenance. Dudley Primary School has major concerns over drainage issues. Mount Hutton Public School lacks tree maintenance. Resurfacing of a disabled ramp is needed. Replacement of demountables is necessary and a cover is required for the courtyard.

You can see that even within the electorate I represent in this parliament—and without detailing all of the needs of the schools in it—government schools have significant capital project needs for which this government should provide money. This government has really failed the majority of students attending schools within the electorate I represent. I am concerned that this government is trying to cost shift the provision of all capital works programs to the state; it has a sorry record when it comes to this. Time after time you see members on the other side of this chamber standing up and blaming the state for absolutely everything that goes wrong, but the Commonwealth does have a responsibility in the area of capital grants. It has that responsibility to government as well as non-government schools, and it is abrogating its responsibility in this area. There needs to be greater accountability and transparency when one is looking at the use of these facilities in the future. I am concerned that this government has one set of rules when it comes to the non-government sector and a different set of rules when it comes to the government sector. Everything needs to be filled out in duplicate, triplicate and quadruplicate when it concerns the government sector but when it comes to the non-government sector it is a different matter.

I will quickly turn to the issue of literacy and numeracy. The additional money for this is obviously welcome, but it is important to point out that it is for national research and development in literacy and numeracy support, when we actually need some money on the ground to help in this area. As far as students with special needs are concerned, there is a restoration of funding but I would argue very strongly that we actually need more funding in the area of special needs. More children with special needs are being integrated into all schools and accordingly the government needs to ensure that there is adequate funding to ensure that those students get the support and assistance they need. I support the legislation but in particular I support the amendments that have been moved by the shadow minister for education, and I encourage the government to accept those amendments. (Time expired)

Mr JENKINS (Scullin) (12.21 p.m.)—The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003 provides money to go towards capital funding for non-government schools over the four years 2004-07. It provides $41.8 million over those years for approved projects in
The bill allocates an additional $10.87 million in 2003 and 2004 for national initiatives in literacy and numeracy, and additional funding of $33.79 million in 2004 for the Strategic Assistance for Improving Student Outcomes program for schools and students in disadvantaged areas and for students with disabilities.

Analysis indicates that these amounts merely continue the current level of funding. For instance, the money for the Strategic Assistance for Improving Student Outcomes program for schools and students in disadvantaged areas and for students with disabilities maintains the 2003 level, and the grants to do with literacy and numeracy restore the funding to the 2002 level. So we do not really see that the Commonwealth government’s effort in this area could be described as a rosy picture.

From the outset, we must underscore that secondary and primary education is a shared responsibility between the Commonwealth and state jurisdictions. But, in emphasising that it is a shared responsibility, we should underscore that the Commonwealth government quite rightly plays a role, because we cannot compartmentalise these pieces of public policy and believe that they overwhelmingly reside in one jurisdiction or the other. We need to emphasise the national significance of education and its importance to us not only economically but for our cultural development. Therefore, it is proper for a national government to show leadership. So part of this debate should be about whether the present government is indeed showing that leadership with regard to primary and secondary education.

We acknowledge that the amount of money that is put forward for capital funding in this bill only addresses the non-government sector and does not relate to what will happen with the Commonwealth’s contribution towards those schools operated by the state and territory governments. But it is worth comparing the amount of funding that is made available for the capital needs of schools in the different sectors. Expenditure in this bill from all sources is $1,073 per student in the non-government sector. It is interesting to note that it is about $800 per student in the Catholic system and $1,565 per student in other independent schools. The comparison with public schools shows that the Commonwealth government contributes $355 per student. This is a large inequity, but it becomes even more significant if we look at the geographical disbursement of these moneys.

This is perhaps not the time to go into a full-blown discussion about the different types of assistance that have been made available, but it is not being churlish to compare the type of funding some of those category 1 schools get with what the typical Catholic parish schools that provide educational opportunities in electorates like Scullin receive. The figures show that in the electorate of Scullin something like 15,000 students go to government primary and secondary schools—approximately 10,000 in the primary area and 5,000 in the secondary area. That is a reflection of the age profile of the area.

Educational opportunities in non-government schools in Scullin are provided to 8,000 students—approximately 3,000 secondary and 5,000 primary. Most of those are in the nine parish primary schools. There are also two Catholic secondary colleges, two Christian schools and a Montessori school. If one visited the parish schools in Scullin, one certainly would not see the types of grandiose capital investments that are seen at some of the top level private schools. These schools are providing educational opportunities—and good educational opportunities, I might add—using the barest of resources. We
should have great admiration for these schools and their capacity to provide the type of education and achieve the type of educational outcomes they do with limited resources. That is not to say that, from time to time, we do not celebrate capital injection into these schools. For instance, on Friday I will be going to St John’s Primary School in Thomastown East where they will be opening an extension to that school. Commonwealth funding has assisted with part of that capital development.

But we have to compare that assistance to the non-government sector with the effort that is being made to assist schools in the government sector. For instance, earlier this year, the Thomastown Meadows Primary School, which operates in Thomastown West, opened a four-classroom block extension. I think it was the first major capital extension to that school in its nearly 20 years of existence. It was developed in the 1980s under a principle that was described in Victorian circles as the ‘core plus’. Basically, there was a core which provided the administrative block, a library, other common spaces and, if you were lucky, a couple of classrooms, and it was then supplemented by demountable classrooms. It was important that this development that opened earlier this year went ahead and, again, I acknowledge that the Commonwealth were a minor partner in that development. The state was the major contributor, and that was something I should have emphasised with the Catholic system. They make contributions towards these projects in local primary schools.

The importance of those contributions is that, if you compare them to the capacity for that school community to be able to garner them, these are significant contributions. But they end up being relatively small compared to what other school communities can achieve. I think that is one of the problems that I have with the way in which we assess the type of assistance that we are going to give. There is a tendency for conservative governments, not only at the Commonwealth level but also when they are in vogue in states and territories, to have a principle of giving rewards to those that are more easily able to gather together their own resources and at the same time denying an ability and capacity to assist those that have difficulty in gathering resources. I think that is the type of thing that we really should be looking at. If we are going to give people equity in their schooling opportunities and educational outcomes, I think it is very important that we recognise that different areas have different capacities to provide self-effort.

Another important thing that I want to touch upon is that this bill goes towards providing additional funding for grants for literacy and numeracy. Regrettably, it happens at a time when an analysis of the guidelines for these types of projects indicates that these guidelines are fairly loose. Because of the nature of the funding, it goes also to looking at conferences and publications as well as small research projects. I would like to hope that we adopt a notion that actually looks at these projects in the context of how they improve the learning outcomes for students, so that the accountability test for these projects is on that basis.

I am pleased that, over the last couple of years, local schools have been acknowledged for their achievements in the National Literacy and Numeracy Week achievement awards. In 2002 St Clare’s School in Thomastown West was recognised with an achievement award. In that year it was one of 60 schools across Australia to be recognised. This year I am very pleased that a school I mentioned earlier, Thomastown Meadows Primary School, received a $2,000 achievement award for their outstanding results in literacy and numeracy through a very innovative teaching and learning program.
If one were to study the background of the Thomastown Meadows school community, one would find that it has a very large number of families from diverse non-English-speaking backgrounds. The school community celebrates that diversity. One of the great strengths of the school is its ability to welcome migrants from diverse regions of the world within a school community to share the cultural aspects of their backgrounds and to do that in a way which binds the school community. Again, I think that is a reflection of the way the local area operates. I was impressed with the dedication of the teachers who were involved. I think that the results they achieved were outstanding. They were on the basis of the very measured way in which they approached this problem through assessment and then through the specialist programs that were required. So last year in the case of St Clare's and this year in the case of Thomastown Meadows, I was very pleased to congratulate those two schools on their efforts.

The other important thing is that the types of schools that we see in areas like the electorate of Scullin are very important parts of the way the local community operates. Each of the school communities contributes to the way the character of an area develops. This year I have joined in celebrations with two school communities that absolutely prove the significance of that point. The first was the 40th anniversary of the Lalor Secondary College. The Lalor Secondary College was the first secondary school in the municipality of Whittlesea. I think that what was predominant in the way that school celebrated its important anniversary was a great sense of belonging to a school community, of achievement and of determination that that tradition that had developed should continue.

Often, with schools such as Lalor Secondary College, it is easier perhaps for people to remember some of the things that are negative, but I want to champion that school as a representative school of the electorate of Scullin for the positive outcomes that it has had with its school community and for the way in which it has assisted individuals to go through and become absolutely solid citizens who said with great pride, when they returned for that anniversary, that they were past students of Lalor Secondary College. Slowly but surely, as resources are made available, those outcomes become even more impressive. More students are able to go on from secondary college into tertiary education and other forms of training and career development. This is a school that can have a sense of achievement and will continue to go from strength to strength.

The following week it was the 125th anniversary of Greensborough Primary School. This was a very significant community event. Several generations of families who had been students at Greensborough Primary School came together to celebrate that significant achievement. If one thinks of Greensborough 125 years ago, it was a junction for the surrounding community. The school, the church and the local store were about the only places of congregation. We now look at Greensborough as the middle of a thriving metropolis, with a large shopping centre just across the road from the school. The way in which the school has developed along with its community is also very important. These local schools have the capacity to recognise that they are providing a service for the local community and to develop as school communities that recognise how they should be providing services.

It is a sad indictment that a statement that Barry Jones made several years ago, if not several decades ago, when he expressed his concern that a person's educational opportunities should not be overly dictated by their postcode, remains true. I think that is one of the things that, at a national level, we need to
acknowledge and should be addressing. As Jones said back then, great educational opportunities could be identified according to a person’s residential postcode. It is not good enough that, depending on the postcode, you can find families which have enjoyed several generations of tertiary education.

My family is perhaps not the norm for the area that I represent. My two sons are now third generation graduates of universities. Let us look at the way in which that has happened. My father—the first generation—was the son of a metalworker who received his university education because he was lucky enough to win a scholarship at a time when fees prevented the sons and daughters of the working class from being able to take up a tertiary education opportunity. But he was able to do that and was able to achieve very good results. My two sons are products of the local government school system. I think, in a way, they are a credit not only to their primary school but to the two secondary colleges that they went to. Even though I might decry the limited resources that the schools in the electorate of Scullin get compared with other areas, our experience as a family has been that the educational opportunities that have been given and the effort that has been put in by school communities—the teachers, the support staff and the families—really have maximised the outcomes for students.

We debate this bill at a time when a clear difference in public policy is developing between the Labor Party and the coalition government. That can be seen not only in education but in health and other areas. That clear difference is between the coalition saying that they are willing to support private provision over public provision and the Labor Party saying: ‘No, that’s wrong. It’s not good enough. We must, especially in areas such as education and health, make sure that that core public provision is properly provided for.’ Not only is that of great economic benefit to the nation and of great benefit to the way in which we develop culturally but it is also important to and has results for individuals. I believe that this bill needs to be relooked at, the guidelines need to be tightened and more leadership needs to be shown by the government. (Time expired)

Mr Sidebottom (Braddon) (12.41 p.m.)—As an ex-chalkie in the senior secondary college system in Tasmania and as the proud parent of students at the Ulverstone High School and the Don College in my electorate, I always find it a pleasure to speak on issues related to education and I have tried to do so since my election to parliament in 1998. I find it interesting that in this parliament, as the previous speaker, the member for Scullin, clearly pointed out, there truly is a stark divide between the two major parties in Australia on the issue of education, particularly the Commonwealth’s lack of support for and nurturing of public education. We should not be dividing on the issue of supporting choice for parents, families and students in Australia. That choice should be supported on the basis of genuine need. It is the Commonwealth’s role to support choice. That choice should be equitable, and families should not be forced to make a choice about schooling based on the fact that public schools are underfunded. I will return to that point later.

The States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003 before us is related to the States Grants (Primary and Secondary Education Assistance) Act 2000. For capital works at non-government schools, this particular bill provides additional funding of $41.84 million over the program years of 2004-07. Also, under the Strategic Assistance for Improving Student Outcomes program, it provides additional funding of $33.79 million for 2004 and, under the National Literacy and Nu-
The literacy Strategies and Projects program, it provides additional funding of $3.458 million for 2003 and $7.414 million for 2004—a grand total of $10,872,000. That is the gist of this bill. The last time I spoke on the states grants bill, which was last year, I was able to report on the much improved rates and standards of literacy and numeracy and on the wonderful programs that were being offered, particularly in Tasmania and specifically in my electorate of Braddon. This bill before us says little to nothing about public schools and certainly offers nothing in the way of moneys towards capital works programs for government schools.

I reflected on how the current minister for education, Minister Nelson, operates in terms of his presentation of the Commonwealth’s case for not funding adequately public schooling as opposed to non-government schooling. His pattern is pretty tired and fairly obvious and it goes something like this: he announces a budget increase for all schools, with the increase for government schools explicit in that announcement but the increase for non-government schools not mentioned; as each state budget is brought down, the minister eagerly and publicly challenges the states to match the Commonwealth rate of increase for government schools; and then he hails the federal budget, in this case, as another record breaker.

I noticed that in a doorstop interview on 24 May the minister implied that there was a fair system of funding for the non-government sector based on individual family circumstances. When you look at the facts you see that the opposite is the case, and I would like to share some of those facts with you, particularly to put them on the public record. The following facts concerning Commonwealth education expenditure show the real story. Firstly, in 1993-94 non-government schools benefited from a 10 per cent increase in funding as opposed to a 5.5 per cent increase for government schools. Secondly, students in government schools received the equivalent of $51 each while those in non-government schools received $284 each. Thirdly, for the first time non-government schools received more funding than the higher education sector—a difference of $59 million. Indeed, that is a clear reflection of this government’s current priorities.

In the 2002-03 budget the present government reduced its extra funding to government schools from the budget figure of $120 million to $88 million. Then, in relation to 2002-03 the government claimed that $16 million of unspent money for the Quality Teacher Program represented an increase in funding. In relation to 2002-03 the actual increase for government schools was close to 3.5 per cent. After indexation, the real increase was close to a big fat zero. In all the ramblings of the minister on these issues, the government fails to acknowledge that its own funding formula is tied to that of the states, except that there is a time lag of some 18 months. In 2004, the Catholic education system will have an estimated income that is 15.2 per cent higher than the estimated cost of educating students in government schools. Other non-government schools will have an income that is 52.2 per cent higher.

The notorious SES model, the socioeconomic status model, for funding independent schools—but, I note, not Catholic systemic schools—relates to postcode rather than individual family circumstances. A wealthy family who live in a relatively depressed area will generate significantly greater income for an already wealthy school. Members on this side have pointed out the flaws in the SES model for some time. I noticed earlier that the Independent member for Calare did exactly that and has been hammering the government, along with the shadow minister for education, to change this model. The model
is inequitable. It does not demonstrate the real income that is available to individuals within particular schools. Finally, the Commonwealth takes no account of the income of independent schools when deciding on the level of subsidy that it will provide, and that is related to what I have just said. These are clear figures: they are in the budget and they are there for everyone to see. But of course the current minister pretends that the Commonwealth’s role is merely about the provision of support to non-government schools and people’s choice to attend non-government schools; and that it is the responsibility of the states to look after the government schools and it is not the Commonwealth’s role to support them. That is blatantly dishonest.

What is missing in this parliament—and it has been missing since 1998—is a substantive educational debate. We have never really debated education. We have had an ideological stance that says that the responsibility for government schools lies with the states, and the Commonwealth is there to support non-government schools. Australia urgently needs to debate and resolve some fundamental questions about the future of school education. I noticed that the council of the Australian College of Education reached a unanimous agreement in 2002 on a set of propositions which may point the way forward in what should be a constructive and important debate. There is no greater investment in this country than in our young people and there is no greater debate than their education, and that is the one we should be having.

The propositions to point the way forward would include the following: there should be equal educational opportunity and potential equality of outcomes for all young Australians; education is the foundation upon which the character of the nation is built; governments should support a strong system of public schooling, as well as the wide provision of non-government schools; differential funding levels will be needed to provide equal opportunity for all students, based on sociodemographic variables and the levels of educational disadvantage; and the choice between government and non-government schooling—and this is very important—should not be based on the fact that government schools are underfunded.

The more recent literature—particularly in the education media—says that people who are making the decision to move from public to private education feel that they have to do so because they believe that public education is not only underfunded, in terms of government expenditure, but undervalued. That is a very serious charge. That responsibility lies with all levels of government but most especially with this parliament and this level of government.

A truly national debate about school education could include some of the following principles, which are related to resourcing. Perhaps the overriding priority of national and state governments should be to provide universal access to first-class public education. Their priority should be universal access to first-class public education while respecting the right of parents to choose non-government schools and supporting them to do so on the basis of real need. Perhaps we should support the right of parents to choose non-government schooling and the funding of those schools on the basis of need. But remember: parents should never be in the position that they must choose private schooling because public schooling is underfunded.

That may not sound palatable to some, but I think it is a fact. Why is it a fact? If this government thinks that it can point the finger at state governments every time there is undervaluing and underfunding of our public
institutions it is wrong. This is a national issue, this is a national government and we are a national parliament. We must take a leading part in the debate and we must fund education properly. Public funding across different schools and sectors should be applied equitably to meet the needs of all students and should have regard to the total level of resources available to students. I think that is one of the fundamental flaws in the current SES model.

The states and the Commonwealth must ensure that school resources are adequate to achieve the national goals for schooling for all young Australians in every public and private school. All Australian governments are party to the National Goals for Schooling for the Twenty-First Century—the so-called Adelaide declaration of 1999. It is a curriculum guarantee for all children. According to the best estimates, this curriculum guarantee for all children cannot be delivered, under current financial arrangements, to the required levels of quality and standards of equity unless the fundamental questions about schooling provision are addressed and resolved. In other words, we cannot meet our commitment to our young people to provide quality education—and quality public education as a minimum—with the way that our resources are allocated at the moment. We have failed. I look forward to further debate on this issue in this House. I look forward to policies from both parties that will properly meet the needs of our students and, of course, make that important investment in our nation’s future.

Whilst I have the opportunity to comment on investing in our young people, I would like to thank all those teachers in all our schools who train and commit themselves to providing the best education possible to our young students, given the constraints and demands on teachers today. There is no doubt about it: the pressure on teachers is very much greater than it was when I first started teaching. From speaking to my colleague the member for Brisbane, who was actively involved in education and teaching, I know that the pressures on teachers are certainly much greater today than they were when I started in 1975. I would like to take the opportunity to thank all those teachers who are committed to assisting our young people and investing in their futures.

The morale in teaching is low, in many instances, throughout our nation. One of the reasons for this is that the expectations of teachers are greater now, and one wonders whether we value them sufficiently. We talk about the assets of our nation. Last night I heard about the obscene bonus paid to a National Australia Bank CEO. I could not believe the amount of money they will receive as a bonus. Then I see how we value the teachers in our community and what they are paid. There is no doubt about it: they are undervalued in terms of the payment they receive, and I hope that is seriously looked at by those who employ them. I think it is very important that we attract qualified, responsible, enthusiastic, energetic people to the teaching profession. Of course salaries are an issue, as are the conditions that they work in.

But make no mistake about it: we are going to have a major teacher shortage. It is starting right now. We have a nurse shortage, doctor shortage and medical specialist shortage. We have teacher shortages as well. If we continue to undervalue those professions and overexpect from them we are going to hit the wall. A bank CEO receives a $5 million bonus and we have penny-pinching arrangements presented to many of our professions. It really does beggar belief.

I would like to pay tribute to all those involved in the teaching of students, particularly in my electorate. We have two education districts, the Arthur district and the Bar-
rington district, in my area, and I would like to wish all those teachers well. I would also like to wish our superintendents well who during this difficult period must go through the staffing formulas that everyone else has to go through at this time of the year. I hope that those budgets are balanced and that staffing arrangements are to the benefit of all. Finally, I would like to wish all students the very best for their Christmas break and for their choices next year. One of my sons is now making a choice about his post-secondary schooling options and he is setting out into the higher education field. So I will put it on notice now that I will have a conflict of interest every time I speak on higher education and the current lack of funding that goes to higher education.

Mr BEVIS (Brisbane) (1.01 p.m.)—I am very pleased to follow the member for Brad- don, who always makes valuable contributions in this parliament and on this issue. Like me, he is very committed to the ideals of providing a quality education—in particular, providing that quality education equitably so that all Australians can access it. I have always, before and throughout my life in this parliament, regarded four things as critically important responsibilities of every government, irrespective of its politics. Providing quality education and ensuring that Australians of all ages are able to reach their potential is one of those critical areas. I might just say that ensuring we have a quality health system, ensuring we have fair workplaces for all Australians to participate in and ensuring the national security of Aus- tralia is properly addressed are, in my mind, the other three paramount issues.

One of the great sins this government have committed—in fact, I think it is the greatest sin; it is difficult on this side to identify the one or two areas where we think John Howard may have done the most wrong—was to try to turn public health and public education into second-rate safety net systems. They have consciously set about destroying Medicare; they have consciously set about destroying the public education system. They have done so to the enormous cost of all Australians, a price that future generations will have to bear. Unfortunately, in a short time this government have managed to make great inroads into the quality of both areas.

In the area of education, though, it is hard to understand how the government can in a bill such as this, the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003, propose dramatic increases in funding to those who are already amongst the wealthiest in our community. Just yesterday in the Brisbane Courier-Mail there was an article headlined, ‘Huge rise in funding for elite schools’. It said:

Schools which charge more than $10,000 a year in tuition fees have benefited from funding boosts of up to 225 per cent between 2001 and 2004.

The bill before us proposes to build on that extraordinary largesse by increasing substan- tially the funds available to those very same schools. Schedule 1 of the bill increases capital grants to non-government schools for the three-year period 2004-07 from just un- der $78 million to about $87.5 million. That is a very substantial increase on an enor- mously inflated base.

For the benefit of those whose children are not fortunate enough—because they are not wealthy enough to pay for them—to go to some of these schools, let me explain the sort of largesse that the government has al- ready displayed in its handouts to those who are amongst our wealthiest. I again refer to yesterday’s Courier-Mail article, which iden- tified a number of schools that had received increases of well over 100 per cent in their funding in just the last three years. The
Southport School’s funding has gone up by 225 per cent in the last three years. That is a 225 per cent increase in the money that the federal government provides to one of the better resourced schools in the state of Queensland. This school has not had a 200 per cent increase in enrolments. It has not had a 200 per cent increase in its costs. But it has had a 225 per cent increase in the money that this government gives to it. St Hilda’s School had an increase in funding of 176 per cent.

I should say that these increases are not from a small base. For example, the Southport School’s meagre existence in 2001 was supported by a grant of only $1.3 million. By 2004 that had become $4,300,000. The Anglican Church Grammar School, better known in Brisbane as Churchie, off a base of $2.2 million will next year receive $5 million—an increase of 119 per cent. Toowoomba Grammar School has had an increase of 104 per cent in funding from this government; Somerville House, an increase of 104 per cent; and the Sunshine Coast Grammar School, an increase of 100 per cent. That is before this bill cuts in next year. That is before this bill provides further increases to those already in a privileged position. This is some perverse Robin Hood mirror image, where we steal from those who make a contribution as taxpayers—overwhelmingly, ordinary wage and salary earners—and then hand out ever-increasing amounts to those who are in an already privileged position in our community. How could such a thing happen?

The member for Braddon referred to the SES system—the socioeconomic status system—which this government put in place to determine its funding. That system of course takes no account whatsoever of the existing wealth of the school, nor does it take any account of the school’s capacity to generate its own income. Many of these elite schools have a range of income revenue sources, not just from fees but also from investments, property they own and an old boys’ or old girls’ network that is able to provide not the odd chook or TV for the school to raffle off at the fete but—as we have seen demonstrated in this parliament in the past—tens of millions of dollars in the space of a very short time.

Whenever these issues get raised, our opponents like to run a scare campaign and pretend that we are somehow trying to reignite a state aid debate. That is not true. What we are trying to do is reignite a debate about equity. We are trying to reignite a debate that says that government funds to schools and education should be based on need, wherever that need is. When Labor were last in office we recategorised the Catholic systemic schools because they were schools in need. Overwhelmingly, they were schools that required more resources in order to be able to provide a fair and decent education for their students. We recategorised them from what was known under our system as category 10 to category 11, thereby substantially increasing the amount of money that every Catholic systemic school got.

This is not a debate about government and non-government schools. It is a debate about whether taxpayers’ money in education should be provided to schools and to children on the basis of their need for it. There is no clearer example of the immoral way in which this government has conducted its policy on education than the funding provided to the elite of the elite. Let us consider the old category 1 schools. There is only one of them in the entire state of Queensland. When I talk to people in Queensland about this issue they immediately think of the schools whose names I just read out from the Courier-Mail. Those are good schools and they are well resourced but, as well resourced as they are, they do not even register on the
national scale of wealth. When it comes to the really wealthy, well-heeled schools, I am afraid there are none in Queensland. Arguably there is one, but in practical terms I would say there are none. We find these schools predominantly in Sydney and Melbourne.

One of those schools that would identify itself as the elite of the elite is the King’s School. The King’s School next year is going to get from this government about $1,300 for every pupil. The King’s School, in addition, charges up to $20,000 a year in fees and has other revenue income sources from its investments and properties. It is not in need of further taxpayer help. King’s, which is at Parramatta, in Sydney, has 15 cricket fields—as you do, I suppose, if you come from that end of town. I have got to tell you: all of the schools in my electorate, including the wealthy ones, are very happy to have one. If they have got a second cricket field, they are pretty pleased. They certainly do not have 15 of them. The King’s School also has five basketball courts, 12 tennis courts, a 50-metre swimming pool—not a 25-metre pool but a 50-metre Olympic swimming pool—a gymnasium, not one but two climbing walls, an indoor rifle range—as you do if you have these facilities; I am sure that is on the must-have list—13 rugby fields, three soccer fields, a cross-country course and the obligatory boatshed.

The King’s School is going to receive millions of taxpayers’ dollars, while schools in every one of our electorates—schools that most of our constituents’ children go to—have to run raffles and fetes and charge Mum and Dad money for the paper for art lessons and the timber for woodwork lessons. These schools cannot provide the basics. They have got parents and citizens groups raising funds to pay for the petrol for mowers to keep their grounds in order—and they do not have 15 football fields to keep in order; they have got one, or two if they are lucky. And yet this legislation from the government is going to shovel millions of dollars into the wealthiest of the wealthy schools. There can be no justification for that. You have to look at the reasons. How could it be that a government could so skew the allocation of resources? If you have a look at the CVs of the cabinet, you get a bit of an idea, because a majority of them went to those schools that are getting most of the money. That might have something to do with it.

It is important that we have a debate, not just in this parliament but in the public, because I have no doubt what the view of the ordinary Australian person is on these matters. Ordinary Australians work hard and pay their taxes as good Australian citizens—I guess it is fair to say that no-one really likes paying taxes, but everybody accepts it is necessary—in the belief that those taxes are spent for the good and proper management of our nation. They will gladly pay taxes to see that those who are in less well-off positions and are trying to improve themselves get the opportunity to do so. They will not pay their taxes to see their tax dollars shifted off to assist people who are already much wealthier than they are. That is the sad fact of what has been happening in the education portfolio under the Howard government, with different ministers. It has been the same since 1996.

It is about time that we had a proper debate in this parliament about the need to re-establish a genuine needs based funding regime for our school system. The only way in which we should be spending taxpayers’ dollars is to ensure that every Australian child in education has a decent chance to reach their capacity and to do the best they can. Our responsibility as legislators is to provide the funding and the programs to give them that opportunity. We are in effect wasting—in fact misappropriating—the taxpayers’ dollars.
as we shift those funds to the wealthiest of our wealthy schools.

There are a number of non-government schools that desperately need additional funding and resources, and where teacher and support staff salaries are lower than those generally available in government schools. We should be assisting those private schools—we should be assisting all schools, irrespective of their background, based on a fair and transparent assessment of their needs. That assessment of needs has to take account also of their existing resources and their capacity to generate income. It is simply not acceptable to have funds going to schools that are already demonstrably wealthy in assets and income whilst other schools that have neither the assets nor the income receive less money.

There are some private schools whose combined state and Commonwealth funding exceeds the combined state and Commonwealth funding going to some state schools. We often hear the argument from those opposite that this is a good thing because if we did not provide money to these wealthy schools the burden would be placed on the state school system. In fact, in some cases we are providing more money—that is, it is costing the taxpayer more—to have a child go to a private school than to a government school.

Again, I stress that the issue is not one of whether a school is a state school or a government school; the issue is whether a school is in need. Within my electorate there are a number of inner city private schools which, compared to other schools in the vicinity, are well resourced, with very well trained, highly motivated teachers and good students. They do an excellent job; I have had the opportunity to visit them many times. But other schools in my electorate, including some private schools, struggle to find the money to keep the door open.

Holy Rosary Primary School in my electorate has for many years had a role in supporting children in our community who come from disadvantaged backgrounds. During the last decade or so it has taken in many students from Indigenous backgrounds—students whom in many cases the standard state school system has failed—and provided for them a wonderful, caring, educative environment in which they have prospered. From time to time, over the last 13 years I have been in this parliament, that school has struggled to keep its doors open.

Schools such as Holy Rosary deserve our wholehearted support. They are providing life opportunities and skills for future life that those young Australians would not otherwise get. But, instead of supporting them, this government is going to give millions of dollars to the King’s School in Parramatta. If it took half of that money and put it in Holy Rosary Primary School, I can assure everybody in this House that there would be a couple of hundred Australians at that school who would have a better chance at life. The simple fact is that the King’s School and other schools in the elite band of category 1 schools do not need our money to provide a first-class education. They do provide a first-class education, but they do not need a taxpayer subsidy to do it. They certainly cannot justify a taxpayer subsidy at the expense of other schools in desperate need.

This government should be condemned from one corner of the country to the other for the way in which it has sought to downgrade public education; the way in which it has ignored the needs of children in all schools, state and private; and the way in which it has tried to sideline public health and public education so that they have become safety net systems. No longer is there a
universal, quality health system for all Australians. We now have, under this government’s approach, a safety net for those people whom the system fails. But the system should not fail people. You should not have a safety net; you should fix the system.

When it comes to education, the government has adopted the same approach. It wants to inculcate in the minds of the public a view that, if you really want your children to have a quality education, you will pay out of your pocket and send them to a private school. But, if for some reason you do not have the money to do that, the government will provide a safety net public system. That seems to me to be simply un-Australian. All Australians, irrespective of where they are from and what their backgrounds are, are entitled to access a public school with a quality education. People who choose to access other schools, whether they are church based or not, are certainly entitled to do so, and these schools deserve our support if they are in genuine need. They do not deserve our support where, demonstrably, they are well resourced and wealthy.

It is about time this government for those at the top end opened its eyes and considered the plight of the hundreds of thousands of young Australians who are suffering because of the way it has mismanaged the education portfolio and the way it is redirecting funds from those who genuinely need them to those who do not. This matter will be an issue at the next federal election, whenever that may be, and I look forward to a debate with my opponents in Brisbane and across the country on this issue. I am happy to stand before the electors of Brisbane and argue strongly for a needs based system of funding for education. I have had the great pleasure of being a teacher and of working for the Teachers Union for a number of years. As a parent, I have watched my four children go through the education system. In every respect, whether it is as a parent, a classroom teacher or someone involved in the administration of education, the fundamental principles to which I have referred today are paramount. They are void in this government but they are critically important to Australia, and only Labor will deliver them.

Mr BRENDAN O’CONNOR (Burke) (1.20 p.m.)—I rise to concur with all the comments made by the member for Brisbane on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003. Education is a great leveller, or it is supposed to be. It is the lifeblood of a nation. It is supposed to provide people with opportunities to succeed in life, and it is essential for a nation’s prosperity. There is nothing more important to the nation than education, and therefore there are no more important deliberations in this place than those on education and on bills such as this one.

I rise with some despair over the nature of this bill and the intention behind it because clearly the government, notwithstanding its slogan that it would govern for all of us, has no intention of doing so. Behind its benign veneer, this government is ideologically predisposed to favour some over others, the few over the many. Behind its veil of deceit, this is a government that has no regard for ordinary working families—we can see that with all of the industrial relations legislation in this place—and no regard for the children of ordinary families in schools in Australia.

As the member for Brisbane indicated, there is an inequity in the schools funding system which is intentionally determined by this government. The member for Brisbane made many references to the fact that the King’s School in Sydney is overwhelmed with resources, and is still receiving increased funding from this government, while so many other schools are deprived of such resources. Some schools would love to have
just one oval—let alone five or six—and I think it is about time this government started looking at this monstrous inequity.

A number of weeks ago, I had the good fortune to attend Newham Primary School’s celebration of its 125 years of existence in the electorate of Burke. The school, which is known as ‘the little school with the big heart’, sits at the foot of Hanging Rock, and it celebrated an extraordinary 125 years of quality education. At the celebration, which was attended by the state member for Macedon, Joanne Duncan, and me, students wore period costumes and we heard stories about the early life of the school and of the town by a former teacher, Thomas Albert Perkins. Tom Perkins attended the school as a pupil in 1918 and returned only two weeks ago to give us his version of the extraordinary history of the locality and of the school. It was a wonderful celebration for the locals.

Newham Primary School’s successes are built on the efforts of the teachers, parents and pupils who attend the school. The school has been threatened with closure on many occasions. I think it is fair to say that Newham is now a thriving country school, but it was not always so. During the mid-1960s, it was threatened with closure due to falling enrolments. The community rallied to ensure the school survived, and John Shepard, the head teacher at the time, described what it was like to run a school with only six children. Today the school has approximately 100 students. Newham Primary School takes children from all across the Macedon Ranges and local regions—including Woodend, Lancefield, Romsey and Pipers Creek—which is a testimony to its value.

The reason I raise the subject of Newham Primary School is that the celebration brought home to me vividly that schools are about communities, about people working together to further their children’s interests. Unfortunately, this government does not seem to have regard for that. I believe that this government has to be brought to account for its failure to properly and equitably administer the revenue of this country and provide proper resources to government schools—and, indeed, some non-government schools. I want to make it very clear, when I raise the issue of elite schools, what I am talking about. I am not talking about non-government schools per se. In fact, there is not one category 1 school in my electorate of Burke. They are clustered elsewhere. As the member for Brisbane said, many category 1 schools have fantastic teachers and fantastic resources; and no doubt students have enormous opportunity as a result of their attendance at those schools. But the fact is that there are many schools in need of resources.

It appears to me that this government has had no regard for many of the schools in my electorate. Notwithstanding that, I have had the opportunity to visit many of the schools in my electorate. Not that long ago, a number of year 12 students from Gisborne Secondary College wrote to me about their concern about Australia’s involvement in the war in Iraq. They managed to send me a petition, which I promised I would table in this place, and I did. They got together with fellow pupils, teachers, parents and friends and gathered about 400 signatures of people concerned about the war in Iraq. I thought it was very commendable that they wanted to involve themselves in the political process that way. Because it was such a telling thing that they did, I managed to get one of the flags from this place that was hanging on the day that their petition was tabled and presented it to the three or four year 12 leaders of Gisborne Secondary College who put together the petition. I said to them that it was not necessarily the view of the petition that I was most interested in; it was that they wanted to
be involved in the political process—before voting age, in many cases. It showed that they wanted to be involved civically and politically in the community. Again it brought home to me how important schools are.

Gisborne Secondary College is a wonderful college with some fantastic teachers and a very inspiring principal. It concerns me that they are not afforded the same resources by this government that wealthier schools are. This government has to attend to the schools that are in need of better resources so that we can provide the children of this country equal opportunity, as far as possible, to be successful in communities and successful as individuals in this country. This is not the way to go about it.

It is important, therefore, that the government review the way it operates. Clearly, at the moment, it is maintaining a system which is skewed in favour of elite schools and is certainly discriminating against those pupils in public schools and in many of the non-elite independent schools—and that has to end. However, it would appear that it is not going to end until, dare I say, we see the end of this government. It may well be the case that the electorate at large will have to make the decision as to whether they want a system of education at the federal level that will encourage equal opportunity, that will provide equitably resources to all pupils and students in this nation, or whether they are going to allow this government to continue to disadvantage the many over the few.

**Mr WILKIE (Swan) (1.30 p.m.)—**I rise to speak on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003. The purpose of the bill is to provide funding for capital projects in non-government schools and for targeted programs for schools in both the government and non-government sectors. It provides for the payment of financial assistance to government and non-government schools for recurrent expenditure and specific purposes.

On first viewing, the bill appears straightforward; however, this is not the case. What this bill does is show further evidence of the government’s inequitable policies for schools in Australia—once again allocating a far greater proportion of funding to private schools than it does to public schools. The bill provides funding of $41.84 million for capital grants to approved non-government schools over four years, 2004-07, which makes a total of $87.4 million. It seems that nothing has changed. This is the same per annum amount that is set out in schedule 5 of the current act for each of the years 2001-04. Therefore, the funding in this bill will effectively restore the currently legislated amounts for 2004-07 to the current per annum amount.

I appreciate that schools need to plan for capital projects in the knowledge of their entitlements to funding, and I support the advance approval processes that this bill enables. In so doing, however, the bill preempts in part the allocation of funding for the next four years. This government has reported, through answers by senior officers to Senate estimates, that the overall legislation for the 2005-08 quadrennium will be brought to the parliament by mid-2004. We know from past experience that this government is not known for good timekeeping in relation to important education legislation. We are still waiting for the higher education legislation to be sorted out in the Senate. It is at the point where the government is potentially jeopardising funding for universities in 2004.

There seems to have been an oversight of capital needs in public schools. Actually, there appears to be a complete loss of memory in relation to public schools—they rated only two mentions in the second reading.
speech of the Minister for Education, Science and Training on this bill. I believe this is entirely consistent with the priority or the lack thereof that the government gives to public schools. In fact, it is probably an overstatement. This government is a minor supporter of government schools. This can be seen by its special purpose payments, which are approximately 12 per cent of all government expenditure on government schools. At the same time, the government is a substantial funder, giving 45 per cent total support.

In 2002-03 estimated specific purpose payments for schools will be $6 billion and, of that, 66 per cent will be allocated to non-government schools. The minister in his second reading speech seemed to suggest that government schools were receiving too much by way of funding, and used the point that they will receive more than their enrolment share of capital funds. However, he did not say anything about relative need for capital facilities.

Minister, it cannot be ignored that government schools also have serious capital needs. I remind the minister that many government schools are more than 50 years old—some in my electorate are over 100 years old—and are also in poorer areas. This is a disgrace, and it should be addressed rather than ignored. Many of the children who attend these schools are already disadvantaged and should be treated as a priority, not with the indifference that this government displays. I am not talking about huge makeovers or rebuilding needs but about basic maintenance to bring these government schools back to their original functioning state. These schools need refurbishment to meet the new demands, for example, of digital media and communications technologies and for new curriculums, including vocational education, training and science.

As time goes on and trends change, the population demographic changes and, as a result, there are needs for new public schools in some areas as well. In a national report on schooling, the data on capital funding shows that expenditure on capital works in government schools in the year 2000 was in the region of $350 per student. This figure in itself does not reveal much; however, when it is compared with the figure for independent schools, it is indeed revealing. The expenditure for capital projects in independent schools in the same year was just over $1,500 per student from all sources. What this amounts to is in the year 2000, independent schools having a budget four times larger than that of government schools to spend on capital facilities. Catholic schools, as opposed to independent schools, did not fare nearly as well, unfortunately; however, they still received twice as much as government schools. I appreciate that a lot of smaller Catholic schools in poorer areas require funding.

All non-government schools received $100 per student. Once again, this is much higher than government schools—in fact, three times as much. I realise that the figures I have been quoting are averages and that some non-government schools have facilities that are much lower than average and that others have facilities that are much higher than average. I would like to know how the government, through its grants program, is tackling these disparities—but I do not think it is. I know that, once Commonwealth and state non-government schools receive their recurrent grants, they can devote three to four times more on facilities than their government counterparts.

The minister’s record of trying to shift responsibility onto states and territories is unseemly; and when it comes to capital funding, I fail to see how the government can justify that. This indifference to the needs of
government schools and the students who attend them is appalling. One would expect that the investment in capital funding to government schools would improve not only the educational values but also the capital gains of the schools. Since 1974 federal governments have invested substantial funding in non-government schools; in fact, in three decades they have invested in excess of $2 billion in capital assets.

What has happened to that investment? Are these educational facilities supported by public funding still being used for educational purposes? Who knows? There is no readily available public information as to the current status of these properties. Are they still educational facilities or have they been sold or leased? What we do not know is what has happened to this government investment. Has it allowed some schools to make capital gains on facilities that have been funded by the taxpayer? How does this government propose to protect the public interest in this regard? In the latest report on the States Grants (Primary and Secondary Education Assistance) Act there is neither information detailing the range of projects supported by the capital grants program—nothing about the educational priorities that the federal government are promoting—nor anything about educational benefits they may have produced. How is the government or the public expected to be able to make informed decisions about the future of the capital grants program without this sort of information?

Previously, the reports of the Australian Schools Commission and the Independent Schools Council did try to provide strategic advice on these issues. However reports from the States Grants (Primary and Secondary Education Assistance) Act and the National report on schooling in Australia do not. The National report on schooling in Australia does give some information but it is, at best, very general. What is needed here is some public accountability, not indifference and complacency. A 10-page document that is supposed to account for an expenditure of nearly $7 billion in public funding for schools is, at best, inadequate and could be more properly described as pathetic. There must be more accountability and more information on the record in relation to how these public moneys are spent. This information should be required through legislation, not at the discretion of the minister. The public have a right to know that their money is being spent well. Labor’s amendments endorse some of these principles of accountability.

I can support this bill subject to certain amendments which have been put forward being passed. These amendments relate to the capital funding of non-government schools. We should look at the explicit provision in the act that eligibility for capital grants requires schools to demonstrate educational and financial need and that evidence for this be available through accountability arrangements—and also through the provision of annual reports to parliament, for example, on projects supported by the capital program. These are the sorts of initiatives that we need to have passed in order to make this program more efficient.

In relation to funding for schools generally, I am very concerned at the government’s proposals which will allow a school like the King’s School to receive more in increased funding over one year than, for example, the entire budget of Kent Street Senior High School in my electorate. When a school that already has enormous facilities and resources is funded something like an extra $2½ million and that extra amount is more than the entire funding for a public high school in my electorate, it is appalling. I commend the bill to the House.
Mr PRICE (Chifley) (1.40 p.m.)—Firstly, I would like to refer to some of the comments made by the honourable member for Greenway about the Nirimba Education Precinct. The honourable member for Greenway was reporting, with some satisfaction, the progress of the Nirimba Education Precinct. It now has on campus some 3,000 university students, some 6,000 TAFE students and two high schools: Terra Sancta Senior High School and Wyndham College Senior High School. I think it is true to say that, when we were fighting in Western Sydney for a university, it was always a great disappointment that the Blacktown local government area, which had played such a prominent role in that fight, did not get the major campus of the University of Western Sydney. But it has to be said that the Nirimba Education Precinct, which is in the electorate of the honourable member for Greenway, is some consolation prize. In fact I think that, in terms of educational opportunity in the Blacktown local government area, Nirimba Education Precinct is a crown jewel. It is something that I think is working exceptionally well. I do not believe for one moment that we have reached the full potential there. I join with the member for Greenway in expressing delight and satisfaction about the progress on that precinct. The member for Greenway, like me, is always concerned about educational opportunity—particularly in the western suburbs of Sydney because we have so many young people who represent the future of our great country. The degree of success they have in reaching their potential really makes a difference in their life outcomes and the opportunities presented to them.

In relation to the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003 I would like to point out to the House that the Howard government has been systematically shifting resources in education, particularly in school education, from the vast bulk of schools—private and public—to the wealthiest schools. It has been outstandingly successful. In the year 2004, over $100 million of federal funding will go to the elite private schools, which less than two per cent of children will ever see the inside of. By and large, the elite private schools charge a lot of money in fees. Trinity Grammar School, for example, charges $15,000. I know that, a few years ago, the King’s School at Parramatta was charging some $12,000. I do not have a particular problem with that and I do not have a particular problem with what those schools are doing with the money. It is the way of things that the rich can afford to pay for their children’s education. But what is very wrong is that money is going from struggling schools to these elite wealthy schools. Why should there be any subsidy for these students? As the honourable member for Brisbane has pointed out, the King’s School is a category 1 elite school. It has a whole raft of facilities that you just would not find at a public school.

I went to Parramatta High School and I can tell you that we did not have 15 cricket fields. At Parramatta High or any other high school in my electorate, we do not have five basketball courts, 12 tennis courts, a 50-metre swimming pool, a gym, two climbing walls, an indoor rifle range, 13 rugby fields—high schools in my electorate would be lucky to have two; in fact, Parramatta High has none—three soccer fields, a cross-country course or a boatshed. This is what part of this $100 million is going to subsidise—and it is at the expense of ordinary schools. When Labor Party members rise in this place or in their electorates to say there is something wrong with $100 million being siphoned off to go to these elite schools, the barrage they get back is that it is an attack on
all private schools. Anyone who knows my history will know that that is wrong.

I was really disappointed after recently putting out a press release in my local area. In that press release I pointed out that, with this shift of public funds to the extremely wealthy schools in our nation, there had been a funding increase of 220 per cent between 2001 and 2004 to Trinity Grammar School, whereas the funding for the Shalvey and Dunheved campuses of Chifley College in my electorate—that is, seven to 10 campuses—rose by just 20 per cent. I went on to say other things in that press release, but I regret to say that only two of its paragraphs were published by the local paper. I suppose there is always pressure on papers to cut down on the size of articles. But there have now been two letters to the editor. One, from Melanie Elkan from Hazelbrook, attacks me for my comments about private schools. I might point out that Hazelbrook is not even in the neighbouring electorate of Lindsay; it is in Macquarie. Another letter comes from a Mr R. Johnston of John Wycliffe Christian School—again, I am not aware of where that school is, although there are a number of such schools in my electorate and in the neighbouring electorate—calling on me to give the facts. Well, I will give the facts.

I support public and private schools. I have always believed that scarce public resources should always be targeted to those most in need. I do not believe for one minute that the King’s School in the electorate of Parramatta is in any need of anything. Trinity Grammar is again an elite wealthy school that is not in need of anything. Why should this school get a 200 per cent increase in funding?

The Minister for Education, Science and Training loves to stand up here and talk about King Abdul Aziz College, in my electorate. In fact, I am pleased to say that the minister came out to my electorate at the opening of the latest block—and I welcomed his presence there. But that school is struggling for funding so much that some of its teachers have taken a salary cut so that it can afford to continue. Was there a 200 per cent increase for that school? Of course not. Was there a 200 per cent increase for the Richard Johnson Anglican School in my electorate? Of course not. Was there an increase of 200 per cent for the Coptic primary school in my electorate? Of course not. And none of the Catholic schools in my electorate in that period of time copped the 200 per cent increase in funding that Trinity Grammar received.

It is no wonder that I am totally against this cost shifting from ordinary schools, whether public or private, into the elite, wealthiest private schools. I think it is an utter outrage. Clearly, federal funding, notwithstanding anything else, should go to the public and private schools that are most in need. It is a fundamental, core principle and value that we on this side of the House have. We know that public funding for the private and public schools in my electorate will never make up for the extravagance and the facilities of these rich private schools. There is no way that will happen. There will always be a disadvantage. But I say to the King’s School and Trinity Grammar School: ‘You shouldn’t have your nose in the trough.’ There should not be a funding shift away from schools that are most in need in order to subsidise these wealthy schools.

I take great offence at the minister for education somehow suggesting that parents of children attending private schools work harder than any other parents. I talk to a lot of parents in my electorate—parents of students in public schools and parents with students who go to private schools—and I do not think those parents would make that contention. I think there are hardworking parents
of children who go to both public and private schools. But this argument is put not to jus-
tify private schools in my electorate; it is put to justify this outrageous and immoral shift of public money away from ordinary schools, public and private, to the wealthiest schools. I think it is an abomination that they should have their hands out for even one dol-
lar, let alone the $100 million that has al-
ready been shifted across to them—and that was in addition to the base they already had. Clearly, the Labor Party takes exception to this, and why shouldn’t we?

There is another philosophical difference that divides this House. The government be-
lieves passionately that wealth should be able to buy you anything, so not only do they want schools where very large fees are paid but they want the public purse to put in extra money. When it comes to universities, what does the government want? They do not want students of wealthy parents to be able to get there on their own merits. No, not at all. Some will of course but, for those who have not made it on merit, out will come the credit card or the cheque book and they will be able to buy their way in. That is funda-
mentally wrong. Ordinary students—the le-
gitimate Australian students—who have ac-
tually got there by merit, will suffer a double whammy, because in year 1 those other stu-
dents will pay full fees but in year 2 they will grab a position that has been provided for students there on merit.

I am sure you can understand, Mr Deputy Speaker Jenkins, why there is a lot of con-
cern on the opposition side about where we are heading in terms of education. There has been a huge debate about what is proposed for universities. The debate has been so tor-
rential that even this government and Dr Nelson are being forced to bend the knee to try and make some changes to a fundamen-
tally flawed package. But it does not end there. There is a lot that we can do to im-
prove public and private schools, but on the issue of funding I must say that we on the Labor side will always say that we need to target funding to the students and schools most in need.

Never has there been as much pressure on young people to succeed at school as there is now, and I am very conscious of that. There is not only peer pressure but pressure from parents, and young people today do things that we have absolutely no comprehension of. I am sure the honourable member for Banks, who is here, would say that when he went to school he never worried about get-
ting a job afterwards. You could have been highly successful at school, but even if you were someone who was very average, like me, you always knew that there would be a job there. But these days even graduates—huge numbers of them—are unemployed when they graduate and for some three to four months afterwards. Often when they get a job, it is not a job strictly in the field that they were hoping to get into. What underpins education is the way in which schools, whether they are primary schools or high schools, have developed the talents of our young people. The opposition supports this bill, but it has moved an amendment, and I support the amendment being proposed.

Mr BARRESI (Deakin) (1.56 p.m.)—In the brief time I have before question time I would like to make a couple of comments regarding the States Grants (Primary and Secondary Education Assistance) Amend-
ment Bill 2003. Hopefully I will be able to continue after question time. It is disappoint-
ing to hear that speaker after speaker on the opposition side sees this bill as one that is specifically aimed at advancing the causes of some of our elite schools in Aus-
tralia. The example of the King’s School is con-
stantly being thrown up. Frankly, I find it very disappointing: it seems to be a one di-

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opposition. It is easy to identify the most elite school in Australia and to somehow give the impression that all private schools in Australia are of the same ilk, that they all have the same level of resources. It is disappointing because what has been evidenced by the opposition is a complete denial that state governments exist in this country.

Earlier today, on another bill, I spoke about federalism and how federalism has perhaps had its time in this country. It was a great concept over 100 years ago. Based on the constant comments we get from our electorates, I know that people have no interest in jurisdictional excuses—whether the state, federal or local government is responsible. But the fact is we are in a federal system. We do have state governments and a federal government. The state governments are principally responsible for the funding of state schools. The federal government’s responsibility is to provide funds to the states through assistance programs, and that money is allocated across the states.

It gives me great pleasure to speak on this bill. A short time ago I visited Mitcham Primary School in my electorate for the official opening of its refurbished library and administration staff amenities, which were stage 1 of the capital works program. I also visited that school earlier on with the minister for education, Dr Brendan Nelson. The project, partly funded by the federal government with a $90,000 grant, was a real cause for celebration at the school. I congratulate Principal Ian Sloane and the school council for their work in leading the staff and school community during the sometimes difficult days of mud and contending with contractors.

It is a school that has benefited from Commonwealth funds for capital works. It is a real success story—a school that is in a working class area of my electorate, where a lot of the students come from various multicultural backgrounds, and a school that a number of years ago was in dire need of capital works. During a walk around the new buildings we saw four large, coloured pencils which were part of the school citizenship program. The minister saw the program firsthand when he visited the school last year. It centres on four key elements: persistence, getting along, organisation and confidence. I feel that those elements can be applied in the context of this bill. The federal government has been persistent in its approach to funding, and this bill expands the coalition’s proud record of achievement in increasing funding to our schools, having done so by more than 93 per cent since the 1996 election.

The SPEAKER—Order! It being 2.00 p.m., the debate is interrupted in accordance with standing order 101A. The debate may be resumed at a later hour and the member for Deakin will have leave to continue speaking when the debate is resumed.

QUESTIONS WITHOUT NOTICE

Aviation: Air Safety

Mr CREAN (2.00 p.m.)—My question is to the Minister for Transport and Regional Services. I refer to his National Airspace System, which is due to begin tomorrow, and the concerns raised by the Royal Flying Doctor Service, which said:

There is clearly a very major reduction in safety at Alice Springs, and we object strongly to this airspace management.

Minister, given the safety concerns of experts, why are you ignoring the concerns of the Royal Flying Doctor Service and implementing a system tomorrow which increases the risks to pilots, passengers and patients?

Mr ANDERSON—I thank the honourable member for his question. We are not reducing safety tomorrow in any way, shape or form. This campaign of misinformation...
that the Leader of the Opposition wants to engage in—in which he went so far yesterday as to claim to be a safety expert in aviation related matters, to the point of saying that he knew more than the Americans knew and that their airspace management system was unsafe—is simply not credible. Indeed, with regard to the American matter and quoting experts, I would have thought that a check and training 767 captain with Qantas might know a little bit about aviation safety. This captain sent me an email. He is an elected member of the committee of management of the Australian and International Pilots Association. He was briefly an air traffic controller prior to obtaining a job in general aviation. He is the general aviation association’s representative on a number of bodies. In his email he said:

I have flown extensively within the USA and know that this system is both safe and flexible for all users. I applaud you for introducing this system in the face of a barrage of criticism, which I consider to be uninformed and, in the case of air traffic controllers, to have an element of self-serving.

We are introducing these changes because they will harmonise us with the aviation safety arrangements, in relation to airspace, which apply in America—a country where there is far greater aviation activity than Australia, where there are worse weather conditions—

Mr Martin Ferguson interjecting—

The SPEAKER—The member for Batman—

Mr ANDERSON—because the amount of controlled air traffic in Australia will increase, not decrease.

Mr Martin Ferguson interjecting—

The SPEAKER—I will not tolerate this level of interjections from the member for Batman, least of all shouting across the chamber.

Mr ANDERSON—I will quote experts back to my opposite number, the transport spokesman for the Labor Party. When we were considering reforms to CASA—the Civil Aviation Safety Authority in Australia—he was given an opportunity for input. He drew his input overwhelmingly from a body called Air Safety Australia. He might like to read what they have to say about the new airspace arrangements. In a media release it concluded:

The new airspace system is safe and well-proven. I support its adoption in Australia. The Minister for Transport and Regional Services, John Anderson, is to be commended for finally bringing this important part of aviation up to date.

Mr Crean—I seek leave to table correspondence from the Royal Flying Doctor Service identifying their concerns with the system the minister wants to introduce tomorrow.

Leave granted.

Medicare: Reform

Mrs ELSON (2.04 p.m.)—My question is addressed to the Minister for Health and Ageing. Would the minister advise the House how the MedicarePlus package benefits general practitioners? What has been the reaction of general practitioners and others to the MedicarePlus initiative?

Mr ABBOTT—I thank the member for Forde for her question. I can point out to her that MedicarePlus will give a big boost to doctors’ incomes. A GP who bulk-bills 80 per cent of concession card holders and children under 16 will gain more than $15,000 a year. A GP who bulk-bills 100 per cent of concession card holders and children under 16 will gain nearly $20,000 a year. MedicarePlus will inject an extra $1 billion into doctors’ incomes if they continue to bulk-bill their needy patients, as Dr Neal Blewett expected they would.
MedicarePlus is the result of extensive consultation with minor parties and Independents in the Senate, with health professionals and, above all else, with members of the Australian public. Having gone through all this consultation, it is time to end the uncertainty over health policy, it is time to end the insecurity over medical costs and, above all else, it is time to pass MedicarePlus in the Senate this week.

Yesterday, Dr Rob Walters, who is the head of the Australian Divisions of General Practice, which represents more than 90 per cent of Australian GPs, said that MedicarePlus should be passed without delay. Dr Bill Glasson, President of the AMA, said that Medicare needed another inquiry like it needed a hole in the head. Even the member for Werriwa thinks that inquiries are a waste of time. He said earlier this month that inquiries are just a political device to shove the responsibility elsewhere or to delay. Let us face it: he would know. He is the anointed one, anointed by Gough Whitlam as the next leader of the Australian Labor Party. Only a sick party would not want to help sick people. I call on members opposite to pass the MedicarePlus package and, above all else, to keep their hands off the bulk-billing incentive.

Aviation: Air Safety

Mr MARTIN FERGUSON (2.07 p.m.)—My question is to the Minister for Transport and Regional Services. I refer to his National Airspace System, which is due to begin tomorrow. Is the minister aware that Qantas—yes, Minister, Qantas—has now advised its pilots to show extreme care on landings, to slow down, to watch for light planes, to turn on all the lights and to notify air traffic by radio on approach to airports?

Government members interjecting—

Mr MARTIN FERGUSON—Yes, this is a very serious issue; it is about safety in the air. Those on the other side might think it is funny. This is about life and death in the air.

Honourable members interjecting—

The SPEAKER—The member for Batman is entitled to be heard in silence. He also understands his obligation to address his remarks through the chair.

Mr MARTIN FERGUSON—Can the minister guarantee that the new system will not result in any delays or increased costs to air travellers or Australian airlines? Given their major safety concerns, will the minister now halt the implementation of his system?

Mr ANDERSON—Let me say at the outset that, while you call this my system, it is based on the North American system. It has had Qantas’s full support. Is anyone in this House really surprised that, with any change of procedures, there would be an instruction that you work it through carefully at the beginning? You asked about the economic impact and the safety impact. The whole purpose of harmonisation in an upgrade is to improve safety and to improve the operating efficiency of aviation in Australia. It is to make certain that we have the air traffic control capacity to take things forward in the future.

You play one so-called expert off against the other. I have letter after letter and expert advice after expert advice. None of them is more telling than the one I quoted from Air Safety Australia—the very people that I know the opposition transport spokesman refers to when he wants advice on aviation safety—saying that the new airspace system is safe, that it is well proven and that it is actually overdue. They commend the government—and this is the important point—on backing the experts, including CASA, who have done the safety case; Airservices, who run it; the Air Force; Qantas; and all the other people who have been involved in the design of this to ensure that we have a mod-
ern, up-to-date and harmonised set of air-space arrangements in Australia.

Your resistance to this smacks of the same self-serving that the Qantas 767 captain that I quoted a moment ago found in some of the actions of air traffic controllers in recent days. This is not being done for some sort of blind ideological reason; it is being done to take forward aviation in Australia. You well know that. You are in contact with a lot of players in aviation. You know full well that the very people that you quote in this place—including in particular Captain Bill Pike, whom you often refer to in this place as the aviation expert that you trust—believe that these changes are overdue and much needed.

The SPEAKER—The Deputy Prime Minister might care to check the Hansard and find the number of occasions on which he used the term ‘you’, attributing to the chair motives which would have been quite inappropriate.

Business: Property Investment

Mr LATHAM (2.11 p.m.)—My question is to the Treasurer. Why has the government failed to introduce national regulation of the real estate seminar industry, despite repeated calls by the Governor of the Reserve Bank and Labor for regulation?

Mr Lloyd—Mr Speaker, I rise on a point of order. It was very clear, although you may not have seen it, that a member on this side was on her feet well before the member for Werriwa.

Mrs Irwin interjecting—

The SPEAKER—If the member for Fowler wants to stay for question time, she will exercise a little more restraint. I am well aware of the fact that two questions have been given to the opposition. It is not the first occasion on which that error has occurred. The opposition will not be surprised if I correct it in the next question call. The member for Werriwa had the call. He therefore has the right to the question.

Mr LATHAM—Now that the companies of one of the real estate promoters, Henry Kaye, are collapsing and thousands of mum and dad investors are in jeopardy, will the Treasurer introduce stronger national regulation to protect consumers and investors in the real estate promotion industry?

Mr COSTELLO—As I have said on a number of occasions, the regulation of real estate agents is a matter which is done at the state level and always has been done at the state level. This matter has been discussed previously at ministerial council. On 1 August 2003, the Commonwealth and the states agreed to set up a working party to establish a common framework in relation to property investment marketeers—that is, not the real estate agents but property investment marketeers. The working group is chaired by the Queensland government. If there are any complaints about delays, no doubt the member for Werriwa will be directing them to the Queensland government, which is chairing this group. The Queensland government says it will be issuing a report next March. No doubt the member for Werriwa will be directing his complaints to Mr Beattie and the Queensland government.

Can I also say in relation to the Kaye matter, as I have said in this parliament on a number of occasions, the Australian Competition and Consumer Commission has the power to prosecute for false and misleading conduct and the Australian Securities and Investment Commission has the power to enforce the Corporations Law. As I understand it, both bodies have outstanding matters against the Kaye group, and it may well be that some of their actions have contributed to the recent events which we have seen in the last 24 hours or so. Far from the
Commonwealth agencies being somehow lax in the matter, the Commonwealth agencies were both engaged, and it may well be that it was their actions that led to this current situation. But if one wants to go further in relation to investment marketeers with a new set of laws, that is a matter which is being chaired by the Queensland government.

**Taxation: Income Tax**

Ms PANOPOULOS (2.15 p.m.)—My question is addressed to the Treasurer. Will the Treasurer advise the House of the government’s efforts to keep income tax rates at competitive levels? Is the Treasurer aware of any alternative policies?

Mr COSTELLO—I thank the honourable member for Indi for his question—

Opposition members interjecting—

Mr COSTELLO—Sorry; I thank the honourable member for Indi for her question, and for her interest in these matters, and for her wonderful representation of the people of Indi, and for the enthusiasm and commitment that she brings to the coalition parties in Canberra, and for her humility in receiving these compliments. Can I say to her that the government takes very seriously its responsibility to keep income tax rates at competitive levels. When this government was elected the top marginal tax rate cut in at $50,000 and, as part of its tax plan, the government took out the 34c and 43c rates which applied between $20,000 and $50,000 and introduced a new 30c rate, which was lower than both the rates that had applied. The government also took a policy to the 1998 election to lift that threshold for the top marginal rate to $75,000. After winning the 1998 election, I introduced legislation to lift that threshold to $75,000. That attempt to lift the top threshold to $75,000 was rigorously opposed by the Australian Labor Party.

Mr Latham—Mr Speaker, I rise on a point of order. Yesterday, the Leader of the Opposition took a personal explanation to rebut the misrepresentation that the Treasurer is now repeating. It has been a standard in this House that, once a member takes a personal explanation to make a matter clear, the member’s word is accepted, and another member is not allowed to continue to wilfully make the same misrepresentation against the standards of the House.

The SPEAKER—Let me respond to the point of order by indicating to the member for Werriwa that this is a matter that I wrestled with during my first term as Speaker, as he is well aware. It is difficult for the chair to know at what point it is appropriate to intervene when anyone from either side of the House is making a comment with which someone else may disagree or against which they may have taken a personal explanation. The chair is constrained between the right that people have to express what they believe is a free opinion and the facility the chair gives for people to correct that by way of a personal explanation. I recognise what the member for Werriwa has said; he will also recognise that the chair finds itself in an invidious position and without a standing order that particularly reinforces the point he has raised. The Treasurer has the call.

Mr COSTELLO—That proposal was rigorously opposed by the Australian Labor Party. I will table the Hansard of 10 December 1998, in which the member for Hotham said:

We oppose this proposition because of the fiscal profligacy of the government’s planned personal tax cuts, as evidenced by the dramatic impact of the tax package on the forecast Commonwealth budget, reducing the underlying balance ... by $4.76 billion.

So Labor opposed it because they said that the tax cuts were too large, reducing the bottom line by $4.76 billion. He then said:
We oppose it because of its unfairness in that 50 per cent of the tax cuts go to the richest 20 per cent ...

The richest 20 per cent happen to be those above $50,000, and the tax cut for those above $50,000 was an increase in the threshold to $75,000. The personal explanation which the Leader of the Opposition made in the House yesterday was very carefully crafted. He said:

Labor did not vote against either the second or the third reading in the House ...

Why did Labor not vote against the second or third reading in the House? Because they voted for an amendment in the House which said that all words after 'That' should be omitted and replaced with the following words:

... that the bill be withdrawn and redrafted to produce a fairer tax system with no GST ... to overcome the following deficiencies:

(1) the fiscal profligacy of the ... planned personal tax cuts—
as evidenced by the fact that they would reduce the budget deficit by $4.76 billion and the unfairness in distributing the tax cuts to those above $50,000. So it was a really cute personal explanation to say, 'We didn’t vote against the second or the third reading because we moved an amendment to have the bill withdrawn.' I will also be tabling the vote which happened on 10 December 1998 on the opposition’s second reading amendment to withdraw the bill. The question was that the second reading amendment be negatived. The government voted by way of ayes, and the noes included the member for Hotham and the member for Werriwa, Mr Latham. So it is rather cute to say, 'We didn’t oppose the government’s proposal to lift the top threshold; all we did was move a second reading amendment to have it withdrawn on the grounds that it was too generous and it gave tax cuts of $50,000.'

Mr Crean—Which was defeated.

Mr COSTELLO—If the Leader of the Opposition now wants to turn around and say—notwithstanding the record, which I table—that he never actually opposed increasing the tax-free threshold then he would be at liberty to revote for it. He would be at absolute liberty to vote for it now.

Mr Latham—Mr Speaker, I rise on a point of order. In your earlier ruling you said the chair is in an invidious position in relation to this repeated misrepresentation by the Treasurer. Surely, as a result of that invidious position, you would not allow an abuse of question time which allowed the repeated misrepresentation to go on for four or five minutes, which is what the Treasurer has been doing.

Mr COSTELLO—Mr Speaker, I also have a point of order. My point of order is that the member for Werriwa should not, on a point of order, allege a misrepresentation when plainly what I am doing is quoting from the Hansard and tabling the vote.

The SPEAKER—I indicate to both members that since I do not have a standing order which deals with the issue which they have raised I have outlined the position of the chair.

Mr COSTELLO—The record on that is absolutely clear, and if the Labor Party wants to come along now and say that it actually supports increasing that threshold to $75,000 then it is as simple as calling a press conference this afternoon and saying it—that is, that the Labor Party will now support an increase in that threshold to $75,000. We had thought that it was quite clear that the member for Werriwa was supporting that proposition on the front page of the Sydney Morning Herald and in other places. But after the opening of the duck season the duck has gone to water, because yesterday when he stood up here in this place and said that tax
cuts were just for people on $60,000, $70,000 and $80,000 it did not actually mean he supported a tax cut for them; he was only identifying a problem.

Mr Latham—Mr Speaker, I rise on a point of order. The Treasurer is now repeating a second misrepresentation. The proposition he put yesterday that I support his tax plan—

The SPEAKER—The member for Werriwa will resume his seat. The Member for Werriwa is well aware that if he or any other members are misrepresented there are facilities in the House to enable them to address that issue.

Medicare: Reform

Mr JOHN COBB (2.25 p.m.)—My question is addressed to the Deputy Prime Minister, the Minister for Transport and Regional Services. Would the Deputy Prime Minister advise the House of the reaction of health care professionals in regional Australia, like my electorate of Parkes, to the MedicarePlus initiative?

Mr ANDERSON—I thank the honourable member for Parkes for the question and acknowledge his very real concern about the provision of not just GPs and nurses but also, in places like Broken Hill, specialists—it is a real issue in far-flung big electorates like that. The broad reaction from rural medics and their representatives has been extremely positive. They know that this will help relieve the shortage of doctors, nurses and specialists. They know that it will make it easier for their patients to access health care and that it will also make it more affordable. Further to that, they want these changes implemented now. They do not want any further obstruction.

The Rural Doctors Association is an outstanding, well-headed group of people. Dr Sue Page, their current president, has issued a statement. What she has to say is worthy of repeating in this place. She says she joins with:

... other GP and medical groups in calling on the Australian Senate to pass the MedicarePlus legislation and not to refer it to yet another Senate inquiry.

She goes on to say:

... we have already had the opportunity to present our views, concerns and policy requirements to the Senate at the Inquiry into Medicare—

Furthermore—and this is quite germane—she says:

... anyone would think that the Senate wasn’t listening last time, if we have to do it all over again.

She says:

While we of course believe that community consultation is highly valuable and necessary on policy and legislative decisions – we also believe that this proposed inquiry would represent a considerable waste of taxpayer dollars and is unlikely to appreciably improve the Government’s Medicare package …

That is what the very respected Dr Page has had to say. She has also welcomed the safety net. In fact, in very blunt terms she said:

A form of safety net is vitally important for Australian families – rural and urban – and any delay will mean a delay in those families accessing the health and medical care they need now.

I could not put the next comment she makes any better, so I will simply quote her:

I call on the Labor Party, the Democrats and Independents not to refer MedicarePlus to a Senate Inquiry.

The package is needed now. She puts it as eloquently and forcibly as anybody could from a position of understanding the need.

Aston Electorate: Bulk-Billing

Mr JENKINS (2.28 p.m.)—My question is directed to the Minister for Health and Ageing. Minister, given that the bulk-billing rate in the electorate of your colleague the member for Aston has fallen by over 18 per cent in the last three years, why does the
government believe that 74,000 Australians in the electorate of Aston in suburbs like Rowville and Wantirna are not worthy of an additional $5 incentive to be bulk-billed?

Mr ABBOTT—This government believes, in the same way that the political architect of Medicare, Dr Neal Blewett, believed, that doctors have a choice. They can charge people up front or they can bulk-bill people, and bulk-billing should be directed towards pensioners and other needy people. So what this government has done is to put in a specific incentive to make sure that the Medicare scheme continues to reflect the intentions of its founder. I should also point out to the member for Scullin that the bulk-billing rate in his electorate is currently, under the policies of this government, 85 per cent. The interesting thing is that members opposite want to pay doctors $7,500 a year to achieve an 80 per cent bulk-billing rate. So they want to pay doctors in the electorate of Scullin $7,500 to bulk-bill fewer people. That is the idiocy of the policy of members opposite.

Ansett Australia: Employee Entitlements

Mr BAIRD (2.30 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister inform the House what assistance the government has provided to former Ansett employees?

Mr Bevis—You were dragged kicking and screaming.

The SPEAKER—The member for Brisbane!

Mr ANDREWS—The agreement which was reached yesterday between the administrators of Ansett and the former employees is good news for former Ansett employees, many of whom live in the electorate of Cook. In September 2001 the Howard government acted decisively to protect the former Ansett workers’ entitlements by putting in place the special employee entitlements support scheme. I can inform the House that the Howard government has met in full its commitments to these workers. Because of the strong and decisive action taken by this government, more than $336 million has already been paid to almost 13,000 terminated Ansett workers. Former Ansett workers have received all their unpaid wages, annual leave—

Mr Bevis—And how many suicides later?

The SPEAKER—I warn the member for Brisbane!

Mr ANDREWS—long service leave, pay in lieu of notice and up to eight weeks redundancy pay under this government scheme. The decision by the Federal Court yesterday means that those former Ansett workers who still have money owing to them over and above that which was met by the $336 million advanced under the SEESA scheme will receive substantial additional payments from the Ansett administrators. I note the comments made this morning by Mr Mark Korda, the Ansett administrator, on Sydney radio. He said:

The only reason we were able to distribute $150 million to the employees starting before Christmas is because the government—

that is, the Commonwealth government—has come to the party and deferred payment of $67 million to it.

Mr Brendan O’Connor—Two years it has taken you to do anything.

Mr ANDREWS—in contrast to the noise coming from the opposition, even the secretary—

The SPEAKER—The minister will resume his seat. The member for Burke’s move into the seat normally occupied by the member for Lingiari has done him no good at all. If he persists, I will deal with him.

Mr ANDREWS—in contrast to the noise coming from the opposition, even the Secre-
tary of the ACTU, Greg Combet, acknowledged yesterday:

... an important factor in reaching agreement has been compromise by the Commonwealth government.

The Howard government’s actions are in deep contrast to Labor’s abysmal record, over 13 years, of failing to do anything to protect the workers in this regard.

_Honourable members interjecting—_

**Mr ANDREWS**—The opposition do not like it, but this government, in stark contrast to this rabble of an opposition, will continue to make strong decisions to protect Australian workers.

**Medicare: Reform**

**Mr CREAN** (2.34 p.m.)—My question is to the Minister for Health and Ageing. I refer to the fact that administration costs, at $71 million, eat up nearly 30 per cent of the government’s bandaid safety net. Is the minister aware that, in contrast, the administration costs of Medicare are just 3.9 per cent? Minister, why is the Howard government wasting millions of dollars on a bureaucratic sham of a safety net instead of improving bulk-billing?

**Mr ABBOTT**—The administrative costs for the operation of the MedicarePlus safety net are based on the administrative costs for the existing grossly inadequate MBS safety net—an MBS safety net that was put in place by members opposite.

_Mr Sidebottom interjecting—_

**The SPEAKER**—I warn the member for Braddon! No other language seems to be understood by him.

**Immigration: People-Smuggling**

**Mr SECKER** (2.35 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of the government’s response to measures European countries are taking to combat people-smuggling? Is the minister aware of any alternative approaches?

**Mr DOWNER**—I thank the member for Barker for his question. I know that his constituents very much share his concern that the government retain a strong stand on the issue of border protection—particularly those constituents who will be passed to the electorate of Mayo at the time of the next election. Four million people a year are smuggled or trafficked across international borders. As I explained to the House yesterday, people smugglers turn over an estimated $US10 billion, or about $A14 billion to $A15 billion. That is a lot of money made out of a grisly trade. Most governments around the world are now strengthening their domestic, regional and international systems to address this problem. European countries are particularly doing that, given that they have had long experience of high levels of unauthorised arrivals.

In the case of Australia and the EU, we have increased dialogue and cooperation on these issues through our agenda for cooperation, a framework of partnership with the EU that I signed with Commissioner Patten in April this year. The EU is forming a common policy on these issues. The UK recently proposed tougher asylum laws to shorten the appeals process, to fast-track deportations and to prosecute those who arrive without travel documents. France has adopted new immigration legislation, increasing penalties for people-smugglers. Sweden has made people-smuggling an offence. Italy has introduced mandatory detention for illegal entrants. Turkey has adopted legislation criminalising people-smuggling. This is part of a pattern around the world whereby countries are taking a stronger stand on the issue of people-smuggling.

_Ms Roxon interjecting—_
The SPEAKER—I warn the member for Gellibrand!

Mr DOWNER—I am aware of another approach—a rather lonely approach—on this issue, and that is the approach of the Labor Party. The Labor Party want to do the reverse of what the rest of the world is doing. When they get into government, what the Labor Party want to do is abandon the excision policy altogether. The Labor Party want to sack the Navy from its task. They do not want the Navy involved in this task anymore. They want to introduce onshore processing and what they call a coastguard. We know from statements by the Leader of the Opposition that he has a job for the coastguard—three motorboats floating around there off the north-western coast of Australia.

Honourable member interjecting—

Mr DOWNER—They are surely not going to be sailing boats. They are not proposing that. We will give them credit.

Mr Hockey—Love boats!

Mr DOWNER—You question that they would be motorboats, but I think they would be motorboats, not sailing boats. The bureaucracy will tell you they have to be motorboats, believe me. There would be three motorboats, and they would be the coastguard. And what is the coastguard going to do when it finds these boats? What is the coastguard going to do is say, ‘This is the way to Australia, to the processing facilities.’ This is not going to be a coastguard; this will be the coast-guide. This is what Labor propose: three motorboats to tell the people smugglers where to deliver the illegal migrants who have paid to get to Australia. That is a policy that is a very expensive way of trying to stop a problem which Labor would only exacerbate with the introduction of their new coast-guide.

Medicare: Reform

Ms GILLARD (2.40 p.m.)—My question is to the Minister for Health and Ageing. Can the minister confirm that the government has wasted $660,000 advertising its now ditched so-called A Fairer Medicare package, the equivalent of over 25,000 bulk-billing consultations? Minister, how much more of taxpayers’ money will the government waste advertising its ‘MedicareMinus’ package?

The SPEAKER—I point out to the member for Lalor, having checked the standing orders, that there is no shortage of instances of speakers in the past taking a comment such as ‘MedicareMinus’ and using it to rule a question out of order. I am not about to do that, but I would ask her to withdraw or restate the question so that it reflects the statement as advertised.

Ms GILLARD—The question is: Minister, how much more taxpayers’ money will the government waste advertising its bandaid MedicarePlus package?

Mr ABBOTT—It is true that the government has spent some money on advertising. I am not going to quibble with the $600,000 figure that the member for Lalor quotes.

Mr Fitzgibbon interjecting—

The SPEAKER—Order! The member for Hunter is warned.

Mr ABBOTT—That figure is dwarfed by the $700-odd million that the state Labor governments have spent advertising their policies and programs over the last two years, but I am not going to apologise. I am not going to apologise for the fact that we have spent a modest and reasonable amount of taxpayers’ money advertising changes that will benefit them. I am not going to apologise for that. To quote from a news report from Brisbane on 19 November this year, a newsreader said:
Premier Peter Beattie has defended the Prime Minister’s right to spend taxpayers’ money promoting the changes to Medicare.

And what does he say? He says:

I don’t actually have a problem with it, in the same way that I think if you are announcing your programs you should advocate that, so I do not have any criticism of the Prime Minister doing it, to be perfectly honest.

That is Premier Beattie: a decent Labor leader; a successful Labor leader. Maybe he is going to come down to Canberra and replace this dud Labor leader. He is right, and the members opposite are wrong.

Attorney-General’s: Immigration Litigation

Mr SOMLYAY (2.43 p.m.)—My question is addressed to the Attorney-General. Would the Attorney-General advise the House of government measures to address the growth in litigation, especially stemming from the migration portfolio? Would the Attorney-General also provide an indication of the government’s success in the courts when applicants have challenged migration decisions?

Ms Roxon—You should stop appealing! How many times did the government appeal?

The SPEAKER—Order! Yesterday I warned the member for Gellibrand; she took no notice of the warning. I have done so today and listened, in spite of the warning, to repeated interjections. She will excuse herself from the House.

The member for Gellibrand then left the chamber.

Mr RUDDOCK—I do thank the member for Fairfax for his question, because the member for Fairfax is obviously concerned, as I am, about the very significant growth in the volume of litigation before all of our courts involving migration matters. It is placing a significant strain on the courts themselves and it is also causing very considerable inconvenience to Australian litigants, who are finding it increasingly difficult to get their matters promptly heard. I note that in 2002-03 two-thirds of the appeals in the Federal Court of Australia have been on migration matters, and last financial year 82 per cent of the matters filed in the High Court of Australia, in both its original and appellate jurisdictions, involved migration matters. That is an unacceptable situation in terms of the volume of work that is being given to the courts in what are primarily unmeritorious matters.

What is the evidence of that? The evidence is quite clear: something like one-third of the matters before the Federal Court and the federal magistrates courts last financial year were withdrawn by the applicants before they got to a hearing. If you look at the outcome of the litigation—and the outcome, I think, is the most important measure—the government either wins or the applicant withdraws in 93 per cent of the cases involving migration questions. We want to see this issue dealt with. I have established a review to look at further ways in which these issues can be addressed. That review will look at how we can improve the tribunals’ capacities to make better decisions. It will look at ways to streamline the judicial review process. It will look at how we can re-examine the grounds for judicial review and the information made available to the courts in that process. It will also look at the role of advisers in relation to unmeritorious cases.

Let me conclude by saying that one of the very important aspects associated with this is to ensure that we do not see the arrival of further people who are likely to enter into the court system abusively with a view to remaining here in Australia. One of the things that we have to guard against is allowing further unlawful border arrivals, which will only put that system under further stress.
Medicare: Reform

Ms GILLARD (2.47 p.m.)—My question is to the Minister for Health and Ageing. Is the minister aware that Professor John Dwyer, the Chairman of the Australian Health Reform Alliance, which convened the national health summit of 250 health professionals in Canberra, has said the following in relation to the government’s bandaid MedicarePlus package:

The matter should be referred to a Senate committee for further discussions with the community and advocates.

Will the minister support Professor John Dwyer’s call for proper investigation of the bandaid MedicarePlus package and cease publicly opposing the referral of the package to a Senate select committee?

Mr ABBOTT—I thank the member for Lalor for her question and I simply point out to her that Medicare has been subject to a five-month long Senate inquiry, ending just a couple of weeks ago. In fact, they had a five-month inquiry that took 226 written submissions and had more than 170 witnesses. We changed the package in part in response to that inquiry, it is in the Senate for two days—two days!—and now they want another inquiry.

Ms Gillard interjecting—

The SPEAKER—The member for Lalor has asked her question.

Mr ABBOTT—When will these people stop? When will enough be enough for members opposite?

Ms Gillard interjecting—

The SPEAKER—The member for Lalor now chooses to defy the chair.

Mr ABBOTT—I have respect for Professor Dwyer; I think he is a fine man and I think he has made a lot of constructive suggestions over the years on medical policy. But I respectfully say to Professor Dwyer and members opposite: enough is enough. This matter has been well and truly chewed over; it is now time to decide, and there is nothing stopping the Senate from deciding the safety net legislation this week—and they should.

Environment: Local Government Partnerships

Ms LEY (2.49 p.m.)—My question is addressed to the Minister for the Environment and Heritage. Would the minister advise the House of Australian government partnerships with local government on greenhouse gas abatement and water conservation? What progress has been made with these initiatives, and are they moving Australia towards sustainability?

Dr KEMP—I thank the honourable member for Farrer for her question. It is fitting that she should ask this question at a time when a thousand or more local government representatives are gathered here in Canberra for the annual congress of the Australian Local Government Association. This government is very much aware of the effectiveness of local governments in tackling our environmental concerns. That is why local governments are playing such a very key role in the major environmental rescue packages that this government has put in place through the Natural Heritage Trust and the national action plan for salinity.

As the member for Farrer says, local governments are also proving to be very effective campaigners in greenhouse gas abatement. The Howard government has invested some $15.7 million in the Cities for Climate Protection Program, which is administered by the International Council for Local Environmental Initiatives, and Australian local governments have proven to be extremely effective in implementing this program. Over four years the councils have invested some $70 million—that is a pretty good leverage
for the government’s investment of $15 million—and they have achieved abatement of 1.8 million tonnes of CO₂, equivalent to the nearly three-quarters of a megatonne achieved last year. Australia in fact has the fastest uptake of participating local governments of any country in the world in this international program, with over 180 councils taking part and 75 per cent of the population covered.

This approach, which has been so successful with greenhouse gas, has also got the potential to be very effective with water, and on Monday this week I announced that the Howard government will be providing $1 million to establish a partnership between local governments and the Australian government to promote better management of stormwater, grey water and water recycling in local communities. This water campaign has got the potential to empower local communities throughout Australia to take effective action to make sure that our scarce water resources are well used, and this will be a major contribution to moving this country further towards sustainability.

Education: University Fees

Ms MACKLIN (2.52 p.m.)—My question is to the Minister for Education, Science and Training. Is the minister aware of new research by the National Centre for Social and Economic Modelling identifying HECS as a factor in declining home ownership and fertility? Didn’t the NATSEM director, Professor Ann Harding, warn the Howard government of the impacts of further HECS increases as it could:

... see major declines in fertility amongst university educated women if they have to struggle with very high HECS debts.

When will the minister drop his plan to increase university fees by a further 30 per cent so that young people are not deterred from buying a home and starting a family?

Dr NELSON—In answering the question from the member for Jagajaga, I think it is worth pointing out to the House that we are approaching the 40th question on universities—which are not unimportant—and in this case the Labor Party’s entire focus is on the career, employment and earnings outcomes for university graduates, and yet in two years we have not had a question about apprentices and the 70 per cent of kids who do not go directly from school to universities. In answer to the question from the member for Jagajaga in relation to the NATSEM study which looked at home ownership and income for university graduates and non-university graduates from 1986 to 1998, it ought to be pointed out to the member for Jagajaga and the entire Labor Party—who seem to have completely lost their way in relation to the real issues facing Australians, so they might be surprised to know this—that most Australians are not concerned with how women dentists, doctors, lawyers or vets are going to plan their third baby or buy their second house. Most Australians are actually concerned with how they are going to feed their kids, pay their car loans, pay their mortgages and try to get their kids into apprenticeships and training as much as into university.

I point out to the member for Jagajaga that if she and her Labor Party colleagues read the research—and the Labor Party members ought to have a look at it—they will find that, over those 12 years, the incomes of the university graduates increased 11 times more than the incomes of the non-university graduates who pay for three-quarters of what happens in Australian universities. The Labor Party should, as I have said before, put Australia’s interests first, support reform of Australian higher education and start to consider the needs of the people who pay for three-quarters of university education. The Labor Party should support the idea, as they once did when they led in 1989, that when gradu-
ates start working they ought to make a contribution to what they have received, and they should start asking some questions about apprenticeships.

Industry: Research and Development

Mr BILLSON (2.56 p.m.)—My question is to the Minister for Industry, Tourism and Resources. Would the minister inform the House of the success of government innovation policies which help Australian high-tech start-up companies? How are these policies benefiting the Australian economy?

Mr IAN MACFARLANE—I thank the member for Dunkley for his question and for his very strong interest in innovation. Australia is very much a smart country, and the government are very much committed to helping small business turn those great ideas into commercial reality. We have a focus on the high-tech start-up companies so that they can grow and increase their exports to the world. A lot of these companies are small, one-idea companies which need every bit of assistance they can get while they live off the smell of an oily rag as they attempt to commercialise their ideas. That is why in 2001 we changed the R&D tax concession to help these companies with their commercialisation. Companies turning over less than $5 million are now eligible for an R&D tax offset. This offset is seen by many of these small companies, particularly the biotech start-ups, as the most effective measure that we have in our innovation package, and some 1,600 have applied for this measure. This is good because we are seeing innovation continue to drive economic growth in our economy. That means that we see a growth in jobs, a growth in exports and a growth in the economy itself. We have seen companies in fact increasing their expenditure by 13 per cent in the last 12 months to some $5.5 billion.

I am asked how this assists our economy, and the outcome is clear. The thing that concerns me the most though is that the Labor Party has a policy to abolish the tax offset. Kim Carr’s idea of promoting innovation is to abolish this measure which is recognised by many companies as the best part of our innovation package. It simply demonstrates that Labor continues to be anti small business, anti innovation and anti jobs.

Education and Training: Funding

Mr ALBANESE (2.58 p.m.)—My question once again is to the Minister for Education, Science and Training. I refer to the severe shortage of skilled workers in the area around his own electorate in northern Sydney, including, as of today, 25 positions for carpenters and joiners, six positions for metal and engineering trades, 11 positions for motor mechanics, nine positions for painters and decorators, seven positions for plumbers, seven positions for hairdressers—

The SPEAKER—The member for Grayndler will come to his question.

Mr ALBANESE—and a massive 71 positions for carers for the aged and disabled.

The SPEAKER—The member for Grayndler will come to his question!

Mr ALBANESE—with 15,000 eligible young Australians turned away from TAFE each year, why won’t the Howard government follow Simon Crean and Labor’s policy of 20,000 new TAFE places and ensure additional growth funding is in the new ANTA agreement?

The SPEAKER—Before I recognise the Minister for Education, Science and Training, for the sake of consistency I would point out to the member for Grayndler an obligation on people asking questions. While a reference to the Howard government is in order, references to the Leader of the Opposition should be by his office and not by his name.
Dr NELSON—I thank the member for Grayndler for pointing out to the House just how well the Australian economy is going under the leadership of the Australian government and the effectiveness of the policies being pursued by this government. That stands in contrast to when Labor was in government federally, when, as the Sunday Herald Sun reminded us in June 1992 under the editorial entitled ‘A national disgrace’:

A desperate father is offering an employer $100 a week for three years to give his son an apprenticeship yet there is still no taker.

Youth unemployment in Victoria was running at that stage at 46 per cent. If the member for Grayndler had an interest in training and apprenticeships, which seems to be something recently discovered, the Australian Labor Party would be urging the states to sign up to the Australian government’s $3.6 billion funding agreement in relation to the Australian National Training Authority.

He might also like to ask the Queensland government why it is planning to reduce apprenticeships in the automotive industry by 12 1/2 per cent over the next year and apprenticeships in the building and construction industry by 4.4 per cent. He ought to start listening to Commerce Queensland, who ascribe to the Queensland Labor government a contraction in apprenticeship places in Queensland of some 15 per cent over the next year. The Labor Party ought to support the signing of the agreement and the 71,000 places that will be created by this government in the offer that is on the table.

Mr Albanese—I seek leave to table the Australian Jobsearch web site showing job availability on the North Shore of Sydney. I also seek leave to table budget paper No. 2, page 127, showing no new growth funding from the government.

Leave granted.

Science: Funding

Mr FORREST (3.02 p.m.)—My question is addressed to the Minister for Science. Would the minister outline to the House how the government’s investment in science and innovation benefits regional Australia, like the area represented by the federal division of Mallee? I also ask if the minister is aware of any alternative policies.

Mr McGAURAN—I thank the member for Mallee for his question and his continuing interest in science and innovation, evidenced as recently as last Friday by his attendance at the opening of the freshwater research laboratory in Mildura. He championed its establishment for a good while. I also understand that he is the only one amongst us in this House who has a Master of Science. Therefore, his contribution in government forums is very important.

The assistance and involvement of research and innovation in rural areas is greatly enhanced by Backing Australia’s Ability. It contains everything you need to know about science and innovation—the commercialisation of it, the collaboration, the training and the educational aspects. This is a revolutionary document. It injected $3 billion of new funding into the science and innovation system and it has brought tangible results to both the public and private sectors.

For instance, a large part of the research is conducted in regional and rural Australia. Of CSIRO’s 6,500 member work force, more than 1,000 work outside our capital cities and two-thirds of their laboratories are located in rural and regional Australia, which means more jobs for local communities and focused research results. More than half of CSIRO’s operating expenditure in this financial year is dedicated to research relevant to the industries and environment of regional and rural Australia. Cooperative research centres are also greatly expanded under
Backing Australia’s Ability. There are some 71 of them, and 11 of them are regionally based. A great many more directly or indirectly work with regional Australia. The Backing Australia’s Ability document is 78 pages in length, closely typed, and it sets out the government’s vision, policies and actions.

I am asked about alternative policies. There is an alternative policy from the Labor Party. It was released on 14 October this year by the invisible, unknown shadow minister for science. I have the Labor Party’s policy document here. I will read it:

A national research and innovation strategy will be announced over the coming period …

That is their policy. That was six weeks ago and the clock is ticking. The meter is clicking over. Backing Australia’s Ability is the government’s policy and this is the Labor Party’s policy. I table them in conjunction.

Education: Funding

Dr EMERSON (3.05 p.m.)—My question is to the Minister for Employment and Workplace Relations. Is the minister aware of comments by the President of the Australian Vice-Chancellors Committee, Professor Schreuder, that the government must drop its intrusive industrial relations measures from the higher education bill? Will the minister back down on insisting that universities implement the Howard government’s ideological industrial relations agenda in order to receive extra funding?

The SPEAKER—Order! The member for Grayndler would facilitate the House enormously if his approach to the clerk was from behind the chair.

Mr ANDREWS—Can I inform the member for Rankin and members of the House generally that this government is committed to choice and flexibility in the workplace. It is that choice and flexibility in the workplace—

Opposition members interjecting—

Mr ANDREWS—They do not like to hear about choice and flexibility in the workplace because they know that that has led to job growth and higher wages in Australia. The Australian Labor Party knows that the Liberal Party and The Nationals in government have been the parties that have delivered to the workers of Australia. They have delivered with 1.3 million extra jobs in the last seven years. They have delivered a real increase in full-time employee wages of over $90 compared to just $12 from 1985 to 1996 under the Labor Party. So this government is about more jobs and higher wages. Part of the way we have achieved that is through better choice and more flexibility in the workplace. We believe that that should apply to all sectors of the Australian economy, including higher education.

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

QUESTIONS TO THE SPEAKER

Science: Funding

Mr ALBANESE (3.07 p.m.)—Mr Speaker, my question to you is with regard to the procedures of tabling. Today, just a while ago, the Minister for Science sought to table a post-it note with something typed on it. I do not know where it came from; it is not an original document. Surely, if that were to be accepted, it would create a precedent: anyone could type anything they liked on a bit of paper, attribute it to whomever they wanted to and then come in here and table it. It makes a mockery of the processes of the parliament. I ask you to consider the serious implications behind this precedent and whether in fact it should be accepted as a tabled document. It is not an original. It purports to attribute something to someone. I do not know whether or not it is true. As the shadow minister in this House representing
the shadow minister for science, I think this issue should be taken seriously.

The SPEAKER—I will have a look at the material tabled by the Minister for Science. He indicated that he was tabling it jointly with something else. I would be most offended if anything that was tabled was not in fact an accurate statement, but I will have a look at the matter raised by the member for Grayndler.

Question Time: Parliamentary Language

The SPEAKER (3.10 p.m.)—I have discovered, after a perusal of page 22623 of the Hansard of yesterday, 25 November, that I attributed to the Treasurer an inappropriate remark that was in fact made by another member. A check of the tape showed that the Treasurer did not make any insensitive reference to the member for Fremantle, as I had previously supposed.

PAPERS

Mr ABBOTT (Warringah—Leader of the House) (3.10 p.m.)—Papers are tabled as listed in the schedule circulated to honourable members. Details of the papers will be recorded in the Votes and Proceedings, and I move:

That the House take note of the following papers:


Debate (on motion by Mr Latham) adjourned.

MINISTERIAL STATEMENTS

Australia’s Development Cooperation Program

Mr DOWNER (Mayo—Minister for Foreign Affairs) (3.11 p.m.)—by leave—I am pleased to deliver the 12th annual statement to parliament on Australia’s development cooperation program.

In September last year, I presented to the parliament a statement called Australian aid: investing in growth, stability and prosperity. This statement reaffirmed the overall objective of Australia’s aid—to advance Australia’s national interest by assisting developing countries to reduce poverty and achieve sustainable development—and its focus on developing countries in the Asia-Pacific region.

The statement identified five guiding themes that link this objective with our aid interventions—namely, promoting improved governance; assisting developing countries maximise the benefits of globalisation; supporting stability through the delivery of basic services; strengthening regional security and promoting sustainable approaches to managing natural resources.

These guiding themes remain relevant and continue to shape our approaches in responding to the more uncertain international environment. A year on, this statement provides an opportunity to outline our achievements and to focus on major challenges.

The links between development and security has never been greater. The tragic events of Bali in October 2002 as well as the deterioration of law and order in Solomon Islands demonstrate the consequences of instability in undermining growth prospects and hard-won development gains. Only when countries are stable and secure can people successfully engage in those productive enterprises that generate employment and sustainable growth. Where insecurity prevails and the rule of law is weak, individuals’ vulnerability to conflict and crime increases and poverty is exacerbated.

The aid program is a strong expression of Australia’s commitment to assisting our neighbours overcome those sources of insta-
bility and insecurity that threaten growth, prosperity and development.

Through the 2003-04 budget, the Australian government will provide an estimated $1.9 billion in official development assistance—around $79 million higher than the previous year and representing an ODA to GNI ratio of 0.25 per cent.

Australians have reason to be proud of their aid program. Our achievements in 2003 have been substantial. Just a few examples illustrate this.

The aid program is playing an integral role in Australia’s strengthened engagement with the Pacific. We are taking a more robust, hands-on approach to the region’s development challenges, focusing on those key governance areas critical to stability and growth.

Our total assistance to Indonesia has been increased by around $30 million and will reach an estimated $152 million in 2003-04. This assistance will continue to target governance reform, basic education and support for those populations most vulnerable to instability. In Bali, the rehabilitation fund is helping those communities affected by the bombings establish and maintain alternative income sources.

Australian aid helped mobilise rapid and coordinated global responses to the outbreak of severe acute respiratory syndrome. Australia’s contribution to the World Health Organisation funded the deployment of experts in epidemiology, infection control and virology.

We are making a significant and effective contribution to meeting the humanitarian and reconstruction needs of the Iraqi people. Australia’s aid commitment to Iraq stands at more than $120 million. Over half has been allocated to support key reconstruction priorities such as agriculture, food security, water and sanitation, while laying the foundation for the transition to a stable, open and market based economy.

In my statement last year, I identified the critical development issues associated with ensuring access to water supply and sanitation. In March this year I launched a major new initiative on water assistance, Making every drop count: water and Australian aid. This initiative outlines how we will deploy Australia’s internationally recognised expertise and leadership to strengthen sustainable access to water and help secure regional and national prosperity.

And we remain a leader in regional efforts to fight the threat to development posed by HIV-AIDS. Since 2000, the government has contributed $85 million to reduce HIV infection rates as part of a six-year $200 million global AIDS initiative.

Significant challenges, however, remain ahead.

A Strengthened Engagement with the Pacific

Australia’s Pacific neighbours are facing fundamental challenges to their economic and social development. As outlined in a recent AusAID assessment of development in the Pacific, there have been significant human development gains in the region over the past 30 or so years. Some of these gains are under threat, however, particularly in Melanesia, from prolonged economic stagnation, instability and rapid population growth.

Political will to institute the conditions required for sustained economic growth—sound governance, intolerance of corruption and adherence to the rule of law—is central to the Pacific’s future but it has proven difficult to sustain. Alongside insufficient political will, weak capacity is the major impediment to reform. Meeting these challenges will require that the Pacific island states take a stronger leadership role in their own development. At this year’s Pacific Islands Forum
meeting in August, leaders agreed that better governance, winding back corruption and stronger security are needed to tackle instability and economic decline.

It also will require the international community to provide coherent and sustained approaches that support national development efforts in the region including, where appropriate, ‘pooled’ approaches to regional governance issues. Australia has an important leadership role to play in this regard. As the Prime Minister has made clear, it is not in Australia’s interests or in the region’s interests to see failed states in the Pacific, and Australia stands ready to lend a helping hand to ensure this does not happen.

The aid program is integral to Australia’s role in the Regional Assistance Mission to Solomon Islands, known as RAMSI. This initiative is providing a comprehensive mechanism to help address fundamental, across-the-board governance settings. Building on our existing programs and strong knowledge base, the expanded package of strengthened assistance includes an additional $50 million on top of the $37 million in estimated aid flows for this year. This package will provide assistance to stabilise government finances and functions, rebuild the prison systems and strengthen the police service.

These efforts reflect our commitment to long-term development in Solomon Islands. RAMSI is not simply a law enforcement operation. It is a long-term capacity building exercise aimed at helping create the conditions necessary for a return to stability, peace and a functioning, growing economy. Our aid program is working with a range of other government agencies and donors to ensure a coordinated approach to meeting RAMSI’s objectives.

In Papua New Guinea, following my visit in September this year, we are finalising an agreement that allows for a much closer engagement. Our extensive involvement through the aid program has provided a very strong basis for enhanced assistance. In October, high-level scoping missions visited PNG to explore more direct and comprehensive forms of assistance to its judicial and law enforcement agencies and to strengthen economic governance.

And we are engaged in pioneering work with the World Bank and the Asian Development Bank to develop a joint country assistance strategy for Papua New Guinea. This new approach will generate improved dialogue on reform priorities, the better use of combined resources, and aid more closely linked to reform efforts through a stronger focus on results.

Our approaches in Solomon Islands and PNG reflect a focused aid program in the Pacific concentrated on the key areas critical to stability and growth—law and order, economic governance and service delivery. Effective police and judicial systems help countries enforce the rule of law and combat corruption, thereby putting in place the conditions necessary to attract investment and achieve growth. There are now Australian supported law and justice programs in all Melanesian countries, as well as in Samoa, Tonga and Nauru.

Improved economic and financial management systems are essential to the Pacific Island states. Australia has strengthened its programs of public expenditure reform. This is reflected in our support for activities designed to bolster budgetary systems throughout the region, not only in Solomon Islands and PNG but also in Fiji, Vanuatu, Tonga, Samoa and Nauru. Our ongoing work with Samoa in this area proves the gains that can be made by working with a government that is committed to reform. Australia’s aid has played an important role in helping Samoa
introduce a range of reforms that have underpinned its strong economic performance.

Breakdowns in health and education services not only have a significant human cost. As I outlined in my statement last year, they can also undermine the legitimacy of states and act as catalysts for instability. Australia will continue to support systems to more effectively manage service delivery.

A key impediment to improved governance and service delivery in the Pacific is, however, lack of capacity. Australia is helping to build 'pooled' regional approaches in areas such as policing, shipping and aviation. This includes helping make the forum secretariat a more effective mechanism to address common challenges. I am pleased to report that there have been positive developments. The newly established regional policing initiative will provide a comprehensive approach to police training as well as a flexible mechanism for targeted support to police agencies across the region.

And at the forum meeting in August this year, members agreed to elect Greg Urwin as the new secretary-general of the secretariat. Mr Urwin, a dedicated and experienced member of the Pacific community, will be a key asset to the forum as it moves to tackle these challenges.

Our enhanced governance focus with our neighbours also extends to newly independent states. In East Timor, we are continuing to intensify our focus on strengthening policing and helping build those economic and budgetary policy frameworks critical to sustainable growth.

**Building Regional Security and Combating Terrorism**

The Pacific context highlights the clear linkages between issues of stability, security and development. These linkages are also evident in our wider region. Terrorist networks operating in South-East Asia threaten growth prospects, particularly in Indonesia and the Philippines where existing tensions already undermine confidence and security.

Australia’s aid program continues to place high priority on enhancing partner governments’ capacity to prevent conflict, as well as assistance for post-conflict recovery and managing non-military threats to security. This includes contributing to broader counter-terrorism efforts.

The aid program’s contribution to counter-terrorism efforts centres on two approaches. The first involves building the capacity of partner countries to manage terrorist threats by strengthening counter-terrorist and broader law enforcement capacity. The second is to promote environments conducive to growth and poverty reduction that, in turn, lessen the potential for terrorist networks to develop.

In Indonesia, Australia is currently implementing a $10 million four-year initiative to help build counter-terrorism capacity. The aid program is working with the Australian Federal Police (AFP) to strengthen the capability of the Indonesian National Police to combat terrorism and related crimes. And we are helping combat money laundering through the Indonesian government’s new Financial Intelligence Unit as well as collaborating on travel security.

In the Philippines, the Prime Minister has announced a three-year $5 million package of counter-terrorism assistance. The package will provide practical assistance in the areas of law enforcement, border control, port security and enhanced regional cooperation.

At the recent APEC Leaders Meeting in Bangkok, the Prime Minister announced a $1.5 million contribution to a new ‘Regional Trade and Financial Security Fund’. This fund will finance counter-terrorism capacity building in APEC developing economies.
Over the longer term, the aid program is making it more difficult for terrorist networks to find a foothold in the region by strengthening governance, promoting growth and stability, and reducing poverty. Aside from law and justice, key areas of focus are the development of effective, transparent and accountable institutions of government and public administration, improving the accessibility and quality of basic education services and the development of robust civil societies.

Globalisation and Policy Coherence

Our efforts in the Pacific and Asia reflect a broader concern that our development investments are informed by coherent policy approaches that maximise the impact of our aid. Aid alone will never be the answer to the challenges confronting our developing country partners. But effectively targeted aid can play a key role in helping catalyse national development efforts and mobilise the resources required for growth.

Trade liberalisation has the potential to lift millions of people out of poverty. If developing countries increased their share of world trade by just five per cent, this would generate financial resources worth about $500 billion—around seven times as much as they receive in aid.

As I made clear in my statement to parliament last year, those countries that have achieved strong growth are those that have integrated themselves into the world economy through trade liberalisation and openness to investment.

Australia maintains a strong coherence between its aid and trade policies. Despite recent setbacks, Australia remains committed to a successful Doha Development Round, particularly in relation to agriculture. And over the last seven years, our trade related aid funding has increased by more than 70 per cent. Estimated expenditure will reach $31 million in 2003-04.

Trade-related support to developing countries extends beyond aid. From July this year, Australia is providing tariff and quota free access for all goods produced in the 49 least developed countries plus East Timor.

If developing countries in our region are to reap the benefits of globalisation, sound domestic governance will be crucial. Far from weakening governments, globalisation makes it even more important for them to have policies and institutions that allow markets to operate effectively. Once again, this highlights the critical importance of our strong focus on governance.

The aid program is a crucial part of Australia’s broader policy of helping build a more secure and prosperous region. Delivering on the priorities I have outlined here today, our aid is contributing in no small part to Australia’s national interest and is helping create those conditions essential for enhanced regional stability and security, and poverty reduction. I present the following paper:


and move:

That the House take note of the paper.

Question agreed to.

Mrs Gallus (Hindmarsh—Parliamentary Secretary to the Minister for Foreign Affairs) (3.28 p.m.)—by leave—I move:

That so much of the standing and sessional orders be suspended as would prevent Mr Rudd speaking for a period not exceeding 17 minutes.

Question agreed to.

Mr Rudd (Griffith) (3.28 p.m.)—The opposition welcomes the fact that the Minister for Foreign Affairs has sustained the practice of the last 12 years by providing a formal statement to the parliament on Austra-
lia’s international development assistance budget and program. The opposition’s approach to foreign aid is that it should be framed around the Millennium Development Goals. These goals were endorsed by the United Nations in 2000, they were adopted by the Howard government in 2000 and they were adopted by most of the rest of the developed world in 2000. But, if we look at the aid budgets which have been delivered by this government in the period since 2000, the Millennium Development Goals do not appear to construct the architecture within which Australia’s aid budget is now delivered. There seems to be a passing genuflection at these Millennium Development Goals but, in terms of instructing and directing the actual content of Australia’s aid program, they seem to be relegated to the margins.

The Millennium Development Goals are worthy of restatement in an important parliamentary statement, such as the one today. I regret that in his presentation just now the minister did not appear to refer to the Millennium Development Goals, or even the term ‘Millennium Development Goals’. The Millennium Development Goals are worthy of restatement.

Mr Downer interjecting—

Mr Rudd—I thank the minister for now restating, by way of interjection, the fact that he omitted mentioning the Millennium Development Goals. I will now read them for his benefit and for the benefit of the parliament. The Millennium Development Goals are as follows: (1) eradicate extreme poverty and hunger; (2) achieve universal primary education; (3) promote gender equality and empower women; (4) reduce child mortality; (5) improve maternal health; (6) combat HIV-AIDS, malaria and other diseases; (7) ensure environmental sustainability; and (8) develop a global partnership for development.

In the original MDG document of the United Nations, each of these specific goals was given a specific time line for achievement. Therefore, it is important for all developed countries, including Australia, to incorporate the MDGs in the way they frame their development assistance programs. I would request that the next time the minister, on behalf of the government, delivers a statement of this nature or, more importantly, delivers the next aid budget to the parliament, he does so consistent with the MDG framework. Otherwise, our endorsement of them through this government back in the year 2000 simply stands as a meaningless piece of paper—not shaping the content of our policy.

When we look at the content of the Millennium Development Goals it is important to note that they are also relevant for us in the linkage between development, security and terrorism. For example, the Millennium Development Goals refer specifically to the eradication of poverty and the achievement of universal primary education. These are important social and economic factors that fuel the capacity of terrorist organisations across the world to recruit people to their cause. They do not constitute the sole factor that causes people to join such organisations or to be used by them, but they are part of the recruiting background. They are part of the social and economic conditions from which terrorists are drawn.

If we apply this to our attempt as a country to frame a global counter-terrorism strategy, it is important to see where these things stand. In dealing with the challenge of terrorism, we must deal with, firstly, the challenge of intelligence; secondly, the challenge of policing; thirdly, the real challenge of ideology and, in the case of al-Qaeda, the rampant growth of Wahabism and Salafism within Islam and across the Islamic world; fourthly, employment; and, fifthly, education. Any attempt to deal with the phenomenon of ter-
terrorism today is bound and destined for failure unless a total approach is adopted which deals with each element of the problem, not just a part of it. This is relevant whether we are dealing with terrorism in the Middle East, the Horn of Africa, South Asia or South-East Asia. All these factors need to be addressed.

If we turn our attention specifically to Indonesia we see how great the challenge is. Looking at education alone, the structure of the Indonesian education system is balanced between 14,000 religious schools, otherwise called madrassas or pesantren, and the state school system. Both systems have come under enormous stress as a result of the impact of the Asian financial crisis of 1997-98. In its attempt to assist in the stabilisation of the Indonesian rupiah, the IMF’s intervention in the Indonesian economy and budget was such that the government in Jakarta was required to cut back most severely on its education outlays. As a result of that, there has been since that time a downgrading in the capability of the Indonesian state education system to effectively deliver programs to the children of that great country to our north.

But, beyond that, because the state education system is in some state of collapse in Indonesia, there has been a further outwash of children and young people from the state education system into the mainstream Muslim schools run by the two principal peak bodies of Islam within Indonesia—Muhammadiyah and Nahdlatul Ulama, or NU. These religious schools, which belong to the great traditions of mainstream and moderate Islam, have felt financial pressures as a large number of children have been brought to their doors for enrolment because the state schools in their vicinity have closed altogether. Enormous pressures are felt within these mainstream schools to provide a curriculum, to provide adequate training for teachers and to provide adequate quality control for the courses which are taught. The problem is that, because of the pressures that exist across the system, this has also created an opportunity for a small number of extremist, fundamentalist jihadist pesantren and madrassas to spring up as well. You see this pattern emerging in various parts of Java and elsewhere in Indonesia.

The funding for these schools is of particular interest to us here in Australia because these schools in part gave rise to some of the bombers who became engaged in the Bali bombings. The funding for these schools, run by Wahabists and Salafists from the extremist school of Islam, came in large part from Saudi Arabia and, to this day, still comes in large part from the Kingdom of Saudi Arabia. We find that the pattern of contributions to these Wahabist or Salafist schools is often the construction of a mosque from a Saudi Arabian benefaction and the simultaneous delivery of school curriculum and textbooks in Arabic, which are exclusively religious in content and which do not attempt to teach any form of mainstream general knowledge curriculum.

This creates an enormous problem in terms of the school environment. It would be wrong for us to say that this represents the dominant manifestation of Islamic education in Indonesia. It does not. But it does represent a significant minority tradition and a growing tradition that is not just of concern to the security authorities in this country but also of great concern to the security authorities in Indonesia—as the minister and I both know, having spoken to them in recent times.

Added to that, we have the other, broader problem which confronts the terrorist landscape in Indonesia, which is the frightening level of unemployment. The figure which is routinely used by Indonesian authorities in their explanation of the problem to visitors such as me is that there are now some 40
million unemployed Indonesians. Twice the population of our country represents the unemployed mass of Indonesia. This is in a country with a total population approaching 220 million. This is a huge number of people. When you add together these two factors—namely, the emergence, through the lack of state funding, of a radical tradition of Islamist education through the Wahabist and Salafist schools, the madrassas and the pesantren, added to the fact that those who graduate from schools, be they of that tradition or beyond it, cannot find a job because of the depressed state of the Indonesian economy—you have the perfect cocktail for the further recruitment efforts and drive of terrorist organisations such as al-Qaeda, Je-maah Islamiah and the six or seven sister terrorist organisations of a similar type which have sprung up in the last six to nine months, since the commencement of hostilities in Iraq.

The question which confronts us here is: what do we do about all of this? Herein lies the challenge for the minister’s aid budget. It is a mainstream challenge, because it goes not just to Indonesia’s legitimate interests for assistance from cooperative partners around the world for the development of its own economy and society but to what Indonesia wants to do as far as the further efforts it as a government has embarked upon to deal with the challenge of terrorism at home. We have called this the development of an effective comprehensive counter-terrorism strategy for Indonesia. The first leg of it must be through the further enhancement of the capabilities of the Indonesian National Police. The minister in part made reference to the cooperative efforts which currently exist. I simply challenge the minister: we must do more.

If you look at the structure of the Indonesian security establishment, under Indonesian law responsibility for counter-terrorism lies with the Indonesian police, not the Indonesian military. The Indonesian police, POLRI, having been a reasonably recent bureaucratic construction, are in grave need of additional resources and training. That is why we must join with others, like the United States, in providing enhanced training opportunities through the Australian Federal Police, who have already developed good operational links with the INP through the Bali and post-Bali period, to take this one step further in order to bring POLRI up to the level where it represents an effective nationwide counter-terrorism capability across the country. That is the first leg of an effective counter-terrorism strategy for Indonesia.

The second leg, however, deals with what I have described as a second Colombo Plan for the Indonesian education system. What should such a plan contain? Australia should take the lead in constructing an international donor consortium which puts together a resourcing package for the totality of the Indonesian system aimed at the training, both in-country and internationally, of those Indonesians responsible for teacher training across the country where deficiencies currently exist. Second, there should be a systematic approach to training and retraining teachers, both in-country and internationally. Third, there should be reform of the accreditation system for teachers. Fourth, there should be reform of accreditation inspection of curricula taught in schools. Fifth, there should be resourcing of Indonesian schools with education material for mainstream, general knowledge education both in Bahasa Indonesian and in English.

We on this side of the House recognise that this represents a bold idea because it represents a large concentration of resources. However, it is also our argument that, if this country is serious about dealing with the long-term challenge of terrorism from Indonesia—the largest Islamic country in the world and Australia’s nearest neighbour—
unless we take this challenge seriously, if we roll the clock forward another 10 to 20 years, the challenge will have compounded itself several-fold. We understand that there are limitations upon what the Australian aid budget can deliver, but we are also of the view that this requires entrepreneurial leadership on the part of the minister and the government to draw together an international aid consortium to deliver a program of this order of magnitude. We believe it can be done. A further condition of its being done is that it be done in complete conjunction and cooperation with the Indonesian education ministry.

When I was last in Jakarta I spoke at length with the Islamic University of Indonesia, on the outskirts of Jakarta, which is already doing preliminary work on how the further resourcing of both the state and mainstream religious education systems in Indonesia could be advanced, including through such things as training and quality control of the teaching establishment, as well as through curriculum control. For Australia, this must be a challenge which, front and centre, lies with our national government here in Canberra. If we fail this challenge then whatever we say in the chamber in the weeks, months and years ahead about intelligence, policing and one terrorist strike after another will pale into insignificance as the problem simply compounds through our failure to deal with underlying social and economic conditions in our most populous northern neighbour.

The third part of our proposed counter-terrorism strategy for Indonesia is the convening of a regional summit of heads of government. The reason we argue for this is that, when you speak to those who are responsible for the delivery of counter-terrorism programs on the ground—not just in Indonesia but in the Philippines, Malaysia, Bangladesh and other parts of the broader region where we have a demonstrable problem—plainly the message is often not filtered from the highest levels of government down to those responsible for operational execution. We need to create a sense of genuine political momentum across the region whereby combating terrorism and eliminating terrorist organisations, root and branch, and dealing effectively with the causal factors which aid and abet the recruiting efforts of terrorist organisations are concluded as being a No. 1 regional political priority. That can only be achieved through a regional summit of heads of government. I understand that the government has partly taken up this proposal, which I think we advanced in the week following the Bali bombing, and now there is proposed to be a regional meeting of foreign ministers on this subject.

Mr Downer—Yes.

Mr Rudd—Foreign minister, we think that is a positive development.

Mr Downer interjecting—

Mr Rudd—We do. We actually proposed it in this chamber one week after Bali. But we proposed that it be done at heads of government level, the reason being that you need a purpose-built, focused summit of heads of government on terrorism if you are going to achieve the drill-down effect within the region of causing the implementation agencies to believe that their heads of government are serious about this overall challenge.

I have used Indonesia as an example of the linkages between development, security and effective counter-terrorism strategies. The same methodology applies of course with the upcoming challenge of Iraq. I visited Iraq most recently and the parallel challenges in terms of education and in terms of employment in Iraq ring frighteningly true when you confront the reality on the ground in Java today. Youth unemployment in Iraq
today runs at 60 per cent. The capacity for further recruitment there is huge. We would argue that the government should take these proposals seriously in its formulation of the next budget. *(Time expired)*

Debate (on motion by Mr Downer) adjourned.

**MATTERS OF PUBLIC IMPORTANCE**

**Environment: Land Clearing**

The **DEPUTY SPEAKER (Hon. I.R. Causley)**—I have received a letter from the honourable member for Wills proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The Government’s failure to protect Australia’s native flora and fauna, rivers, climate and the Great Barrier Reef.

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 **KELVIN THOMSON** (Wills) (3.46 p.m.)—A month or so back the *Central Coast News* reported:

Sticking the Federal Environment Minister on a fishing boat and taking him out on Tuggerah Lakes seemed like a great idea.

But things didn’t go according to plan when his boat became stuck in the mud and he had to be pushed off.

It included a photo of the minister being pushed off the mud. It is a wonder being exposed to direct sunlight that he did not do himself damage. But there was more to it than that, Mr Deputy Speaker. It went on to say:

And putting a pack of reporters and photographers on another boat to tag behind also spelled trouble.

Reporters need someone to interview and Kevin Byles, the fourth generation professional fishermen driving their boat was the ideal person.

A fisherman for 40-odd years, it turned out that he is deeply opposed to the plan to dredge Tumbi Creek and spread the soil across the lake bed. That is a pretty powerful metaphor for this government’s environmental policies which are just as comprehensively stuck in the mud.

Just yesterday, 420 of this nation’s biological scientists sent off a letter to Prime Minister Howard and Queensland Premier Beattie calling for an end to large-scale clearing of native bushland throughout Australia. It is unusual for scientists to write letters to politicians—they are usually happier in the lab or out in the field. But they took this unusual step because of their alarm at the damage that land clearing is causing to Australia’s birds, plants, and animals, and their conviction that if we do not get action to halt land clearing, we will finish up with wide-scale species extinctions and long-term land degradation.

That letter, which has been called the ‘Brigalow declaration’, sets out a few uncomfortable, but unavoidable, home truths about land clearing: firstly, that more than half a million hectares of native bush is being cleared each year in Australia; secondly, that nearly 80 per cent of Australia’s land clearing occurs in Queensland, where a recent scientific report estimated that 2.1 million mammals, 8.5 million birds and 89 million reptiles are killed by land clearing each year; thirdly, that for every 100 hectares of native woodlands cleared, about 2,000 birds, 15,000 reptiles and 500 native mammals will die; and, fourthly, that Australia’s current rate of land clearing puts us amongst the world’s five worst land clearers, exceeded only by Brazil, Indonesia, the Congo and Bolivia. That is the kind of company we are
in. The Treasurer could, I am sure, make something of that.

Labor know this, and that is why the first policy release that we put out on the environment after I became shadow minister early last year in Adelaide committed Labor to halting land clearing. A Labor government would reverse the decline in the quality and extent of native vegetation by, firstly, setting national standards to control land clearing that states must implement and manage under bilateral agreements and, secondly, making Commonwealth natural resource management funding contingent on the implementation of these national standards.

Earlier this year, the Queensland government announced a moratorium on land clearing and there was much rejoicing. Both the Prime Minister and the Minister for the Environment and Heritage were keen to be associated with this step, and they came into the parliament indicating their support for it. A package negotiated between the federal and state governments was announced by the environment minister on 22 May. That package included the immediate protection of ‘concern’ vegetation, a phase-down of broadacre clearing of remnant vegetation to zero by 2006 and a joint Commonwealth and Queensland adjustment assistance package of up to $150 million. What has happened since then? Since then, some Queensland landowners have refused to accept this package, and the Howard government has capitulated to them.

When it comes to the environment, the Howard government is completely unwilling to make the hard decisions, and it has walked away from the agreement which it negotiated. Originally, the agreement was to be finalised in three or four weeks. Then the Howard government asked for a delay and was given until the end of September. Then it said that it would put the matter before cabinet’s sustainability committee on 5 November. Then that meeting was cancelled. I became concerned about this delay and the backsliding, and I asked the environment minister a question about this in the House on Thursday, 6 November. The minister claimed that the reason why land clearing controls in Queensland have not been finalised is:

… that the Beattie government will not make a commitment to protect vegetation of concern ...

That is utterly wrong. It is the kind of answer which gives this minister the reputation he has in this place of being someone who will say absolutely anything. To blame the Queensland government for the delay, when it is the Howard government that refuses to sign, is a disgrace, and it is a reflection of the pitiful ministerial standards of the Howard government ministers. The Queensland government will put forward its $75 million and protect ‘concern’ vegetation on freehold land. All the Howard government has to do is put up its $75 million and sign the deal.

Land clearing has three strikes against it: it is the single greatest threat to native birds, plants and animals; it is the principal cause of dryland salinity; and it is a major contributor to greenhouse gas emissions. The Labor Party supports action to control and halt broadacre land clearing. The question is, does the Liberal Party? Misleading parliament in response to Labor’s questions is no answer. The Howard government must sign the land clearing deal it proposed or be exposed as a fraud on one of the key environmental challenges facing this country.

I turn now to the issue of rivers. The most potent symbol of this government’s failure to protect our rivers is the sad state of the Murray. It is a river on life support, its mouth kept open by dredging, with river red gums dying, native fish species put on the endangered list, blue-green algal blooms and
alarming projections for the future regarding salinity, the state of the Coorong and the health of the drinking water of Adelaide and inland New South Wales towns. On 14 November, the Murray-Darling Basin Ministerial Council carried resolutions which, if they are carried out, will return to the Murray an additional 500 gigalitres over the next five years. This is good news, and if it happens then the river will benefit from it.

I do not suppose that Labor or Simon Crean will get any recognition for this, but there is no doubt that the reason this decision was taken was that Simon Crean’s budget reply this year highlighted Labor’s plan to save the Murray River. Firstly, it involved finding an additional 450 gigalitres in our first term of office; secondly, there was finding a total of 1,500 additional gigalitres over a 10-year period; and, thirdly, there was setting up a Commonwealth corporation, the Murray-Darling river bank, with an initial capital injection of $150 million to help make this happen.

Throughout the past two years, Simon Crean, the Leader of the Opposition, and the federal parliamentary Labor Party have been campaigning hard on the need to save the Murray River. We have done it in the face of incessant criticism from government ministers—from Minister Anderson and Minister Truss—and, indeed, from certain farmer organisations. But we have kept it up. Without the political pressure the government has felt as a result of Labor’s policies to save the Murray I have no doubt that we would still be going around in circles. This is a government which has failed to deliver a single litre of additional water for the Murray in 7½ years, and without ongoing pressure from Labor it never would. Indeed, we will be watching the implementation of this decision like a hawk on a river red gum to make sure that the Murray gets the water it needs. We stand for restoring the whole of the Murray, and our $150 million river bank commitment represents money which will go into rural communities along the Murray River system to ensure that we get water for the river without prejudicing or sacrificing agricultural production.

I turn to the issue of climate change. Australia’s climate is being affected by climate change. Whether it is coral bleaching on the Great Barrier Reef caused by warmer water temperatures, the loss of snow cover on the Australian Alps, bushfires or the prospect of increased susceptibility to tropical diseases like dengue fever, climate change is going to be a big issue for Australia. Recently, the ABC program Catalyst outlined a new scientific theory which says that the interaction between climate change and the ozone layer hole is causing a loss of winter rainfall in southern Australia, leading to droughts for south-west and Western Australia, South Australia, Victoria and Tasmania. The theory goes that a phenomenon called the Antarctic vortex gives rise to the winter rainfalls that southern Australia receives but that climate change is accentuating this phenomenon, sucking rain-bearing winds southwards into the ocean.

It is a matter of record that Perth and south-west and Western Australia, parts of South Australia, parts of Tasmania, Melbourne and other parts of Victoria have been experiencing record low rainfalls over the past few years. Even Minister Kemp acknowledged in answer to a question that climate change was having an impact, stating: "... the more severe impact of the current drought— the lingering drought— arises from the relatively higher temperatures during 2002 compared with earlier droughts such as those of 1982 and 1994. But the government has failed abjectly to deal with climate change. It has refused to be
part of the collective international effort to

tackle climate change through the Kyoto pro-
tocol. It has done everything it could to scut-
tle and undermine the Kyoto protocol.

It has also undermined the Mandatory Re-
newable Energy Target program. Former
Liberal minister Warwick Parer recom-
mended that the two per cent target be abol-
ished. Labor would increase the target to an
additional five per cent. It has ruled out
emissions trading and abandoned work on it.
Emissions trading is a market based way of
meeting the kinds of greenhouse gas emis-
sions targets that we will have in future. It
offers many advantages for business. Instead,
we are in a climate of drift and of uncer-
tainty. By contrast, Labor’s policies would
provide the missing national leadership. We
would ratify the Kyoto protocol, increase the
Mandatory Renewable Energy Target to five
per cent and do the hard yards on emissions trading.

Finally, I want to refer to the Great Barrier
Reef. The government has allowed the Great
Barrier Reef to be attacked by climate
change and land based activities and put at
risk by oil exploration. Labor would act to
meet these challenges. The most current is-
ue involving the Great Barrier Reef is the
question of the Representative Areas Pro-
gram. This is a government which cannot be
trusted to manage in good faith a process of
consultation to protect our greatest natural
wonder, the Great Barrier Reef.

The Representative Areas Program is a
laudable project which aims to expand pro-
tected areas or no-take zones from some four
per cent to over 30 per cent. It has been sub-
verted by this government. As recently as 4
November, during a Senate supplementary
budget estimates hearing, the Great Barrier
Reef Marine Park Authority outlined the or-
derly process that should have been fol-
lowed. The chair, Virginia Chadwick, told
the hearing that the draft zoning plan would
go to the marine park authority board meet-
ing towards the end of November. Once ac-
cepted by the board the plan was then to be
presented to the minister, who would then
have the option to consider it, make sugges-
tions and send it back to the board.

The minister was to have the plan by the
end of November. It came as a great surprise
to hear reports that the zoning plan has al-
ready gone to cabinet before going to the
board or the minister. Labor support the zon-
ing plan process, but we want the final prod-
uct to be based on hard science, not grubby
politicisation. Yet the plan has got cabinet’s
fingerprint all over it before the experts—the
board of the authority—have had a chance to
consider it formally.

It gets worse. We have reports of various
Liberal and National Party members of par-
liament, particularly the members for Daw-
son and Leichhardt—

Mr Gavan O’Connor—That is not sur-
prising.

The DEPUTY SPEAKER (Hon. I.R.
Causley)—The member for Corio is warned!

Mr KELVIN THOMSON—lobbying
Minister Kemp at the eleventh hour to water
down the plan, effectively reducing the level
of protection that the plan recommended. We
have it on good authority that the member
for Dawson met with the minister and repre-
sentatives of commercial fishing interests,
and several days later Repulse Bay—an area
recognised as possessing special and unique
World Heritage areas—was changed from a
yellow zone to a blue zone. It changed col-
our. That change would allow trawling and
netting into the bay, potentially threatening
dugongs, turtles and dolphins. The Sunfish
representatives say that they have now got to
the point where they do not believe anything
that people tell them in relation to this proc-
ess and that the yellow on the map seems to
be coming and going, depending on who the maps are being shown to. Mr Bateman said:
I have worked for government for 36 years and I believe I am able to pick when people are running interference, and the story here is changing week by week and day by day. I do not know if Virginia Chadwick is trying to protect the minister but this is one of the reasons that we are now not keen to believe anybody.

We know that meetings were held in Mackay on 26 September between Minister Kemp, Virginia Chadwick, the member for Dawson and guests that Mrs Kelly, as meeting organiser, had invited. After that meeting we found the yellow zoning, which had been on Repulse Bay, disappearing and the map showing only blue zoning, which allows trawling and gill netting. *(Time expired)*

Mr Sidebottom interjecting—

The DEPUTY SPEAKER—The member for Braddon should realise his position in the House. He was warned during question time.

Dr KEMP (Goldstein—Minister for the Environment and Heritage) *(4.01 p.m.)*—It is not perhaps coincidental that today, after virtually a year of silence from the opposition in this House during question time and in relation to Matters of Public Importance, we have an urgency motion moved by the Labor Party.

What has brought about this urgency motion? One could speculate, but perhaps it was an article by Susan Brown in the *Australian* yesterday that produced this urgency motion. The article had some very interesting assessments of the record of the government and the Labor Party on the environment. I noticed that Susan Brown came to the conclusion—

*Mr Kelvin Thomson interjecting—*

Dr KEMP—I see the shadow minister is very exercised about this article. That certainly gives substance to the point that I am making. The article says:

Yet the record shows a Liberal Government that has done more for the environment than any government.

The article concluded that the Howard government has done more to protect, conserve and repair the environment of this country than any previous government. It also made some comments about the last Labor Party government, that of the Hawke-Keating years. It was fairly cutting on the Labor Party’s record in relation to the environment. The article states:

... by the Hawke-Keating years, well-organised industry and some union groups were able to threaten greenish cabinet ministers intent on wider reform. They effectively turned federal ALP environment policy into bone-throwing events—a new park here, an inquiry there.

It was nothing of substance—just a new park here and an inquiry there. That is the reputation of the Hawke-Keating years on the environment. Labor has no record at all on the environment that it can point to with pride. This government has put in place the most thorough, strategic, comprehensive and well-resourced approach to the protection of Australia’s vulnerable plants and animals, its vegetation communities, its marine areas and the quality of its agricultural land. I will say a bit more about that in a moment.

There was some extraordinary misinformation in the shadow minister’s speech. I want to make a couple of comments about some of the clearly incorrect statements that he made. One was in relation to the rezoning of the Great Barrier Reef when he said that the plan had gone to cabinet before it went to the board. That is not correct. The plan was not taken to cabinet. He said it had come off the rails, it was to be presented to the board at the end of November and then presented to the minister. I can tell the shadow minister that the board met this morning and, as I understand it, has approved the zoning plan for the reef. The plan will come forward to the
minister exactly on schedule, exactly as said in the initial statements about it.

There was a very weak effort to defend the Beattie government’s record on concern vegetation. The shadow minister questioned an answer that I gave in the House on this point and said, ‘The Beattie government will act on this; it will act future. It is going act at some time on concern vegetation.’ Every other Australian state in its bilateral agreement with the Commonwealth on the Natural Heritage Trust has undertaken to protect of concern vegetation on private land. The only government that has not done so, so far, is the Beattie government.

Mr Kelvin Thomson interjecting—

The DEPUTY SPEAKER—The member for Wills might recall what happened to the member for Melbourne yesterday.

Dr KEMP—My answer in the House was entirely correct. In the course of this debate—and I will say it here so that I do not have to repeat it later on—the shadow minister outlined the Labor Party policy, which was a very convoluted strategy, to control vegetation clearing. I do not think anyone in this country who cares for the environment does not believe that vegetation clearing, at the rate that it is going, is a very significant environmental problem, particularly in two states—Queensland and New South Wales—with Labor governments that have had the capacity for quite some time to address this issue. It was not until the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality were put in place by this government that solutions to these problems have become possible.

I was delighted to record in the House only a week or so ago that, via the agency of the Natural Heritage Trust and the National Action Plan for Salinity and Water Quality, a complete halt will now be put on broadscale vegetation clearing in New South Wales. That is something that the Commonwealth is very pleased about. I know that landholders and environment and conservation groups are also very pleased about it. It is something we have been seeking, along with regional reform, to push the New South Wales government into for some time.

We are currently engaged in a process in Queensland which I am very confident will lead to a very satisfactory outcome. By the time the shadow minister even hypothetically might have a chance to implement what he calls Labor policy, he will find it is of absolutely no value whatsoever because it will not be necessary. It is just an effort to put something down on paper, which has no reality. This issue, like so many other environmental issues, is being addressed by the Commonwealth government.

Mr Kelvin Thomson—How is the process going? You walked away from it.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! The member for Wills is warned.

Dr KEMP—Part of the reason why the Australian Labor Party is feeling so threatened, and has been provoked to move this urgency motion, is that the Greens are slowly draining votes from the Labor Party at elections. It knows there is a leakage of its votes from supporters who are deeply disillusioned by its policies, many of them not policies concerned with the environment, and the Labor Party’s complete failure to put forward any sensible policies on the environment at all.

No Australian government has done more to protect, restore and repair the Australian environment than the Howard government. Australia has large environmental issues—nobody disputes that. We have inherited very significant degradation of our streams, rivers and threatened vegetation communities. We
have many significant wildlife species that are under threat. We have already lost a number of iconic species in this country. We have very poor management by the states of our national parks—as evidenced by the massive wildfires we suffered last summer. We have exotic weeds, feral animals and marine pests that need to be combated. There is also significant pressure on our coral reefs. These are very significant environmental issues which have been inherited from the past 200 years of development in this country. We have changed attitudes now and adopted many of the ways which we know we can successfully develop the resources of this country in an ecologically sustainable way.

As a result of the actions of the Howard government, Australia is now in the best position it has ever been in to address these issues at a national level. Every one of these major environmental issues is currently being addressed by the Howard government with very conspicuous success. I will go through these and indicate what has been done. The important thing is that overall—and this never happened under Labor, and is still not evident in anything Labor has said—we have established the mechanism at the very top of the policy making machinery of this country to provide a strategic approach. The government have established a Sustainable Environment Committee of the cabinet, chaired by the Prime Minister, which implements a whole-of-government approach. So whenever an issue of environmental sustainability comes up—for example, in agricultural, industrial or transport policy—it can be addressed on a whole-of-government basis. This is a unique instrument which allows this government to take very strategic decisions in relation to environmental sustainability.

We have, for the first time, designated national research priorities, and right at the top of the list is a sustainable Australia. The resources of Australian science are being dedicated, as never before, to the solution of major environmental issues in this country. This government have also recognised that, if we are going to be serious about repairing the environment, we need resources. We have put in place the largest environmental rescue programs in this country’s history, particularly the $2.7 billion Natural Heritage Trust—which we have now, in its second phase, persuaded the states to match on the ground—and the $1.4 billion National Action Plan for Salinity and Water Quality.

Recognising that the environment is everybody’s business, we have encouraged communities around Australia to work to repair the environment at an unprecedented level. The first phase of the Natural Heritage Trust has funded activities by over 400,000 volunteers. We are continuing to promote that local activity through the Envirofund. The absolutely critical decision that we have taken, through the Natural Heritage Trust and through the national action plan, is to roll out across Australia a framework for priority setting by regional communities in land, water and biodiversity management—catchment by catchment, region by region; encompassing the whole of this continent. There is no continent in the world, indeed I think no country in the world, which has rolled out a framework for strategic environmental decision making and empowered local communities to take those actions in the way that this government have.

Recognising Australia’s huge responsibility for marine and oceans management, we have put in place the first National Oceans Policy, Australia’s Oceans Policy. To implement this we have established the National Oceans Office. We are now rolling out around the continent—across Australia’s continental shelf and throughout our exclusive economic zone; an area of over 16 million square kilometres and an area greater
than the land area of the Australian continent itself—a marine planning exercise which is unique in the world. There is nothing to compare with this in any country in the world. The first of these regional marine plans, in the south-east region, is now out for public discussion.

Recognising the importance of air quality and climate, we have put in place national fuel standards, which have succeeded in cleaning up the air in our major urban centres—saving billions of dollars in health bills. We have established the world’s first national greenhouse office and dedicated almost $1 billion to the reduction of greenhouse gas emissions. Through the Mandatory Renewable Energy Target we have put in place the world’s first system for providing credits for renewable energy supply. The Labor Party says, ‘Oh well, it favours a higher target on this system.’ We have just had a review. The Labor Party obviously knows better than all of the experts in this area and has plucked a figure out of the air, as it does in many areas of policy, without considering the realities. We now have that review reporting to the government. That report will be made public in the not too distant future.

Australia contains over one million species. We have 10 per cent of the world’s biodiversity in this country—a huge challenge. The Howard government have put in place in this country the most powerful piece of legislation ever to protect our biodiversity: the Environment Protection and Biodiversity Conservation Act. The Australian Labor Party opposed this act; it opposed this legislation, which is essential to supporting Australia’s biodiversity. As it does so often in the Senate, it played the troublemaker, the spoiler. It has nothing constructive to offer. It is negative on every major initiative that this government have taken. Unlike Labor, we have taken a world leading role in international councils in the protection of whales and other cetaceans.

This year we have made some of the most important progress to be seen for decades in restoring the Australian environment. Through the Prime Minister’s leadership, we now have the national water initiative as well as another half a billion dollars to restore the Murray-Darling Basin and six iconic environmental sites; through the Natural Heritage Trust and a national action plan, significant action is now being taken on vegetation clearing; and we are just bringing to fruition the rezoning of the Great Barrier Reef. This government have added 18 million hectares to our national reserve system, worked on over 650 recovery plans for threatened species, created the world’s third largest marine park after the Great Barrier Reef around Heard and McDonald islands and received two ‘gift to the earth’ awards from the Worldwide Fund for Nature.

Mr Sidebottom interjecting—

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member for Braddon was warned during question time. He is in a very perilous position. He will ignore the member for Batman if he wants to stay out of trouble.

Dr KEMP—The record of this government is unparalleled, and nothing that the Labor Party did in office and nothing that the shadow minister has said today will convince Australians that Labor has anything to offer—(Time expired)

Mr JENKINS (Scullin) (4.16 p.m.)—The Minister for the Environment and Heritage characteristically spent most of his time criticising the opposition, talking a lot about inputs and, for the last 30 seconds, he got around to rattling off some statistics that might be considered to be outputs. I am always fearful that the minister will rely upon the Margaret Thatcher attitude. At the time of
the Falkland campaign, Margaret Thatcher was quoted as saying:

... it is exciting to have a real crisis on your hands, when you have spent half your political life dealing with humdrum issues like the environment.

I hope that is not the minister’s attitude. I hope that he takes the environment seriously, listens to the debates that are going on around Australia and takes the matter of public importance seriously.

On nearly every environmental issue, he claims he is being addressed with conspicuous success. Let us have a look at the studies that abound—the National Land and Water Audit, the State of the environment report, studies by the ABS, and the Australian Terrestrial Biodiversity Audit. In each of those studies on nearly every criterion, the environment is going backwards—salinity, water quality and threatened species. In the Australian of Thursday, 20 November, just last week, there was an article with the headline ‘Growing threat to our fauna’. It stated:
The World Conservation Union’s 2003 Red List of Threatened Species shows Australia has 527 animals critically endangered, threatened or vulnerable.

In numerical terms, this places us second behind only the United States. As has been discussed in this debate, there is a huge number of flora and fauna species throughout Australia—and, of course, large numbers will fall into these categories. But has the minister really addressed that issue? Does he really think he is making progress? If you go to the department’s web site, there is a 30-page list of flora that is extinct, vulnerable and threatened. In his remarks did the minister address the question of whether any progress is being made with those problems?

We go now to the discussion on land clearing. Quite rightly, the shadow minister for sustainability and the environment, the member for Wills, mentioned this week’s Brigalow declaration. I think it is courageous of 400 scientists to place on the public record their position and their knowledge about these issues, which are very important. They call for the end of large-scale clearing of native bushland and state in their open letter to the Prime Minister and the Queensland Premier that the irreversible negative impact of land clearing on Australia’s biodiversity is unquestionable.

The minister then, acknowledging that this is a state and federal responsibility, wants to do what this government does in every area of public policy—blame the states, blame the territories; blame anybody but itself. But this area, like many other areas, relies on this government showing leadership—and no leadership has been shown. The example of the moratorium in Queensland underscores this fact. Almost six months later Canberra has still not completed negotiations with farming groups who oppose the plan. Is it that in discussions behind the doors of cabinet this minister—like coalition ministers for the environment before him—has been rolled? These are the questions that need to be answered. This is the matter that needs to be discussed.

It is crucial that all levels of government with a shared responsibility work together in partnership. It is no use having finger pointing. As the honourable member for Wills has said, Labor in government would address this. We would sit down with the states and territories and come to agreements with them—binding agreements on a bilateral basis that then would underscore the basis of any funding going forward. These are the important issues. This week in Time magazine there is a special feature entitled ‘Race to Save the Reef’. Environmental matters are of concern to the Australian public. In this article Time magazine goes through the issues that surround the processes that are under way at the moment. These processes
have been highlighted by the member for Wills—the necessity for the Representative Areas Program to go forward and for the 70 bioregions that are suggested by this program to be protected by locking up at least 20 per cent of them.

But what the minister did not address was the challenge that was issued to him by the honourable member for Wills about the actions of some members of the coalition parties. For instance, has the member for Dawson, armed with her box of Derwents or crayons, hovered over the maps and shaded in the zones in different colours? What are the processes that have gone on, where behind locked doors access is given to alter the zonings and the colours of the zonings just on the basis of political whim? When so much work has been done, especially in the Great Barrier Reef by a number of organisations that have studied it, decisions should be made on the basis of the science as we know it. Regrettably, even with the amount of work that has been done by GBRMPA, AIMS, James Cook University and CRCs—a whole host of people—we still need to learn more, scientifically, about the way the reef works.

When we talk about the reef, we find it is a conjunction of all the pressures that we can find in any environmental debate throughout Australia. There will of course always be a necessity to juggle mixed uses, to ensure that the greatest values in biodiversity are protected without impinging too much upon the economic ability of communities to be able to take part and participate in the saving of our iconic environmental landmarks. But with the Great Barrier Reef we see the way in which ecosystems involve each other. There is some concern about the damage that might be done to the reef by people who are visiting as tourists, yet someone who was interviewed for this article was more worried by the damage that is done to the reef by a cow 200 kilometres inland. These are complex environmental matters that we have to best understand, and the type of damage that is being done to the reef because of run-off has to be better understood. We have to understand the best ways we can address that, at the same time as allowing those who are inland legitimate possibilities for continuing their economic livelihood.

These are the types of things that we call on the federal government to show leadership on. We must ensure that we are armed in the best possible way to understand what is required. That means continuing to provide resources for the necessary research. But let us not make judgments about how well we are doing by talking about the amount of money that we are throwing at a problem or about how much has been put forward under the Natural Heritage Fund. Has it been put forward in a coordinated manner? When we look at the list of projects that have been funded and we see the skewing towards coalition seats, does that indicate that there is a proper plan in the way in which environmental problems are being addressed? Does it indicate there is a proper plan in the way in which we are going to address things? Does it indicate that we are really interested in environmental outcomes? Or is it yet another form of pork-barrelling, where we are more worried about assessing the outcomes on the basis of political achievements? These are the serious matters we need to address.

Labor have set out, in a number of areas, the way in which we think we can tackle some of the problems that confront Australia. We have a plan to restore the Murray River, to make sure that it flows. The way in which the Murray system has degraded over the time of this government is yet another issue where, if we were to look at outcomes, nobody could say that we are going forward. We are going backwards. When a river like the Murray stops flowing, it does not indicate that we have a very healthy river sys-
tem. These are issues that we must address. We must ensure that we go forward, with leadership given by the Australian government and that we are setting ourselves up with proper stewardship so that, in an inter-generational sense, we can pass on a healthy environment to future generations so that they can enjoy the elements that are important and that they are not in any way impacted upon in a negative fashion by the way in which the environment is being destroyed. These are important issues on which the government should show leadership.

(Time expired)

Mr BILLSON (Dunkley) (4.26 p.m.)—My respect for the member for Scullin extends to his very courageous effort to make strawberry pie out of not much in the way of material. What an interesting account. In the end, the attack on the government centred on two process issues. First, there was some criticism about the application of the vast amount of funds made available through the Natural Heritage Trust, and he failed to mention that most of the action—collaborative action between communities and governments relating to the restoration of our national systems—happens to be in those electorates. Second, he got stuck into the Great Barrier Reef Marine Park, the government, federal members and the Minister for the Environment and Heritage—everybody—about a consultative process for the Representative Areas Program. What a crime. What a crime to consult people about one of the most significant environmental gains made for this country in its history. For generations to come they will be looking at the Howard government and saying, ‘Thank goodness we had a government with the wit, the foresight and the policy credibility to move on such a difficult issue.’

But the whole point about this today is that it highlights the central flaw in the Labor Party’s efforts to have anything meaningful to say about the environment. Isn’t it noteworthy that the shadow minister referred to some media reports to launch into his concerns? Isn’t it also noteworthy that the member for Scullin’s big contribution was to parrot some of the stuff that was in Time magazine? It leads precisely into my argument that the Labor Party has no idea or credibility and adds no value whatsoever to the natural systems and environment management policies in this country. What it does do is ferret around looking for whatever someone else has had to say to see whether they can make some political mileage out of it. There is nothing about improving our natural systems, enhancing the sustainability of our economy or enhancing the management and care of our ecology. There is nothing about that at all, which is evidenced today. The Labor Party could have covered any topic it wanted but ended up paraphrasing a couple of media reports.

That is the evidence, the example and the cold, hard facts about why people concerned about the environment have abandoned the Labor Party—because the Labor Party offer absolutely nothing. The claim by Labor today is just a further illustration of that point. Contrast that to the Minister for the Environment and Heritage, the Hon. Dr David Kemp, outlining in his presentation a great list of purposeful activity and performance. There is actually policy and outcome from the coalition parties—the Liberals and The Nationals. But what do you get from the Labor Party? Pontification and politicking; that is it. That is their approach to the environment. They had this pantomime here, where there was some creative reinterpretation of media reports, and that is all they had to offer.

Mrs Moylan—Nothing constructive.
Mr BILLSON—Nothing constructive at all. They are an idea-free zone when it comes
to tackling some of the most difficult challenges our nation faces—that is, making sure that we manage our environment with care and thoughtfulness into the future while also maintaining living standards and giving all Australians the prospect of a brighter future.

But let us look at the facts. Let us have a look at what has happened since this parliament has resumed. According to my tally, with another question today from the member for Farrer there have been 50 questions in the House of Representatives concerning the environment. The 50th was today. Let us have a look at the record. The record shows that the shadow minister for the environment, the member for Wills, has asked seven questions—seven for 50. That might be fine if you are a cricketer, but it is not that flash if you are trying to show your credentials. Seven out of 50 questions have come from the shadow minister for the environment, the Labor Party member for Wills. This compelling issue of national policy has spat out seven out of 50 questions. Kelvin Thomson has asked seven questions, and there has been one other Labor member in the life of this parliament who has asked in question time a question about the environment. One other Labor member has had the wit or the gall or the interest in the environment to ask a question during question time. That happened to be the shadow minister for consumer affairs. He was not even asking a question about the environment; he was hopping into ethanol again. So that is the record of the Labor Party. That is the evidence that we have here.

In fact, it is somewhat embarrassing. I look at my own record as a humble government backbencher and I see that I have asked eight questions. I am one of many government backbenchers to do so. The member for Herbert, Peter Lindsay, has asked four questions on the environment. The member for Dickson, Peter Dutton, has asked two questions. The member for Barker, Patrick Secker, has asked another two questions on the environment. All the barking Chihuahuas in the Labor Party and their knucklehead comments about most of these policy issues have resulted in eight questions out of 50. That shows two great contrasts in genuine interest and genuine endeavour. Even the Independents have asked three questions. Interestingly, the Greens have yet to score on questions on the environment in the life of this parliament.

But what happened to the shadow minister? He went AWOL for almost a year. The record shows that his sixth question was on 6 November 2003. So compelling are these environmental issues that the member for Wills had a question on 6 November 2003, but when did he ask one before that? You have to go way, way back. He had a Christmas in between, and his previous question was all the way back on 11 December—almost an entire year. So compelling is this issue, so interested and so engaged is the Labor Party on issues concerning the environment, that we waited from 11 December 2002 to 6 November 2003 to get a question in this chamber during question time from the shadow minister for the environment.

That leads us to a couple of conclusions. In any way it is a damning indictment of the nonperformance and disinterest of the Labor Party when it comes to the environment, sustainability in this country and the health of our natural systems. It leads us to a couple of questions: is it simply that the shadow minister, the member for Wills, has no influence whatsoever on the frontbench of the Labor Party? Is that the possibility—that, even if he did have a question, he could not convince his colleagues to get involved with it? Or
was he not able to craft a question? Was that the problem? That did not get into the pack and the tactics group could not get it through. Or was it that they were simply not interested enough to come up with a question for almost a year on this compelling issue of the environment? It is an issue that is so compelling that the Howard government has it as one of its key strategic priorities. A sustainable environment is one of the key strategic priorities for this government. In fact, one of the four national research priorities is an environmentally sustainable Australia. So who is walking the walk, who is gaining the gains and who is delivering the results versus who is involved in the pantomime? It is such a clear, stark picture.

Why do we have this debate today? Rather than having the wit, the internal fortitude and even the conviction to talk about natural systems and to actually generate some interest in them themselves, the Labor Party have been stung into action by the article that the minister, the Hon. Dr David Kemp, mentioned. The article, published in the *Australian* yesterday, was written by Susan Brown, a former Conservation Council coordinator and an environment adviser to former Australian Democrats leaders Cheryl Kernot and Meg Lees. Susan Brown started off by saying:

No one expected a green-tinged Liberal Party under John Howard.

... ... ...

Yet the record shows a Liberal Government that has done more for the environment than any government.

That was her conclusion. She did recognise that ‘governance for the environment is difficult’ in our country, because of our federation, but she recognised a whole shopping list of meaningful, nationally significant and internationally leading achievements that have been delivered by the Howard government. The Labor Party were stung by this article, which went on to say that the Labor Party have lost their way. It mentioned that the well-organised industry and union groups had beaten up the Hawke and Keating governments and were able to ‘threaten greenish cabinet ministers intent on wider reform’. She concludes that it ‘effectively turned federal ALP environment policy into bone-throwing events—a new park here, an inquiry there’. That is the independent record.

But there is more. In an article published on 26 June 2003 in the *Australian*, Dennis Shanahan records:

The Coalition is now regarded as being better able to handle the environment than either the ALP or “someone else” for the first time since June 1997.

The coalition is better able to handle the environment than someone else. That kind of fits in with the shadow minister being AWOL for a year in parliament. It sounds like there is no cut-through going on at all. It is a decay that started long ago. Even after the shock result in the Cunningham by-election, Labor’s humiliating by-election defeat, Simon Kearney, in the *Sunday Telegraph* on 27 October 2002, reported what the former environment spokesman, Nick Bolkus, had to say. He said that Labor had to correct its mishandling of the environment. Nick Bolkus said:

You’ve got to respect both the policy area and the people involved in it. They’re intelligent—take them for a ride, and they know it.

He went on to describe the Labor Party’s credentials on the environment as ‘a real failure of policy application’. The time has come for me to conclude my remarks. The evidence is clear: the Labor Party is a joke on the environment and the Howard government is getting on with it. *(Time expired)*

**Mr WINDSOR** (New England) (4.37 p.m.)—I am pleased to be able to speak on...
this particular matter of public importance. There are a number of issues at the moment that do need government assistance and do need the assistance of all the parties—including the opposition and Independents—within the parliament. I will talk about that in a minute, but the MPI is essentially about climate and what we as parliamentarians can do in relation to assisting with a better climate in the future. There is some particular legislation on which I congratulate the government. The government has introduced into the parliament some bills surrounding the cleaner fuels energy grants scheme. The member for Dunkley has spoken in the House on liquid petroleum gas in the past. There are many people in the parliament at the moment who are arguing about that particular issue in terms of the excise arrangements that will come into place at some time in the future, which will in a sense help drive a cleaner and greener emission policy and have a positive impact on the Kyoto arrangements and those sorts of things.

It is positive that the government has introduced legislation into the parliament. The disappointing thing, though, is that the government seems reluctant to put in place the policy framework so that those sorts of initiatives can be addressed by industry. Quite plainly I speak in terms of the ethanol industry, but some of the aspects of the problem revolve around the liquid petroleum gas industry as well. The ethanol industry is in a sense sitting on the edge of a precipice. There is no doubt about the benefits of ethanol, and there has been plenty of scientific evidence delivered in this place about those benefits: the way in which it oxygenates the fuel; the cleaner combustion; the impact that it has on the smaller particles in emissions from engines; and the many thousands of vehicle emissions that would be reduced in our communities, particularly in our major metropolitan areas. There are similar benefits with some other biodiesels and other cleaner fuels as well. The important thing is that we are attempting to move towards having cleaner fuels for the environmental benefits that will arise from that. The difficulty that arises, as I said earlier, is that the policy platform the government has before the Senate at the moment, particularly in relation to some of these fuels, will not work.

I will speak about ethanol and the bills before the parliament. The member for Dunkley would be very much aware of this, and I hope he is lobbying like crazy behind the scenes. He indicates with his head that he probably is. The bills before the parliament will put in place a policy mix whereby the 38c a litre excise on fuel, which we are all aware of, will be reduced over a five-year period for entrants into the ethanol industry—and the industry of other biodiesels, cleaner fuels et cetera—from September 2003. Well, September 2003 has passed. That exemption of 38c a litre is to last for five years, from September 2003 until June 2008. There has been some criticism within the Labor Party about the relationship between Dick Honan from Manildra and the Prime Minister. That has muddied the waters in a political sense and has taken away from the significance of the debate. But the difficulty with new entrants into the ethanol industry is that that will probably only give them three years’ exemption from excise, with a phase-down period of five years in equal instalments after that. I do not think the industry has too much of a problem with the phase-down period that the government has in the current legislation, but it does have a problem with only gaining three to 3½ years of excise exemption, which is the arrangement that is currently before the Senate.

There has been much criticism of the role of senators from time to time in terms of the impact they have on policy in relation to country people. I congratulate the senators
on the stand they are taking in the Senate. I congratulate the Democrats in particular, and particularly Senator Lyn Allison, who I believe is developing amendments which will create the cleaner fuels industry. I am encouraged by some of the government members who have been saying privately that there is movement at the station in relation to those amendments. It is in the hands of the government—not the opposition and not the senators who are quite often criticised in this place—to look closely at the amendments that will come into the parliament. The industry needs seven years’ excise exemption from start-up, not from a preset date. That will create an ethanol industry within Australia. That will create a plant in Gunnedah in the Deputy Prime Minister’s electorate, another plant in Dalby in the member for Maranoa’s electorate and potentially many other plants.

The government’s cleaner fuels goal that it put in place in 2001 of 360 megalitres of cleaner fuels, biodiesels, ethanol and those sorts of products will be achieved. I would have thought that was what the government was attempting to do. But the bills before the parliament at the moment will negate that industry. You cannot ask people to invest in an industry which now only has, at most, four years and nine months of exemption—and that is if you could build it in a day. All of us know that it is going to take 18 months to two years to put in place the necessary investment, applications et cetera to get the ethanol plants built, so the likelihood of the exemption encouraging them to develop is negligible. In fact, it will not happen.

The industry needs at least seven years’ full excise exemption from start-up, and then there could be a phase-down period back to the eventual excise arrangements that the government put in place to reflect the environmental and health aspects of the various fuels. LPG is one of those fuels which in my view should not suffer from the full excise. We should be encouraging people to use it. But if LPG is considered to have a low excise in the phase-out period then obviously ethanol, being a renewable fuel, would also have a lower excise. I hope the member for Dunkley will assist in relation to that package with the government.

I would also like to say, in respect of the scare campaign that was put out originally by the Labor Party, that my discussions with members of the Labor Party are indicating that they are not so much against the industry as against some of the arrangements that were put in place. I would ask the shadow minister to really reconsider the position of the Labor Party on the bills before the Senate. I believe you are in a very positive position to influence the outcome of renewable fuels in Australia. You could send a very positive message to the private sector. You could do a whole range of things that we often talk about here: job creation, regional development and all those sorts of things. We could remove the need to face corrupt international markets with exports of some of our grains. We could convert those grains into fuels that are renewable, cleaner, better in the combustion chamber and better in terms of small-sized particles in the air—so better in terms of the asthma and health related diseases that our children and grandchildren will suffer from.

If parliament actually addressed the issue, and the goal of having cleaner fuels within Australia, there would be the added benefits of being able to grow our own fuels from a sustainable source—unlike fossil fuels—and not being dependent on the Middle East and on the Singapore barrel market and those sorts of things. Then there are the positive aspects that that would have for regional communities and towns. I know that in my electorate and the neighbouring electorate of Gwydir, for instance, if an ethanol plant goes
ahead in Gunnedah, which is a $120 million investment, it would consume sorghum, corn and other grains from around the region. If that plant were to go ahead, a natural gas pipeline from Dubbo to Tamworth would also go ahead, which will involve a similar sort of investment. So just in that very small area of Australia there is a quarter of a billion dollars worth of private sector investment being contemplated at the moment. These are the sorts of things that we need to address to achieve the goal of having cleaner fuels in the future and doing something for ourselves as Australians.

I refer to the corruption of economic language I have heard by some people in this House. To say the removal of a tax is a subsidy to an industry is quite absurd. If we are serious about the environment and doing all of the things that this MPI is about, it is time that we started to look at how we can marry the environmental and health issues to the economic parameters of regional Australia.

(Time expired)

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

PERSONAL EXPLANATIONS

Mr KELVIN THOMSON (Wills) (4.47 p.m.)—Mr Deputy Speaker, I wish to make a personal explanation.

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

Mr KELVIN THOMSON—Yes, I do.

The DEPUTY SPEAKER—Please proceed.

Mr KELVIN THOMSON—The member for Dunkley, during the debate on a matter of public importance, claimed that I had failed to ask questions about the environment between December last year and November this year. In fact, a check of the Hansard reveals that I asked a question concerning the Murray-Darling river system of Minister Truss on 17 June, I asked a question without notice concerning Point Nepean on 18 September and I asked a further question concerning the Murray River on 16 October. In addition, I have placed dozens of questions on the Notice Paper, which makes a mockery of his allegation of inactivity.

COMMITTEES

Public Works Committee

Reports

Mrs MOYLAN (Pearce) (4.48 p.m.)—On behalf of the Parliamentary Standing Committee on Public Works, I present the 12th and 13th reports for 2003 of the committee relating to the proposed new main entrance at the Lucas Heights Science and Technology Centre, Lucas Heights, New South Wales, and the proposed redevelopment of Radiopharmaceutical Building No. 23 at Lucas Heights, Sydney, New South Wales.

Ordered that the reports be printed.

Mrs MOYLAN—by leave—On behalf of the Parliamentary Standing Committee on Public Works, I present the committee’s reports entitled respectively New main entrance at the Lucas Heights Science and Technology Centre, Lucas Heights, NSW and Proposed redevelopment of the Radiopharmaceutical Building No. 23 at Lucas Heights, Sydney, NSW. The need for a new main entrance at the Lucas Heights nuclear facility arises from:

- the age and design of the existing entrance buildings and gateway;
- the need to improve security provisions;
- the need to provide for more efficient processing of staff and visitor entry; and
- safety issues relating to traffic build-up outside the site.

The estimated cost of these works is $10.336 million. The works proposed com-
prise construction of a formal entry zone, decommissioning of the existing entrance and construction of a gatehouse zone. Work elements include:

- an integrated two-storey reception and gate control facility;
- facilitation of identity logging upon entry to and exit from the site;
- application of in-depth security throughout the site; and
- relocation of the new entry facility along an upgraded old alignment of New Illawarra Road.

At the public hearing, the committee commented on the lack of detail on the project designs and costs provided in the main submission. The Australian Nuclear Science and Technology Organisation explained that some information relating to layout was yet to be confirmed, adding that, while security details could not be made generally known, the agency would supply further material on designs and cost breakdowns. The committee also wished to know more about the consultation process for the works. The committee was told that discussions had been held with the Roads and Traffic Authority and staff. While the International Atomic Energy Agency had not been approached directly regarding the project, Australia’s international obligations are monitored by the Australian Safeguards and Non-Proliferation Office. The committee sought assurance that the new security measures would be appropriate in the current and future security climate. The Australian Nuclear Science and Technology Organisation told the committee that the new security provisions would be ‘scalable’ to enable the future introduction of additional levels of security as required.

On environmental matters, the committee was told that the site had already been subject to an extensive environmental impact statement process for the replacement research reactor and that a number of environmental management conditions were in place. The Sutherland Shire Council, speaking to a written submission made by the Australian Conservation Foundation, expressed concern about the planning of the works and the potential for cost escalation, and referred to difficulties experienced while negotiating the Community Right to Know Charter with the Australian Nuclear Science and Technology Organisation. ANSTO responded that its processes and expenditure were subject to annual scrutiny by the Australian National Audit Office and through the Senate estimates process. Agency representatives added that, while there had been problems in negotiating the Community Right to Know Charter, information was available to the public on the agency’s web site.

Building 23 houses the Australian Nuclear Science and Technology Organisation’s radiopharmaceutical production facilities. The proposed extension works are intended to streamline production flow and materials handling, increase production capacity to meet expected demand and address occupational health and safety problems which have resulted from ad hoc development since the 1950s. The estimated cost of the works is $17.9 million. The works proposal comprises a three-storey extension to the existing building 23. Work elements include modern chemistry laboratories; service and instrumentation and production clean rooms; packaging and dispatch facilities; stores and component wash bays; amenities and support facilities; and associated roadworks, engineering and communication services.

At the public hearing, the committee explored the need for the proposed redevelopment, in relation to written evidence supplied by the Australian Conservation Foundation to the effect that Australia’s growing demand for radioisotopes could be met by importation. Witnesses from the Australian Nuclear
Science and Technology Organisation explained that, while feasible to a limited extent, importation would not be practical in the long term and could not satisfy the expected growth in demand for these products. Witnesses explained further that, while some hospitals produced their own isotopes on-site, these are generally very short-lived isotopes and do not impact upon the market served by the Lucas Heights facility.

The committee asked the Australian Nuclear Science and Technology Organisation to discuss concerns raised by the Australian Conservation Foundation relating to radioactive contamination entering the sewers through liquid waste. The Australian Nuclear Science and Technology Organisation responded that all wastewater discharges were regulated in accordance with regulatory requirements and its agreement with the Sydney Water Corporation and were well below the maximum safe dose. The Australian Conservation Foundation was also concerned that the works site may be subject to seismic disturbances. The committee was informed that, although there had been major faulting in the region 80 million years ago, no significant earth movements had been recorded for a very long time.

With regard to airborne emissions from building 23 stacks, the committee was informed that emissions would not increase as a result of the proposed works and that emissions from building 23 had decreased by some 90 per cent since 1999. The committee wished to learn more about occupational health and safety at building 23, as this was posited as a major factor in the need for the extension. The committee was advised that, as a result of the proposed redevelopment, doses to workers would be reduced significantly, largely through more effective materials handling processes and extensive risk management provisions. The committee inquired whether ANSTO intended to undertake consultation with external stakeholders other than those listed in the submission. The committee was told that an agreement had been reached with Sydney Water and that the public could access project information on the ANSTO website.

Finally, on the subject of costs, the Australian Conservation Foundation expressed concern that revenue from radiopharmaceutical production at building 23 would be insufficient to justify the capital outlay. In response, ANSTO reiterated the expected growth in demand for radioisotopes and stated that a cost-benefit analysis of the project had been conducted. Having inspected the Lucas Heights site and having considered the evidence before it, the committee recommends that the new main entrance at Lucas Heights and the proposed redevelopment of the radiopharmaceutical building 23 at Lucas Heights, New South Wales, proceed at the mean estimated costs of $10.336 million and $17.9 million respectively. I thank all of those who have been involved in arranging the public hearings and in the reporting process, and I also thank my colleagues. I commend these reports to the House.

Public Accounts and Audit Committee Report

Mr CHARLES (La Trobe) (4.56 p.m.)—On behalf of the Joint Committee of Public Accounts and Audit, I present the following report: Report 397—Annual report 2002-2003.

Ordered that the report be printed.

Mr CHARLES—by leave—it gives me great pleasure to present the annual report of the Joint Committee of Public Accounts and Audit for 2002-03. The tabling of the annual report is an important accountability mechanism by which parliament and, through it, the public can conveniently assess the committee’s performance. The committee had a productive year in 2002-03, with the comple-
tion of two major inquiries. The first was report 391, which reviewed independent auditing by registered company auditors. The second was report 394, which reviewed Australia’s quarantine function. The committee also tabled two reports as part of its ongoing statutory obligation to review all reports of the Auditor-General.

The review of independent auditing by registered company auditors was the first time the JCPAA had undertaken an inquiry into private sector issues. The inquiry gave the committee an opportunity to bring its expertise in audit and corporate governance matters to bear on the issue of audit independence generally. The report contained 13 recommendations, including some with amendments to the Corporations Act 2001. I am pleased to note that many of the report’s recommendations have been subsequently incorporated into the Corporate Law Economic Reform Program’s draft CLERP (Audit Reform and Corporate Disclosure) Bill. Some of the recommendations of the committee have already been actioned by the Australian Stock Exchange, and one awaits the pleasure of ASIC.

The review of Australia’s quarantine function was an extensive review following the foot-and-mouth outbreak in the United Kingdom in February 2001. In general, the committee believed that Australia’s quarantine function was in good shape. It also appeared that the additional funding allocated by the government in the 2001-02 budget to the quarantine function was being well spent. The committee was particularly impressed with the enthusiasm and professionalism of the quarantine personnel it met during the inquiry. Also impressive was the strategy in Northern Australia and through the Torres Strait of involving Indigenous people in quarantine activities, which was quite a cultural eye-opener for those of us who visited that area. The report contained 13 recommendations designed to enhance Australia’s quarantine function.

The JCPAA has a statutory obligation to review the reports of the Auditor-General. The committee believes that it plays an important value adding role in reviewing the implementation of recommendations made by the Auditor-General. In 2002-03 the committee held a number of public hearings for this task. The committee made its own recommendations arising from the reviews and tabled two associated reports.

In the latter half of the financial year the committee announced a review of aviation security in Australia in light of several aviation security breaches. As aviation security is an ongoing concern for Australia, it is important to have in place a robust aviation security framework. This timely inquiry continues and has generated widespread public and industry interest. Finally, I wish to thank my colleagues on the committee—and in particular, my deputy chair, the member for Sydney, Tanya Plibersek—for their support and commitment to the committee during the year. I am sure the current year will prove equally productive. I commend the report to the House.

Ms PLIBERSEK (Sydney) (5.00 p.m.)—by leave—I just wanted very briefly to add my comments to those of the chair. I want to thank the staff of the secretariat of the committee in particular and also the chair and the other members of the committee for their hard work. The chair of the committee will be retiring at the next election after many years of dedicated work on this committee. I am sure that we will miss his expertise in the future. I should also say that another member of the committee clocked up 20 years of experience on the Joint Committee of Public Accounts and Audit this year—namely, Senator Watson. Obviously, that sort of experience makes a great deal of difference to
the committee’s deliberations. As the chair said, we completed two major inquiries this year as well as a number of inquiries examining reports of the Auditor-General. We have a number still outstanding which will be completed in the new year. I look forward to working with the committee to complete our examination of airport security in the new year.

PARLIAMENTARY ZONE
Approval of Proposal

Mrs DE-ANNE KELLY (Dawson—Parliamentary Secretary to the Minister for Transport and Regional Services and Parliamentary Secretary to the Minister for Trade)

(5.02 p.m.)—I move:

That, in accordance with section 5 of the Parliament Act 1974, the House approves the following proposal for work in the Parliamentary Zone which was presented to the House on 25 November 2003, namely: Security upgrade works at Parliament House loading dock.

This motion proposes security upgrade works for the Parliament House loading dock, which is located off State Circle at the eastern edge of the parliamentary precincts and within the parliamentary zone. The Joint House Department has advised that, in October 2002, security assessment of Parliament House and its environs by the Australian Bomb Data Centre identified the loading dock entry road security measures as inadequate for the current security level. The Joint House Department undertook a design review to address these issues. I am advised that the project has been approved by the Joint House Department security management board.

The proposed works include the installation of a new automatic steel security gate; modifications to the existing entry road; the installation of various security features, such as closed-circuit television cameras, duress alarm and lighting; a new impact resistant wall and stone retaining walls; the construction of a new police post and checkpoint; and other minor works. The National Capital Authority has advised that it is prepared to grant works approval to the proposal pursuant to section 12(1)(b) of the Australian Capital Territory (Planning and Land Management) Act 1988. The Joint Standing Committee on the National Capital and External Territories was advised of the proposal on 18 November 2003. The Joint House Department has advised that they wish to proceed with these works as a matter of priority. It is proposed that the works commence in December 2003 during the summer recess of parliament. I commend the motion to the House.

Question agreed to.

CUSTOMS LEGISLATION AMENDMENT BILL (No. 2) 2003
Report from Main Committee

Bill returned from Main Committee with amendments; certified copy of the bill and schedule of amendments presented.

Ordered that this bill be considered forthwith.

Main Committee’s amendments—
(1) Clause 2, page 2 (table item 8), after “Parts”, insert “5A,”.
(2) Schedule 1, page 16 (after line 5), after Part 5, insert:

Part 5A—Commencement of the Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001

Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001

33A Subsection 2(7)

Omit “3 years”, substitute “4 years”.

Question agreed to.

Bill, as amended, agreed to.
Third Reading

Mrs VALE (Hughes—Minister for Veterans’ Affairs) (5.05 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

AGE DISCRIMINATION BILL 2003

Report from Main Committee

Bill returned from Main Committee with amendments; certified copy of the bill and schedule of amendments presented.

Ordered that this bill be considered forthwith.

Main Committee’s amendments—

(1) Clause 41, page 33 (after line 21), after subclause (2), insert:

(2A) This Part does not make unlawful anything done by a person in direct compliance with a determination in force under subparagraph 169(1)(a)(i) of the *A New Tax System (Family Assistance) (Administration)* Act 1999.

(2) Clause 41, page 33 (after line 24), after subclause (3), insert:

(3A) This Part does not make unlawful anything done by a person in direct compliance with a determination in force under subparagraph 209(1)(a)(i) of the *Social Security (Administration)* Act 1999.

(3) Clause 42, page 35 (lines 16 to 26), omit the definition of *exempted health program*, substitute:

exempted health program means a program, scheme or arrangement that:

(a) relates to health goods or services or medical goods or services; and

(b) to the extent that it applies to people of a particular age, is reasonably based on evidence of effectiveness, and on cost (if cost has been taken into account in relation to the program, scheme or arrangement).

The evidence of effectiveness mentioned in paragraph (b) is evidence that is reasonably available from time to time about matters (such as safety, risks, benefits and health needs) that:

(c) affect people of the age mentioned in that paragraph (if no comparable evidence is reasonably available from time to time in relation to people of a different age); or

(d) affect people of the age mentioned in that paragraph in a different way to people of a different age (in all other cases).

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mrs VALE (Hughes—Minister for Veterans’ Affairs) (5.06 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

AGE DISCRIMINATION (CONSEQUENTIAL PROVISIONS) 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

Mrs VALE (Hughes—Minister for Veterans’ Affairs) (5.07 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.
SOCIAL SECURITY AMENDMENT (FURTHER SIMPLIFICATION) BILL 2003

Report from Main Committee

Bill returned from Main Committee without amendment; a message from the Governor-General recommending an appropriation for the purpose of the bill has been reported; certified copy of the bill presented.

Ordered that this bill be considered forthwith.

Bill agreed to.

Third Reading

Mrs VALE (Hughes—Minister for Veterans’ Affairs) (5.08 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

DESIGNS BILL 2002

Report from Main Committee

Bill returned from Main Committee with amendments; certified copy of the bill and schedule of amendments presented.

Ordered that this bill be considered forthwith.

Main Committee’s amendments—

(1) Clause 15, page 14 (line 10), after “published”, insert “in a document”.
(2) Clause 15, page 14 (lines 11 to 16), omit paragraph (c), substitute:
   (c) designs in relation to which each of the following criteria is satisfied:
   (i) the design is disclosed in a design application;
   (ii) the design has an earlier priority date than the designated design;
   (iii) the first time documents disclosing the design are made available for public inspection under section 60 is on or after the priority date of the designated design.

(3) Clause 15, page 14 (after line 16), at the end of the clause, add:

   Note: For document, see section 25 of the Acts Interpretation Act 1901.

(4) Clause 33, page 27 (line 23), omit “(b)”, substitute “(a)”.
(5) Clause 51, page 39 (lines 5 and 6), omit subclause (1), substitute:

   (1) A person may apply to the Registrar for revocation under section 52 of the registration of a design.

(6) Clause 52, page 39 (lines 11 and 12), omit subclause (1), substitute:

   (1) This section applies if a person makes an application under section 51 for revocation of the registration of a design.

(7) Clause 63, page 48 (lines 21 to 26), omit paragraphs (a) and (b), substitute:

   (a) does not include a design whose registration has ceased because of the operation of subsection 48(1); and
   (b) does not include a design whose registration has been revoked, unless a declaration of the entitled persons has been made under section 52, 53 or 54 in relation to the design.

(8) Clause 72, page 57 (line 18), omit “appearance”, substitute “impression”.
(9) Clause 99, page 73 (line 3), omit “Act”, substitute “section”.
(10) Clause 99, page 73 (line 7), omit “Act”, substitute “section”.
(11) Heading to Part 2, page 103 (line 2), omit the heading, substitute:

   PART 2—TRANSITIONAL AND SAVING PROVISIONS

   (12) Page 107 (after line 28), after clause 160, insert:

   160A Approvals under subsection 40A(6) of old Act

   An approval that was in force under subsection 40A(6) of the old Act
immediately before the commencing
day has effect on and after that day as
if it were an approval under subsection
99(2) of this Act.

(13) Clause 161, page 108 (line 1), omit “Act”,
substitute “section”.

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mrs VALE (Hughes—Minister for Veterans’ Affairs) (5.09 p.m.)—by leave—I move:
That this bill be now read a third time.

Question agreed to.

Bill read a third time.

DESIGNS (CONSEQUENTIAL AMENDMENTS) BILL 2002

Report from Main Committee

Bill returned from Main Committee with
amendments; certified copy of the bill and
schedule of amendments presented.

Ordered that this bill be considered forth-
with.

Main Committee’s amendments—

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

Part 1—Amendments

(2) Schedule 1, page 3 (after line 22), after
item 4, insert:

4A Section 76

Repeal the section, substitute:

76 False registration of industrial designs
under the Designs Act 2002

(1) This section applies if:

(a) proceedings (copyright proceedings) are brought under this
Act in relation to an artistic work in
which copyright subsists; and

(b) a corresponding design was
registered under the Designs Act
2002; and

(c) the exclusive right in the design had
not expired by effluxion of time
before the copyright proceedings
began; and

(d) it is established in the copyright
proceedings that:

(i) none of the persons who are
registered owners of the
registered design are entitled
persons in relation to the design;
and

(ii) none of those persons were
registered with the knowledge of
the owner of the copyright in the
artistic work.

(2) Subject to subsection (3), for the
purposes of the copyright proceedings:

(a) the design is taken never to have
been registered under the Designs
Act 2002; and

(b) section 75 does not apply in relation
to anything done in respect of the
design; and

(c) nothing in the Designs Act 2002
constitutes a defence.

(3) Ignore subsection (2) if it is established
in the copyright proceedings that the
act to which the proceedings relate was
done:

(a) by an assignee of, or under a licence
granted by, the registered owner of
the registered design; and

(b) in good faith relying on the
registration and without notice of
any proceedings (whether or not
before a court) to revoke the
registration or to rectify the entry in
the Register of Designs in relation to
the design.

(3) Schedule 1, page 6 (after line 6), at the end
of the Schedule, add:

Part 2—Application provisions

15 Application of amendments of
section 74—definition of
corresponding design
The amendments of section 74 of the Copyright Act 1968 made by items 2 and 3 of this Schedule apply as follows:

(a) for the purposes of section 75 of the Copyright Act 1968—in the same circumstances as the amendment made by item 4 of this Schedule applies;

(b) for the purposes of section 76 of the Copyright Act 1968—in the same circumstances as the amendment made by item 4A of this Schedule applies;

(c) for the purposes of section 77 of the Copyright Act 1968—in the same circumstances as the amendments of section 77 made by items 5 to 13 of this Schedule apply;

(d) for the purposes of section 77A of the Copyright Act 1968—in the same circumstances as that section applies.

16 Application of amendment of section 75
The amendment made by item 4 of this Schedule applies to reproductions that are made on or after the commencing day.

17 Application of amendment of section 76
(1) Section 76 of the Copyright Act 1968 as amended by item 4A of this Schedule applies in relation to proceedings brought under that Act on or after the commencing day, where the corresponding design has been registered under the Designs Act 2002.

(2) When determining whether a design has been registered under the Designs Act 2002 for the purposes of subitem (1), ignore section 151 of that Act.

18 Application of amendments of section 77

Amendments made by item 5
(1) Paragraph 77(1)(b) of the Copyright Act 1968 as amended by item 5 of this Schedule applies to articles and products to which a corresponding design has been applied industrially that are sold, let for hire or offered or exposed for sale or hire on or after the commencing day. However, this subitem does not affect the operation of paragraph 77(1)(b) of the Copyright Act 1968 as in force immediately before the commencing day.

(2) Paragraph 77(1)(c) of the Copyright Act 1968 as amended by item 5 of this Schedule applies to products to which a corresponding design has been applied industrially that are sold, let for hire or offered or exposed for sale or hire on or after the commencing day.

Amendments made by items 6 to 13
(3) The amendments made by items 6 to 13 of this Schedule apply to:

(a) products to which a corresponding design has been applied industrially that are sold, let for hire or offered or exposed for sale or hire on or after the commencing day; and

(b) complete specifications or representations that are first published in Australia on or after the commencing day.

19 Application of section 77A
Section 77A of the Copyright Act 1968 applies to reproductions that are made on or after the commencing day.

20 Definition
In this Part:

commencing day means the day on which this item commences.

(4) Schedule 2, page 9 (after line 5), after item 16, insert:

Scout Association Act 1924

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mrs VALE (Hughes—Minister for Veterans’ Affairs) (5.10 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

BUSINESS

Rearrangement

Mrs VALE (Hughes—Minister for Veterans’ Affairs) (5.11 p.m.)—I move:

That Main Committee orders of the day Nos. 9 and 13, government business, be returned to the House for further consideration.

Question agreed to.

The DEPUTY SPEAKER (Mr Jenkins)—The matters will be set down for consideration at a later hour this day.

BILLs RETURNED FROM THE SENATE

The following bills were returned from the Senate without amendment or request:

Petroleum (Submerged Lands) Amendment Bill 2003

Offshore Petroleum (Safety Levies) Bill 2003

Family and Community Services and Veterans’ Affairs Legislation Amendment (2003 Budget and Other Measures) Bill 2003

AUSTRALIAN PROTECTIVE SERVICE AMENDMENT BILL 2003

Senate Message

Message received from the Senate returning the bill and acquainting the House that the Senate has agreed to the amendments made by the House.

CUSTOMS LEGISLATION AMENDMENT BILL (No. 2) 2002

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered forthwith.

Senate’s amendments—

(1) Schedule 1, item 3, page 4 (lines 30 to 32), omit subparagraph 269TAC(5D)(a)(ii), substitute:

(ii) market conditions do not prevail in that country in respect of the domestic selling price of those like goods;

(2) Schedule 1, item 3, page 5 (lines 4 to 6), omit subparagraph 269TAC(5D)(b)(ii), substitute:

(ii) market conditions do not prevail in that country in respect of the domestic selling price of those like goods;

(3) Schedule 1, item 3, page 5 (line 10), after “subsection”, insert “or subsection 269TC(9)”.

(4) Schedule 1, item 3, page 5 (line 12), after “269TC(8)”, insert “, or the further period mentioned in subsection 269TC(9),”.

(5) Schedule 1, item 3, page 5 (line 13), omit “that subsection”, substitute “subsection 269TC(8)”.

(6) Schedule 1, item 3, page 5 (line 19), at the end of the note, add “Under subsection 269TC(9) the CEO may allow the exporter a further period for answering the questions.”.

(7) Schedule 1, item 3, page 5 (lines 22 and 23), omit “This does not limit the matters to which the Minister may have regard for that purpose.”.

(8) Schedule 1, item 7, page 6 (after line 28), after subsection (8) (after the note), insert:

(9) Despite the fact that, under subsection (8), the CEO has informed an exporter given a questionnaire that the exporter has a particular period to
answer the questions in the questionnaire, if the CEO is satisfied, by representation in writing by the exporter:

(a) that a longer period is reasonably required for the exporter to answer the questions; and

(b) that allowing a longer period will be practicable in the circumstances;

the CEO may notify the exporter, in writing, that a specified further period will be allowed for the exporter to answer the questions.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (5.13 p.m.)—I move:

That the amendments be agreed to.

The Customs Legislation Amendment Bill (No. 2) 2002 was introduced into the House on 12 December last year and passed the House in February. The principal measures in the bill deal with anti-dumping laws. Government amendments adopted in the Senate last night will clarify these measures. These amendments will provide greater clarity when dealing with the treatment of ‘economies in transition’ by making specific reference to market conditions in those economies, increasing certainty for all parties by limiting those matters that the minister can consider when determining whether market conditions prevail to matters set out in the customs regulations and making it clear that the chief executive officer of Customs can grant an extension of time to an exporter or producer to respond to a customs questionnaire in the course of an anti-dumping investigation.

I note that these amendments to the bill follow an extensive consultation process with all interested parties, including Australian industry, importers, consumers of imports and foreign governments. It is pleasing to note that the bill as amended has received general support. The government believes that the bill represents a very balanced and considered response to all of the issues raised by those who have taken a close interest in the legislation. On that basis, I commend the amendments to the House.

Mr McCLELLAND (Barton) (5.15 p.m.)—I will be brief. The opposition is pleased to be able to agree with these government amendments, given that some stonewalling has taken place since the Senate committee report of last April. It is pleasing to note that the government have accepted in large part the recommendations of the Labor minority report and have similarly made concessions for the People’s Republic of China, who we believe were quite unfairly targeted by what was considered to be quite severe legislation. For these reasons the opposition is pleased to be able to agree with the bill as amended by the government. We note the valuable work that the committees of the parliament undertake and that it is pleasing in this instance that the government have regard to the comments of the committee.

Question agreed to.

STATES GRANTS (PRIMARY AND SECONDARY EDUCATION ASSISTANCE) AMENDMENT BILL 2003

Second Reading

Debate resumed.

Mr BARRESI (Deakin) (5.16 p.m.)—As I was saying before question time, which seems to be such a long time ago now, this bill expands the coalition’s proud record of achievement in increasing funds to our schools by more than 93 per cent since the 1996 election. But the bill is about more than figures and schools: the bill is about students and it is about providing funds to adequately equip schools with the tools and facilities they need in order to improve student achievement. Much has been said in recent years about the achievement records of boys
versus girls, the underresourcing of schools and the need for teacher education. It is a bill such as this one and the moneys that it provides which will help to alleviate some of the pressures and needs within the education sector.

The bill also calls for the states and the Commonwealth to ‘get along’. I am referring to the second pillar of the Mitcham Primary School, which I referred to earlier in my address—the pillars being ‘persistence’, ‘getting along’, ‘organisation’ and ‘confidence’. The second pillar of ‘getting along’ provides for a bolstering of support for the Strategic Assistance for Improving Student Outcomes program and the National Literacy and Numeracy Strategies and Projects program through this year and next year. These programs are aimed at addressing and enhancing learning outcomes, particularly for educationally disadvantaged students, specifically in the key areas of literacy and numeracy. The strategic assistance program funding is provided to the states and territories and is disbursed through the education departments. It is expected that the standards of literacy and numeracy will be improved by this funding. It is aimed at the development of reporting practices, which will bring about the comparable national reports and performance measures. As the minister has referred to, under the stewardship of the Howard government we now have various assessments for literacy and numeracy at years 3, 5 and 7.

In terms of ‘organisation’, the federal government made its intentions clear from the start. In order for a consistent national approach to the issue of literacy and numeracy standards to be developed the states and territories need to be organised in a way that allows for clear reporting. This called for the federal government and the state and territory governments to (a) get along and (b) organise a system for that reporting to take place, where parents would receive a report of their child’s progress in literacy and numeracy compared to the national standards. Such organisation across all jurisdictions in Australia is essential for national standards to be accurately set. I have referred to how the public gets a bit weary of the various jurisdictions that apply around the country and the fact that state governments do not seem to be able to look at issues for the intended outcome but, rather, through their own jurisdictional paradigms.

I am pleased to note that the Victorian government has announced that from 2003 such reporting will take place, which is in addition to the reporting that is currently taking place in Western Australia, the ACT and the Northern Territory. It is a proactive approach. All of the state governments have come together and realised that consistency on this issue is the key. The approach of Victoria and the other state governments that have taken up the call for reporting systems for literacy and numeracy seems to be a far cry from the political point scoring and stunts in the area of literacy and numeracy that we saw at the recent COAG forum that took place between the premiers and the Prime Minister. I support the minister’s call to those states that are yet to introduce the reporting to parents to do so as soon as possible.

It is unfortunate, however, that the fourth element of the Mitcham Primary School citizenship program is not found throughout the state education system. I refer to the fourth level of ‘confidence’. We have gone through ‘persistence’ and the federal government’s approach to growth funding; ‘getting along’ with the state governments for literacy and numeracy; ‘organisation’ of those reporting regimes under a national banner; and now we turn to the principle of ‘confidence’. Much of this bill addresses the funding shortfall that would have occurred if it had not been introduced. This funding, particularly for
capital works at non-government schools, sees an additional $48.3 million to be appropriated during 2004-07 inclusive. Interestingly, without this bill there would have been a severe shortfall during the 2003-07 period in the order of $11 million per year.

Some critics claim that providing a funding increase to the non-government sector will lead to a decrease in the government sector. I know that some opposite would say that this is preferential treatment. I sat here prior to question time listening to speaker after speaker on the opposition side basically saying that the federal government has turned its back on the state education system. Their constant example of the King’s School ad nauseam was to me, as I said earlier, very disappointing. This is not about preferential treatment; it is about acknowledging the role that the various states and the federal government have in both the private sector and the public sector. I find it bizarre that some critics of government policy claim that, by supporting non-government schools, the federal government is neglecting government schools. The proof is in the pudding. Let us look at the federal government’s track record. Over the four years from 2001 to 2004—

Mr Ripoll interjecting—

Mr BARRESI—The member for Oxley, who is going to follow me, should listen to this. Over the four years between 2001 and 2004 Australian schools will receive more than $1.3 billion of federal funding through the capital grants program. Of that $1.3 billion, $950 million will go into government schools and around $370 million will go into non-government schools. I will do the maths for the member for Oxley. This equates to 72 per cent of the funding going into the government sector, which educates 62 per cent of our students. So let us talk about equity, and let us not neglect the roles of Premier Beattie in your state and Premier Bracks in my state in the education of our students in government schools. Let us talk about equity and confidence in the Catholic school system, for example, in my state of Victoria. A number of complaints have come to me about the state government turning its back on the Catholic school system. I would like to quote an article by Farrah Tomazin in the Age on Monday, 23 July. It states:

Victoria’s Catholic school system is facing a crisis, with many classes of unmanageable sizes and government funding lower than in any other state, the Victorian Independent Education Union says.

According to the union, government funding shortages in Catholic schools were affecting enrolments and forcing thousands of students to be packed into classes of more than 30 pupils.

So it is okay for the state government to create a benchmark for class sizes in the state education sector, but they have turned their back on the Catholic school system while its class sizes have increased. The article went on to say:

Latest figures show that Catholic primary schools have an overall average class size of 26.2 students compared to an average class size of 22.9 in government primary schools.

In fact, according to that article, union secretary Tony Keenan went on to point out that in Victoria we have 233 Catholic primary school classes with more than 30 students. Mr Deputy Speaker Jenkins, I know from the demographics of our two areas that a number of Catholic schools in your electorate and mine would be in that position. This is a situation that cannot be tolerated. Having classes of this size is compromising enrolments. It affects the quality of education and, of course, in the end will affect those other great benchmarks that I have already spoken about: literacy and numeracy.

Let us compare the figures on what funding is going into the Catholic sector across the various states. The union has urged gov-
ernment funding improvements in this particular sector. The figures reveal that Catholic primary schools in Victoria receive only $844 per student in state grants each year compared to $1,164 per student in New South Wales. The member for Reid would probably welcome that higher level of funding in New South Wales Catholic schools. Unfortunately, I cannot say the same for Victoria. The national average is $1,104. Meanwhile, Catholic secondary schools in Victoria receive $1,371 in state grants compared to $1,709 in New South Wales and a national average of $1,618.

The Bracks government have created a deplorable situation in Victoria. It is deplorable that they have turned their back on the Catholic education system and it is deplorable that the federal ALP in this parliament simply turn a blind eye to the fact that their counterparts in the state government in Victoria and elsewhere are not putting their money into the education sector but, in fact, have decreased their funding over the years. In Victoria, about 60 per cent of Catholic school income comes from the Commonwealth—17 per cent comes from the state and the rest comes from fees and private income. We know that Victoria is not the only state that does not index its government grants against average recurrent cost increases in public schools.

I note that the newly appointed director of the Catholic Education Office, Susan Pascoe, is also seeking a more equitable funding model. I also note that the Australian Education Union branch president, Mary Bluett, said that the state’s main funding priority should remain with public schools. Once again there is further emphasis on moving funding away from some of the needy independent schools. At the moment, the only government that seem to want to provide any support for these needy independent schools is of course, the federal government. We are not doing that at the expense of the state education system. I have already shown that 72 per cent of funding is going to state education. We are doing our bit as the state governments are pulling out. So where is the shortfall going to come from? Is this an attempt by the state government to drive people out of the Catholic education sector and into the state education system?

Under Lynne Kosky and Steve Bracks, Victoria’s Catholic school system is facing a crisis. The crisis in that system stems from class sizes and the state government’s funding being significantly lower than any other state. But the Bracks-Kosky debacle does not stop there. In its newsletter, the Victorian Parents Council said:

In a worrying decision for the non-government school sector, the Department of Human Services, under Minister Sherryl Garbutt, has announced funding cuts to independent school preschools. So the state Labor minister, Sherryl Garbutt, has said: ‘Let’s go down to the next level. Let’s turn our backs on not only the secondary schools and the primary schools. Let’s attack the preschools.’ The newsletter goes on to say:

With cuts as high as more than $900 per student per annum, preschools will have little choice but to increase fees, therefore placing them outside the reach of many families, and in turn increasing demand on already overly stretched community and private facilities.

So under the Bracks Labor government we have ballooning class sizes in Catholic schools, non-indexation of government grants against the average cost increases in public schools and funding cuts to independent preschools. But, wait, there is more. Given Mary Bluett’s argument that the state’s main funding priority should be with government schools, how would Mary Bluett explain the Victorian government’s funding going backwards? How can she seriously claim that this is where the state govern-
ment’s priority is when it is clear that the state government does not even know where its funding priority is?

Mr Deputy Speaker Jenkins, I know that you go to schools in your electorate, like I do. You will have heard the criticism from some of your principals who have said that PRIMS money has been frozen in Victoria this year. Where does that directive come from? It comes from the state education minister. The state government does not know where its funding priority is. We know that it is all over the place in the area of transport in terms of roads and infrastructure. It is certainly not in health, as is proven by the fact that Knox Public Hospital is still to be built. There is clearly not a priority in other health areas, as the 500,000 palliative care patients that live east of Springvale Road do not have any beds and the urgent redevelopment of Maroondah and Box Hill hospitals has been delayed yet again.

How about education? I am sorry to say that priority for education is also lacking. In this year’s Victorian state budget Steve Bracks allocated $106.5 million in funding for government schools. This is actually a decrease—not an increase—when converted to real terms. Inflation in the 12 months to the March quarter 2003 had been at 3.4 per cent, according to the ABS. Since last year’s state budget, Steve Bracks has increased funding to state government schools by only 2.5 per cent. That is a decrease in real terms when compared with inflation of 3.4 per cent.

What is going on here? We have the policy machine of the ALP—that is, the union movement—claiming that priority is with the state government schools, yet the state government’s funding of those schools is going backwards. I would like to know what Dympna Beard, the state member for Kiliny, can say to Dorset Primary School—a school like many in Deakin which is thinking outside the square by looking to build a strong partnership with a local preschool to act as a feeder for a greater sense of transition and progression.

Victoria is a state in decline. The state health system is in decline and the education system is in decline. We will not even start on major projects and infrastructure, such as the Scoresby. We are fortunate to have a federal government that is looking out for Victorians. This bill reiterates that support by further increasing funding to schools that are playing such a vital role in the development of our children. I commend this bill to the House and I commend the fact that the federal government is putting money into state education. It is also not neglecting those needy independent schools that have been neglected by state governments. (Time expired)

Mr RIPOLL (Oxley) (5.32 p.m.)—A lot has been said about and many speakers have wanted to speak on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003. I want to say a few words also, not only to state my position and my views on what this bill is about but also to say that Labor support this bill. We support more funds going to schools. We think that it is good for the federal government to support schools because the states on their own cannot handle all the funds that are required, particularly if we are talking about capital funding. I am disappointed though. When you look at this bill’s title—States Grants (Primary and Secondary Education Assistance) Amendment Bill—you assume that it includes all schools. But that is not the case. It includes only one type of school—that is, non-government schools. That disappoints me.

As I said, I support the bill because these schools should get some extra capital fund-
ing, as they need that funding. But I also know that state schools, no matter which state they are in—whether it is Queensland or Victoria, as the member for Deakin was referring to—also need an injection of capital funding. They need that injection, probably even more so than some non-government schools, because the maintenance, the high costs of upgrades and the keeping up of state schools with the more wealthy independent schools are absolute priorities. The children who go to these schools should not be second-class citizens and should not be left behind. They should get the same opportunities. I am not talking about identical funding, because identical funding does not represent opportunity. But they should be given the same opportunities no matter what school they go to.

Education is not a case of what school you go to. All our children should have the same opportunities whether they come from a very poor background in a poor area, where state schools might be struggling, or whether they go to the most elite category 1 school in the country, as the government keeps referring to when they talk about King’s College, which has an international standard rifle range as part of its school facilities, a 50-metre Olympic swimming pool and all the rest of it. That is fine; I do not begrudge those schools those facilities. That is the good part about the diversity and choice we have in this country. But let it not be that government members come in here and try to confuse or somehow obfuscate their responsibility in terms of capital grant funding for all schools, not just for non-government schools.

As I said, it is very disappointing because I would have hoped that this bill, which we support, could have been about all schools and not just one type. For me, there are three strong pillars of the education system in this country: a very strong, sound and well-funded state school system; a very good, strong and sound independent school system; and a very good, strong and sound Catholic system. I believe they are the cornerstones of education in this country. They are very different. I believe that that diversity is good and something that can make this country great. People do want choice and we should respect that.

But even though they want choice—and they should get choice—there are some people who have no choice. Because of their circumstances they have no choice at all. It may not just be the case that they do not have the finances to go to the category 1 schools. It may be that they are country folk and they live too far away or have no access to these schools, and therefore have to accept the school that is in their area. Again, I am fine with that. I think that is okay as long as that school gets the same support and funding from the Commonwealth government as it does from the state. I am disappointed that the federal government does not come in here with a bill that would give capital funding across all schools.

As I said, we do support the bill, subject to a couple of amendments which I think are more than reasonable and which the government should adopt without question because it would make their bill better. I will put those on the record. In particular, there would be an explicit provision in the act that eligibility for capital grants requires schools to demonstrate educational and financial need and that the evidence for this be available publicly through accountability arrangements. I do not think anyone could argue with some accountability. Let us have a look, based on educational need and financial need. I do not think anyone could argue that, if a school had a genuine project for educational need—no matter the schools referred to in this bill—let them put that forward and let the government make an assessment and then fund them to meet their
requirements. I do not think that is an unreasonable thing to ask.

The other thing would be provision for annual reports to parliament on all projects supported by a capital program. Again, it is about accountability. Let us have some documentation from the schools that get taxpayers’ money to address the educational needs of the students that they support. Let us see the annual report. Let us make this thing accountable so that, over the many generations that schools get support from the Commonwealth and state governments, they are accountable to the taxpayer for the money that goes to those schools. I do not think the schools would have a problem with that either. I think it is just something that the government has omitted from its bill.

I want to raise a couple of other issues. There is a push from the government to continue with this drab throwing up of statistics and numbers. The member for Deakin—although he is not the only one; there are many other offenders—keeps on pushing out statistics to the tune of something like ‘72 per cent of all funding goes to public schools, which only represent 62 per cent of the students that actually get educated’. What does that really mean?

Mr Brough—Go back to school and find out what it really means!

Mr RIPOLL—Nothing—that is what it really means. It means nothing at all. If it was 60 per cent of public funding for schools, which only represented 50 per cent of the kids that went to those schools, what would that mean? It does not actually tell you how much money; it just tells you a percentage. The member for Longman is here. He interjected by saying, ‘Go back to school and learn your figures.’ I would ask him what 72 per cent of just $10 is. It does not mean anything in the end when we just talk percentages. Let us talk about real funding and how many dollars per capita students actually get. If we look at the overall mix of how much per capita a student gets in a public school, from all sources of funding—from private sources, from fundraising activities, from the Commonwealth government and from the state government—we can soon make some real comparisons about which schools are better off.

As I continue to say to people, this is not a case of competition between the schools. I am quite at ease with the fact that some independent schools that are quite well off actually do spend more money on their students and have more access to funds. That is okay. But what the government should not then do is to come back in here and say, ‘We do not give as much money as a proportion of taxpayer funds to those schools per capita, but we should, because a lot of that money actually goes to state schools.’ There is no balance in how much money you give to each. If that were the case, you would find that category 1 schools, for example—the elite schools in this country—would have a hugely disproportionate funding arrangement with the government. That is what the government is trying to do, not only in this bill but in what it has been doing since it came to government in 1996.

While we are talking about percentages and figures, if the government continually try to use them then let us look at them. Let us look at some other percentages that might be of interest. Let us look at what makes up the government frontbench. More than half the government frontbench comes from the category 1 schools—those top schools in the country—which represent only two per cent of the actual population. Yet how are they funded? Do they get funded to the tune of two per cent in equivalents, as the government would try to have you believe when they say that 72 per cent of the funds go to 62 per cent of the students? No, they do not.
They actually get a much higher figure than that. We saw the gift that this government gave to their old school ties—the gift to those category 1 schools for the years of service, for the alumni and for the things that we see this government do.

Schools that can afford to build an international-standard rifle range do not need extra assistance. They do need assistance; they do need to be part of the arrangements of government for financing and capital grants. But they do not need more on top of that. The schools that do need more are state schools and Catholic systemic schools.

Mr Brough interjecting—

Mr RIPOLL—The member for Longman says ‘hear, hear’ on Catholic schools, because obviously he is a supporter of Catholic schools, as I am. I think it is extremely important that the government start giving some more funds. If we look at the proportional weight of funding then the states have done an outstanding job—particularly Queensland. Have a look at the sort of funding that they have poured into the Catholic systemic system and also into the state schools because the federal government has walked away from its responsibilities. It just will not fund those schools.

As I said, I do support this bill—if the government will look at a number of amendments. I do want to make a point about this continuous argument that it is not about public versus private. It is about choice. Parents should have the choice, whether they want to send their children to a Catholic school or another school, for whatever reason they choose to send them to that school. If they want to send them to a category 1 school, that is their choice, but they have to pay for it. That is part of the choice. If you want to send your child to a school where the fees are $15,000 a year, you know that going into it. You do not really expect the government and the taxpayers to pay you for making that choice.

When you have no choice, you go a state school—you have no other option. When you have an option—maybe you can afford $15,000 a year to go to a very exclusive school—and you still decide to go to a state school, that is okay as well. Some kids will do well wherever they go. But let us not have the garbage that is trotted out in this place that, because more of the funding goes to the state system, we should take it off them and give it to the other schools, who at the end of the day do not need it, because the finances required by those schools to meet their needs are much more easily accommodated than the finances required by poorer schools—state schools and Catholic schools—which do not have that capacity.

The government should just be honest about the real funding and about all kids in this country getting the same opportunity for education, and not try to skew it and lean it in one particular way. This is what offends me. It offends me when we see the more than obvious paying back—that is the only way I can define it—for the years of service from government frontbenchers. They say that they are representative of Australian communities—that is what they will tell you. But more than half of the frontbench of the government comes from the most elite schools in this country, which represent only two per cent. How representative is that? It is not representative at all. I think ordinary people out in the street will know exactly what I am referring to. This bill does restore some funding and give some $80-odd million to non-government schools in capital grants. I applaud that, but more money should be made available to go to state and Catholic schools. I support the bill with the amendments proposed.
Ms GRIERSON (Newcastle) (5.45 p.m.)—I rise to support the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003, particularly the amendments moved by the member for Jagajaga. However, having listened to my colleague the member for Oxley explain how many of the frontbench of the government attended elite category 1 schools, I can only think that the public probably would, like me, be saying right now, ‘What a waste; not a lot of value for our money there.’ It is definitely another reason to introduce greater accountability into education funding in this country. However, this legislation allocates funds for capital projects in non-government schools and for targeted programs for all schools. That is one of the major problems with this legislation. It links the allocation of funds to private or non-government schools to the absolutely desperately needed funds to support areas of socioeconomic disadvantage—for example, numeracy and literacy programs and programs for students with disabilities.

It is my strongly held view, as a former educator and school principal, that these funding areas should be separated out. Targeted programs deserve separate legislation based on need, social change and education imperatives. Funds to non-government schools should be separate and should be dependent upon specific data demonstrating need. It should also be allocated and accounted for through performance data. We should all know what is expected of and what is achieved with public moneys spent in private schools. Only when we set education priorities for government funding, rather than give out money to all non-government schools on a formula basis, will we have an education system that has credibility and some chance of achieving equitable and best outcomes for all the children of Australia.

This bill provides funding for capital grants to approved non-government schools over four years from 2004 to 2007. The funding is indexed each year to protect the real value of grants, but the bill says absolutely nothing about capital needs in public schools. There is a real problem there: just how many swimming pools, gymnasiums, multipurpose learning centres, technology labs, outdoor shade areas and photography studios does any one school really need? Apparently, for some non-government schools, as many as they can have, while many of our public schools struggle to have comfortable classrooms, still await a school hall and dare not even think about such luxuries as gymnasiums and technology labs.

Social and education change has a very direct impact on the capital needs of schools. Our education funding legislation should reflect that change so that all schools can remain abreast if not ahead of the continuous change. For example, sun protection has been demanded by parents for some time because of our increased awareness of the need for cancer prevention and our understanding of the high incidence of melanoma in this country. Where is the specific roll-out of capital funds from this government to all schools so that all children can be active in sun-safe areas? Computer technology has been demanded by educators and students and their parents for every school for almost two decades now. That has meant setting up computer labs and flexible learning centres in every classroom. It has meant setting up a bank of computers in a classroom and trying to make them fit in rooms designed for passive learning with just enough room for 30-plus children to sit at desks and a space for the teacher out the front. Where is the specific capital funds roll-out to all schools to allow them to build flexible learning spaces and computer labs? It has not happened that way under this government.
I would like to share some experiences I have had in trying to meet the needs of modern learning for our thoroughly modern children in Newcastle. Because the last school I had was an inner-city school where populations were shrinking and restructuring, we had a spare classroom and our school council decided to work towards setting it up as a computer lab. What did that mean for our public school? It meant lots of fundraising of course by dedicated parents and teachers. It also meant that we needed to build our own computer desks and benches. It meant we had to install additional power outlets suitable for computers. Five power boards off one power point just did not seem to fit the OH&S provisions. It meant we had to scavenge additional chairs for that room. But do not think we got ergonomic furniture; that was certainly outside the budget of an economically stretched public school. It also meant we had to raise more funds to aircondition that north-east facing room because of the additional heat generated by so many computers. And, of course, it meant we had to apply for an upgrade of our electric circuits on the switchboard. But in the public education system that can take quite some years, so we became quite expert at knowing which equipment to switch off to avoid a power overload and quite adept at resetting the circuits on the switchboard when they blew, as they inevitably did. Where is the specific roll-out by this government of capital funds for all schools to allow them to increase their power usage because of the new demands of technology? Again, it is not happening.

All schools today, just like parliamentarians’ offices, need to incorporate more equipment into their administrative areas. They too need photocopiers, faxes, scanners, computers and printers to respond to the information age. In case you have not noticed, all this equipment is getting bigger, not smaller. Administration areas in most schools were originally designed as little more than reception areas. Today they are busy information and communication centres—nerve centres to coordinate the entire school’s activities. Where is the roll-out of specific funds to help schools expand these areas of their buildings to accommodate their expanded communication and information processing functions? I have an example from the school in Newcastle where I was last principal. To make more room for the administrative staff and their equipment, the executive washroom—the principal’s toilet—had to go as space was amalgamated to accommodate new approaches in modern administration. That is what happens in public schools to make capital improvements, and certainly in non-government schools that are underfunded. Communities pitch in, roll up their sleeves, raise the funds themselves and often do the modifications and construction that is needed themselves, making the best out of what they have. It really is education on a shoestring in most public schools in Australia, supplemented fortunately by the resourcefulness and generosity of school communities.

Where is this government’s analysis of the future needs of all schools in our changing world? Where are the budget estimates to meet those future needs? It is not in this legislation, that is for sure. All children in Australia, whether they be in a private non-government or public school, deserve a level of resourcing that allows their individual educational institution to achieve best outcomes for each and every student. The message I would like to give our elite non-government schools is: if you do not really need those capital funds, give the money back so other schools and their kids can benefit appropriately from a first-class education. I do not think I will be overwhelmed by offers. But that is why governments have
to set priorities and make decisions based on delivering equal educational opportunities for all children in the 21st century. Value for money is what everyone can understand, so let us look for value in education. Let us prune the luxuries to bolster the essentials and let us check that our non-government schools are spending taxpayers’ money correctly and most appropriately—it sounds like a pretty simple formula to me.

Another part of this legislation delivers funds to all schools for targeted education programs. I would like to share with the House some experiences that I had in Newcastle in delivering programs for children with special needs. My last appointment as a principal was in a mainstream school which also hosted a hearing support unit of three classes and a unit for early intervention programs for children with a variety of special needs—physical, intellectual and emotional disabilities. After dealing with special needs children and their families for almost three decades, I have learnt one thing, and that is that wherever possible, no matter how great the disability, all children want to be just like everyone else. They want to learn, they want to play and they want to grow up in mainstream school communities just like everyone else.

It is public schools and often some specific purpose non-government schools that take on the majority of the responsibility for special needs education in this country. There is not much equity and fairness in that reality—no school should shirk their responsibilities for children with special needs. But responding to the integration of children with disabilities into mainstream classrooms can be very challenging and very expensive. At the capital level, it frequently means building modifications to accommodate special equipment and learning aids as well as additional staff who accompany and support children interacting in mainstream classrooms. It also means additional funds to employ those teacher’s aides, of course, and to release staff to develop individual education plans and attend case management meetings with families and with the health workers who support children in their care. And just what are schools to do to provide wheelchair access to upstairs libraries and laboratories?

These are difficult and costly decisions for all schools and, too often, young learners with disabilities are the losers. Overcoming isolation is also a major challenge when meeting the needs of school students with disabilities. Programs that build confidence and awareness within the community that they live in are costly and require high-level human resourcing. Funding for special education should be dealt with in separate legislation, not in the general states grants type of legislation we are dealing with today.

The same could be said for the funding of other targeted programs like literacy and numeracy programs. Literacy has changed. The literacy skills required to interact in the information age are much more complex. Still dependent, of course, on the foundation literacy skills that most of us are familiar with, it also requires children now to have more experience based learning—that requires more flexibility in schools, which requires greater resourcing. Mobile phones and the Internet are the literacy vehicles for young people today. This poses quite a challenge for teachers in a world of change, and those teachers would benefit from a lot more professional development as well. So where is the specific roll-out of funds to enable teachers to remain abreast of educational change?

There is certainly much to do in our public schools in this country, but I cannot say there is much equity between private schools either. For example, when a school is part of a chain of schools it can cost share quite easily.
When it is a single entity non-government school trying to perhaps cater for a special need, such as second chance programs for high-risk students, then it deserves some very special and extra consideration in funding. The education funding models are not equitable for government or non-government schools.

Let us look at some reasons to improve that funding formula for all children. One of the best reasons for my electorate of Newcastle is that over 70 per cent of children there attend our excellent public schools. They certainly deserve a much greater share of Commonwealth funding. Another reason is demonstrated by research carried out by the University of Western Australia which found that students from government schools outperform their independent school counterparts when they enter university. It found that students from government schools were more likely to pass their first year at university, return the following year and complete their degree. Our non-government schools certainly need to be more accountable.

In case you think that non-government schools are catering for low-income families—and I have heard the Minister for Education, Science and Training claim that more and more families from low-income areas are struggling to put their children through a private school education—an analysis of Australian Bureau of Statistics findings shows that 42 per cent of public school enrolments are of children from low family income backgrounds, compared to 27 per cent of Catholic system enrolments. The statistics show that a majority of Catholic students from low-income families actually attend public schools, which enrol 56 per cent of Catholic students from low family income backgrounds. While Catholic schools educate 20 per cent of all students, Catholic school enrolments only register 15 per cent of those from low-income families. Over 80 per cent of Islamic students attend public schools, mostly from low- and middle-income families. I will not quote statistics about other non-government schools, because it is self-evident that if our Catholic schools are not increasing their intake of students from lower income families then, clearly, no other non-government schools are either. I agree with the member for Deakin that there are many Catholic schools that are underfunded. In fact, I think they were badly short-changed when they did a separate funding deal with the government.

So it seems that equity of education opportunity is not alive and well. In this debate, those on the other side of the House have suggested that the opposition speakers are anti private schools. Although I will always be an advocate for first-class quality public education first and foremost, there are some very important social reasons for making sure that our public education represents best practice and the first choice for Australian families. It is the public school system that has been the anchor of our Australian culture and psyche. It has been in the public schools of Australia that the values of Australian citizenship have been taught and the Australian culture strengthened. Public schools have successfully shaped who we are as a nation. In our postwar migration boom it was public schools that aided the smooth integration of our many new Australians to build strong and harmonious communities.

Today I despair that children in this country can be culturally isolated or segregated through attending a culturally, ethnically or religiously specific school from preschool to the very end of their education. That is exactly what is now happening in this country and it is assisted by this government’s favourable treatment of non-government schools. Some children in this country will never understand or experience the diversity that exists and enriches our country and our
society. They will not encounter children from homes where poverty prevails. They will not witness first-hand the triumph of the human spirit over disadvantage and adversity. They will not see the courage of young learners coping every day with severe disabilities as they try to thrive and learn.

Many students at wealthy and privileged schools will never be committed, I fear, to defending and championing the right of every Australian to succeed, no matter where they live, who their parents might be, what ethnicity or religion guides them or how much wealth they have. Potentially, that is an educational and social disaster for this country. I congratulate public schools on their outstanding programs and continued success in helping diversity to unite schools and communities. In doing so they have contributed so much to building a multicultural nation where the values of tolerance and a fair go for all keep our country harmonious and strong.

To conclude, I quote from an article by Peter Doherty, a former Australian of the Year, winner of the Nobel prize for medicine and Laureate Professor at the University of Melbourne. He is a product of the public education system. He says:

Developing a knowledge-based economy depends substantially on individual creativity and enterprise.

The basic problem for us is how, with a population of only 20 million, we are to compete in this new world. The answer is clearly that we must develop the potential of every citizen to the full. We cannot afford to waste a single human being. The process starts—

and I would say ends—

with education—

continuous education. He continues:

We have many first-class public schools in this country and can easily extend their scope and numbers if more articulate, well-educated parents become committed to this sector.

There are quite a few of them here, fortunately. He goes on:

Much more pressure could be brought to bear on our political leaders to ensure a fairer and more rational distribution of federal education dollars.

This country will not continue to prosper if we fail to provide adequate support for public education, at every level.

With my Labor colleagues, I support the amendments moved by the member for Jagajaga, and I support the bill with some reservations.

Dr NELSON (Bradfield—Minister for Education, Science and Training) (6.02 p.m.)—I thank all members for the contribution they have made to the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003. Unfortunately, a number of the contributions from Labor members were not consistent with what we on this side consider to be the right of parents to choose the kind of education they want for their children. This amendment bill confirms the government’s commitment to school education and improving outcomes for all students. It continues a commitment to the capital grants program, which supports non-government schools. This amendment will maintain capital funding for non-government schools in real terms at the 2003 level and will appropriate approximately $48.3 million for capital funding in non-government schools over the four years to 2007. Without this amendment, the level of capital funding for non-government schools for the years 2004-07 will fall below the 2003 funding level by more than $11.7 million each year. That would adversely affect schools serving many of the most educationally disadvantaged students.
A further $54.3 million in the bill is provided through the Strategic Assistance for Improving Student Outcomes Program and the National Literacy and Numeracy Strategies and Projects Program, over the years 2003 and 2004, to improve the learning outcomes of educationally disadvantaged students, particularly in the key areas of literacy and numeracy. This ongoing commitment will ensure that all schoolchildren are given every opportunity to develop numeracy and literacy skills at an early age.

Nationally agreed benchmark standards for years 3, 5 and 7 will ensure that all children attain the level of literacy and numeracy that they need to make progress in their schooling and to participate effectively in Australian society. Comprehensive information on the literacy and numeracy achievements of students against national standards is now published in the National report on schooling in Australia. The Australian government has led the way in establishing national minimum standards for literacy and numeracy and for those results to be reported to parents. Parents want, and they have the right, to know that their children can read, write, count and communicate to accepted minimum standards not only within the jurisdiction within which they are being educated but indeed against national benchmarks. I am pleased to say that at the Ministerial Council on Education, Employment and Training and Youth Affairs in Perth in July the ministers agreed that the results of years 3 and 5 literacy and numeracy tests will be reported to parents against national benchmarks. I will be seeking to give effect to that when the legislation is introduced next year to give effect to the quadrennium of school funding. This agreement signals that from 2004 all parents across the country will finally receive reports of their children’s literacy and numeracy achievements against national benchmarks.

A number of remarks were made throughout the debate, many of which I do not intend to respond to. I have done so on numerous occasions in the House, answering questions and other things. There are just a couple of points of which we ought to be reminded. Every student who attends a non-government school—a Catholic or an independent school—receives less public money than if the child were being educated in a government school. The kids who come from the poorest families attract 30 per cent less; the kids from the wealthiest families attract 87 per cent less. They all receive something in support of their education, but they all receive less than if they were being educated in a public school. In fact, if the one million students currently in Catholic and independent schools in Australia were to suddenly leave and take up their right to be educated in the public education system, for a start the Australian taxpayer would need to find another $3 billion a year to support their education.

I would also like to point out that, particularly in relation to capital grants, the Australian government this year will provide more than $324 million to support state government schools and also the non-government schools. That is $107 per student in government schools and $92 per student in non-government schools. So in the capital area, the Australian government’s commitment per capita to government school students is higher than it is for non-government students. The full story of school funding is, unfortunately, not always told by those who are critical of support for Catholic and independent schools—that is, that state governments are responsible for regulating, administering and primarily funding those schools.

The Australian government at a federal level through successive Labor and coalition governments has provided supplementary funding to state governments to fund their
schools. Under this government that funding is increasing at a rate determined by the Australian government school recurrent cost index. The level of school funding for government schools from this government increased this year by 5.5 per cent. The all-state average was a 2.2 per cent increase, even though the states are primarily responsible for funding their schools.

I would like to remind the members opposite that when I put it to the state and territory ministers in July this year that they at the very least commit to a minimum consumer price index increase for state government schools—an absolute minimum, even though we know the school recurrent cost index is running at around 5.6 per cent—not one of them was prepared to commit to that. Obviously in this place we have debates about numerous things, but when Labor members here start to get up and criticise the fact that, for example, in the state of New South Wales enrolment growth is forecast this year to increase by 0.2 per cent and the New South Wales government is increasing funding to its schools by 0.8 per cent, with the consumer price index running at somewhere between 2.5 and 3 per cent and school recurrent costs at 5.6 per cent, then I think they might have some more credibility in some of the nonetheless erroneous arguments they seek to run. Again, thank you to everybody for contributing to the debate on the bill. I appreciate the fact that the opposition members—notwithstanding an amendment coming up and all sorts of complaining about providing any support to parents in the non-government sector—are nonetheless prepared to support it. For that I am grateful. Thank you.

Question agreed to.

Bill read a second time.

Message from the Administrator recommending appropriation announced.

Consideration in Detail

Bill—by leave—taken as a whole.

Ms Macklin (Jagajaga) (6.09 p.m.)—by leave—I move opposition amendments (1) and (2) together:

(1) Schedule 1, before item 1 (before line 6) insert:

"1A After subsection 73(1)

Insert:

(1A) The Minister may not make a determination authorising the payment of financial assistance under subsection (1) unless evidence has been provided that schools or student hostels proposed to receive assistance meet criteria of educational and financial need specified for the purposes of this subsection.

(2) Schedule 1, after item 3, page 5 (after line 6) insert:

3A Section 116

At the end of the section add

(3)The report under paragraph (2)(b) must include detailed information on the capital projects supported by Commonwealth capital grants to each school, in accordance with the following table:
These amendments put into practice the principles of transparency and integrity in Commonwealth funding for schools that I outlined during the debate on the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003. The amendments only relate to Commonwealth funding of capital projects in non-government schools. We on this side of the House certainly accept that accountability principles must relate to all Commonwealth programs for schools in both the government and non-government sectors but, as this bill includes changes in capital funding for schools in the non-government sector only, we have limited our amendments on this occasion to that sector. Labor will certainly be considering further changes to accountability arrangements for all programs and for all schools and systems in the context of the legislation for the next quadrennium.

It is certainly the case that the amendments I am moving tonight have been discussed with major interest groups and with the minister. These groups include national non-government school organisations. These discussions have been very helpful and have led to some changes to earlier drafts. For example, the Chief Executive Officer of the National Catholic Education Commission has made it clear that ‘the commission is supportive of measures that ensure proper accountability for public expenditure’. The Executive Director of the Independent Schools Council of Australia has also stated: I can assure you that the independent schools sector supports timely and transparent reporting of funding decisions made by the Commonwealth under the capital grants program.

The Australian Associations of Christian Schools have provided similar advice to me. So it is certainly the case that the opposition’s amendments are consistent with these principles.

Amendment (1) provides for an explicit requirement in the legislation for Commonwealth capital grants to non-government schools or student hostels to be conditional on the proposals meeting criteria for educational and financial need. I hope that the minister will agree to this very important amendment. I cannot imagine why anyone in this parliament would not agree to making sure that our capital grants to non-government schools are done on the basis of educational and financial need. This will be
the point of the new provision in 1A to be inserted after subsection 73(1) in the principal act. Such criteria are currently only included in program guidelines, including in separate guidelines for block grant authorities. The amendment would bring the needs principle more formally into the content of the legislation itself.

I make the specific point, as this was a concern for some in the non-government sector, that the amendments are not directed at changing the relationship between the current block grant authorities and the minister. Those authorities would continue to advise the minister on projects to be funded against the program’s needs based objectives. The amendments relate to the public reporting of decisions, not to the approval processes. The amendment places the needs principle for Commonwealth capital funding of non-government schools into the legislation. In our view, this would provide a more secure and transparent basis for the decisions of block grant authorities than simply including them in program guidelines. I also assure the non-government sector that the amendment would not require any further administrative changes. It would not add any restrictions or inefficiencies to the operation of block grant authorities. The minister would not need to duplicate approval processes. We expect, however, that the normal audit processes would apply to protect the integrity of program administration against objectives that would be clearly set out in the legislation.

Amendment (2) sets out the information to be included in annual reports to parliament under the capital program for non-government schools. (Extension of time granted) Since 1997, reporting under section 116 of the principal act has been cursory, to say the least. If you have a look at the reports that have been printed since that time, you will see that they are certainly extremely slim. They have only included a half-page overview of the capital grants program and no information on the kind of projects supported or the way that these meet the program’s objectives. The format for these reports has provided only a one-line figure of the total capital expenditure on Catholic and independent schools for each state and territory, and for Australia in aggregate.

I do note, and it is certainly a positive development, that the report of the minister’s department on financial assistance granted for the year 2002, which has just been tabled in the House today, includes some of the information on projects in government and non-government schools supported by the capital grants program. It is certainly a very positive step by the minister that we have seen increased public accountability on capital funding. There is no question that the new format is a significant improvement on that of the previous reports, but I would put to the minister and the government that we need to go one step further and take the principle of public accountability to the next level. That is what Labor’s amendment to section 116 would do. It would provide information additional to that included in the latest report—and, as I said, it is certainly a significant improvement. The amendment would go that step further by including the total value of each project and a brief description of the project. Most importantly—and I would draw the minister’s attention to this point because it is really the fundamental reason why we are moving the amendment—we want to have the report demonstrate the way in which the capital grants will meet particular educational and financial needs criteria.

In effect, the amendment will provide a template for reporting on the Commonwealth’s capital assistance to non-government schools. It will go beyond the format approved for the 2002 report tabled today. It is also important, in our view, for the reporting format to be required by the act
and not to be subject to the individual whims of particular ministers. As I said, it is good to see that this minister has expanded the reporting that has been made available; because the act has not required a particular reporting format, unfortunately previous ministers have provided very little information indeed. So, taken together, the opposition’s amendments represent sound public administration. They confirm the intent of the capital grants program to support schools and students with the greatest need. They will also go some way to increasing public confidence in the operation of the program more generally. I commend the amendments to the House.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Are the amendments seconded?

Ms Grierson—I second the amendments and reserve my right to speak.

Dr NELSON (Bradfield—Minister for Education, Science and Training) (6.18 p.m.)—The amendments proposed by the opposition to the States Grants (Primary and Secondary Education Assistance) Amendment Bill 2003 will not be supported by the government. The capital grants program operates at arms length from the government and the main effect of the amendments is essentially to remove this arms-length approach to the allocation of capital grants to non-government schools, an approach that has operated effectively for both government and non-government school capital funding since 1988 and is supported by education authorities. Under the current arrangements, expert block grant authorities, or BGAs, that are made up of representatives of the respective education sectors assess all applications for capital funding from non-government schools against the detailed ministerially approved guidelines and provide recommendations to the government on projects and schools that are to be funded. In making their recommendations, the block grant authorities are already required to take into account both the financial needs of individual schools and the relative educational disadvantage of the student population of each school, with the more disadvantaged being given priority over the less disadvantaged.

In assessing financial need, the block grant authorities are required to use a methodology that is primarily quantitative, which enables them to justify their recommendations to an independent appeal body or a departmental audit. For educational disadvantage, the authorities must use an assessment methodology, a combination of generally applied indices and applicant-specific information, which is applied in a consistent way and which is supported by evidence. A similar method for the allocation of capital grants to government schools applies. Again, bodies at arms length from the minister—in this case, the state and territory education departments—assess and make funding recommendations to the minister.

The opposition’s amendments would remove this arms-length approach to program management for non-government schools. Moreover, they would put considerably more discretionary power in the hands of the federal minister. By definition, they would require the government at a national level—and, I would suggest, at some significant expense—to assess and prioritise individual projects to enable the minister to make a determination specifying educational and financial need. The costs of the change could effectively divert funds away from actually building classrooms. The proposals by the opposition appear to add very little to achieving the aims of the program, but they are likely to add significantly to the complexity of administering it. There are no similar requirements for other school programs that are legislated under the act.
As the member for Jagajaga pointed out, today I tabled in the parliament the States Grants (Primary and Secondary Education Assistance) Act 2000: report on financial assistance granted to each state in respect of 2002. This will be an ongoing process. As to the kind of information it contains, one only needs to open the booklet to find, for example, that the Dubbo Christian School has received $100,000 for the construction of three general learning areas, student amenity stores, special education withdrawal facilities, a physical education store, furniture and equipment. On the report goes, across some 46 pages, detailing precisely the sums of money, the schools to which they went and the purpose for which the money was allocated. I am pleased by and thankful for the support of the opposition for the government in having taken that initiative, as I said I would.

The amendments do not propose a similar requirement for the allocation of capital grants in the government school sector. In fact, it was in 1988 that the then Hawke Labor government, to its great credit, specifically introduced the system whereby assessments would be made at arms length from the government to avoid any real need or perceived political interference. It was previously done centrally by the Australian government department. When the then minister for education, Senator Susan Ryan, announced the arrangements, she said in part in her media release on 4 February 1987:

This will really ease the administrative burden on the Australian government. The Australian government will continue to set priorities for the use of its funds, and distribution proposals will require my approval. Funds will continue to be directed to the most disadvantaged schools and the most needy groups.

Labor Senator Margaret Reynolds said in her second reading speech on the bills which established the BGA arrangements in 1987:

Block grant arrangements, by providing greater involvement by school authorities in the delivery of the Capital Grants Program, offer an enhanced capacity for the achievement of Commonwealth objectives.

I could not have put it better myself. (Extension of time granted)

The Australian government is firmly committed to open and transparent processes for the allocation of capital grants. The non-government school authorities are equally committed to this. I have already announced that the annual report to parliament, to which I have just referred, would be produced and tabled, which it has been. There are already substantial mechanisms in place to ensure proper accountability. For example, block grant authorities are required to provide financial accountability details of expenditure by project on an annual basis, and this is similar to that provided by state governments for government schools. In addition, the authorities are regularly audited by the government on their operation and management of the capital grants program. The reporting requirement proposed by the opposition amendment only applies, as I said, to the non-government sector, which would suggest there may be some other motives for it. This amendment is not about correcting any perceived problems in the capital grants program; instead, it reflects an ideological problem that the Australian Labor Party has with public resources supporting Catholic and independent non-government schools.

Further, the non-government school sector have indicated to me that they are against the amendment. Mr Bill Daniels, the Executive Director of the Independent Schools Council of Australia, has written to me, and I understand to the member for Jagajaga, in relation to this. Mr Alan Dooley, the acting chairperson of the National Catholic Education Commission, has indicated to me:
The National Catholic Education Commission believes that there should be clear guidelines of accountability without imposing further restrictions on the minister or block grant authorities.

Also Mr Bill Daniels, the Executive Director of the Independent Schools Council of Australia, addressed a letter to the member for Jagajaga and circulated it to me. That letter said in part:

Your proposed amendments appear to be directed at changing the balance of the relationship between the block grant authorities and the minister. We were certainly unaware prior to this that the Labor Party considers that there are deficiencies in the current process. The block grant authorities were established in 1988 under the Hawke government and were designed to streamline the consideration of capital grant applications and to distance the minister of the day from the claims that many school authorities make for capital assistance.

I am further advised that Mr Daniels maintains this position and his opposition to these amendments as late as today.

The bill before the House seeks to continue capital funding, as I said earlier, of $10 million per annum to non-government schools, which has been in place since 1996. It is a small part of a total funding program of some $92 million per annum that provides significant benefits and meets significant unmet needs in non-government schools, both Catholic and independent. The Labor Party foreshadowed the introduction of these amendments along these lines before. I think adequate consultation had been undertaken with the non-government sector. As far as I am concerned, this is more an ideological objection to non-government schools. These amendments, in many ways, will seek to put some sort of straitjacket on those schools and, as such, the government will reject the amendments.

Ms Macklin (Jagajaga) (6.26 p.m.)—It is most unfortunate that the Minister for Education, Science and Training is seeking to mislead the parliament on a number of matters. If I go to the general issue of the Labor Party’s support for Catholic and independent schools—

Dr Nelson—Mr Deputy Speaker, on a point of order: if the member for Jagajaga is going to accuse me of misleading the parliament, there are forms of the House for doing that.

Ms Macklin—I did not say that you deliberately misled.

The Deputy Speaker (Hon. I.R. Causley)—Yes. Minister, the rule is that you cannot accuse someone of ‘deliberately’ misleading.

Ms Macklin—The minister has misled the House on the Labor Party’s attitude to Commonwealth support for both Catholic and independent schools. We have supported these schools for 30 years. We seek to support them on the basis of their educational and financial need. I think it is very unfortunate that the minister has sought to introduce these most unhelpful remarks when we are seeking to strengthen the reporting about the provision of capital grants to non-government schools.

I just reiterate that the Labor Party have supported the funding of Catholic and independent schools for more than 30 years. We intend to continue to do so but, unlike this government, we will make sure that the funding from the Commonwealth to both Catholic and independent schools is done on the basis of need. We will not be doing what this government has done over the last three years and providing substantial increases of funding—in some cases, over 200 per cent—to some of the wealthiest schools in this country. The minister has brought this criticism of the government’s funding of non-government schools into this debate, which was completely unnecessary.
I will just go to a couple of other misleading comments that the minister has made. I actually addressed the issues in my remarks, but obviously he paid no attention to what I was saying. The amendments are not directed at changing the relationship between the current block grant authorities and the minister. If the minister actually was willing to negotiate sensibly around these amendments, he would recognise that that is the case. If he had a look at the amendments, he would recognise that what in fact we are seeking to do is to put the needs principle into the legislation. Yes, the needs principle is in the program guidelines. All we are seeking to do in this amendment is put the needs principle into the legislation.

I will say to the minister again, because I am pleased to see he is listening, that the amendments are not directed at changing the relationship between the block grant authorities and the minister. The minister said that the program is to be at arms-length from the government. Of course, in our view, it adds to the point that the criteria and reporting need to be set out in the act, which is what we are seeking to do. I just need to make sure that that point is very clear. We have made that point clear to the non-government authority, to both the Catholic systems and the independent schools. They understand that we are not seeking to change the relationship between the block grant authorities and the minister. We are seeking to put the needs principle into legislation. Only a government that is not interested in the needs principle would reject this amendment.

We are also seeking in the second amendment to add a couple of other reporting requirements to those which the minister has provided in his latest annual report. He acknowledges that there are now details about the total grant provided for particular capital projects by school. I have just acknowledged that that is a positive development. What we are also seeking is for the government, through this report, to provide information about the total value of each project so that we can see how the grant relates to the total value of the project and most importantly, once again, to have the minister provide a description of evidence that the project meets educational and financial needs criteria.

If this government does not want to provide information about how its capital projects actually meet educational and financial needs criteria, you would have to ask what on earth they have to hide. These are changes that, frankly, I thought we would be able to agree on, because I thought this government would be prepared to acknowledge that this is important. (Extension of time granted) I would have thought that the minister would have no trouble agreeing to these amendments. He has come half way by providing additional information in the report that was tabled today, but I would ask him to reconsider when this issue goes to the Senate and to recognise that we are seeking to put in legislation what is currently in the program guidelines and to provide information through the annual report about the way in which individual grants to particular schools are meeting educational and financial needs. I reiterated: the reason we are talking about non-government schools is that that is what the bill is about.

Dr Nelson (Bradfield—Minister for Education, Science and Training) (6.33 p.m.)—I would just quickly respond to one point made by the member for Jagajaga. In fact, the amendments certainly do change the nature of the relationship between the government and minister of the day and the block grant authorities—a system established by the previous Labor government and extended by this government. By definition, if it is required, as is being suggested in amendment (2) in new part 3A to section...
116, that a table include, for example, a description of evidence that the project meets educational and financial needs criteria, clearly that is questioning the authority of a block grant authority to make these decisions at arms-length from government in relation to the appropriate allocation of Australian government capital grants funding, all of the details of which, as I said, have been tabled and will continue to be tabled well into the future. Again, I reiterate that we will not be supporting the amendments.

Ms MACKLIN (Jagajaga) (6.34 p.m.)—I would say again that that is just not the case. We are seeking to put the needs principle that is currently in the program guidelines into legislation.

Question put:

That the amendments (Mrs Macklin’s) be agreed to.

The House divided. [6.38 p.m.]

(The Deputy Speaker—Mr Lindsay)

<table>
<thead>
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<th>Ayes</th>
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AYES

Adams, D.G.H. Albanese, A.N.
Andren, P.J. Beazley, K.C.
Bevis, A.R. Brereton, L.J.
Burke, A.E. Byrne, A.M.
Corcoran, A.K. Cox, D.A.
Crosio, 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. Irwin, J.
Jackson, S.M. Jenkins, H.A.
Katter, R.C. King, C.F.
Latham, M.W. Livermore, K.F.
Macklin, J.L. McClelland, R.B.
McFarlane, J.S. McLeay, L.B.
McMullan, R.F. Melham, D.
Mossfield, F.W. O’Byrne, M.A.
O’Connor, G.M. Price, L.R.S.
Ripoll, B.F. Sawford, R.W. *
Sercombe, R.C.G. Smith, S.F.
Tanner, L. Vamvakou, M.
Zahra, C.J.

NOES

Anderson, J.D. Andrews, K.J.
Anthony, L.J. Bailey, F.E.
Baird, B.G. Baldwin, R.C.
Barresi, P.A. Bartlett, K.J.
Billson, B.F. Bishop, B.K.
Bishop, J.J. Brough, M.T.
Cadman, A.G. Cameron, R.A.
Causley, I.R. Charles, R.E.
Ciobo, S.M. Cobb, J.K.
Costello, P.H. Downer, A.J.G.
Draper, P. Dutton, P.C.
Elson, K.S. Entsch, W.G.
Farmer, P.F. Forrest, J.A.
Gambare, 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.
Kelly, D.M. Kelly, J.M.
Kemp, D.A. King, P.E.
Ley, S.P. 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.
Scott, B.C. Secker, P.D.
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. Windsor, A.H.C.
Worth, P.M.

* denotes teller
Question negatived.
Bill agreed to.

Third Reading

Dr NELSON (Bradfield—Minister for Education, Science and Training) (6.45 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

DEFENCE LEGISLATION AMENDMENT BILL 2003

Second Reading

Debate resumed from 27 June, on motion by Mrs Vale:
That this bill be now read a second time.

Mr EDWARDS (Cowan) (6.46 p.m.)—While the opposition supports this defence omnibus bill, the Defence Legislation Amendment Bill 2003, it gives us an opportunity to raise some concerns relating to this government’s failure to support its troops sent to the front line. I will return to this matter shortly. However, first I want to deal with the increase in penalties for those who impersonate a returned veteran and the increase in penalties for those who destroy or damage medals.

As a Vietnam veteran I find it ironic that, following the cold shoulder that most veterans received on returning home during our involvement there, years later some people in the community would choose to impersonate a Vietnam veteran. For most of the cases I have seen it does appear that it is Vietnam veterans who are impersonated. Of course, many who do seek to impersonate a veteran often claim to have served, for instance, in the SAS and they use this unit coupled with the excuse: ‘I can’t tell you where or when I served as it is a secret.’ The number of times we have heard that said is incredible. It is frustrating and it makes many veterans angry when someone is found out, but I wonder about the penalties.

My own view is that someone who impersonates a veteran is probably showing signs of some mental instability and perhaps is more in need of psychiatric help than jail. However, I can and do understand how angry veterans and their families become when someone does impersonate a veteran. I think this is particularly true when they become repeat offenders and when they seem to get off with a fairly small fine, so the veteran community will welcome these increases in penalties. The veteran community becomes particularly offended when an impersonator is able to access benefits rightly belonging to a veteran. We saw a case of that just recently in Queensland where, if memory serves me correctly, a particular individual was able to access in excess of $60,000 worth of benefits that rightly belonged to a veteran.

An area that particularly concerns and annoys veterans is where someone claims to be a Vietnam veteran and gains access on that basis to Vietnam veterans’ counselling services. Veterans tend to get most angry when an impersonator takes the name of someone who was killed in action or who has become deceased since that time. In some circumstances, stiff and heavy fines are appropriate. Perhaps in the most extreme cases jail would be appropriate. Another area of concern is where a person wears a medal to which they are not entitled. Sometimes this happens when a person is not a veteran and, as part of a deception, they purchase a medal or medals and wear them. They certainly should be dealt with. Deception also occurs when a veteran entitled to some campaign medals wears others to which he or she is not entitled. I know this is always a cause for concern. This occurred just recently in a fairly celebrated case in Western Australia, where a particular individual had become a bit of a big wheel within the veteran community and
certainly had led at least one march wearing medals to which, it subsequently became known, he was not entitled.

An area that also causes me concern relates to the penalties that will apply to the destruction of or damage to medals. In my own case, I am entitled to the medals I wear. I earned them and they are mine. No government, this or any other, is going to tell me what I can or cannot do with those medals. If, for instance, I choose to burn my medals as a protest against a government’s decision then that is my right. I cannot ever foresee the circumstances in which I would do that, because my medals are of significant symbolic importance to me, but if I or any other veteran chose to do this then that is our right. This government should have recognised that a veteran’s medals belong to the veteran, not to the government of the day. Woe betide any government which tries to prosecute a veteran for destroying his or her own medals. The veteran community may not agree with a veteran taking such action but I would be surprised if they did not respond with vigour to support and defend that veteran’s right should he or she ever be prosecuted for destroying their own medals.

In his response, I ask the minister to advise whether it is the intent of this legislation to prosecute veterans who destroy or damage their own medals and in what circumstances he would see a veteran being prosecuted if, indeed, it is the intention under this legislation to do so. So I ask the minister to come into the House and advise us about that point.

Australians used to laugh at Americans for the medals that were handed to them like confetti at a wedding. But we laugh no more. This government has been an absolute disaster when it comes to medals, and it is now the laughing-stock of the veteran community. For instance, for the first time in the history of our nation, we now see veterans who fought and died next to each other in Vietnam being treated differently. A person who served as a national serviceman in Vietnam is entitled to an additional medal that is not available to those who volunteered. I say good luck to the national servicemen. They deserve whatever recognition they get. They campaigned long and hard for that medal. But I think it is a great pity that this differential treatment and recognition now exist.

Of course, as a national serviceman, if you have applied for your medal, chances are that you will have to wait 12 months or more for it. Indeed, in some circumstances it will be well over 12 months. I understand that the backlog of those that are awaiting medals is now in the vicinity of 40,000. That is a disgrace. I do not blame the current minister for this appalling situation, but I do blame his predecessor. I hope that this minister will move on the issue and ensure that all outstanding medal applications are dealt with before Anzac Day next year. It is no wonder that the veteran community are going crook about the situation over medals and awards in this country.

Is it any wonder, too, that Vietnam veterans are angry over the treatment of the veterans of Long Tan, who are still refused the right to wear the Vietnamese decorations to which they are justly entitled? It is an entitlement that this government has refused to recognise. I am not going into that whole argument here tonight, but it is an issue that will be pursued by the member for Ballarat, Catherine King, and me in more detail on another occasion. But I do want to put this minister on notice and advise him that, on Vietnam Veterans Day, a number of Long Tan veterans wore their Vietnamese unit citation, to which they feel they are morally entitled. Some wore the Vietnamese bravery awards with which they were to be presented but, because approval had not been granted
by Her Majesty the Queen, the Liberal government of the day stopped them receiving them. These are awards for courage, which this government, in its dedication to ignorance in this matter and because of its lack of real support for these veterans, refuses to allow them to wear.

But these veterans have had enough and they intend to challenge this government by wearing these Vietnamese awards. Indeed, they did so last Vietnam Veterans Day. The previous minister used to pretend that she did not have the power to act to grant them approval. But the minister does have the power to act. I hope that this minister will act and approve the wearing of these awards. If he does not, I will assume that the provisions of this legislation will be applied and the Long Tan veterans will be prosecuted under this legislation. Either way, I say to the minister: either you fix it or it will be fixed under a Labor government.

The final matter that I want to deal with relates to the fact that this government and the Minister for Defence, Senator Hill, have failed our troops on the front line. I am referring to the situation that was recently confronted by a Special Air Services soldier who was part of a patrol that was ambushed in East Timor some four years ago. During this ambush, at least one Australian soldier was seriously wounded. Along with other members of the patrol, this soldier returned fire and killed two of the enemy. He has subsequently faced inquiry after prolonged inquiry and he has lived in fear, over most of this time, of being charged with unlawful killing following that ambush. This man is a dedicated, highly regarded and respected professional soldier in Australia’s most elite force, who was doing what he was trained to do: kill the enemy. For that action he has been deserted by this government and by those who should have been his protectors.

Military justice in Australia today is in a sad state. This government has allowed military justice to become an antiquated and complex system that is demonstrably unfair and deficient. It is a system that has failed to protect its front-line soldiers and it continues to fail them today. If the system of military justice is not at fault, those who administer that system must accept responsibility. When soldiers are sent to do the dirty, dangerous, life-threatening work that lesser people like ministers of governments send them to do, they look for little. However, they do expect—indeed they are entitled to expect—that their political masters will stand beside them when the job is done.

I ask that members opposite who support our armed services—and I know there are many who genuinely do—make themselves aware of the plight of this particular soldier. He faced long, drawn-out and expensive investigations which turned up no evidence and which could convict him—even on the flimsy charges that he eventually faced which, in my view, the military applied in a frantic effort to save face. After four years of uncertainty, the charges were recently withdrawn—but at what cost to him and his family, and at what cost to other members of the ADF who witnessed the appalling treatment that this bloke received under our current administration of military justice?

I was pleased to see the shadow minister for defence, Senator Chris Evans, take up this matter recently in the Senate estimates hearings. This was not a party political matter, as Liberal Senator David Johnston also strongly attacked the treatment of this soldier—and with good cause. I compliment both senators on their support of this soldier and on the way they confronted this issue on his behalf in the Senate.
The ALP supports this bill and I understand that it will be supported in the Senate. This support, however, should not be mistaken or misinterpreted as indicating that we in the ALP are happy with military justice in Australia—we are not—nor, I must say, are those many front-line soldiers, sailors and flyers of our Defence Force who should be able to rely on military justice to defend them as well as prosecute them. Military justice should give them a fair go. If it does not, we here should want to know why. I support the legislation.

Mr HUNT (Flinders) (7.00 p.m.)—It is a great honour to rise immediately after the member for Cowan, who has a distinguished service career, to speak in support of the Defence Legislation Amendment Bill 2003. It is a great honour for a second reason: in my electorate is HMAS Cerberus, the Australian naval base. Currently, over 2,000 young Australian men and women are on that base at any one time. These are young men and women who are committed to the future of Australia’s defence, who have made a significant contribution, who have made a commitment and who place themselves at risk. I give my thanks and I pass on the thanks of a grateful local and national community to the men and women of HMAS Cerberus.

Looking at men and women such as those who serve at Cerberus, we recognise that there are two critical things which, as a government, we owe them: respect, and adequate and appropriate entitlements and compensation for the service they give to their country. The Defence Legislation Amendment Bill 2003 does exactly that. It deals with the question of respect and it deals with the question of fundamental entitlements for veterans.

In particular, I wish to outline the three main effects of the bill. Firstly, it operates to ensure that there are increased penalties for those who falsely represent themselves as returned service personnel and who improperly use service medals and decorations. This proposal is all about ensuring that there is adequate respect and protection of the legacy and the memory of the service given by Australian service men and women. Secondly, the bill protects the system and the process by upgrading the workings of the military discipline system. Thirdly, the bill ensures that former members of the Australian Defence Force, who might otherwise be inadvertently excluded from the extended home loan assistance scheme under the Defence Force (Home Loans Assistance) Act, will be able, for the first time, to access those home loan entitlements. That is a simple, practical and important measure for our defence personnel—that some who would otherwise not have been entitled to the defence home loan scheme will now be able to access it.

In looking at these issues, I want to briefly address three things: firstly, the background to the bill; secondly, the importance of the bill; and, thirdly, some of the core provisions of the bill. In essence, in looking at the background we see that it is designed to update a range of defence related legislation. There are challenges and inadequacies in existing legislation because of the effluxion of time, the fact that our service personnel are involved in a range of different activities and the fact that, as we move forward as a society, legislation becomes outdated and inadequate.

In that situation, we see—and it is unfortunate that we have to legislate for this—that existing penalties relating to the improper display of medals and decorations are inadequate. There are those who have impersonated service personnel. There are those who have improperly used the medals of service personnel to gain a benefit for themselves when they have had no right. These medals
are hard fought for. They are won by men and women. As Deputy Speaker Lindsay would know from those within his own electorate who serve Australia, they are hard fought for and hard won. We find that the current penalties are inadequate for those who may falsely represent themselves as returned service personnel. Presently the maximum penalty for these two offences is a $200 fine.

There are two problems with this: firstly, the penalty does not reflect the seriousness or gravity of the crime; and, secondly, it fails to discourage those who would use medals improperly and who would seek to impersonate a genuine returned service man or woman. As a consequence of that, the penalty will be increased to $3,300 and/or six months imprisonment. This effectively raises the costs of evasion and of unlawful behaviour. There is a real consequence and a real penalty now if somebody takes the medal, the title or the role of an Australian service man or woman and uses it to their own advantage when they have no entitlement or right to do so. In addition, it will encourage compliance with the existing defence legislation. Finally, the increased penalties will promote respectful behaviour.

Whilst we are focusing on the background to the bill we see the second great element of the bill. The military discipline system is in need of some additional restructuring. More can be done to ensure judicial independence and impartiality in the military discipline system. That is a critical element that is necessary if the men and women who serve Australia are to face justice in a way in which justice is blind to any particular elements of their background. It focuses with impartiality and without bias. It is critical, both in reality and in perception, to ensure that there is a totally impartial system of military justice.

The third element in this bill is that some ex-members of the Australian Defence Force are disadvantaged under the current defence home ownership scheme. Currently, ex-members must apply for subsidised housing within two years of discharge. On the face of it that is a reasonable requirement. However, physical or mental conditions may prevent ex-members from applying within this time. So the proposed legislation removes this inequality by waiving the two-year limit for certain members of the Defence Force.

What then is the importance of this bill? It addresses these three significant issues and it delivers particular benefits. Firstly, it upholds the dignity of Australia’s ex service personnel. That is a very important thing, because it establishes their capacity to carry on in society. One of the consequences, as we saw as a flow-on from the Vietnam conflict, is that men and women who give of themselves to the Australian Defence Force and through that institution to the Australian community, when they leave, may from time to time be inadvertently penalised by a community which does not understand their role. Fortunately, we see with the increasing numbers of young people attending Gallipoli and Anzac Day services that there is great respect for Australian service personnel—so much so that people are in some cases beginning to impersonate them. The benefit of building respect, which comes from this legislation, is important both to the individuals and to the institution.

Secondly, the measures deliver the improvement in the military discipline system, which we have noted is necessary. In particular, it eliminates the current need for convening officers to assume multiple roles in a judicial outcome. In essence, it removes the inefficiencies by enhancing the role of the Judge Advocate General. These are important steps in ensuring fairness and impartiality in the system. Thirdly, it reinforces the
The government’s financial commitment to ex-service personnel. That is a critical thing for those defence personnel who have served their country and who have forgone potentially significantly higher sources of income, and it is only right, fair, proper and appropriate that a grateful nation shows its gratitude in a meaningful way.

All up, the essence of this bill is twofold. It enhances respect for service personnel and it enhances their entitlements. I am delighted to support this bill. In doing so, I go back to where I started, to the men and women of HMAS Cerberus, who live and work on the Mornington Peninsula and who train and prepare themselves and others for the service of Australia. If they benefit from this bill in years to come then it will have been a worthwhile and valuable amendment. I am delighted to support the bill. I commend the passage of the Defence Legislation Amendment Bill 2003 to the House.

Mr KERR (Denison) (7.10 p.m.)—The measures in the Defence Legislation Amendment Bill 2003 are sound and certainly deserve support, as some are significantly overdue. It is one of those strange and sad ironies that there are some amongst our community who seek to illegitimately claim credit for participation in campaigns and service which they are not entitled to claim. That of course causes considerable distress to veterans who did give service and who remember their comrades who laid down their lives or were wounded. They see those who put themselves forward falsely as having equivalent status within the community of veterans as beyond the pale. I have read some of the emails and web sites that are dedicated to exposing those who wrongly set themselves up as veterans. It is of course something that we all would condemn. I think we have to have a little bit of compassion for those who falsely claim credit for participation. Most of these people are mentally ill—the language is difficult, but perhaps that is the right way to describe it. There is something plainly odd about people who would behave in that way. It is not necessarily villainous behaviour but it is certainly behaviour that we would condemn and it is behaviour that this legislation does properly condemn. We welcome that.

Secondly, we welcome the improvements to military justice. The member for Cowan quite correctly pointed out that there are instances where the existing system of military justice has appeared to be significantly deficient. He mentioned one instance. I am certainly aware of another issue in my electorate of Denison—although not of the same nature as the case mentioned by the member for Cowan. It relates to the manner in which Wing Commander Robert Grey, then the most senior RAAF officer in the state, was effectively removed from command. He sought review of that decision and was told that the military were not required to comply with the rules of natural justice. Subsequently he has received an apology and it has been clarified that in fact the military do regard themselves as obliged to comply with rules of natural justice, save in battlefield situations, where obviously that would not be appropriate. But he has not had effective redress and, despite communication with the Ombudsman, the Prime Minister, the Minister for Defence and senior military officials, he still has not been made aware of the reasons secret communications to his disadvantage apparently led to his removal. It is plainly an instance where he has been left with a diminished public reputation—although certainly not a diminished reputation in my eyes. But I think there is no doubt that he feels that in the eyes of both the military community and the broader community, who became aware of his removal, he is diminished as a result of that. He has never been confronted by the material or been
permitted to respond to the material which gave rise to his removal. His initial complaints were improperly dealt with. It is, in my mind, one of those clear instances which show a need for improvement.

The improvements in this legislation do not go to those particular kinds of instances; they go to ones where persons are actually charged with military offences. They relate to recommendations made by Brigadier Abadee, who is also a judge of the Supreme Court of New South Wales. Our military justice system is privileged to have the services of a number of very senior legal professionals who are often reservists and who give a considerable amount of their time to ensure that we have as good a justice system as they can possibly contribute towards. But it is plain that the system was inadequate, and Brigadier Abadee’s recommendations are important for us to implement. They change the regime to ensure the system satisfies contemporary standards of judicial independence and impartiality. They eliminate the multiple roles of those who convene court martial also having any role in the processes or the review of the decisions.

The bill will provide that the judge advocate-general will be responsible for nominating officers to act as judge advocates for court martial and nominating officers as Defence Force magistrates for trials rather than the current procedures which involve appointments being made by the military chain of command. The bill enables the judge advocate-general to appoint the president and members of the court martial, as opposed to the chain of command, and it creates the statutory position of chief judge advocate. So we have a process that is designed to make certain that we have arms-length justice in the circumstances where those of our serving personnel may be subject to trial. And of course these procedures not only apply to serving personnel, they would also apply in circumstances where military justice needs to operate in relation to field matters.

I want to make some obvious points by way of comparison with the circumstances that we have now established under this legislation and the framework of military justice that the United States proposes to apply in relation to two Australian citizens: Hicks and Habib. None of the safeguards that we regard as essential to apply to the justice that our military are entitled to, and to those who would be subject to military justice and military courts in this country if they were charged, will apply to those subject to trial under the military commissions established by presidential order. The system of military commissions being established by the United States is not being established pursuant to the uniform code of military justice—that is, the equivalent of the Defence Force Discipline Act that would apply ordinarily. Instead they are being established under presidential order. All members of the commission are to be appointed by the Secretary of Defense or his designate. Every member of the commission must be a military officer. The prosecutors are to be military officers; the chief defence counsel is to be a military officer; detailed defence counsel who are assigned to conduct Hicks’ defence are to be military officers; and the accused must be represented at all relevant times by the detailed defence counsel, even if a civilian attorney is assisting. The review body is to comprise military officers or persons appointed as such on an ad hoc basis. The final decision on any guilt will be made by the Secretary of Defense, Donald Rumsfeld, as designate of the President. Military officers already holding potentially opposing positions as commission members, prosecutors and detailed defence counsel have worked jointly together in the development of the procedures, so they have not acted at arm’s length. All military offi-
cers participating, including defence counsel, may be removed by the Secretary of Defense on grounds that are unexaminable.

So in contrast to an independent process, supervised by a judge independent of the military and at arm’s length from it, a process we insist on under Australian law, those two citizens will be tried in a circumstance which would not be much different than were they on trial for a criminal offence in domestic courts where the judge, the jury, the Crown Prosecutor, counsel for the defence and the judges of appeal were all members of the police force. That contrast is striking, and I think it warrants notice that today Law Lord Johan Steyn has spoken out on what he said was the ‘monstrous failure of justice’ that is represented by the way in which those who are being detained by the United States at Guantanamo Bay in Cuba are being detained. He says:

The purpose of holding the prisoners at Guantanamo Bay was and is to put them beyond the rule of law, beyond the protection of any courts, and at the mercy of victors.

He points out that the procedural rules that will be applied do not prohibit the use of force to coerce the prisoners to confess. He says:

The blanket presidential order deprives them all of any rights whatsoever. As a lawyer brought up to admire the ideals of American democracy and justice, I would have to say that I regard this as a monstrous failure of justice.

I find it appalling that this parliament is now passing, as it should, legislation that entrenches into law standards that will apply in our military justice system—standards which were recommended to us by Judge Abadee; standards which we all recognise as necessary to preserve an arms-length administration of justice and to correct failures that manifested themselves because of the too close arrangements between prosecutorial and military command functions—yet we have an Attorney-General who says that he is satisfied with the arrangements entered into between the United States and Australia to facilitate the administration of justice on those grounds. It is not the administration of justice that is being facilitated, it is the administration of a monstrous failure of justice.

I found distressing the so-called last point that we were told by the Attorney in his statement the day before yesterday. We were told that Australians Hicks and Habib would be privileged to receive no lesser justice than any non-citizen of the United States of America, pointedly running over the fact that those who are citizens of the United States of America are entitled to a very different and much more robust system of justice. Let us just note some of the things that emerged about the treatment of an American when he was put on trial. There has been an American tried for offences arising out of their involvement in the offences which are alleged to have occurred in Afghanistan.

Mr King—The Habib family said it was acceptable.

The DEPUTY SPEAKER (Mr Lindsay)—Order! The chair has been extraordinarily tolerant this evening. I ask the member for Denison to come back to the substance of the bill that is before the parliament.

Mr KERR—This is about the substance of the bill; it is about the wisdom of pursuing independent and impartial justice in the military context. I am contrasting it with a situation which is manifestly inappropriate. In that situation, we have discovered—because discovery is available to United States citizens—that that particular defendant had been placed naked in a container and strapped immobile for a period of days without his wounds being treated. He was examined under unblinking lights for a long period of time and questioned in that manner.
If US citizens—whose lawyers are pursuing the administration daily for the citizen’s release and for access to that citizen—have been treated in that way, it is pretty predictable that non-US citizens are being treated at least as severely in manners which we would not regard as acceptable. It is pretty plain that any person who has been without access to legal advice for two years whilst held in detention without charge and without trial for that period has had their human rights abused. It is plainly an abuse of human rights. It is plainly an abuse of procedural rights that we would regard as fundamental. Turn it around and imagine a circumstance where any other country put a United States citizen through a regime of that kind. If Powell, who was shot down by the Chinese, had been put on trial under a similar regime or if an American caught up in Vietnam had been put through it, can’t you imagine the kind of objections that would have been rightly raised about that kind of treatment?

That brings me to the point about what we are doing now in terms of the exposure of our own military to increasing risks. Whether we like it or not, we are going to be judged as fellow travellers of this system of military justice. If we say it is acceptable for persons who are engaged in operational military actions in a third country to be put on trial and dealt with in the matter that the United States asserts they can be—not subject to the Geneva conventions—then at some stage this will come back and bite us. By ‘us’ I mean those that we ask to defend us in military actions.

Australia has the most eminent record of respect for the Geneva conventions and of the treatment of all persons captured and dealt with under those conventions immaculately in a respectable way. Our respect for the laws and rules of war is beyond reproach. Our military legal system has underlying it very high regard for its obligations under international law. It does not just do that because of good heartedness; it knows that failure to do it will sometimes rebound. We will not always be in a circumstance where we are not on the other side of the justice equation, and we are left with pretty thin arguments if we go along with the treatment of our own citizens under a regime that is manifestly unfair.

These kinds of show trials are trials which may not even happen, because in order for a trial to happen a person apparently has to be designated for trial. Mr Hicks is amongst the first six who, we are told, may be designated for trial. But what of Mr Habib? He, I am told, may never be designated for trial. The reports out of Amnesty International say he may never be designated for trial, which means he may be subject to indefinite detention without trial and without charge. Mr Habib was not even arrested in Afghanistan. He was picked up and detained in Pakistan, given over to the Egyptian authorities and then kidnapped and taken to Guantanamo Bay. Now, a spineless Australian government fails to speak up, even in the same way as its UK counterparts. At least the UK Attorney General has spoken out, as the Attorney-General of Australia ought to have, to insist on a proper process of administration of justice for those who are UK citizens.

Mr King—There is an agreement between the UK and the United States.

Mr Kerr—No, there is no agreement between the UK and the US; that has not been reached. They are insisting that UK citizens be treated fairly and we are not insisting on that for our own citizens.

We have the contrast today where we are legislating in this parliament quite properly to insist on an impartial arms-length justice system to apply under Australian military law. It is to be commended. It is a standard we should expect, but it is a standard we as
Australian parliamentarians should also expect of other administrations which try Australians. It is a minimum standard. It is a standard in the breach of which we all stand diminished, particularly when we do not speak out in the interests of those of our citizens who are subject to this mistreatment.

As Lord Steyn has said, the military commission is entirely inappropriate for dealing with these situations. If the regime was applied under the Uniform Code of Military Justice in the United States no-one could object. We might wish it to be in the civil courts, but to allow the trials to proceed under the ordinary military law of the United States would at least see the same procedural guarantees applying to Australians as would apply to serving American citizens, and no-one could object to that. But that is not the circumstance. We have a corrupt and improper system, and we have a weak and deficient Attorney-General. (Time expired)

ADJOURNMENT

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! It being 7.30 p.m., I propose the question:

That the House do now adjourn.

Chisholm Electorate: School Leaders Forum

Ms BURKE (Chisholm) (7.30 p.m.)—It gives me great pleasure tonight to rise and speak about the recent School Leaders Forum that I conducted in my electorate. I had before me some exceptionally enthusiastic, highly intelligent and very articulate grade 5 and 6 students. I invited school leaders from all the primary schools in my electorate. There were students from Holy Family Primary School, Mount Waverley North Primary School, Mount Waverley Primary School, Essex Heights Primary School, Syndal South Primary School, Sussex Heights Primary School, Glendal Primary School, St Peter’s Primary School, Clayton North Primary School, Roberts McCubbin Primary School, Box Hill North Primary School, Our Lady of Perpetual Succour, St Clare’s Primary School, Kerrimuir Primary School, Mont Albert Primary School, St Scholastica’s Primary School, Wesley College and St Leonard’s.

Amongst that array of schoolchildren were some very courageous and outspoken individuals and some fantastic future leaders. Actually, there were some excellent leaders for today. We started the forum by discussing fears about progressing from primary school to secondary school. I was heartened to find out that most of the children were not worried about that transition. Some of them were a bit concerned about having heavier bags and more books and travelling a long way and trying to make new friends, but most of them were adjusted to it. Many of them were going to go to schools where they would not know another student.

We then progressed to other issues. I asked all of them what sort of outside school activities they were doing. One of the things that astounded me was that these children spend so much time on extra-curricular activities. Their parents must spend their entire lives ferrying them around. These children were involved in an inordinate array of activities, such as football, netball, tennis, basketball, soccer, cricket and swimming, as well as ballet, gymnastics, guitar, choir, dancing, drama, piano, violin, speech and accelerated maths, to name just a few. One child was heavily involved in golf. I was very impressed.

Then I asked them about their activities on the computer. Their answers distressed me quite a lot because they all admitted to spending excessive amounts of time on the computer. A lot of them said that they are using it as a research tool, as a means of finding information, but a lot of them said
that they are spending their lives sending messages to each other over the computer. I said, ‘Who are you talking to?’ They said, ‘All our friends at school.’ I said, ‘It is highly entertaining, but you have spent all day talking to them.’ They go home at night and they sit on the computer and talk to each other about the things that they do not talk to each other about during the day. It was fascinating to see the amount of usage of, and the literacy of these children on, the computer. We are going into a new age when we have children who are so adept at computer usage.

I am always stunned when I conduct these forums—and I conduct them each year—at the in-depth knowledge and concern that children between the ages of 10 and 12 have. They discussed their concerns about terrorism and its impact on them. One child had concerns about the UN, which I found fascinating. He talked about how the UN was not functioning well. Then there was a great discussion about how the UN was working appropriately.

They had great concerns about the environment. There were great concerns about global warming and climate change. They were all happy to talk about the fantastic initiatives their various schools were involved in. One school has installed water tanks. Another school has just put in a frog pond to attract indigenous frogs back to the area. Others had various projects to do with recycling. One child whose school is a polling booth on election day said that we should ban political parties handing out how to vote cards because it is a complete waste of time, energy and paper, and it is having an impact on our environment. They were all fully aware that the impact on the environment today was going to affect their future. This was fascinating. They were very involved in these discussions.

They also talked about things closer to home, such as bullying. It upset me and their teachers greatly that most of these children had had some experience of bullying. They understood the causes—that people with low self-esteem, people who were trying to big-note themselves, were the ones who were trying to bully and intimidate.

They also discussed their TV watching patterns. It says a lot for what people want to watch, because most of the programs they were watching were Australian. Australian Idol was a pretty big hit and so was The Block. I wanted to know why primary school children were watching programs about renovations. One endearing child told me it was so that, when he grew up, he could make lots of money renovating run-down houses. I thought that was pretty inventive. I think it speaks well for our future that we have children out there who are so willing to engage and so willing to articulate. There is a great future ahead of us. (Time expired)

Sport: Rugby World Cup

Mr TOLLNER (Solomon) (7.35 p.m.)—My childhood and later years involved sport. I have been very involved with sport throughout my life. As a young lad I played a lot of cricket and rugby league and the like in country Queensland. I moved from country Queensland to Rockhampton, where I played a lot of basketball and also cricket. I went to Melbourne and I was fortunate enough to play basketball there. I have since moved to Darwin. I have been fortunate to represent the Northern Territory in basketball on a number of occasions. I have also played cricket, rugby union and a whole range of sports there. One of the great cliches that I always heard when I was playing sport was from the coach. He would come into the dressing room before the game and look at you and say, ‘Boys, you’re not a team of champions; you’re a champion team.’ Eve-
where I went, the coach would say that. Irrespective of what sport we were playing, the coach would look at us and say, ‘You’re not a team of champions; you’re a champion team.’

The reason I mention this is that over the last few days we have been honouring the Wallabies. On Monday in parliament I heard the Prime Minister and the Leader of the Opposition paying tribute to the Wallabies and the great effort they made in the recent Rugby Union World Cup. I was quite surprised when I heard the Leader of the Opposition refer to them as a team of champions that were beaten by a champion team. I immediately thought that this was some sort of gaffe—something that the Leader of the Opposition did not want to say. I was rather amazed when at the reception that was held yesterday for the Wallabies the Leader of the Opposition said it again. I was rather disappointed and saddened. It dawned on me at the time that the Leader of the Opposition really did not understand the point that the Leader of the Opposition was making. A comment like that would normally be a derogatory comment. ‘You know, you’re a team of champions; you are not a champion team.’ Irrespective of that, I think the Wallabies took it in good heart and understood the point that the Leader of the Opposition was making. They are great sportsmen and great ambassadors for Australia.

The point that I make here is that, as I have said, the Leader of the Opposition really has no understanding of team sports. It is a bit of a concern when you look at the opposition and the way they conduct themselves. They are clearly a team of champions. They have champions everywhere for a whole range of causes. The recent tax debate is a good example of that. Finally the member for Werriwa stood up and made some rather well thought out comments that he would like to see the top marginal tax rate kick in at about $80,000—a great deal more than it is at the moment. A lot of us were greatly impressed by that.

But there were a whole number of other champions in the Labor Party who decided that the member for Werriwa really was not the shadow Treasury spokesman and that they were good enough to make some comments themselves. The member for Grayndler made some comments, as did the member for Lilley. The member for Melbourne came out with one of the great ones when he actually commissioned a report in order to shoot down his shadow Treasury spokesman. This one-upmanship continues. It never ceases to amaze me that they cannot be a team. They are a team of champions who have no concern for one another, whereas I look at this side of the House and I see the member for Lindsay sitting there diligently working at her computer and nodding at everything I say. She understands what it is to be a team player. She has of course a great grounding in sport herself and is a great sportswoman. It says reams about what the Labor Party stand for when the Leader of the Opposition makes a statement like that. (Time expired)

Rockhampton: Youth Suicide

Ms LIVERMORE (Capricornia) (7.40 p.m.)—I wish to bring to the attention of this House one of the most disturbing problems faced by my home town of Rockhampton. Indeed, it is a problem faced by communities across Australia. Last week a 14-year-old girl committed suicide in Rockhampton. It is frightening to consider that this month in Rockhampton alone six young people will attempt to end their lives. Community groups in Rockhampton are struggling to come to terms with the problem, which is worsening to the point where we can no longer look away.
Some members of our community have achieved great success in connecting with young people at risk of self-harm, but are concerned that this government is not going to continue to support their efforts. The Collaborative and Innovative Responses for Youth at Risk program, known locally by its acronym CIRYAR, is an initiative of Queensland Baptist Care and is based at the Wahroonga Family Counselling Centre in Rockhampton. The CIRYAR program is a 12-month pilot program that originated to meet an urgent gap in service provision in the Rockhampton community for young people with significant mental health issues, especially those without a clinical mental illness diagnosis who remain at high risk due to suicidal intention or serious self-harming behaviours.

CIRYAR employs two tertiary qualified counsellors and one part-time administrator. These dedicated workers have been ably supported by a local reference group made up of representatives from government and community agencies that share a common understanding of the pressures facing young people in our community and a desire to work collaboratively to find solutions. The good news is that they have found solutions. They have found ways to connect with young people and to support them on the path back to self-esteem, positive relationships and education. The results of CIRYAR in its short life are a ray of hope for our community and are an indisputable testimony to the effectiveness of the program. Eighty young people have received individual case management and have participated in intensive counselling thanks to the CIRYAR program. I am told that not one young person who has been assisted by CIRYAR has completed suicide. In addition, CIRYAR provides its young clients with ongoing opportunities for personal growth and development, leading to significant outcomes in terms of their return to education and their ability to find employment.

Now it is time for the bad news. CIRYAR will close its doors in January. When youth workers, nurses, teachers, parents and young people call for CIRYAR’s help next year, their cries for help will go unanswered. There are already 22 young people on a waiting list who have been referred to CIRYAR by workers who know time is running out for the program but whose clients have nowhere else to turn. The response from the Rockhampton community has been overwhelming. People are quite rightly asking themselves: what are the priorities of this government? Here we have a service that has proved its ability to save the lives of our young people, yet it cannot secure funding to continue its important work.

The government is hiding behind CIRYAR’s status as a 12-month pilot program, but what answer is that to the desperate teenager whose life is spinning out of control? What is the government waiting for? What is it hoping to learn from this pilot that it did not already know from the endless studies, pilots and strategies it has come up with in the past few years? For example, Footprints to the future, the 2001 report of the Prime Minister’s own Youth Pathways Action Plan Taskforce, came up with recommendations along the lines of making sure appropriate, accessible and affordable services for young people are available in all local communities. It also recommended that government and community agencies collaborate in developing practical local packages of support for young people with high support needs. This is precisely what CIRYAR has been doing. But time is of course running out. Here is what will happen when it closes its doors, in the words of a worker who knows all too well the pain that so many young people in our community are trying to escape:
During any one week I will deal with three to five kids who have self-harmed or are thinking about suicide. CIRYAR has supplied a very valuable resource by collecting and counselling these students. There is no other centre in this area to deal with these problems. It is hard to believe that the government is going to let a unique service that has proven itself over and over again to close when all the infrastructure is already there and they have such a positive connection with the community. For the want of a small amount of money this centre will close and there will be many people left with nowhere to go to get help. I am dreading next year.

I am calling on the government and in particular the Minister for Children and Youth Affairs to review the decision to let CIRYAR fold and to find the money to continue to support this much needed work to help prevent youth suicide in Rockhampton.

Macarthur Electorate: Tourism

Mr FARMER (Macarthur) (7.45 p.m.)—Before I start my speech, I would like to say that I support the member for Capricornia’s request, along the lines she mentioned. The government has done much in my electorate of Macarthur to help Lifeline, which is an organisation similar to the one that the member for Capricornia has just spoken about. I would be happy to accept her invitation and support her in her request to the minister.

Tourism is one of our greatest assets. Our unique culture, our good climate and our wealth of natural resources add up to make this country a great tourism destination. Tourism creates jobs and wealth in Australia. In 2001-02 tourism’s direct contribution to the economy was $31.8 billion, or 4.5 per cent of total gross domestic product. Importantly, tourism employed 549,000 people. Conservative estimates suggest that in my own electorate tourism is worth $200 million a year to our local economy. Tourism is our largest service exporter; it is also worth more than the exports of coal or steel products.

Over recent years tourism and tourism related businesses have faced the adverse effects of a series of international events, including terrorist attacks, the collapse of Ansett and SARS. The industry has faced three years of negative growth. This needed to be addressed, and that is why I was pleased by the release of my government’s white paper last week.

The $235 million tourism white paper will start the industry’s most significant reform since the establishment of the Australian Tourist Commission in 1967. The paper sets out a range of initiatives for moving the industry forward. The paper is backed up with the largest ever funding package for the tourism industry. The package is recognition of the significant challenges the industry has faced recently. It provides an overhaul for the industry to develop and improve competitiveness and growth. It provides funds to reduce the impact of outside shocks. Importantly, the white paper will significantly increase promotion of regional Australia to both international tourists and Australians.

The white paper was launched in my electorate of Macarthur at Belgenny Farm with the Prime Minister in attendance. The location was chosen because it is exactly the type of destination that regional and outer metropolitan Australia needs to better promote tourism growth in this country. John and Elizabeth Macarthur were considered the founders of our nation and set up one of the first working farms in the colony of New South Wales on a 5,000-acre parcel of land near Camden in 1805. That farm was Belgenny Farm. The farm is considered by many to be the birthplace of the nation’s agricultural industries. At Belgenny Farm they established the merino wool industry, and the dairy and wine industries. It is a place steeped in history and heritage, and up until now it has remained virtually untapped as a tourism destination.
Recently I helped local tourist operators gain funding to establish the first-ever operator-driven promotional model in my area. The Tourism Macarthur cooperative has been funded to develop a regional marketing strategy and to create a distinctive identity for the region with the help of the University of Western Sydney. It will also work on promoting Camden’s bicentenary in 2005. Funding announced in the white paper will open many doors to Belgenny Farm and Tourism Macarthur. It will give opportunities to my region to better promote itself as the birthplace of the nation and as a place where visitors can experience our rich and unique history. It will also help us promote and develop our local wineries, recreational ballooning, and glider and airplane flights out of Camden airport. It will help showcase our world-class restaurants and the host of other activities that we have to offer in the Macarthur region.

Because we all know of the success of Australia’s food and wine tourism, both in Australia and overseas, Macarthur offers an opportunity for people to visit one of the many vineyards, learn how wine is made and hear about Australia’s history. The Macarths planted the first grape vines at Macarthur Park in 1817. By 1827 they had exported 10,000 gallons of wine to England and in 1832 they made their first brandy. In fact, it was at about this time that 34,000 vines were transported to buyers in the Barossa Valley to establish the industry there. So the next time that any of us sit down to have a glass of wine from the Barossa Valley, we should remember those vines that were propagated from the Macarthur area. (Time expired)

**Australian Intercultural Society Dinner**

**Sen, Mr Mustafa**

Ms VAMVAKINOU (Calwell) (7.50 p.m.)—I want to speak tonight about a special event that occurred in Parliament House on Monday night. It was an event of profound significance. It was a dinner which was held to mark the end of the Ramadan fast, an important occasion in the Muslim calendar when, as members would be aware, for a month’s duration people of the Islamic faith fast between sunrise and sunset. The ‘breaking fast’ dinner on Monday night, or Iftar as it is known, was an initiative of my colleague the member for Maribyrnong and was kindly co-sponsored, as a sincere measure of bipartisanship, by the member for Farrrer. The dinner was held under the auspices of the Australian Intercultural Society, which is an organisation formed in recent times to promote harmony amongst Australia’s diverse cultural values and improve solidarity, dialogue and tolerance between a host of different beliefs, faiths and races.

Central to the idea of hosting an Iftar dinner at Parliament House was the need to appreciate the importance of Australia’s religious diversity, including the Islamic faith. The hosting of the Iftar dinner at Parliament House marks a turning point for Australia’s Muslim community. We are all acutely aware that, since the events of September 11, many Australians of Muslim background have faced challenging times. While most Australians understood that there was no automatic link between the Muslim faith and terrorism, there was a minority that chose to vent its fear, and even anger, on innocent, law-abiding residents. As such, we experienced unwanted incidents against Australians of Muslim background. Bringing the spirit of Iftar to the Australian parliament—to the people’s house—is a powerful symbol of our recognition that Muslim Australians are on an equal footing and stand shoulder to shoulder with Australians of all backgrounds and walks of life.

I congratulate all involved with the Australian Intercultural Society—in particular,
Mr Orhan Cicek, the director who is the prime instigator and coordinator of the society’s activities. Mr Cicek is a constituent of mine, and similarly I am pleased to say that a great number of the society’s members and activities are in my federal electorate of Calwell. Since its inception, the society has been proactive in reaching out to members of the community to foster goodwill and understanding. It does this essentially through an interfaith dialogue, and in its relatively short period of existence it has conducted a series of lectures and workshops, including international seminars, mosque open days and diverse community gatherings. These events have brought together representatives of Christian, Jewish, Buddhist and Muslim faiths and enabled them to share experiences and develop strategies and pathways for better understanding.

We are indeed a fortunate country because we have here in Australia the diversity of the world’s religions and faiths. As a multicultural country, we can serve as a model to the world of not only how cultural and religious diversity can coexist peacefully but also how we can learn from each other. Last Tuesday, I also attended the Second Interfaith Iftar in Melbourne. Once again, the tremendous work achieved by the Intercultural Society was on display—evidenced by the presence there of the highest representation from the Catholic Church, the Anglican Church and the Jewish community. In fact there were over 300 selected multi-faith leaders, academics, politicians and religious clerics.

On that night, the Intercultural Society presented its Bringing Australia Together awards, given to individuals who have been active in building bridges within Australia’s multicultural community. I would like to take this opportunity to congratulate some of the recipients: Bishop White from the Anglican Archdiocese of Melbourne, the Reverend Dr John Dupuche from the Catholic Archdio-

Cese of Melbourne, Professor Joe Camilleri, who is President of Pax Christi, Rabbi John Levy, the Eminent M. Ali Sengul, and of course the member for Maribyrnong. To be a part of such an occasion reassures me and a lot of others that our multicultural community is indeed built on strong foundations. Despite the efforts of some in the community to try and deride multiculturalism as being perhaps un-Australian and to accuse its proponents of promoting ghettoes, the fundamental truth is one which finds the contemporary Australian identity and national ethos to be truly multicultural. It is indeed our single greatest asset and resource.

The Intercultural Society must be congratulated for its initiatives, and I am certain it will continue to make a tremendous contribution. I am proud that many members of my community of Calwell form an integral part of this initiative, and I look forward to working with them so as to continue the interfaith dialogue—one which I am certain will progress harmony in this country.

Finally, on another matter, I want to pay tribute to my constituent and friend, the late Mr Mustafa Sen, a man who was suddenly lost to our community last week. A prominent member of the Alevi Kurdish community and father of my staff member Gulay, he was a source of inspiration and moral support to his family, friends and community. Mustafa was born in Turkey in 1937, where he went on to become a primary school teacher, a post he held for 10 years before migrating to Australia in 1968. (Time expired)

Cook Electorate: Community and Sports Awards

Mr Baird (Cook) (7.55 p.m.)—I join with the member for Calwell in commending the dinner held to celebrate the interfaith dialogue, which I think is a very worthwhile initiative. Last week I held the annual event
of the Cook Community and Sports Awards in my electorate. This was an event I introduced following my election as the federal representative for Cook to recognise those in the community who work tirelessly for the betterment of the community as a whole and for the Sutherland shire. The event was held in one of the great locations in Australia, Cronulla Beach, on a beautiful day. With us on the day was the minister for sport, Senator Rod Kemp, who did a wonderful job and handed out the sports and community awards to all the recipients.

It is always difficult to select worthy recipients when so many people are nominated. This year I felt that the presidents of the four surf-lifesaving clubs—Cronulla, North Cronulla, Wanda and Elouera—deserved special recognition and, as such, were presented with sports awards. These clubs and their affiliates give so much to the community. The surf-lifesaving clubs receive very little outside funding, instead operating almost exclusively on donations and goodwill. They ensure the beach is a safe place, providing basic forms of water safety, and are run almost exclusively by volunteers. Many of the clubs are particularly active fundraisers for various charitable causes. Speaking from personal knowledge, I can say that the Polar Bears have raised a great deal of money for Bear Cottage, which is used in the treatment of seriously ill children.

Often, on a day-to-day basis, the efforts of recipients go unrewarded. I know that without their hard work and dedication, often in the service of others and in furthering the aims of community organisations, the community would in many cases grind to a halt. Without this tireless commitment, the shire would be a very different place. These awards recognise the people in the community who would never go out of their way to seek attention or praise for what they are doing. The common statement expressed when people are told that they are to receive this special award is: ‘No, I don’t want any special recognition. I’m happy to do it.’ They do it for the sheer pleasure of helping others. They are the glue that holds our community together. The very high level of volunteering that we see in the Sutherland shire always amazes me. In fact, we had more volunteers for the Olympic Games from the Sutherland shire than from any other area in the whole of Australia.

Similarly, every year, I am amazed and inspired by the letters of nomination that I receive from local residents. What speaks volumes for these awards is their sheer diversity. Again, I would like to thank this year’s group on behalf of the community. Awards were presented to a very diverse range of groups and services, from those that provide assistance to the Royal Blind Society, Meals on Wheels, the Caringbah Garden Club—which is the organisation partly responsible for making the shire such a picturesque place—senior citizens organisations and a wide range of charities.

In particular, I would like to commend those who received the awards: Carmel Bag nell, Lloyd Beard, Joanne Blaek, Fay Brooker, Ted Brooker, Lorraine Brown, Gary Buchanan, Lenie Bussing, Gladys Byers, Marie Cullen, Betty Curtain, Warren Daley, Betty Fenton, Reverend Raymond Green, Lance Hanley, Fred Hardy, Donald Hemmingway, Kit Hemmingway, Elaine Hutchinson, Betty Jacobs, June Jacobs, Zena Jacobs, Ron Lee, Bruce Lucas, Bill Marshall, Berenice Nixon, David Pescud, Bob Richards, Neil Ryan, John Scott, Margaret Sharratt, Stephen Smith, Lorna Stine, Ida Thorn and Kay Weston. On behalf of our grateful community, I would like to thank each and every one of the recipients for the many unpaid hours of work they are doing to keep our vital community organisations ticking over. I am very
proud to represent these fine members of the Cook community.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! It being 8 p.m., the debate is interrupted.

House adjourned at 8.00 p.m.

NOTICES

Mr Ruddock to present a bill for an act to amend the law relating to the Australian Security Intelligence Organisation, and for related purposes. (ASIO Legislation Amendment Bill 2003)

Mr Ross Cameron to present a bill for an act to amend the law relating to superannuation, and for related purposes. (Superannuation Safety Amendment 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: New main entrance at the Lucas Heights Science and technology Centre, Lucas Heights, NSW.

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: Redevelopment of Radiopharmaceutical Production Building No. 23 at Lucas Heights, NSW.

Mr Mossfield to move:

That this House:

(1) notes that on 5 March 1804 the Battle of Vinegar Hill took place at what is today known as Rouse Hill, New South Wales;

(2) notes that some 200 mainly Irish convicts, led by Phillip Cunningham, took part in Australia’s first known armed rebellion against authorities, largely over the treatment of Irish convicts in both Britain and the colonies;

(3) notes that next year marks the 200th anniversary of this battle;

(4) notes that a steering committee of 5 Western Sydney Councils has been formed to stage a re-enactment and associated celebrations;

(5) recognises that this Battle is a significant chapter in Australia’s early convict history;

(6) recognises that the Battle and its outcome helped shape the Australian character; and therefore:

(7) urges the Government to provide whatever additional assistance is necessary to ensure a successful re-enactment of this historic battle; and

(8) calls on the Government to commemorate this significant event by issuing a commemorative coin and stamp.

Mr Mossfield to move:

That this House:

(1) acknowledges:

(a) the need for leadership role models for young people across a diversity of fields and professions and that the role of teachers in the education system is imperative in achieving this objective;

(b) that healthy vibrant town centres, well resourced with youth facilities such as libraries, entertainment facilities, community facilities and accessible transport, ensure positive youth participation in the community;

(c) that social and peer pressure add to the challenges that today’s youth face, which can often lead to depression and youth suicide; and

(d) the difficulties faced by students forced to juggle work and academic participation in relation to wages, exploitation and time management; and

(2) urges the Government to:

(a) encourage the promotion of positive role models, both male and female, to inspire and lead the expanding youth population of the Western Sydney region;
(b) increase its focus on urban development and planning to aid the growing needs of today’s youth;
(c) make available a variety of options to address the important issue of depression and youth suicide; and
(d) promote youth participation by encouraging the establishment of a wider range of forums for young people to be able to voice their concerns and that these forums should involve all levels of government and the community.

Mr Price to move:
(1) That standing order 28B be amended by inserting the following paragraph after paragraph (b):

(ba) annual and additional estimates contained in the appropriation bills presented to the House shall stand referred for consideration by Members of the relevant committee (as determined in accordance with the provisions of paragraph (b) for the consideration of annual reports), and, for the purposes of this consideration:
(i) six Members of each committee, determined by the committee in each case, shall consider the estimates;
(ii) the Members of the committee selected to consider the estimates shall meet with Members of the relevant Senate legislation committee so that the Members and Senators may meet together for the purposes of considering the estimates;
(iii) members of the relevant House and Senate committees, when meeting together to consider estimates, shall choose a Member or a Senator to chair the joint meetings;
(iv) the provisions of Senate standing order 26 shall, to the extent that they are applicable, apply to the consideration of estimates under this paragraph; and
(v) that, upon the completion of joint meetings at which evidence is received or written answers or additional information considered, it shall then be a matter for the Members of the relevant committee to consider the terms of any report to the House on the estimates.

(2) That a message be sent to the Senate acquainting it of this resolution and requesting that it concur and take action accordingly.

Mr Price to move:
(1) That a Standing Committee on Appropriations and Staffing be appointed to inquire into:
(a) proposals for the annual estimates and the additional estimates for the House of Representatives;
(b) proposals to vary the staff structure of the House of Representatives, and staffing and recruitment policies; and
(c) such other matters as are referred to it by the House;

(2) That the committee shall:
(a) in relation to estimates—
(i) determine the amounts for inclusion in the parliamentary appropriation bills for the annual and the additional appropriations; and
(ii) report to the House upon its determinations prior to the consideration by the House of the relevant parliamentary appropriation bill; and
(b) in relation to staffing—
(i) make recommendations to the Speaker; and
(ii) report to the House on its determinations prior to the consideration by the House of the relevant parliamentary appropriation bill;

(3) That the committee consist of the Speaker and 11 other members, 6 members to be nominated by the Chief Government Whip or Whips and 5 members to be nominated by the Chief Opposition Whip or Whips or any independent Member;

(4) That the committee elect a Government member as its chair;
(5) That the committee elect a deputy chairman who shall act as chair of the committee at any time when the chair is not present at a meeting of the committee, and at any time when the chair and deputy chair are not present at a meeting of the committee the members present shall elect another member to act as chairman at that meeting;

(6) That the committee have power to appoint subcommittees consisting of 3 or more of its members and to refer to any subcommittee any matter which the committee is empowered to examine;

(7) That the committee appoint the chair of each subcommittee who shall have a casting vote only, and at any time when the chair of a subcommittee is not present at a meeting of the subcommittee the members of the subcommittee present shall elect another member of that subcommittee to act as chair at that meeting;

(8) That the quorum of a subcommittee be a majority of the members of that subcommittee;

(9) That members of the committee who are not members of a subcommittee may participate in the public proceedings of that subcommittee but shall not vote, move any motion or be counted for the purpose of a quorum;

(10) That the committee or any subcommittee have power to send for persons, papers and records;

(11) That the committee or any subcommittee have power to move from place to place;

(12) That a subcommittee have power to adjourn from time to time and to sit during any sittings or adjournment of the House;

(13) That the committee have leave to report from time to time; and

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

Mr Price to move:

That the standing orders be amended by amending standing order 94 to read as follows:

 Closure of Member

94 A motion may be made that a Member who is speaking, except a Member giving a notice of motion or formally moving the terms of a motion allowed under the standing orders or speaking to a motion of dissent (from any ruling of the Speaker under standing order 100), “be not further heard”, and such question shall be put forthwith and decided without amendment or debate.

Mr Price to move:

That standing order 129 be omitted and the following standing order substituted:

Presentation of petitions

129 At the time provided for the presentation of petitions, the following arrangements shall apply to the presentation of petitions certified to be in conformity with the standing orders:

(a) in respect of each petition, the petitioner, or one of the petitioners, may present the petition to the House by standing at the Bar of the House and reading to the House the prayer of the petition, and

(b) where a petitioner is not able to present the petition in accordance with paragraph (a) of this standing order, the Member who has lodged the petition may present it to the House by reading to the House the prayer of the petition.

Mr Price to move:

That the standing orders be amended by inserting the following standing order after standing order 143:

Questions to committee chairs

143A Questions may be put to a Member in his or her capacity as Chair of a committee of the House, or of a joint committee, in connection with the work or duties of the committee in question.

Mr Price to move:

That the standing orders be amended by inserting the following standing order after standing order 145:

Questions without notice—Time limits

145A During question time:
(a) the asking of each question may not exceed 1 minute and the answering of each question may not exceed 4 minutes;

(b) the asking of each supplementary question may not exceed 1 minute and the answering of each supplementary question may not exceed 1 minute; and

(c) the time taken to make and determine points of order is not to be regarded as part of the time for questions and answers.

Mr Price to move:
That the following amendment to the standing orders be adopted for the remainder of this session:

Questions from citizens

148A (a) A Member may give notice of a question in terms proposed by a person who lives in the Member’s electoral division.

(b) Notice of a question given under this standing order may show the name of the person who has proposed the question.

(c) A Member may not give more than 25 notices of questions under this sessional order in a calendar year.

(d) Nothing in this standing order may be taken to mean that a Member must give notice of a question proposed to the Member by a person who lives in the Member’s electoral division.

Mr Price to move:
That the following amendment to the standing orders be adopted:

145A The answer to a question without notice shall be relevant and:

(a) shall be concise and confined to the subject matter of the question;

(b) shall relate to public affairs with which the Minister is officially connected, to proceedings in the House, or to any other matter of administration for which the Minister is responsible; and

(c) shall not debate the subject to which the question refers.

145B The standing orders that apply to the asking of a question without notice shall generally apply to the answer.

145C An answer to a question on notice shall be relevant to the question and shall be provided to the Member who asked the question within 30 days.

Mr Price to move:
That standing order 330 be replaced with the following:

(a) A Standing Committee on Modernisation and Procedure of the House of Representatives shall be appointed to inquire into and report on practices and procedures of the House generally with a view to making recommendations for their improvement or change and for the development of new procedures.

(b) The committee shall consist of the Speaker or his appointed Deputy Speaker, The Leader of the House or his appointed Deputy, the Manager of Opposition Business or his appointed Deputy and eight Members, four government Members and four non-government Members.

(c) The Secretary of the Committee will be the Clerk or his Deputy.

Ms Livermore to move:
That this House:

(1) notes with concern that Australia has one of the highest rates of youth suicide and that the
eighth biennial health report of the Australian Institute of Health and Welfare found that amongst 12-24 year olds self-harm was the second leading cause of death representing 19.2% of all deaths in this age group;

(2) notes that according to Mission Australia 55.8% of young people rate depression and suicide as the most important issue facing young people;

(3) recognises the tragic impact on families, peers and communities when a young person takes his/her life; and

(4) commends those organisations working to prevent the incidence of youth suicide.
Wednesday, 26 November 2003

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

STATEMENTS BY MEMBERS

Howard Government: Privatisation

Mr SAWFORD (Port Adelaide) (9.40 a.m.)—One of the best essays ever written in English must surely be George Orwell’s *Politics and the English Language*, written in 1946 but still relevant to the modern political and corporate world. I was reminded of this essay a couple of weeks ago in South Australia while listening to a debate on electricity. The term ‘customer churning’ was used to describe customer dissatisfaction. You could feel and almost see Orwell smiling through the airwaves. Corporate Australia could not possibly admit to customer dissatisfaction, so ‘customer churning’ is invented. The military cannot admit to death by negligence; they use the term death by ‘friendly fire’. Governments around the world cannot admit favouring privatisation, so they substitute ‘public-private partnerships’. The term, of course, is the Australian version. In Canada it is the same but more commonly referred to as ‘P3’. In the United Kingdom the term used is ‘private financing of infrastructure’, or PFI. But they all mean privatisation. As George Orwell predicted, corruption of language is more often than not a precursor to bad government and a cover for corruption itself. He was right.

Governments are attracted to PPPs because they do not show up as debt on the government debt accrual sheet. But isn’t it ironic that more and more government money is spent for fewer and fewer public services? As Nick Cohen wrote in the *New Statesman* of 27 October this year:

…”Bastard Privatisation” — a perverse twisting of capitalist ideals which ensures that all the promises of the market prove to be false.

Privatisation is meant to be cheap; it is not. Privatisation is meant to shun waste; it does not. It is meant to avoid duplication; it does not. It is meant to be responsive to the consumer; it is not—it is nothing of the sort. There is supposed to be a clear incentive to be accountable. The argument is that, if privatisation fails, the organisation goes bust—yes, and pigs might fly. Privatisation offers no such things. Privatisation, or PPPs, is a wantonly expensive exercise of delivering public works.

Under PPPs, private consortiums borrow funds at a higher interest rate than the government can and then build a school, build a hospital, build a bridge, build a road, deliver power or run public transport and demand mortgage payments for the next 30 to 90 years. Buy now, pay later schemes may be excusable in times of crisis, but there is no current economic crisis. Privatisation, or PPPs, in the field of utilities—such as power, transport, water, communications—destroys any notion of central responsibility, command and control, especially when it is deliberate. Who is in control of these utilities in Australia? Who indeed. Private companies need to make a profit; public companies need to provide an essential service. Competition? What competition? The dream of any company is to eliminate competition and achieve a private monopoly. Isn’t it incredible that governments support the process? PPPs reverse the role of government. They provide for a government sponsored private monopoly and a guaranteed flow of income for generations paid courtesy of the taxpayers—most of whom will be dead before the debt is repaid. Efficiency and cost reduction—you have to be kidding. Fragmenta-
tion of a national monopoly, the rapacious exploitation of the public purse—now you are talking turkey. (Time expired)

**McEwen Electorate: Business**

**FRAN BAILEY** (McEwen—Parliamentary Secretary to the Minister for Defence) (9.43 a.m.)—Australian tennis champions will take to a very special court next week when they face some of the world’s best players at the Davis Cup in Melbourne. They will, in fact, be playing their opponents on turf manufactured by StrathAyr Turf Systems Pty Ltd of Seymour in my electorate of McEwen. StrathAyr is a wonderful example of the hundreds of established regional businesses across my electorate that have achieved great success through the drive and determination of management and staff to produce and market innovative products. In this case, the innovative product is the modular turf tennis court. The tennis court is made up of 160 grass modules, each weighing 1.7 tonnes. Last week they were broken up and transported by 14 semitrailers to the centre court of Rod Laver Arena. This is an extraordinary accomplishment, and I want to place on record my congratulations to them. On a recent visit I saw this in action—and, importantly, saw the jobs that it provides in regional Australia.

Winemakers across the Yarra Valley are representative of another industry growing in reputation both here and abroad for the quality wines produced from their cool climate vineyards. Just last week local winemakers took top honours in the Victorian Tourism Awards. Yarra Valley Winegrowers Association President, Peter Fergusson, was honoured with the prestigious Qantas award at Crown Towers in Melbourne. This award recognises the role that Peter Fergusson has played in the development of wine tourism in the Yarra Valley. As a local, I can attest that, if you see someone in a tartan tam-o’-shanter, you know that Peter Fergusson is about. He is a local identity but, most importantly, he is a real leader of the wine industry and has been a pioneer in the Yarra Valley.

Yarra Valley Regional Food Group founder, Suzanne Halliday, received Tourism Victoria’s outstanding contribution by a volunteer award, while Yering Station vineyard picked up the coveted best winery award. This is an extraordinary effort by our local winemakers, and they deserve all of our support. In the Macedon Ranges, in the new part of the electorate of McEwen at the next election, Arthur Barker of Barker Trailers at Woodend is yet another example of an individual prepared to invest his capital and his labour. He is a very important community member, participating in all community events, and a leader in regional Victoria. (Time expired)

**Slattery, Mr Jim Hodgens, Mrs Marie**

**Ms BURKE** (Chisholm) (9.46 p.m.)—Today I want to place on the record my condolences for the loss of one of our great community leaders, Jim Slattery. Jim passed away on 22 November and leaves a huge hole in our community. I have had the pleasure in presenting to Jim a sports achievement award, a Centenary Medal and a Commonwealth seniors award. Jim was one of those characters who make our communities thrive. He was a tireless community worker. He was very actively involved in sport, particularly in the area of baseball. He was not only a player, a team manager and an umpire but also the founder of the first women’s team in Oakleigh. Jim also established the Australian Cost Engineering Society as a volunteer. He was described by many in that society as a fine and cultured man, and his loss is a great
loss to both cost engineering and engineering overall. He received his Centenary Medal for services to junior baseball and also his dedication and service to Red Cross activities. Jim was the leader and coordinator of the local Red Cross Doorknock Appeal, which he did for many years. I wish to pass on to his family, and particularly his wife Avis, my condolences and many sympathies for the loss of one of our tireless community workers who has left us too soon.

Today I also want to pass on my thanks—not because she has departed but because she has left the fold of my FEA, the ALP FEA in Chisholm—to Marie Hodgens, who joined the ALP in 1970. She is one of those true believers. She has been there through thick and thin. We have had some very lean times in downtown Chisholm. Marie worked for the previous federal ALP member, Helen Mayer. She also worked for Senator Button and for Margaret Way in state parliament. Marie has served on the FEA executive for more years than I or she would probably care to remember and she has stood down after many dedicated years of service.

In the last FEA she was treasurer, so she has seen me through two campaigns. As anybody in this room will know, the office of treasurer over a federal election campaign is a very demanding job. Marie did it with absolute gusto and with good grace in times of fair stress when things were going on. She could be found at all hours of the day or night to co-sign those wonderful cheques. She also ensured that our returns were done in scrupulous compliance with all AEC rules. I wish to give heartfelt thanks to her and her irascible husband, Howard, for all they have done for us. If anybody is a reader of the Age they will see Howard’s lovely columns there sometimes. They have brawled with the ALP on and off for years—they have brawled with me on and off for years—but they have been absolutely tireless workers. Without them working behind the scenes, I certainly can say that I would not be here in this position today. I want to say to Marie, thank you, thank you, thank you.

Roads: Roads to Recovery Program

Mr HUNT (Flinders) (9.49 a.m.)—Travelling around my electorate recently, particularly in the Bass Coast area, I spoke to a great many people about roads. Roads, road safety and the protection, upgrading and maintenance of our roads is at the top of people’s minds on Bass Coast, and there are a series of points I wish to make. The first point is that the Bass Highway needs to be continued and duplicated south of Grantville all the way through to Anderson and, over time, all the way through to Wonthaggi—but particularly all the way through to Anderson. That is something I want to work towards with locals.

The second and most important point is that there is enormous local support for the Roads to Recovery program. This is a program that has delivered over $250 million directly to Victorian councils to assist them in maintaining, upgrading and improving their roads. This funding is critical to the way local roads can be maintained by local authorities. I know, from talking with people in Cowes, Ventnor, Rhyll, San Remo, Corinella, Bass, Grantville, Lang Lang and all of those areas, that there is a real belief that additional funding needs to be introduced to help with local roads.

There was no program before—and I note the Roads to Recovery program was opposed by the opposition when it was first introduced—so it is important not only that we maintain the program but that we roll it over. I have made the case directly to the Deputy Prime Minister that the Roads to Recovery program should be continued, and it is interesting that in areas such as Bass Coast, where the shire is strapped for cash, this Commonwealth funding effec-
tively saves ratepayers well over four per cent on their annual rates. If we were to remove this program, which was introduced by the current government, by the Prime Minister and the Deputy Prime Minister, then residents would have to pay an additional four per cent. But that is money which they currently save, and I am proud that they save that money.

I believe—and, as I said, I have made the argument directly to the Deputy Prime Minister—that the Roads to Recovery program is an excellent program and that it has a practical effect on the lives of people in San Remo, Grantville, Cowes and all the townships of Bass Coast. I also believe that it is important that we commit to and roll over that program.

Mr Hartsuyker—It’s a great program.

Mr HUNT—Thank you very much. In focusing on the Bass Highway, in focusing on the roads on Phillip Island, in focusing on Corinella and Coronet Bay, I believe that we need to assist the local councils and that we should continue with the program. I am delighted to speak in support of and to argue for additional funding under the Roads to Recovery program for Bass Coast Shire.

**Friendly Fire**

Mr BEVIS (Brisbane) (9.52 a.m.)—The Australian alliance with the United States is central to our defence and foreign affairs policies. It has enjoyed bipartisan support, quite properly, at least since the Second World War, and it is something that I strongly endorse. It has concerned me for some time though that when you look at conflicts you find that friendly fire—a totally inappropriately named activity—seems to be something American forces are more prone to than the forces of any other coalition group with whom we exercise.

A little earlier this year it came to my attention that American air force pilots are actually provided with amphetamines by the air force before they leave on missions, as a standard practice. Indeed, in Afghanistan the F16 pilots who mistakenly bombed some Canadians, killing four and injuring eight, were on amphetamines at the time that incident occurred. It prompted me to put a question on notice to the Minister for Defence, and I am very unhappy with the response I have received to that question from the minister.

My question was in three parts. In reply to the first part, I was advised by the minister to refer my question to the United States Air Force—hardly a responsible action for the Australian Minister for Defence. On the specific question I asked about what action the minister had taken to ensure that US Air Force pilots operating in Australia were free from these drugs, I was told that the ADF does not have a policy allowing the use of amphetamines and US pilots do not use them. I am afraid that is not a satisfactory response.

This is a serious issue. This is a practice in the United States military, not just in the air force but across the services, that provides otherwise illegal amphetamines to pilots and requires them to take them before they go up in an aircraft—armed, equipped and lethal. If it were a commercial pilot flying a 747 for Qantas, they would be sacked. In fact, if they were driving a bus from Sydney down to Canberra, they would be sacked. But the United States military provides these drugs and requires its pilots to take them. The matter has now come before the courts in the United States because action has been taken against the two unfortunate F16 pilots who killed those Canadians. There are various reports about it, in a multitude of media.
I want to refer to the comments made by one of the attorneys representing the pilots. He is a former pilot, judge advocate and military judge in the Marine Corps. He said:

… the Air Force prevents pilots from flying if they refuse to take the pills.

Fliers were given ‘go pills’ to keep them awake for nighttime missions, and ‘no-go’ pills, or sedatives, to help them sleep.

Surveys show that roughly half of the American fighter pilots took amphetamines during the Desert Storm campaign. Some commanders were so alarmed by many pilots’ growing addiction to the pills that they ordered their subordinates not to use them.

In fact, the US Navy cancelled their use in the 1990s and it was restored in 1999. Australian troops, whether it is here or overseas in operations with Americans, deserve to know that they are not going to be the subject of friendly fire, and our defence minister should be more serious about pursuing the issue.

Cowper Electorate: St Augustine’s School

Mr HARTSUYSKER (Cowper) (9.55 a.m.)—Every year, St Augustine’s School at Coffs Harbour hosts its men and boys camp. This year’s camp was held recently at Valla Beach, and it was attended by 270 men and boys. It is a great concept—dads, granddads, uncles and big brothers having fun camping with boys. There is egg catching, tug-of-war, informal games of touch footy and cricket, surfing, swimming and fishing—all great activities. The camp originally started with approximately 60 attendees and has grown to the current level of around 270, achieved this year.

Many in this House have spoken of the importance of strong role models for children—particularly young boys. All the members of this House deal regularly in their day-to-day activities with issues relating to broken families. Activities such as the men and boys camp provide a great forum for strengthening families, developing bonds between fathers and sons and building a sense of community within schools. It really is a wonderful initiative.

I would like to commend Dave and Robyn Harmon, who provided the original inspiration for the camp. Dave is a TAFE teacher and Robyn is a teacher who coordinates a program for children who cannot adapt to mainstream classroom situations. I would also like to congratulate the committee responsible for the men and boys camp: Dave Harmon; Ben Van den Boom, a father of six; Paul Kennedy, a local automotive upholsterer and also a father of six; and Peter Watts, a father of four. These guys have done a great job in launching a tremendous concept that is enjoyed by fathers and sons alike. I would also like to thank Mike Hogan, the Principal of St Augustine’s School, for his leadership and dedication, which have ensured that the school provides excellent opportunities for young Australians to achieve their potential.

In an age of materialism, where the pace of life is getting faster and faster, the value of spending time rather than money is immeasurable. Participation in the first men and boys camp that I attended cost the princely sum of $6; and I have to say—as a dad of children at St Augustine’s School—it was the best $6 I have ever spent. The boys talked about the camp for a whole year afterwards. In their words, it was ‘real cool, Dad!’ Congratulations must go to the committee and to Mike Hogan on what is a great school initiative.

I might not agree with much that the member for Werriwa says, but he has been vocal in this House about the importance of the male role model. I certainly agree with him on that point. The men and boys camp is a great initiative, strengthening the importance of the male...
role model, getting communications going between fathers and sons and maintaining it. It is a
great initiative that should be applauded and certainly one that I think is destined to become a
model for other schools in our region.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! In accordance with standing or-
der 275A the time for members’ statements has concluded.

CUSTOMS LEGISLATION AMENDMENT BILL (No. 2) 2003

Second Reading

Debate resumed from 15 May, on motion by Mr Williams:

That this bill be now read a second time.

Mr McCLELLAND (Barton) (9.59 a.m.)—The opposition supports the Customs Legisla-
tion Amendment Bill (No. 2) 2003 legislation. However, I will make several comments. The
bill largely makes technical amendments to the customs legislation and tidies up some earlier
drafting. These amendments flow from the trade modernisation legislation and the re-
engineering of the systems being developed to implement that system. The government has
circulated an amendment extending the statutory cut-off date for the completion of the cargo
management re-engineering project from July 2004 to July 2005. I will make some brief
comments shortly about that matter.

The purpose of the bill is to amend several acts in relation to the circumstances in which
out-turn reports in respect of containers unloaded from a ship must be given—so that they do
not have to be given if there are no containers being unloaded. The bill also amends the time
at which reports in respect of goods for export that are removed from a wharf or airport have
to be provided to Customs—so they have to be reported before they are removed. It also re-
moves provisions that may narrow the class of people who can communicate electronically
with Customs—and I will say something about that shortly. The bill also inserts new record
keeping and evidence provisions in respect of certain electronic communications to and from
Customs, and amends the false or misleading statement offence provisions so that people who
cause such statements to be made will be guilty of the relevant offence. The bill also amends
those provisions to limit the circumstances in which an offence will not be committed, be-
cause a person notifies Customs that the information in a communication was incorrect or
inadequate, and to require any duty owing to be paid.

The bill also amends the record keeping requirements to ensure that those people who
cause statements to be made must keep records that verify those communications. It also cor-
rects a technical error which, if left uncorrected, would mean that an amendment would never
commence, and it inserts a provision which reinstates a person’s right to seek review of deci-
sions relating to the old administrative penalty scheme by the Administrative Appeals Tribu-
nal and repeals and replaces the transitional arrangements that will apply in respect of exports
when the new electronic systems, which are being developed by Customs, commence. Finally,
the amendment to the bill as printed will extend the completion date of the CMR project, to
which I have referred, by 12 months.

The bill is relatively straightforward, albeit quite technical. The only potential controversy
arising from the amendment is extending the July 2004 timeline for the cargo management re-
engineering project and the proposed changes to the offence of making a false or misleading
statement. Firstly, in respect of the CMR project, that essentially surrounds the implementa-
tion of a new computer system that will be used with progressive introduction, commencing with express airfreight and exports. All clients will be required to communicate with Customs electronically.

As we know, there is a proposed amendment to the bill extending the deadline for the introduction of CMR by another 12 months. This is an ambitious project—which we concede—and, like all large and complex systems which have grown up over the years, it is probably overdue. Certainly, the investment is needed if Australia is going to keep pace with the complexity of freight movement in and out of the country, and there always comes a stage when it simply has to be done. The decision by Customs was the right one but, as we have seen, the task has been much bigger and more difficult than people ever imagined. In short, it has proven to be a monster, and the proposal to extend the time frame is the second time it has had to be done.

Of course, industry is furious, as their reliance on Customs systems is total and the failure to bed down the system and the necessity for two substantial delays in the final implementation date is, as we would all understand, causing considerable concern, given the extent of investment that is required by private businesses. Essentially, nothing moves into or out of this country without the involvement of Customs. That is the difficulty—the interaction of company systems with Customs systems is so completely critical that everything must be done in lockstep, and yet, despite the plans and the promises, the reliability of the new systems in Customs is such that the industry is becoming extremely frustrated.

There are issues regarding the resourcing and skill level of those persons whom Customs has assigned. I suppose there is always scope to be critical of people involved in a substantial project, but there are suggestions that those involved should perhaps have broader experience in this industry. For some, the further extension of 12 months is a blessing, unless of course they have already invested and now find that considerably more money is needed on their part to match what is required at the Customs end.

In the communication of information—that other controversial area—there are several provisions in the act that make it an offence under the existing legislation to make a statement that is false or misleading in a material particular or to omit a thing or a matter from a statement without which it is false or misleading in a material particular. Once the new computer system is up and running there will be new ways in which people will be able to electronically communicate with Customs, as we would expect. With the advent of the new systems the misleading statement provisions will no longer capture all the persons who may be liable for making a false or misleading statement through the computer network.

Many of the amendments are needed to reflect the changes in practice that will arise out of the changes in technology that are being implemented and to make sure responsibility is sheeted home to the appropriate people. The two proposed amendments therefore recognise the variety of commercial communication arrangements available to people with obligations to report to Customs and also that the accuracy of the information in those reports can be affected in various ways at different stages of the communication chain.

The first amendment clarifies that liability for the offences of making false and misleading statements to Customs is not only on the person who communicates the statement but also on persons who cause the statement to be made. The second measure makes a similar amendment in relation to record retention obligations in the Customs Act so that all persons involved in
preparing or sending communications to Customs will have to keep records that verify the content of the communication and identify the source of the information included in the communication.

The penalties for these new offences will be substantial, as set out in the legislation and referred to in the second reading speech. The government argues that the offences of giving false or misleading information for inclusion in a statement to Customs are as serious as those of making a false or misleading statement to Customs and hence should be subject to the same penalties. While some in the industry understandably believe that these amendments are heavy handed, there is the longstanding issue of the efficiency of duty and excise collection, which is entirely dependent upon the accuracy of the information provided. This has been a major issue for Customs, and the introduction of electronic systems provides an opportunity to gain better control. Like all regulatory areas of the Customs jurisdiction, this will need careful monitoring. However, in conclusion, the opposition supports this legislation.

Mr DUTTON (Dickson) (10.08 a.m.)—I rise today to support the government’s Customs Legislation Amendment Bill (No. 2) 2003. The bill implements the largest IT undertaking in Australia’s history. The cargo management re-engineering project, or CMR, establishes an integrated system that replaces the legacy systems currently utilised by the department that handles the exchanges of complex and varied documentation involved in routine imports and exports. This bill is necessary to ensure that stringent procedures are in place for the estimated 5,000 importers, exporters and other traders who will use the new CMR software.

Part 1 of the bill removes the requirement on stevedores to send a report to Customs when no containers are being unloaded from a ship. Stevedores will not have to communicate a nil report to Customs where no containers are discharged for any period of time greater than three hours. However, stevedores will be required to communicate an out-turn report at the end of the three-hour period from when unloading commences.

Part 2 of the bill requires a report to be made to Customs after goods are removed from a wharf or airport otherwise than for export. This section is important; it is so that Customs can identify, locate and track the movement of certain prohibited and/or high-risk exports, including illicit goods or goods improperly diverted into the domestic market.

Part 4 of the bill amends the current false and misleading statement provisions in the Customs Act so that a person who is responsible for a statement given to Customs, regardless of where they are along the communication chain, is the person who commits an offence pursuant to the legislation.

The implementation of the CMR system is important to ensure that the Australian Customs Service can continue to adequately manage the security and integrity of Australia’s borders, especially when it comes to moving items into and out of the country. The implementation of this system, in three stages, is a continued demonstration that this government remains strong in the area of border protection. The community is reminded constantly about the necessity for this. Indeed, two foreign nationals were arrested on Saturday following the detection of heroin allegedly concealed in six injection-moulding machines that arrived at the port of Melbourne from Malaysia in mid-November last year. The minister said that it was yet another example of a highly sophisticated attempt to smuggle deadly drugs into Australia which was prevented by the swift and effective work of Customs and the Australian Federal Police. That incident is not alone. Earlier this month a shipment of 195 kilograms of ecstasy tablets was...
located. It consisted of some 860,000 tablets and was found in agricultural machinery imported from Belgium on 4 October. It constituted the second-largest seizure of ecstasy tablets in Australia and has an estimated potential street value of more than $60 million.

This bill reinforces the commitment by the Howard government and underlines the hard work that has been undertaken by the Minister for Justice and Customs, Senator Ellison. It also underlines the determination of this government to secure our borders and to provide Customs and the other law enforcement agencies of this country with the effective means of bringing together the proper legislation for the protection of our borders that we require.

We saw an example recently of the situation which underscores the need for Australia to continue down the track of strong border protection. We need to continue down this track because serious threats are still posed to Australia and to the Australian people. It is necessary for this government to continue to provide support to the Australian Customs Service in particular because, as an island state, we face many grave threats. I speak not just of people-smuggling and the issues which have been in the headlines again in recent days but of one of the very serious problems that faces Australian law enforcement and the Australian community today—that is, the influx of handguns and illegal weapons, some of which obviously are imported through illegal means from overseas sources. In recent months and weeks we have seen the tragic circumstances that followed the use of handguns and other weapons in serious crimes in Sydney and Melbourne.

If we are serious in this country about addressing some of these issues then this bill is important. We need to provide the effective means for Customs, as I said earlier, to try and prevent some of these serious problems in our society. If we do not provide Customs and other law enforcement agencies with the means to address these very serious problems, all Australians will suffer. Part of the answer to the crime problem that presents itself in Sydney—and right across New South Wales and in other states around the country—can only be addressed if we provide Customs with the ability to stop the entry of some of these weapons into Australia. If we do not do that then we really are creating a rod for our own back. That is an untenable situation and it is one that we need to address very seriously, and that is what the Howard government continues to do.

When I was reading the minister’s second reading speech in relation to this bill, I noticed that it provided a great insight into the minister’s ability in this particular area of law. I think it has been recognised far and wide that the minister, Senator Ellison, has provided a great deal of direction in this very important area of public policy. Today, as part of my commendation of this bill to the House, I want to put on the public record not just on behalf of my constituents but on behalf of all Australians our appreciation of the fine work of the Minister for Justice and Customs, Senator Ellison. He has provided very substantial benefits to the advancement of many of these pieces of legislation. He has provided great direction, and I commend Senator Ellison for his leadership and his ability to provide for positive and practical outcomes not just for Customs but for areas that otherwise fall under his responsibility, such as the Australian Federal Police, the Australian Crime Commission and a number of other law enforcement agencies that provide the support and infrastructure to protect the Australian people.

The Customs Legislation Amendment Bill (No. 2) 2003 is of particular importance to the Australian people and to the import and export industry. The industry, certainly, has in many
forums expressed its view that this bill provides for a much more modern way of dealing with these movements. It is very generous of the industry to provide such support. It has not been an easy stage, but they have provided considerable support to the government, and I want to thank the industry for its ongoing understanding, consideration and support of the government’s direction. It is with great pleasure today that I commend the Customs Service and the outstanding job that it does in protecting the Australian community by intercepting illegal goods such as drugs and weapons. This bill implements an IT system and procedures that will allow Customs to intercept potentially dangerous and harmful goods. It is fundamental that there are adequate support mechanisms in place, and the procedures in this bill to facilitate the introduction of the CRM system in 2004 are one of those support mechanisms. I commend the bill to the House.

Ms O’BYRNE (Bass) (10.17 a.m.)—I commend the previous speaker for the interest he has in this matter. Supply chains are the veins of an economy and the fabric of trade both domestically and internationally. The Customs Legislation Amendment Bill (No. 2) 2003 introduces supply chain management initiatives that will have a significant impact on Australian businesses, particularly small and medium sized enterprises. Supply chains are an intricate web of business relationships that exist to enable one organisation to provide goods or services to another organisation or end consumer.

Increasingly, information technology underpins the highly sophisticated supply chain management systems of larger organisations and extends their use to small business as a tool to gain competitive advantage. It has often been stated that opportunities exist for Tasmanian business—and, as you know, I represent a seat in Tasmania—to use technology to overcome the additional barriers faced as a result of Tasmania’s isolation because of the body of water that separates the state from the mainland. I note that the use of technology and the Internet by Tasmanian businesses continues to grow despite the inadequate and quite expensive second-rate telecommunications services provided by the dominant carrier in Tasmania, which is Telstra. This growth in using technology can be attributed to many things, including the natural uptake as businesses become more aware of the value proposition being presented. The growth can also be attributed to a variety of Internet education and awareness programs being conducted in the state. There is an established link between the rate of technology uptake and the corresponding amount of support given to breaking down known barriers to adoption.

One of the concerns I have with this bill is the introduction of public key infrastructure technology—PKI—to support secure communications. I would like to make this point particularly clear for the House today: I do not have an objection to the notion of ensuring communication between parties is commercial-in-confidence. My concern relates more specifically to the level of support that will be provided to small businesses to assist in implementing PKI. The Australian Taxation Office implemented PKI as part of the Howard government’s tax reform—a rather memorable set of reforms which delivered us the highest taxing government in Australia’s history. The ATO experience demonstrated that PKI is complicated and small businesses have a real reluctance to embrace this technology. Despite the high percentage of small businesses that use computers and the high percentage of those that use the Internet for communications, the vast majority of small businesses do not actually use the ATO’s PKI system. The key difference between the implementation of PKI by the ATO and the implementation we are seeing by Customs is that Customs are actually forcing businesses to use...
PKI. This rather big stick approach may in fact make it much harder for businesses to export and force many small businesses to deal with bureau services. Having to wear additional costs to deal with Customs is a rather unacceptable outcome.

I also note that the provisions within the bill give the CEO power to replace PKI with another technology. I do not by any means profess to be an expert on this subject, but I do understand that many people use the Internet to make electronic payments using their credit cards. Many of us do that. Given that credit card information can be passed over the Internet in a secure encrypted form, this provision within the bill is recognition by Customs that they may actually need to replace the complex PKI technology with something that is a little more user friendly.

In the context of this bill I would also like to express my concern at the further delays with the cargo management re-engineering project. I note that the CMR web site enunciates that the government has decided that it is prudent to allow additional time for the system to be introduced. But I wonder if the government also decided that it was prudent to have a $100 million cost overrun as well. Clearly, incompetent management of the project within Customs has cost taxpayers a significant amount of money, and the further delays will cost more. The CMR project is significant and some say it is one of the most complex information technology projects in recent times. While I admit that my understanding of complex information technology projects is limited, it does extend to knowing that difficulties are always encountered at implementation. The provisions of this bill dealing with information obtained electronically must account for foreseeable errors in processing documentation by Customs. No doubt the new system will have problems, and we must ensure that small business does not suffer as a result of those problems.

This bill fails to deal with one emerging issue that I would have thought would have been quite a high priority. There are industry concerns that the government is not adequately addressing the security aspects related to the transport of high consequence dangerous goods. I understand that the Department of Transport and Regional Services is undertaking a consultancy at the moment to examine the options for tracking the movement of dangerous goods. The movement of dangerous goods is a particularly serious issue and there are many security risks associated with their transport. The focus of current regulation does appear to be very much on safety. My understanding is that Customs do not assess the security threat of a container. Customs ensure that the contents of the container are as declared. So does anyone actually assess the security risk pertaining to a container, a rail wagon or a bulk cargo ship carrying fertiliser? Is there any agency at the moment that is interested in the security of high consequence dangerous goods movements, or are we only interested in the safe carriage of dangerous goods? I think the government needs to turn its attention to these issues in consultation with industry, because the Commonwealth government is ultimately responsible for national security and therefore should be leading this agenda.

The Howard government’s management of supply chain security can only be characterised as a series of remarkable failings, particularly when it comes to meeting its fair share of responsibility in regard to aviation and maritime security. Industry should be cautious. The Howard government has an established track record of cost shifting, as evidenced by the huge cost now being shouldered by the maritime and aviation industries for increased security
measures in these sectors—and I have just been receiving a briefing on some particularly concerning costs that industry is going to have to bear.

It would appear that the current design of the CMR systems facilitates the capture of data needed to track the movement of high consequence dangerous goods destined for import or export, so presumably intelligence agencies could be given the opportunity to conduct threat assessments on imported or exported dangerous goods. I imagine that the proposed CMR data entry could be extended quite easily to domestic carriers of high consequence dangerous goods, so this measure would give intelligence agencies the facility to conduct security threat assessments for the movements. I actually think that these matters have to be dealt with quite expeditiously, and I will be very interested to see the outcomes of the dangerous goods consultancy the government is currently undertaking.

But there is, of course, a broader issue of supply chain security that extends beyond the movement of dangerous goods. I note that US Customs and Border Protection have developed C-TPAT, the Customs-Trade Partnership Against Terrorism. The partnership against terrorism is a joint government-business initiative to build cooperative relationships that strengthen the overall supply chain and border security. I would urge the Minister for Justice and Customs and the Minister for Transport and Regional Services to collaboratively examine this initiative as it could potentially apply to Australia and to the relationship between the supply chain and border security in Australia.

I also understand the department of transport is undertaking a consultancy on container-tracking technologies in conjunction with the APEC Transportation Working Group. I presume that there is information sharing between the dangerous goods consultancy and the container tracking technologies consultancy, as it would appear that there will be a significant degree of synergy between these two projects. I assume that this would be the case. I would also assume that Customs is involved in both consultancies being undertaken by the Department of Transport and Regional Services, because again it would appear that there are significant synergies with CMR.

The objective of the container-tracking technologies project is to assess the relative strengths and weaknesses of sea and air container track and trace technologies, whether it is in commercial use or under development with APEC economies. I imagine that the key issue with the container-tracking technologies project will be who pays. I think most recognise that new technologies allow us to track containers via satellite, but once again one of the key areas will be who is going to pay for this technology—who is going to pay for these steps.

These new opportunities to tighten security within the supply chain have to be considered by the government, and we must try to leverage existing investment in information technology infrastructure to ensure that it is cost effective for industry. So I urge the government to ensure that appropriate training and support initiatives are established to assist small businesses in the adoption of many of these new systems. Finally, I urge the government to conduct a closer examination of the CMR project to expose the cause of one of the most concerning things that we have seen here today, which is the $100 million cost overrun and the ever-increasing project delays.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (10.27 a.m.)—At the outset, on behalf of the government, I would like to thank all of those honourable members who have participated in the debate of the Customs Legislation...
Amendment Bill (No. 2) 2003. This bill contains a number of amendments to the Customs Act 1901 and other customs legislation related to the customs international trade modernisation. International trade modernisation is a major project that will significantly improve Customs’ processes for managing the movement of cargo across Australia’s borders. The legislative framework for the international trade modernisation was provided through the Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001. This bill will make further amendments which are necessary to clarify and improve the operation of that act.

There are seven sets of amendments in the bill. They deal with cargo reports, movement and control of export goods, electronic communications, false and misleading statements, a technical correction, review of decisions relating to the administrative penalty scheme, and transitional arrangements between Customs’ legacy export cargo systems and the new integrated cargo system. The key elements for each of these amendments have been clearly outlined in the second reading speech for this bill. Much has been made of the amendment to extend the default commencement date for amendments to the Customs Act 1901 relating to the international trade modernisation project. The effect of the amendment is to allow, as a contingency measure, for the possibility of a need to extend the maximum time for commencement of some of the trade modernisation provisions. In fact, the amendment extends that period from three years to a maximum of four years.

The government is confident that Customs and industry will be doing all in their respective powers to see the full suite of trade modernisation changes, including the complex new IT applications, introduced well within that time. But, whether any or all of that period is used, we must remember that ultimately it can only be of benefit to assist the trading community’s ability to adjust to the new integrated cargo system. The international trade modernisation project involves complex and significant legislative changes, and the amendments in this bill are essential elements in that process. I commend this bill to the House.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (10.30 a.m.)—by leave—I present a supplementary explanatory memorandum to the bill and move government amendments (1) and (2), as circulated, together:

(1) Clause 2, page 2 (table item 8), after “Parts”, insert “5A,”.

(2) Schedule 1, page 16 (after line 5), after Part 5, insert:

| Part 5A—Commencement of the Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001 |
| Customs Legislation Amendment and Repeal (International Trade Modernisation) Act 2001 |
| 33A Subsection 2(7) |
| Omit “3 years”, substitute “4 years”.

The amendments concern the new cargo management re-engineering project being undertaken by Customs. CMR involves the development of complex new computerised information sys-
tems, the main components of which are known as the integrated cargo system and the Customs connect facility. The amendments come as no surprise. There has been wide speculation in the media and in some sectors of the trading community about the possibility of an extension to the commencement time for the international trade modernisation legislation known as the ITM Act. Currently, trade modernisation amendments to the Customs Act are expressed to commence upon proclamation or, if the proclamation does not occur within a period of three years beginning on the day on which the ITM Act receives the royal assent, on the first day after the end of that period—that is, on 20 July next year.

As the Minister for Justice and Customs indicated to a Senate estimates hearing recently, an extension is being sought as a prudent contingency measure at this time. As mentioned, the new IT systems are central to the CMR project. As with any new IT development, the timeliness and cost of the roll-out are very important factors. But there is another even more important factor, and that is that the system works.

It is somewhat disappointing that media reporting of the new Customs development has focused almost entirely on the first two factors only and very little on the sophisticated functionality of the systems that will keep the pulse of import and export trade in Australia beating. If commentators had taken a moment to concentrate on this aspect of the new Customs system they would have been aware that the integrated cargo system comprises over 800 screens, 9,000 business rules and 15,000 pages of documentation. It is expected to handle up to 3,000 concurrent users and several million export and import transactions per year. The system will process the collection of $6 billion in Commonwealth revenue annually.

Furthermore, Customs is one of the few public sector organisations that has planned, funded and soon will achieve the replacement of a disparate range of outdated legacy systems with one integrated system using modern technology. Yes, this has involved a sizeable capital investment; yes, it means an added transition burden for industry, but let us focus on the outcomes post implementation: lower transaction costs for industry and a modern IT system that collects $6 billion in government revenue annually, profiles cargo movements across our borders and ensures the government’s regulatory agenda for international cargo is delivered.

For all of these reasons the government is committed to doing whatever it can to ensure that the CMR project and the new systems are as robust and reliable as possible when they are introduced. Of course this means keeping a very close eye on the costs and giving all users as much notice and as much time to prepare for introduction as possible. More importantly, it means ensuring that the systems work when they commence.

At the recent Senate estimates hearings, Lionel Woodward, CEO of Customs, confirmed that Customs was working towards implementing the export components of the arrangement by March 2004 and the imports component by July 2004. But, if the underpinning computer systems cannot be ready by that time, whether it be because Customs cannot turn them on by the date specified or because industry users have not had enough time to prepare their own businesses for the new reporting regime, the government will not push ahead blindly.

In this context, in the next weeks or even days Customs will have to confirm once and for all for the expectant trading community, particularly for the software developers and other service providers who support them, whether it will in fact be insisting on a 1 March 2004 cut-over for export reporting. Mr Woodward has already reported that industry leaders are
telling him that it would be better to have more time if it means getting it right. No doubt he will make a responsible decision in the circumstances. (Extension of time granted.)

In the meantime, it is also responsible for us to be looking even further forward to the cut-over to the imports regime concerning import cargo reporting and declarations. It was originally considered that the three-year period was sufficient to allow not only for the development of the ICS and CCF by Customs but also for the development, testing and deployment by industry of business systems compatible with the ICS and CCF for communicating with Customs.

However, partly as a result of moving the date for the robust and reliable commencement of the export arrangements and partly as a result of the sheer complexity of the systems needed to support the import arrangements, it has become apparent that more time is likely to be needed. The indications from Customs and industry are that the current time frame will place pressure on the trading community’s ability to adjust, particularly to the new import components of the system, which could, in turn, significantly disrupt trade.

It is therefore proposed as a contingency measure to extend the period to four years, beginning on the day on which the ITM act received the royal assent. While this extension of time will allow a full extra year for development and testing of the ICS, it is expected that the ICS will be operational well before the end of the period. I commend these amendments to the chamber.

Question agreed to.
Bill, as amended, agreed to.
Bill reported to the House with amendments.

AGE DISCRIMINATION BILL 2003

Cognate bill:

AGE DISCRIMINATION (CONSEQUENTIAL PROVISIONS) BILL 2003

Second Reading

Debate resumed from 6 November, on motion by Mr Williams:

That this bill be now read a second time.

upon which Mr McClelland moved by way of amendment:

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

“whilst not declining to give the bill a second reading, the House condemns the Government for failing to ensure that federal age discrimination legislation contains the best standards of protection of older Australians, a failure which is consistent with its neglect of the human rights of all Australians, as evidenced by its introduction of legislation to weaken the Human Rights and Equal Opportunity Commission and other actions to wind back protections for Australian citizens”.

Mr BRENDAN O’CONNOR (Burke) (10.38 a.m.)—I rise to make some brief comments on the Age Discrimination Bill 2003 and the Age Discrimination (Consequential Provisions) Bill 2003. This is a very important area for this and every nation—and particularly for those nations dealing with ageing populations. I suppose it therefore focuses one’s mind more clearly upon what has gone on recently in the workplace and indeed, our desire, which until now was thought to be logical, for people to look to retiring at 55. That issue and many others are now under review, and they are under review for a variety of reasons.
First and foremost, notwithstanding whether there have been any concerns about the ageing population of this nation, it should always have been the case that there should not be the capacity to discriminate unnecessarily on the basis of age. I know because of my experience in my role as a union official before coming to this place how many employees have suffered as a result of their age—and not necessarily their skills, abilities and responsibilities.

Indeed there was a view around, which was certainly shared by observers from overseas, that we had been taking a harsh view of senior members of our work force over the last 20 or so years. We did not seem to credit people with having valuable contributions to make, because of their age. I think it is now becoming a more prevalent view that that is not the case. The fact is that there is a great deal to be gained from a workplace having employees of all ages—particularly people with the experience and capacity to undertake the work. As someone said earlier in the debate, you cannot acquire experience overnight. It is one of those things that comes only through learning from one’s mistakes and learning from challenges confronted on a day-to-day, week-to-week and year-to-year basis. So I think it is timely that we have a discussion about age discrimination and whether in fact we are heading in the right direction.

Presumably the Prime Minister was referring to this need to look at the broad picture when he recently spoke at a symposium on mature age employment in Sydney. He said:

... the question of an ageless workforce is not primarily an issue of discrimination. It is primarily an issue of investing in our country’s future. To look at the notion of an ageless workforce in terms of anti-discrimination is I think to demean what is at stake and also to invest the debate with far too narrow a legalistic approach.

The Prime Minister went on a little later to make this point again, when he said:

There is I believe a growing belief in the community that the quality of somebody’s contribution to the workforce is measured only by individual ability, rather than age or any other categorisation. And this is not as I repeat just in terms of the rather narrow legalistic approach of an anti-discrimination attitude, there is a growing realisation in our nation that as our population ages and because of advances in medical science people live longer and as the number of people entering the workforce as a proportion, entering the workforce for the first time dwindles and the inter-generational report produced by the Federal Treasury with last year’s Budget provided a much needed factual basis to contribute to the debate. There is a growing realisation in our nation, within the Government, within the business community, that we do need to husband the resource of the mature age worker to whatever limit the individual capacities of those workers will permit.

The Prime Minister’s speech contained no reference to the legislation before the House. At the time he did say:

It is not our responsibility, and we certainly don’t intend to do so, to mandate individual behaviour by particular firms and by particular companies.

While legislation clearly does not specify any particular action which must be taken by employers, it does specify actions which must not be taken. Furthermore, the prohibition on age discrimination contained in the legislation could form the basis of a finding by the courts as to how particular firms and companies should behave. I think the spirit of the legislation sits oddly with the Prime Minister’s assertion, when speaking of the interplay between employers and employees of different ages. He said:

... we must also recognise that one of the areas of contribution must come from the mature aged workers themselves ... And that will increasingly, for example, mean that if people wish to remain beyond
what are now regarded as customary retirement ages, there must be a greater willingness to be involved in part-time and contract work and the corresponding flexibility in relation to remuneration arrangements.

The prospect that age discrimination legislation could form a prelude to a requirement that workers stay in the work force for longer would not sit comfortably with many people. I believe that the Prime Minister is not in touch with the nation’s feelings on the matter if he believes that people will be compelled to work longer—if, indeed, there have to be unilateral changes to their employment conditions.

I think it is fair to say that, whilst we all agree that there should be a capacity for people to work and choose their retirement age, provided they are able to continue in their employment in a meaningful way, there certainly should be more effort made to ensure that the flexibility, if it is to occur, is agreed upon and is not forced upon the work force. One could be cynical and argue that the Prime Minister now wants to lift the age barrier because of his own personal ambitions, now having reached the age of 65, but I am sure it is more as a result of the changes that are taking place in this country, and it would be churlish of me to think otherwise.

However, I think there is a unanimous view that the notion that people retire at the age of 55 is not now necessarily the best option for all employees. We have to review our population strategy and, as a component of that, review our immigration intake to ensure that we are not continually ageing as a population. I believe that until we do that we cannot have a holistic debate on this issue. I do think it is true that this country has succeeded economically, socially and culturally when we have had a very good immigration intake. Whilst the intake at the moment is at reasonable levels, there certainly should be consideration given to an increase to ensure that we get the required injection of energy, verve and, indeed, skills from those people who come to this land. It is axiomatic that immigration builds nations, grows economies and grows jobs. There is a notion that has been peddled by some—some deliberately and maliciously, some through ignorance—that somehow immigration costs the jobs of locals. The facts are contrary to that notion. The fact is that those nations that have welcomed high proportions of immigrants to their lands in the last couple of centuries have usually been the most successful economies and nations, because they have grown as a result of immigration.

So, whilst we are looking at ways to mitigate the effects of the ageing population of this nation, we have to look at the fact that we are certainly a small nation in population terms. I think we are in a position to review an increase in immigration. I think also it is fair to say—and there has been some consideration of this by the opposition—that we should look at ways in which we can ensure that communities across this country are reinvigorated through immigration growth. Therefore, there need to be more incentives put in place to attract people to the regions and to regional communities and to not necessarily have people congregate in metropolitan cities. That is a critical issue.

Only this week I had the Mayor of Young, in New South Wales, in my office. He was there to plead on behalf of his municipality and the refugees who live in his town, many of whom are employees in a local abattoir. He was there to ask me to support them being accepted as permanent residents of this nation. They are currently on temporary protection visas. One of the points he made, which was broader than the actual reasons he came to see me, was that his town was dying; his town was actually declining in population. One might think that the
community in which he lived was quite conservative—it is a rural community—but the fact is the people in that community embraced these people. Every worker in that abattoir had signed a petition to have those refugees on temporary protection visas, their fellow workers, stay on in their town.

It was a very interesting thing for me to witness. People like to make a point that country people will not accept others from overseas, particularly if they are different culturally and ethnically. The fact was this was another example that belies the myth that people will not accept people from overseas. Not only was it illustrative for me; it also reminded me that we have communities that are in dire need of extra labour and human resources and they are crying out for an injection of that kind. Therefore, they seem to be more culturally blind, colour blind or ethnically blind than the supposedly more progressive types in metropolitan areas. People should remember that when they look at that issue.

I know that is incidental to some of the discussions on age discrimination, but the Prime Minister has raised this issue in the context of this debate. In a speech he made on 27 August, he effectively said that immigration is an issue that has to be considered in relation to this. He indicated:

We can maintain, as we have, a steady but manageable and acceptable increase in the immigration rate, and I know there are many in the community who see a dramatic increase in the immigration rate as being the almost instant solution for the challenge of an ageing population.

I do not believe that; I do not think it is the instant solution for the challenge, but I do believe it is a critical component of meeting the challenge of an ageing population. In the same speech, the Prime Minister went on to say:

Let me say that once again, I owe keeping a sense of proportion that it can make a contribution and that is why our policy is to have an immigration rate that is supported by our economic circumstances and one that meets the skill and other needs of the Australian community and one that is conducted on a completely non-discriminatory basis so far as race, ethnicity and country of origin is concerned.

It is nice to hear the Prime Minister now say that he is colour blind in immigration. We know he did not have that view in the early eighties; in fact, he was peddling anti-Asian fears. We know the Prime Minister is on the record as wanting to reduce the intake of Asians into this country. It is important to note—and I am being very respectful to the Prime Minister—that he has flipped on that; he now holds the view that we should not discriminate on the basis of ethnicity. It shows that the Prime Minister can learn a thing or two.

But we have to solve this debate on age discrimination by fundamentally tackling the issue of population. Therefore, we have to review the immigration intake. We have to review the way we tackle the immigration and population policies that attend to the needs of communities that are effectively dying in this country, because at the moment that is not occurring. I know it is a complex area; there are many components to it. I refute the assertions made by the Prime Minister that enough has been done in immigration and population policies to attend to the ageing of our population. I also disagree that there should be unilateral changes made so that employees who are at the latter part of their working life are made to move on to contract and part-time work if they have to maintain employment beyond the age 55. In conclusion, I support the comments that have been made by the member for Barton in relation to this matter. He will reiterate some of those matters, and I thank him for enlightening this chamber.
Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (10.55 a.m.)—In summing up the cognate debate on the Age Discrimination Bill 2003 and the Age Discrimination (Consequential Provisions) Bill 2003 on behalf of the Attorney-General, I would like to thank members for their respective contributions to the debate on these bills. Despite existing state and territory laws, age discrimination is an increasingly significant problem for our society. The social and economic costs of age discrimination will only increase with demographic change in Australia. We cannot afford to ignore the important social and economic contributions that older and younger Australians make to the community. I suspect that most honourable members would agree with that statement.

These bills strike a careful balance between the need to eliminate unfair age discrimination and the need to permit legitimate age distinctions. The legislation will play a key role in changing negative attitudes about older and younger Australians. The Senate Legal and Constitutional Committee considered the bills and issued its report on 18 September. The committee commented very favourably on the extensive consultation process which informed the development of the bills and the committee also, quite appropriately, noted that there was very wide support for the bills. I would like to respond briefly to the five recommendations of the committee. I do not propose to comment at this stage on the dissenting reports.

The first recommendation of the committee is that the scope of the dominant reason test in clause 16 be further defined and the clause amended to specify who bears the onus of proof in establishing the dominant reason for discrimination. The government does not consider that the recommended amendments are necessary. In the area of age discrimination, action should be unlawful only where age is the dominant consideration. It is the view of the government that this test will be most appropriate to promote the attitudinal change it seeks to achieve. The legislation, including clause 16, is designed to send a clear message that age stereotyping is unacceptable, without suggesting that age can never be a relevant consideration.

The second recommendation of the committee is that the government consider expanding the workplace relations exemption at clause 39(8) to cover industrial agreements made under state law. The case for such expansion has not been made. The current exemption covers federal agreements. In the federal sphere, the Australian Industrial Relations Commission and the Employment Advocate must have regard for the need to eliminate discrimination, including age discrimination. State industrial relations arrangements vary from jurisdiction to jurisdiction. Some states make no mention of antidiscrimination provisions or the need to eliminate age discrimination. The Commonwealth cannot be confident that all state arrangements deal with the potential for age discrimination.

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The third recommendation of the committee is to amend clause 15, which effectively defines indirect discrimination to specify what factors must be taken into account when considering whether action is reasonable in the circumstances. Action that is reasonable cannot constitute indirect discrimination. However, inclusion of a list of matters to be taken into account in determining what is reasonable, as in the Sex Discrimination Act, could result in a more restrictive interpretation. There is likely to be a wide range of reasonable circumstances in relation to age discrimination. The explanatory memorandum identifies some of these. The legislation also needs to be flexible enough to cover all such circumstances. As the proposed amendment would not work to that end, it is not supported by the government.
The fourth recommendation of the committee is that the government consider whether the Human Rights and Equal Opportunity Commission requires additional funding. The general position of the government is that agencies are not provided with new resources that can and should be absorbed in the normal process of adjusting priorities as circumstances change. The commission receives a total budget to deal with the entire spread of its responsibilities, not separate budgets for particular areas of discrimination. Age discrimination already falls within the broader education and inquiry function of the commission. The government is still considering the 2003-04 budget for the commission.

The fifth recommendation of the committee is to extend the concept of age discrimination to cover an aggrieved person’s relative or associate. A case for the extension of the legislation into this area of public life has not been made out. The case in the report for new provisions covering discrimination on the grounds of the age of a person’s associate appear for the moment to rest on less than compelling grounds.

The opposition will have a number of amendments. I think the member for Barton is going to move them shortly in the consideration in detail stage. There will also be some government amendments. But I am delighted with the widespread support for the government’s decision to introduce age discrimination legislation. I look forward to the cooperation of the other place in achieving timely passage of these bills. I commend both bills to the House.

The DEPUTY SPEAKER (Mr Hawker)—The original question is that the bill be now read a second time. To this the honourable member for Barton has moved as an amendment that all words after ‘That’ be omitted with a view to substituting other words. The question now is that the words proposed to be omitted stand part of the question.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr McCLELLAND (Barton) (11.02 a.m.)—by leave—I move opposition amendments (1) to (5):

(1) Clause 5, page 4 (after line 12), after the definition of ‘age’ insert: associate of a person means

(a) any person with whom the person associates, whether socially or in business or commerce, or otherwise, and

(b) any person who is wholly or mainly dependent on, or a member of the household of, the person.

(2) Clause 5, page 5 (after line 32), after the definition of ‘public authority of the Commonwealth’ insert:

relative of a person means any person to whom the person is related by blood, marriage, affinity or adoption;

(3) Clause 14, page 12 (lines 4-17), omit the clause, substitute the following clause:

14 Discrimination on the ground of age—direct discrimination
For the purposes of this Act, a person (the discriminator) discriminates against another person (the aggrieved person) on the ground of the age of the aggrieved person or the age of a relative or associate of the aggrieved person if:

(a) the discriminator harasses, or treats or proposes to treat the aggrieved person less favourably than, in circumstances that are the same or are not materially different, the discriminator treats or would treat a person of a different age or who does not have a relative or associate who is of that age or age group, and

(b) the discriminator does so because of:

(i) the age of the aggrieved person or the age of a relative or associate of the aggrieved person; or

(ii) a characteristic that appertains generally to persons of the age of the aggrieved person or the age of a relative or associate of the aggrieved person; or

(iii) a characteristic that is generally imputed to persons of the age of the aggrieved person or the age of a relative or associate of the aggrieved person.

(4) Clause 15, page 12 (lines 19-28), omit subsection (1), substitute:

(1) For the purposes of this Act, a person (the discriminator) discriminates against another person (the aggrieved person) on the ground of the age of the aggrieved person or the age of a relative or associate of the aggrieved person if:

(a) the discriminator imposes, or proposes to impose, a condition, requirement or practice; and

(b) the condition, requirement or practice is not reasonable in the circumstances; and

(b) the condition, requirement or practice has, or is likely to have, the effect of disadvantaging persons of the same age as the aggrieved person.

(5) Clause 16, page 13 (lines 1-6), omit the section, substitute

16 Act done because of age and for other reasons

If:

(a) an act is done for 2 or more reasons, and

(b) one of the reasons is the age of a person (whether or not it is the dominant reason for doing the act)

then, for the purposes of this Act, the Act is taken to be done for that reason.

I outlined the nature of these amendments in my response to the second reading debate in the House, so I will not labour the point. However, I will outline as far as I can amendments (1) and (2), which go to the issue of discrimination against a person’s relatives or associates. We understand that issue was considered by the government but rejected as a result of pressure from some business interests. We say that, while we are often accused of being beholden to sectional interests, regrettably the government was unreasonably restrained by that input and ignored the interests of the broader community. As I have indicated, it is not difficult to envisage situations where discrimination on the basis of the age of a relative or associate may arise. For example, in an employment situation an employer might discriminate against an employee who cares for an aged relative, because of the apprehension by the employer that the employee might need time off to attend to the needs of that relative. Another situation might be that of a hotelier not allowing parents with young children to stay as guests, because of the hotelier’s anticipation of the unruly behaviour of the children. I have indicated that those would be unsatisfactory states of affairs. We take the view that the legislation should set stan-
I jump to amendment (5), which addresses what is probably the greatest inadequacy in the government’s regime—the decision made by the government to water down the test for whether particular conduct constitutes age discrimination by requiring that age discrimination be the dominant reason for the conduct complained about. This is the most significant issue addressed in our amendments and is one of substance. The requirement that age discrimination be the dominant reason for a complaint makes the test much harder than that which applies, for instance, under the various state and territory laws that deal with age discrimination or, for that matter, under other federal antidiscrimination laws such as the Racial Discrimination Act. For consistency alone, again in terms of setting standards, we suggest to the government that, if they are to be seen as being strong in this area, they should have an equal test applicable in the area of age discrimination.

Amendment (3) deals with the issue of harassment. The government’s position on age based harassment mirrors its position on relatives and associates. We understand that this issue was raised in an information paper issued by the government but, after noting that only the Northern Territory specifically banned age based harassment, the government again succumbed to those limited business concerns and declined to ban in the legislation age based harassment. However, age based harassment is a real phenomenon and should be stopped. No more should young apprentices and junior staff be bullied and treated in a demeaning manner and no longer should older Australians be subjected to derogatory taunts.

These amendments have been moved in good faith. If they—in particular, the test for when discrimination occurs—are picked up, we think the government’s measures will have far more impact on those areas of discrimination not only from the point of view of a regulatory regime but, more importantly, from the point of view of having an educative effect on the development of attitudes and the breaking down of what unfortunately still exists as a culture of discrimination against Australian citizens on the basis of age.

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Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (11.07 a.m.)—I am sorry to disappoint my friend the member for Barton, who is one of the best performers on the opposition side of the House, but the government does not agree with the amendments that he has moved and so eloquently supported in this debate. The amendments seek to extend the concept of unlawful age discrimination to cover an aggrieved person’s relative or associate. They would also specifically introduce age based harassment as a ground of direct discrimination in clause 14 and, effectively, remove the dominant reason test in clause 16.

Once again, a compelling case for the amendments has not been made out. The protection offered by the bill is already extensive. It has been suggested that amendments to cover relatives and associates are needed—for example, to deal with hoteliers who may exclude a person because that person has unruly children. However, as drafted, the bill would permit a complaint on behalf of children who are unlawfully excluded from premises on the basis of age. It has also been suggested that amendments are needed to cover a situation where a person is not employed because he or she may need to take time off to care for an aged relative. However, it is not at all clear that this is a matter of age based discrimination. Complex ques-
tions of family responsibility are not reducible to questions of age discrimination. It is not realistic to look to age discrimination legislation to solve such questions. The issue of family responsibilities is addressed in other forums—for example, the Sex Discrimination Act and the Workplace Relations Act.

As to harassment, the absence of a specific reference in the bill does not mean that a complaint of age based harassment cannot be brought. Harassment is covered where it amounts to direct discrimination. In particular, the bill prohibits discrimination on the ground of age in the workplace. Specific allegations of discriminatory harassment will turn on the circumstances of the particular case. This is appropriate. As to the proposed amendment of clause 16 and the dominant reason test, I have already outlined the rationale for retaining the current test. I, therefore, on behalf of the government oppose the amendments moved by the member for Barton.

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (11.09 a.m.)—by leave—I present a supplementary explanatory memorandum to the bill and I move government amendments (1) to (3) together:

(1) Clause 41, page 33 (after line 21), after subclause (2), insert:
(2A) This Part does not make unlawful anything done by a person in direct compliance with a determination in force under subparagraph 169(1)(a)(i) of the A New Tax System (Family Assistance) (Administration) Act 1999.

(2) Clause 41, page 33 (after line 24), after subclause (3), insert:
(3A) This Part does not make unlawful anything done by a person in direct compliance with a determination in force under subparagraph 209(1)(a)(i) of the Social Security (Administration) Act 1999.

(3) Clause 42, page 35 (lines 16 to 26), omit the definition of exempted health program, substitute:

exempted health program means a program, scheme or arrangement that:

(a) relates to health goods or services or medical goods or services; and

(b) to the extent that it applies to people of a particular age, is reasonably based on evidence of effectiveness, and on cost (if cost has been taken into account in relation to the program, scheme or arrangement).

The evidence of effectiveness mentioned in paragraph (b) is evidence that is reasonably available from time to time about matters (such as safety, risks, benefits and health needs) that:

(c) affect people of the age mentioned in that paragraph (if no comparable evidence is reasonably available from time to time in relation to people of a different age); or

(d) affect people of the age mentioned in that paragraph in a different way to people of a different age (in all other cases).

The Age Discrimination Bill 2003 has attracted very wide support as a measure of fundamental importance in protecting older and younger Australians from age discrimination. The bill will work against negative stereotypes and will remove barriers to workplace participation. It will protect access to goods and services, including health and medical services, education

The Age Discrimination Bill 2003 has attracted very wide support as a measure of fundamental importance in protecting older and younger Australians from age discrimination. The bill will work against negative stereotypes and will remove barriers to workplace participation. It will protect access to goods and services, including health and medical services, education
and accommodation. It covers for the first time the administration of Commonwealth laws and programs. The community will benefit from the enhanced role of the Human Rights and Equal Opportunity Commission in promoting community awareness and attitudinal change and in conciliating age discrimination complaints. It is patently false to suggest that the passage of the Age Discrimination Bill will wind back the protection available to Australian citizens.

Turning to the three government amendments to the Age Discrimination Bill 2003 I am moving, amendments (1) and (2) relate to section 41, which covers pensions, allowances and benefits. The amendments are designed to make clear that decisions made in accordance with certain disallowable instruments under Commonwealth acts are not made unlawful under the bill. Amendment (1) would insert into section 41 a new subsection (2)(a) which would exempt a determination under section 169(1)(a)(i) of the A New Tax System (Family Assistance) (Administration) Act 1999. Amendment (2) would insert a new subsection 3(a) which would exempt a determination under section 209(1)(a)(i) of the Social Security (Administration) Act 1999.

In part, the determinations govern the purposes for which the secretary of the Department of Family and Community Services can authorise the disclosure of information about people aged under 18 who have sought financial assistance on the grounds of being homeless. Those purposes may include facilitating reconciliation between parents and homeless young persons and protecting homeless young persons from abuse or violence. The determinations allow the secretary to authorise the disclosure of relevant information to an appropriate authority, including parents. Amendments (1) and (2) will ensure that disclosure, in accordance with this age based requirement, is not made unlawful. As the instruments in question are disallowable, any future amendment would of course also be subject to disallowance.

Amendment (3) relates to section 42 of the bill. Section 42 was designed to make clear that certain health measures are not made unlawful. The specific exemptions established by sections 42(1) and (2) operate by reference to a definition of ‘exempted health program’ set out in subsection (6). Exempted health programs and decisions under such programs are exempt. Broadly, the definition of ‘exempted health program’ requires programs for the provision of health and medical goods and services to be based on a range of relevant considerations.

Amendment (3) would refine the current definition in four ways. Firstly, it would remove any doubt that cost may be a legitimate consideration in the formulation of health programs for the provision of goods and services. It goes almost without saying that governments have a duty to ensure that finite health resources are allocated on a reasonable basis. Secondly, the amendment would remove any doubt that it may be legitimate to provide services or goods to a single age group on the basis of evidence that relates to that age group only. The absence of comparable data for other age groups should not be a barrier to the provision of goods or services to a particular age group, where that would be beneficial.

Thirdly, the amendment would remove any doubt that the formulation of programs or particular aspects of programs may be based on evidence available from time to time. The current definition is arguably too rigid in requiring programs to be based on evidence available at the time of the program’s establishment. (Extension of time granted) The amendment would, in effect, also require the review, from time to time, of the operation of relevant programs.
Fourthly, and finally, the amendment would make it clearer that the particular matters specified in the definition of exempted health program—safety, risk, benefits and health needs—are intended as examples of matters in relation to which relevant evidence may be adduced to support an age based element of a program. They do not constitute a list of matters which must be taken into account in every case. The Attorney-General has also approved two further minor additions to the explanatory memorandum. These clarify the circumstances in which employers may advertise positions of employment and are designed to put the intended operation of clauses 14 and 50 of the bill beyond any doubt. I commend the government amendments to the House.

Mr McCLELLAND (Barton) (11.16 a.m.)—I take on board the arguments advanced. Quite frankly, the opposition have not had sufficient opportunity for broader consultation in respect of the amendments. We note the substance of them and the rationale advanced. We will certainly take that on board before considering our final position when the matter is debated in the Senate. At this point in time, we will not oppose those amendments.

Question agreed to.
Bill, as amended, agreed to.

Ordered that the bill be reported to the House with amendments.

AGE DISCRIMINATION (CONSEQUENTIAL PROVISIONS) BILL 2003
Second Reading

Debate resumed from 26 June, on motion by Mr Williams:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Ordered that the bill be reported to the House without amendment.

SOCIAL SECURITY AMENDMENT (FURTHER SIMPLIFICATION) BILL 2003
Second Reading

Debate resumed from 16 October, on motion by Mr McGauran:
That this bill be now read a second time.

Mr SWAN (Lilley) (11.18 a.m.)—The Social Security Amendment (Further Simplification) Bill 2003 makes a number of technical and minor amendments to the Social Security Act 1991. Two key changes include the consolidation of rent assistance provisions in the act and changes to compensation recovery. Labor view this bill as largely uncontroversial and will not oppose key provisions in the House or the Senate. I do not propose to comment in detail on all elements of the bill but I do want to discuss the rent assistance and compensation recovery provisions.

Schedule 1 of the bill seeks to consolidate provisions for the payment of rent assistance to one place in the act, rather than the current situation where provisions for the payment of rent assistance are repeated in each of the rate calculators for each of the payments that the rent assistance may be paid with. This will simplify administration. There appear to be no significant policy changes that result from the consolidation. This said, Labor will closely scrutinise the new provisions to ensure that there are no unintended consequences. Labor recall efforts
by the government in the Family and Community Services Legislation Amendment Bill 2003 to change the payment of rent assistance to income support recipients with children. The change may have left some families worse off by virtue of reducing the income cut-off points for payments such as parenting payment. If there are any such consequences in this legislation, Labor will move amendments in the Senate to correct them. Labor will also reserve the right in the Senate to amend the rent assistance measures in this bill to give effect to Labor’s commitment to extend rent assistance to Austudy recipients, which is part of our Aim Higher policy. Similar amendments are currently before the Senate in the Family and Community Services (Closure of Student Financial Supplement Scheme) Bill 2003. Should they be unsuccessful, we will move them again in relation to this bill.

Schedule 2 of the bill includes amendments to the compensation recovery regime. These amendments will ensure that supplementary payments are not payable and may be recovered when linked compensation-affected social security payments are reduced to nil. Currently, only the income support component may be recovered when a lump sum or periodic compensation results in a nil payment rate. There is no basis for the recovery of supplementary payments such as pharmaceutical allowance, telephone allowance or pensioner education supplement that may have been paid alongside the income support payment. The inability to recover these supplementary payments is an anomaly when compared with the treatment of debts which occur as a result of ordinary income which results in an income support payment being reduced to nil. Under these circumstances, both the income support payment and supplementary payments may be recovered. This measure will only impact on individuals who receive compensation payments on or after 1 July 2004.

Labor has considered these amendments carefully; however, we do wish to note the government’s track record on compensation issues. In 1997, the government forced people who received compensation payments to wait longer for access to income support. Naturally, compensation payments may include a component that is attributed for future lost earnings. It is reasonable, then, that this component is taken into account and that a preclusion period is served before support from the taxpayer is required. Before 1997, the preclusion period was calculated by reference to average weekly earnings. This allowed people who were injured to have access to income that the rest of the community earns and, in most instances, reflected the income these people earned before their injury. However, as of 20 March 1997, the government changed the formula of the preclusion period with reference to an amount equivalent to the maximum single pension rate plus the free area. This had the effect of increasing the preclusion period and requiring individuals to survive on incomes well below average weekly earnings.

As if being hurt at work or somewhere else were not enough, we had this mean-spirited government consigning these people to lower standards of living. Subsequent measures to improve the situation have been insignificant compared with the near $25 million per year cut as a result of the government’s 1997 changes. Labor will support the measures in this bill but does note that there is some way to go before the treatment of compensation is fair.

Ms HALL (Shortland) (11.22 a.m.)—The Social Security Amendment (Further Simplification) Bill 2003 is supported by this side of the House. I would have to say that any legislation that is designed to simplify the operation of the Social Security Act is welcomed, provided it does not disadvantage those people who are in receipt of support from the government.
The staff at Centrelink who are responsible for implementing the Social Security Act have been under a lot of pressure since this government came to power. They are constantly in a state of flux, and they are being asked to do more and more with fewer and fewer staff. I was speaking to an employee of Centrelink as recently as three or four days ago, just prior to coming down here to Canberra. The employee said, ‘The one thing that we need is somebody to stand up for us, the staff of Centrelink. We are constantly under pressure to put in place the government’s legislation.’ It is on those grounds that I think this bill should receive particular support, because it does consolidate the rules relating to rent assistance.

When you look at the Bills Digest for this piece of legislation, you see how many different areas in the Social Security Act look at rent assistance. Currently the rent assistance provision appears in so many different locations in the act that there is unnecessary duplication of provisions. I think that wherever you have got a situation where provisions are duplicated you are going to have problems, errors and great difficulty for the staff who are implementing the changes.

Under the proposed changes, the specific rules for calculating rent assistance in relation to all social security payments will be in one place, and that has to be a real plus; it has to be a plus for the people in receipt of rent assistance and for the staff who are responsible for implementing rent assistance. Many members on this side of the House and, I am sure, on the other side of the House have been contacted on occasions by constituents who have had problems with their rent assistance and the way it has been calculated. After further investigation, invariably you discover that the problem has resulted from an error by the staff simply because the process is so complex and the provisions are listed in so many different areas. I really commend that aspect of this legislation. It will make things easier, better, more effective and more efficient for the staff and for the people who are receiving rent assistance.

Finally, I would like to touch on compensation payments and the effect of the legislation there. In doing so, I join with the shadow minister in condemning the changes that the government have made in that area and the difficulty that changing and extending the preclusion periods has caused for a number of people, particularly when you look at the GST implications and the fact that preclusion periods were not recalculated after the GST was introduced. People who had had a preclusion period put in place prior to the implementation of the GST were more disadvantaged than those who had one put in place afterwards, keeping in mind the way the preclusion periods are calculated now.

As the shadow minister said, we will be supporting the amendments, but we are concerned about the government’s treatment of people who receive compensation. We are concerned about many of the changes that this government has made to the Social Security Act and we are concerned about the implications for people who are in receipt of Austudy. We feel that they should also be entitled to rent assistance. Once again we are quite disappointed that that is not included in the bill. I support the bill. I support the bill primarily on the ground that it will provide people in receipt of Centrelink payments with a much more efficient service with fewer mistakes, and I support it from the point of view of those staff who work in the Centrelink offices and who are forced, on a daily basis, to confront the convoluted legislation that this government has passed, with greater requirements and fewer staff to deal with them.

Mr PYNE (Sturt—Parliamentary Secretary to the Minister for Family and Community Services) (11.28 a.m.)—I thank the members for Shortland and Lilley for their contributions.
to this consideration of the Social Security Amendment (Further Simplification) Bill 2003. I
assure the member for Shortland that, far from trying to rearrange the compensation payments
as part of this bill— with the resulting effect that that would have on people’s payments from
the government—we are only applying these new changes to new recipients of pensions and
compensation into the future. So in fact there is no attempt at clawback, and these changes
apply fairly to all concerned.

The bill consolidates the rent assistance provisions in the Social Security Act 1991 and
makes a number of other minor changes and some technical amendments. The consolidation
rules relating to rent assistance take up the major part of the bill, and the rent assistance provi-
sions currently appear in many different locations in the act. The result is much unnecessary
duplication of corresponding provisions. This bill will put in one place the rules for calculat-
ing rent assistance in relation to all social security payments. This will make it easier for Cen-
tralink staff to work out a customer’s entitlement to rent assistance and to explain the basis of
the calculation to customers. Centralink customers will continue to receive the rent assistance
they currently receive under the existing provisions.

The bill contains a small number of minor changes to bring the law into line with current
administrative practices and to ensure that the law reflects what people are currently receiv-
ing. The consolidation of rent assistance measures contained in this bill is an important part of
the measures being undertaken to give effect to the government’s commitment to implement a
simpler and more coherent social security system.

The bill also applies the definition of ‘independence’ which currently applies to youth al-
lowance customers to disability support pension youth customers. As a result, a small number
of customers will be entitled to receive a higher rate of disability support pension payments.
The bill will also amend the definition of ‘compensation affected payments’ to include certain
supplementary payments which are paid as a result of a person being eligible for a social se-
curity pension allowance or benefit. These supplementary payments will be recoverable from
people who receive an economic loss compensation payment. These changes will apply after
1 July 2004. However, they will affect only those customers who receive both the social security
supplementary payments and compensation payments from and after that date.

Finally, a small number of minor technical amendments is being made to clarify the opera-
tion of the income and assets test provisions of chapter 3 of the Social Security Act. I com-
mend the bill to the Main Committee.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

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

DESIGNS BILL 2003
Second Reading

Debate resumed from 11 December 2002, on motion by Mr Entsch:
That this bill be now read a second time.

Dr Emerson (Rankin) (11.32 a.m.)—The Designs Bill 2003 repeals the Designs Act
1906 and introduces a new registration system for industrial designs. It is self-evident that it
might be just about time to repeal a Designs Act that was originally passed through the parliament of Australia in 1906. Of course, there have been many amendments since then, but the passage of time has been a very long one and therefore it makes sense to have a fresh look—almost 100 years later—at the provisions of the Designs Act to see whether they serve the interests of Australia and those involved in the creation of intellectual property. It became quite evident as a result of this consideration of the adequacy of that act that a new act was indeed necessary to take us into the 21st century.

Australia’s design registration system is used by companies to protect the visual appearance of manufactured goods and it is to that extent that designs legislation is in fact associated with and has the purpose of protecting intellectual property. The term ‘design’ refers to the features of shape, configuration, pattern and ornamentation that can be judged by the eye in finished products.

The bill before the Main Committee today is a response to the sort of review that I mentioned in my introductory remarks. In particular, it is a response to the Australian Law Reform Commission’s 1995 report on designs. The Law Reform Commission found that the current design system has a number of problems, and I will mention a few of those. One of the problems identified in the Law Reform Commission’s report was minimal eligibility requirements for the registration of designs. Another problem identified in that process was inadequate infringement tests. A further problem was excessive costs. Finally—and quite tellingly—it was identified that there was inadequacy in preventing copying.

The legislation before the Main Committee today will make design registration more difficult to obtain but easier to enforce. The new test for the design registration is ‘new and distinctive’ as opposed to the existing test of ‘new or original’. The bill will also streamline the registration process by providing registration for designs before their examination for novelty or distinctiveness. At present this examination occurs if and when the design is challenged or enforcement of the design is sought. So the whole process here is to do it up front to avoid problems that might emerge down the track. Since very few registered designs are ever the subject of litigation, this will allow the vast majority of designs to be registered very simply and effectively. The legislation before us constitutes a significant streamlining of processes, and Labor welcome that.

There are areas in which the government is proposing changes that are different to the Law Reform Commission’s recommendations. For example, in respect of the treatment of spare parts the bill creates a right to repair defence to infringement of registered design alternative producers of mechanical spare parts, such as car parts. The reforms also reduce the proposed maximum term of registration. The existing term of 16 years is made up of one year plus a possible extension of a further 15 years. That will be changed to 10 years—five years plus a possible extension of a further five years.

When the Labor Party considered this bill within our own processes, we identified a number of concerns with it and, for that reason, we joined with other parties in sending it to a Senate committee. The committee considered the bill and found that the proposed amendments provide a reasonable approach on these issues. On the spare parts issue, the most serious concern raised by local automotive manufacturers such as Holden and Ford was that alternative spare parts may not meet the same safety standards as original parts. However, the Senate committee decided that this issue was best dealt with through safety standards rather than
through these design laws. The committee also noted that there will be a formal review of the right of repair provisions in this bill by 2005. So there will be an opportunity at that time to review the operation of these amendments.

As a result of the processes that we have gone through—proper parliamentary scrutiny involving a Senate inquiry into this legislation—I am pleased to indicate that Labor support the passage of this bill. I will make a couple of remarks about that. In my own electorate, I am often asked why political parties always oppose each other’s legislation. I explain that, in fact, the majority of legislation is not opposed and is passed by the opposition of the day. But, quite understandably, we do not see on the news in the evenings that the parliament today passed 15 or 10 bills on which there was a common view and a commonality of interest in passing that legislation. It is not a big news story and, in the absence of such a big news story, it is understandable that people would see only the conflict that goes on between the two parties either over highly controversial legislation or in question time, or both.

I wanted to put on the record that Labor very often support government legislation where it is philosophically acceptable to us or, perhaps where there is no strong philosophical basis, where it is just a way of advancing the interest of this country—and, on that basis, we are positive about government legislation. The Main Committee here today facilitates the debate on legislation of that kind.

However, I will make some remarks more broadly about the creation and protection of intellectual property. In this country we have seen over the last seven or so years, sadly, a reduction in national effort in the creation and protection of intellectual property. One of the first decisions of the Howard government was to cut the 150 per cent R&D tax concession back to 125 per cent, and there was an almost immediate response in terms of private sector investment in research and development in this country. The sad reality is that for most of the years of the Howard government private sector spending on research and development in Australia has fallen as a share of gross domestic product. Worse, in the countries with which we need to compare ourselves, because they are competitor countries, private sector spending on research and development as a share of GDP has been rising. Consequently, there has been a widening gap—almost a chasm now—between the efforts that have been applied here in Australia by the private sector and those applied by our rivals in other countries.

This is a particularly unfortunate reality, because in the 21st century we—Labor—are acutely aware that today’s productivity growth is tomorrow’s living standards. While in government we set about a comprehensive program of economic reforms which were all designed to boost productivity in this country. The results, though somewhat delayed, have been quite spectacular, to the point where in the last 10 years productivity growth in this country has been more rapid than in any other country on earth other than Finland, outstripping the productivity growth of the United States. Now, tragically, that productivity growth is tapering off, and in the last six months productivity growth in Australia has in fact been negative.

You cannot fundamentally restructure the Australian economy a second time and expect to get the same benefits that have flowed from the restructuring that occurred in the visionary Hawke and Keating years. We cannot do that twice, but we can examine and apply the new sources of productivity growth in Australia around the world in the 21st century. They are investment in skills and investment in ideas—that is, skills formation and innovation. The tragedy unfolding in this country for our future—the future of productivity growth and, there-
fore, the future of living standards—is that investment in skills formation has been lamentable since the election of the Howard government, and investment in ideas has been similarly lamentable. All of this is being allowed to happen on the basis of an economy that is motoring along quite well, but which is essentially based on a housing bubble without the anticipation now and the decisions that need to be made today to ensure that we are investing in the new sources of productivity growth. It is just not happening.

Public investment in education as a share of gross domestic product in the last 10 years has fallen quite substantially. Even when you take into account private sector investment in education, which this government has required through its higher education policies to come in and take up the slack, total investment in education in Australia as a share of gross domestic product has fallen. Similarly, as I have pointed out, private sector investment in research and development has fallen. So the two major sources of productivity growth for the coming decades, for which we believe we have a responsibility, are heading south, and the government is doing nothing about it. It has brought in a designs bill. I respect the Designs Bill. We are supporting the Designs Bill. But the bad news is that this Designs Bill will not boost Australia’s productivity growth or tomorrow’s living standards to anywhere near the extent that we will have to.

If you combine the neglect and the lack of investment in the two major sources of productivity growth in this country with the demographic profile of Australia, you get a completely poisonous cocktail. Any examination of population growth and the ageing of the population reveals two realities: firstly, the ageing of the population in Australia is going to continue, at an accelerating rate; and, secondly, as a consequence, total population growth in this country will begin to slow. It has already started to slow down and it will follow the countries of Europe in doing so, as our population, like the populations of those countries, starts to become older. Women are having babies later and they are having fewer babies, so we are confronting declining fertility and the slowing of the population growth of Australia to the point where it is now forecast that, around the middle of the 2030s, Australia’s population will begin to fall.

We are a small country already. I do not think too many people would sign up to the outlook of a falling population in this country, but that is what is going to happen. Already the trends are so entrenched that it will not be possible to avoid that outcome. So, if we are going to deal with a falling population, there is only one other way of doing it: migration. If you have a look at the government’s attitude to migration, I will give you one more telling statistic: in the last year the net number of migrants coming to this country—that is, the migrants coming to Australia minus the Australians migrating overseas—was 40,000. Forty thousand migrants would not fill Suncorp Stadium in Queensland; they would not fill the Telstra Dome in Victoria. This is our migration policy: 40,000 people! Meanwhile, asylum seekers are being vilified so as to bring the whole migration program into disrepute and poison the minds of the Australian public. So we are confronted with a falling population, a government that is not committed to migration and therefore a very poor outlook from the year 2035 onwards.

The government might see short-term political benefit in this: preying on the fears of Australians about terrorism, deliberately confusing asylum seekers with terrorism and then poisoning the minds of the public about immigration in this country.

Mr Neville—Madam Deputy Speaker, I rise on a point of order. I understand the member is passionate about what he is talking about, but this has absolutely nothing to do with design.
Dr Emerson—I am speaking about innovation in this country and investment in new ideas and skills formation. The Designs Bill is a very small contribution to that. My point is that it is literally a drop in the ocean, and I am talking about the rest of the ocean. Nevertheless, I will not take too much more of the Main Committee’s time. I am simply pointing out in this forum—and in any other forum I can—that this country will certainly head into troubled waters from the year 2035 onwards because of the lack of investment in skills formation in this country and the lack of investment in innovation and in new ideas and because of this government’s blinkered approach—it is, in fact, a prejudiced approach—to population growth and immigration in this country. I am putting that on the record. But in relation to the drop in the ocean about which we are speaking today, I am pleased to confirm that Labor will support this legislation.

Mr Cameron Thompson (Blair) (11.48 a.m.)—The Australian Law Reform Commission reviewed the Australian industrial design system and found a number of inadequacies. They produced 188 different recommendations about the way we could set about making a system that would be simpler and more effective in administering people’s rights to design, their ideas and their IP—and the contribution that they are making—in order to maximise the return that they receive through their good design work. Naturally, this is an important part of the innovation quotient in Australia. It is something the government has been very interested in. The government has introduced its Backing Australia’s Ability innovation action plan and the Designs Bill 2003 forms an important part of it.

As I said, the Australian Law Reform Commission produced 188 different recommendations to make a system that would be simpler and more effective. The government, to its credit, has accepted the majority of those recommendations, and the bill now follows through to implement the government’s response. The existing system has become very tired. It has been in place since 1906, and it no longer provides an effective system of protection. Unfortunately, the way things are at present, it is very simple to register a design but quite difficult for the system to detect an infringement. This obviously creates a lot of difficulty, and the need to come up with a better system therefore arises.

The new bill provides for much more streamlined systems of registration. Stricter requirements will be applied to eligibility under the Designs Bill, and there will be stricter infringement processes. It provides for a system under which there will be better enforcement of people’s designs and their rights to protect them, and there will also be better dispute resolution. On the whole, this is a system that will be more cost effective, because, no matter how easy it is to register your design, if it is impossible to prove an infringement then that is not a cost-effective system.

We have innovators in this country, people who are producing excellent designs for a range of products. We have already talked about cars and the parts that go into them, but we could also talk about a chair or anything else that has a distinctive and marketable design. Australia desires to be a producer of good design, so it is important that we have a system to protect design skills. Under the new bill, the maximum registration term will be 10 years, and there are clearer definitions. A valid design registration will be harder to obtain, but once it has been obtained it will be much easier to enforce.
I was interested in what the member for Rankin had to say. As my colleague the member for Hinkler pointed out, there was not a lot in his kooky economic theories that had much to do with design in itself, but I can understand him being concerned, somewhere in the darker recesses of his mind, about problems relating to encouraging innovation. That is something that is very important. To pick up on a point that he made, bringing 40,000 people to Australia every year in order to advance our skills base has nothing to do with filling Suncorp Stadium. We do not bring 40,000 people here each year to take them to the footy. That is not what we are doing; we are trying to enhance the nation’s skills base. So, while the member for Rankin does seem to understand the need for an immigration policy and the need to advance the country’s skills base, he falls short with his confused idea that we are bringing them all here to send them to the footy. We are not. Things such as the Designs Bill are being put in place so that we can encourage and reward the skills of these migrants, as well as the skills of people who are already here in this country. We have among us some of the best designers in the world.

I would like to speak to some aspects of this legislation and to point out that there are two ways in which someone seeking to negotiate this process can proceed under the new bill. They can choose to either register or publish their design. If they register their design, that will allow them to establish a date at which the design was created. They will be able to enforce their exclusive rights, provided they have had the design examined and a certificate of examination has been issued.

On the other hand, publication means that the applicant will not get exclusive rights but they will prevent other people, interlopers, from coming along and encompassing some kind of exclusive right over that design—coming in on their coat-tails and seeking to benefit out of it. That publication will mean that all people will be able to use that design without infringing it. We see that principle applied in scientific discovery. You have a collaborative process under which scientists publish their works, and people are able to benefit from them. This is a system that encourages a similar kind of scheme to apply within the designs sphere, and I certainly endorse that. I think that people who follow that process of publication will be also assisting their fellow Australian designers in those areas able to benefit. This is likely to be a popular route to follow in, for example, the textile industry and other areas where designs are short lived.

Perhaps members might ponder for a moment that this design category is quite separate from the notion of a patent. We are not talking about the patents system. We are talking about a design system. These are not new inventions, they are new designs. Similarly, another category that exists is to do with trademarks. Each of those three areas has their own system of implementation. It is worthwhile and very appropriate that we are looking at the design phase at the moment, because it is notable that Australian design has really come of age in recent times. We have seen some incredible success stories. The very fact that we are now exporting these Monaros to the US highlights the fact that Australian designers, whether they be the ones who design the look of the entire car or the ones who design the look of the seats or any particular part of that vehicle, are really excelling at the moment. So to have an effective design system to protect the intellectual capacity that has gone into producing those products is very worthwhile.
One of the things that I would like to take up is the fact that the failure of the old system occurred because the courts would focus on individual differences between designs so that only a minor change to a registered design was sufficient for a court to find that there was not an infringement. I can recall a case that would highlight this. A while ago, during a Brisbane City Council election campaign, the incumbent administration was using the Brisbane City Council logo, which is probably a trademark, in their election material. As the existing administration, I think they felt they had the rights to that design or trademark. However, the opposition at the time, being a bit cheeky, decided ‘We can use this too. We will just have to make a little change here.’

The Brisbane City Council logo is a picture that looks like the town hall of Brisbane. It has a clock tower and a palm tree out the front. By just changing the number of the leaves on the palm tree and changing the hands on the clock, the opposition was successfully able to avoid any trademark or design infringement on that particular design. So, to the chagrin of the administration at the time, these opposition documents went out with what appeared to be the logo of the Brisbane City Council on them. People naturally took that to be the case and away that went across the system. That may or may not have been the design, but it illustrates exactly the point that is being taken up here. What courts will be asked to do under this new legislation is to consider the similarities between the designs, not those kinds of minor differences. They will be looking at the overall appearance, not the individual differences—like how many leaves are on that palm tree in that particular design. The issue will be what the overall impression is.

The legislation asks that courts, or anyone looking at whether or not there is an infringement, examine whether there is substantial similarity in the overall impression that is created. We have to ask whether a person who would be the target audience looking at that particular thing would get that substantial similarity in the impression of the design that they were looking at. So you can see there one of the important changes that we are picking up on in this legislation. I thought that was a very good way of illustrating a good, solid improvement. If the target audience is being fooled into thinking that it is actually a particular design, you want the legislation to be able to pick that up. You want the design protection to be effective. You cannot have some kind of quibbling little change being made and then the situation of being able to opt out of the entire system. What we are looking at here is a real step forward.

I would like to speak for a moment on the spare parts industry. What we are engaging in here, in providing this new legislation, is seeking a balance between what is in the private interest of the designer and what is in the public interest of the community. When it comes to the question of spare parts, an important consideration arises. Everyone knows that, if you set out to build yourself a new Mitsubishi Magna, a new Holden Commodore or a new Peugeot out of spare parts, you are going to be paying 10, 11 or 20 times more for that vehicle than its actual purchase price. The cost of spare parts is always significantly inflated when compared to the cost of buying those parts as part of a whole vehicle. It is important in our community to try to keep prices low and to ensure that the cost of spare parts does not blow out inordinately.

By excluding spare parts in the way this legislation does, the government is concerned to ensure that there is effective competition in the spare parts market. We want to have lower prices for consumers. We do not want to have the design legislation being exploited in any
way that might overinflate the cost of spare parts and come at a real cost to the community. It is in the community’s interest to have those prices low and to have that kind of equipment available readily and at a reasonable price. If, for example, the design rules were to provide too much protection in this regard, you could wind up with some of the established manufacturers having undue market power. That is something that comes into the question of balance—that is, you want to ensure a low price and you want to protect the rights of those manufacturers but you do not want them having undue market power. It is important that people seeking to repair or restore complex products to their original appearance—whether it be repairing your car, your washing machine, your refrigerator or whatever—are able to do that in an effective manner and in a way that is not overly expensive.

I am very pleased to see these changes. I think questions such as these should be reviewed again and again by governments. With the change in technologies not only in the area of design but also in trademarks and patents there are always steps being taken by people to get around legislation and to find ways of picking up on other people’s ideas that you might call sharp practice. Governments need to be aware of what is going on out there in the marketplace so that we are able to ensure that we are not overly facilitating the pirating of people’s ideas, to ensure that the balancing act continues, to ensure that the community interest is being protected and to ensure that the community’s opportunity to receive goods at a low and competitive price is being protected. It is important that constant reviews of these three areas go on. We need to look at what people are doing, at what competitors are doing and at what steps are being taken in each of those areas and ensure that the balance is maintained. This bill is long overdue—from 1906 to now is a long time to wait for change in design rules. We have achieved a very good outcome, and I commend the parliamentary secretary and the government for the work they have done on this issue.

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (12.05 p.m.)—in reply—In summing up the second reading debate on the Designs Bill 2002, I would like to thank both of the honourable members who contributed to it. I was pleased to hear the member for Rankin state Labor’s commitment to support the bill as well as his comments relating to the Senate committee’s consideration of the controversial parts of the bill and its resolution that there was, in fact, an appropriate balance. My good friend and colleague the member for Blair noted the inherent commonsense and fairness of the system that we are introducing. He also noted—and rightfully so—that Australia’s design capability is certainly world class and effective protection is given through this bill. He mentioned the timely nature of this bill because, as he said, the old system is quite old and it certainly is no longer working properly. I also noted his comments in relation to community interest in maintaining fair and reasonable pricing on our motor vehicle spare parts. It is, as he rightfully said, important that we prevent dominant manufacturers from being able to have market dominance in relation to pricing. I also note the honourable member’s urging for a process to have a more timely review in this area and I certainly concur with that.

The reform of the designs legislation is one of the government’s initiatives to strengthen Australia’s intellectual property system under the Backing Australia’s Ability innovation action plan. The Australian Law Reform Commission reviewed the existing system, which has been in place since 1906, as the member for Blair rightfully said. It found that the system no
longer provides effective protection, design registration is too easy to obtain and infringement is too difficult to prove.

This bill implements the new design registration system that will be simpler and faster and will provide more effective protection for Australia’s designers. Key features of the new system include a streamlined registration process, stricter eligibility and infringement tests, better enforcement and dispute resolution procedures, a maximum registration term of 10 years and clearer definitions. The streamlined registration process will allow for quick and simple registration of designs. The changes to the eligibility and infringement tests will mean that a valid design registration will be harder to obtain but, once obtained, will be easier to enforce.

In drafting the bill, we have conducted an extensive and wide-ranging consultation process which has included consumers, industry and IP professionals. As a result of this extensive consultation, I am confident that users and designers will welcome this new system. It will be more cost-effective and responsive to their needs and it will better protect designers’ creations from copying. The new designs registration system will encourage innovation by striking the appropriate balance between public and private interests.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (12.09 p.m.)—by leave—I present the supplementary explanatory memorandum to the bill and move government amendments (1) to (13) together:

(1) Clause 15, page 14 (line 10), after “published”, insert “in a document”.

(2) Clause 15, page 14 (lines 11 to 16), omit paragraph (c), substitute:

(c) designs in relation to which each of the following criteria is satisfied:

(i) the design is disclosed in a design application;

(ii) the design has an earlier priority date than the designated design;

(iii) the first time documents disclosing the design are made available for public inspection under section 60 is on or after the priority date of the designated design.

(3) Clause 15, page 14 (after line 16), at the end of the clause, add:

Note: For document, see section 25 of the Acts Interpretation Act 1901.

(4) Clause 33, page 27 (line 23), omit “(b)”, substitute “(a)”.

(5) Clause 51, page 39 (lines 5 and 6), omit subclause (1), substitute:

(1) A person may apply to the Registrar for revocation under section 52 of the registration of a design.

(6) Clause 52, page 39 (lines 11 and 12), omit subclause (1), substitute:

(1) This section applies if a person makes an application under section 51 for revocation of the registration of a design.

(7) Clause 63, page 48 (lines 21 to 26), omit paragraphs (a) and (b), substitute:

(a) does not include a design whose registration has ceased because of the operation of subsection 48(1); and
(b) does not include a design whose registration has been revoked, unless a declaration of the entitled persons has been made under section 52, 53 or 54 in relation to the design.

(8) Clause 72, page 57 (line 18), omit “appearance”, substitute “impression”.

(9) Clause 99, page 73 (line 3), omit “Act”, substitute “section”.

(10) Clause 99, page 73 (line 7), omit “Act”, substitute “section”.

(11) Heading to Part 2, page 103 (line 2), omit the heading, substitute:

\[ \text{PART 2—TRANSITIONAL AND SAVING PROVISIONS} \]

(12) Page 107 (after line 28), after clause 160, insert:

\[ 160A \ \text{Approvals under subsection 40A(6) of old Act} \]

An approval that was in force under subsection 40A(6) of the old Act immediately before the commencing day has effect on and after that day as if it were an approval under subsection 99(2) of this Act.

(13) Clause 161, page 108 (line 1), omit “Act”, substitute “section”.

Question agreed to.

Bill, as amended, agreed to.

Ordered that the bill be reported to the House with amendments.

DESIGNS (CONSEQUENTIAL AMENDMENTS) BILL 2002

Second Reading

Debate resumed from 11 December 2002, on motion by Mr Entsch:

That this bill be now read a second time.

Mr Entsch (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (12.10 p.m.)—The amendments made by the Designs (Consequential Amendments) Bill 2002 are essential to ensure the new designs system is implemented properly. There are many other acts that refer to the designs legislation or the designs system, so these references need to be revised in light of the changes that will be made by the introduction of the new designs system. Of particular importance is the fact that the amendments in this bill to the Copyright Act 1968 will improve the operation of provisions that limit the overlap between designs and copyright protection.

Question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr Entsch (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (12.11 p.m.)—by leave—I present the supplementary explanatory memorandum to the bill and move government amendments (1) to (4) together:

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

\[ 160A \ \text{Approvals under subsection 40A(6) of old Act} \]

An approval that was in force under subsection 40A(6) of the old Act immediately before the commencing day has effect on and after that day as if it were an approval under subsection 99(2) of this Act.

(2) Schedule 1, page 3 (after line 22), after item 4, insert:

\[ 4A \ \text{Section 76} \]

Repeal the section, substitute:
76 False registration of industrial designs under the Designs Act 2002

(1) This section applies if:
(a) proceedings (copyright proceedings) are brought under this Act in relation to an artistic work in which copyright subsists; and
(b) a corresponding design was registered under the Designs Act 2002; and
(c) the exclusive right in the design had not expired by effluxion of time before the copyright proceedings began; and
(d) it is established in the copyright proceedings that:
(i) none of the persons who are registered owners of the registered design are entitled persons in relation to the design; and
(ii) none of those persons were registered with the knowledge of the owner of the copyright in the artistic work.

(2) Subject to subsection (3), for the purposes of the copyright proceedings:
(a) the design is taken never to have been registered under the Designs Act 2002; and
(b) section 75 does not apply in relation to anything done in respect of the design; and
(c) nothing in the Designs Act 2002 constitutes a defence.

(3) Ignore subsection (2) if it is established in the copyright proceedings that the act to which the proceedings relate was done:
(a) by an assignee of, or under a licence granted by, the registered owner of the registered design; and
(b) in good faith relying on the registration and without notice of any proceedings (whether or not before a court) to revoke the registration or to rectify the entry in the Register of Designs in relation to the design.

(3) Schedule 1, page 6 (after line 6), at the end of the Schedule, add:

Part 2—Application provisions

15 Application of amendments of section 74—definition of corresponding design

The amendments of section 74 of the Copyright Act 1968 made by items 2 and 3 of this Schedule apply as follows:
(a) for the purposes of section 75 of the Copyright Act 1968—in the same circumstances as the amendment made by item 4 of this Schedule applies;
(b) for the purposes of section 76 of the Copyright Act 1968—in the same circumstances as the amendment made by item 4A of this Schedule applies;
(c) for the purposes of section 77 of the Copyright Act 1968—in the same circumstances as the amendments of section 77 made by items 5 to 13 of this Schedule apply;
(d) for the purposes of section 77A of the Copyright Act 1968—in the same circumstances as that section applies.

16 Application of amendment of section 75

The amendment made by item 4 of this Schedule applies to reproductions that are made on or after the commencing day.

17 Application of amendment of section 76

(1) Section 76 of the Copyright Act 1968 as amended by item 4A of this Schedule applies in relation to proceedings brought under that Act on or after the commencing day, where the corresponding design has been registered under the Designs Act 2002.

MAIN COMMITTEE
(2) When determining whether a design has been registered under the *Designs Act 2002* for the purposes of subitem (1), ignore section 151 of that Act.

18 Application of amendments of section 77

Amendments made by item 5

(1) Paragraph 77(1)(b) of the *Copyright Act 1968* as amended by item 5 of this Schedule applies to articles and products to which a corresponding design has been applied industrially that are sold, let for hire or offered or exposed for sale or hire on or after the commencing day. However, this subitem does not affect the operation of paragraph 77(1)(b) of the *Copyright Act 1968* as in force immediately before the commencing day.

(2) Paragraph 77(1)(c) of the *Copyright Act 1968* as amended by item 5 of this Schedule applies to products to which a corresponding design has been applied industrially that are sold, let for hire or offered or exposed for sale or hire on or after the commencing day.

Amendments made by items 6 to 13

(3) The amendments made by items 6 to 13 of this Schedule apply to:

(a) products to which a corresponding design has been applied industrially that are sold, let for hire or offered or exposed for sale or hire on or after the commencing day; and

(b) complete specifications or representations that are first published in Australia on or after the commencing day.

19 Application of section 77A

Section 77A of the *Copyright Act 1968* applies to reproductions that are made on or after the commencing day.

20 Definition

In this Part:

*commencing day* means the day on which this item commences.

(4) Schedule 2, page 9 (after line 5), after item 16, insert:

**Scout Association Act 1924**

16A Section 3

Omit "Designs Act 1906-1912", substitute "Designs Act 2002".

Question agreed to.

Bill, as amended, agreed to.

Ordered that the bill be reported to the House with amendments.

**BUSINESS**

**Rearrangement**

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (12.12 p.m.)—I move:

That consideration of government business order of the day No.7, Workplace Relations Amendment (Choice in Award Coverage) Bill 2002, be postponed to the next day of sitting.

Question agreed to.

**MINISTERIAL STATEMENTS**

**Constitutional Reform: Senate Powers**

Debate resumed from 25 November, on motion by Mr Abbott:
That the House take note of the following paper:
Resolving Deadlocks: A discussion paper on section 57 of the Australian Constitution

Mr BRENDAN O’CONNOR (Burke) (12.13 p.m.)—I rise to contribute to the debate on the possible alteration to section 57 of the Australian Constitution that goes to the reform of the Senate. It may be a surprise to some in this place or elsewhere to know that the ALP had a policy of abolishing the second chamber—the upper house or Senate—from 1919 up until 1979. However, if one were to see why that came to be the case, that policy would be understandable.

In the 1919 election the ALP got 42 per cent of the vote but only returned one member to the Senate. Conversely, the Nationalists got 45 per cent of the vote and returned 17 members to fill 17 of the 18 seats. So, just after World War I, in the first election held, there was clearly a malapportionment of votes, skewing the vote very unfavourably against those the nation wanted to see comprising the Senate. The consequent Labor suspicion of the Senate was deep seated, and it was something that was felt for some time by the Labor Party. However, it did wax and wane during that period. Indeed, throughout that time Labor senators and the Labor Party generally looked to reform the Senate to ensure that it properly and effectively achieved the purpose for which it was intended—the review of legislation.

Of course, many people today who have suspicions about the Senate hold those views as a result of the events of 1975. I was a pupil in secondary school when the then Prime Minister, Gough Whitlam, was dismissed by the Governor-General as a result of the supply bills being blocked by the Senate. As everyone who is a student of history would know, that blocking of supply was unprecedented—in the federal sphere at least—in Australia’s history, and it occurred as a result of the conservative parties breaking with convention when the state governments of Queensland and New South Wales filled Senate vacancies, filling them not with people from the political parties of those who had departed the Senate but with people of the other political persuasion. That led to the deadlocking and the obstruction and ultimately precipitated the fall of the Whitlam government in 1975. So of course many people throughout the country are suspicious about the way in which the Senate can operate when using its ultimate power. I do believe that, whilst that has fallen from the radar, it has certainly not entirely left the national psyche.

It is also important to note that a former Liberal minister, Senator Fred Chaney, who was the opposition whip in 1975, wrote a few years ago:
... I saw at close quarters the ultimate exercise of Senate authority when it denied the Whitlam government supply. It did this on the basis of a fiddled blocking majority produced by the shenanigans of the state governments in New South Wales and Queensland.

Nevertheless, this:
... did not deter the conservative forces of 1975 from the view that the Senate had a right, not only to amend government legislation, but to bring a government down.

That is from the mouth of a former Liberal minister who, quite honestly after departing active parliamentary politics, explained the nature of the born-to-rule attitude of the conservatives at the time and their intention to do anything, improper or otherwise, to bring down a democratically elected government.
That has of course had a bearing upon these discussions, because those events are recent history. Not only did the obstruction of the budget bills, and finally the blocking of supply, precipitate the downfall of a Labor government elected by the people twice in three years, it also enabled the current Prime Minister to become a beneficiary of the downfall. As we know, on 13 December 1975 the then Fraser opposition won office. They held government until 1983. It should therefore be noted that the current Prime Minister was a major beneficiary of what was one of the greatest assaults on Australian democracy we know of, because he became a Treasurer in that government born out of undemocratic processes. He was a do-nothing Treasurer, as we know. He did nothing in that time, and we had to wait until 1983 before the macroeconomic changes required for this country were undertaken by the Hawke governments and, later, by the Keating governments. Whilst John Howard was a beneficiary for seven years, I do not think anyone remembers a thing that he did in those seven years as Treasurer in the Fraser government.

I think it is important that we place all of that on the record in the context of this debate. There is no doubt that, because of the way in which the government’s party acted less than 30 years ago and the fact that the current Prime Minister was one of the major beneficiaries of the most undemocratic assault upon democracy, we are, understandably, somewhat suspicious of the Prime Minister now looking to change the nature of the Senate because he believes it is obstructionist. There is some irony in the Prime Minister arguing obstructionism when he was the beneficiary of the greatest obstruction of all by the Senate.

Nonetheless, there are some significant proposals being put forward. I share the view of the Leader of the Opposition and others—including the Leader of the Opposition in the Senate, Senator Faulkner—that there are opportunities to be had in this discussion. If the government are genuine about bringing about significant change then I think the Labor Party will certainly be willing to engage. If we can set aside the scepticism we may have about the Prime Minister’s intentions and assume for a moment—however difficult that is—that his intentions are honest and in good faith then I think we have to look seriously at those models that have been bandied about recently in public.

As people would know, there have been three models broadly referred to. Whilst they have been referred to, they are rather blurred and the details are far from clear. I want to talk now about the three models proposed. Firstly, there is the Howard proposal, which is said to be based on the report of the joint committee on constitutional review. Under this model there would be a choice of methods: a double dissolution with the option of a joint sitting, which is what currently occurs; or a joint sitting only, where an absolute majority of the total parliament would be needed plus at least half the members and senators in at least half of the states. Interestingly, the second part of that second point—that is, that there would have to be at least half the members and senators in at least half of the states—was not included in the discussion paper Resolving deadlocks: a discussion paper on possible changes to section 57 of the Australian Constitution. This would seem to add an unnecessary complication, particularly as we now have the extra MPs and senators from the territories. If a joint sitting were available to a prime minister without an election, it would enable governments with a comfortable House majority to bypass the Senate whenever they chose. That is certainly my main concern with the Howard proposal. I think the Prime Minister has already walked away from his initial position, given the concerns raised, and I must say that he did so in good faith.
One of the reasons that the Prime Minister has equivocated on this matter is what has been called the Lavarch model. Michael Lavarch, the former Labor Attorney-General, had put together a model that is somewhat different. Under his model, the process would be: the rejection of a bill for a first time, the rejection of a bill for a second time, an election—a normal election not a double dissolution—followed by a joint sitting. What are the implications of this proposal? If this is the proposal—and I say that because there is some blurring of the details—then the holding of a House election with a half-Senate election, rather than a double dissolution election, would reduce the chances of minor parties making significant inroads into the Senate, as is likely at a double dissolution. However, others have argued that the Lavarch model includes fixed four-year terms and a vote on leftover legislation by a joint sitting as the first activity of a new parliament. I think they are the most critical points of the Lavarch model—that is, that there be an argument put forward on why there should be fixed four-year terms in the Senate and indeed that legislation that has been blocked twice would be heard only after a general election by a joint sitting as the first activity of the new parliament. I think there is certainly a lot of merit in what the former Labor Attorney-General says in relation to those proposals.

There has been another proposal put—I think it was referred to as the Robb model—on the rejection of bills seeking to implement policy that was part of the election platform. Indeed, with this model, if bills were rejected again, the government could nominate such bills for a joint sitting, have a normal election and the joint sitting could be held only after the election. The implications of this model would be that there would be a major change. It would introduce a similar system or idea to one that occurs in Britain—the idea of an election manifesto that has a special status in parliament after an election. It could be argued that, whilst this is a significant shift from the current arrangements, it certainly would provide more transparency in parliamentary government relations and it would perhaps provide greater accountability to the electorate because it would set down those things that would be passed in the event that that political party formed government subsequent to a general election.

There are a number of models out there. I am coming to the view—and I know it is shared by members of the Labor Party caucus—that there is a need for significant reform of the Senate. But it cannot be just fiddling around the edges; it has to be something that provides for proper reform. The introduction of fixed four-year terms would certainly be a preferable thing, as would ensuring that, if there were to be joint sittings, legislation that would be put to that joint sitting would have already had to have been rejected at least twice before the general election, pursuant to the Lavarch model.

Against the backdrop of Senate history and how the Labor Party perceives the way in which the Senate has operated at its worst, I think there is a need to consider the removal from the Constitution of the right of the Senate to block supply. Every political party has amended or blocked budget bills. Only the Liberal and National party coalition have blocked supply in this country, precipitating the downfall of an elected government. That should never happen again—to any political party in government. It should never happen again in this country. It brings our democracy into disrepute. If we are going to have a fair dinkum debate on this—if the Prime Minister is not just playing games and has changed and reformed his views—we should embrace this debate and support those elements so that there can be genuine reform of the Senate.
Mr MURPHY (Lowe) (12.28 p.m.)—I wish to raise a number of issues of fundamental importance regarding any proposal to amend section 57 of the Commonwealth of Australia Constitution. I refer to the Prime Minister’s published text on this issue, Resolving deadlocks: A discussion paper on section 57 of the Australian Constitution. In this text, the Prime Minister notes at page 5 that the Australian Constitution has served Australia well, but then notes that the Constitution is not immutable. The Prime Minister cites amendments to the proportional representation amendments of 1948 and 1949 and the fostering of development of minor parties as a trigger for his proposed amendments. The Prime Minister cites the 1983 increase in the number of senators and the half-Senate election procedure currently in place. The reason that the Prime Minister has introduced this debate is found at page 7 of his text, which says:

The experience of the last century in which section 57 has been invoked only six times ... indicates that section 57 in its current form is not a workable means of resolving deadlocks.

With respect, I believe that the Prime Minister has failed to grasp the fundamental purpose of section 57 of the Australian Constitution. What is that purpose? I refer to P.J. Hanks in his text Australian Constitutional Law Materials and Commentary, fourth edition, at chapter 3. Our present legislative process, when functioning normally, is called the standard legislative procedure. Hanks, at paragraph 3.019, notes that section 57 affords the legislature a variation to that standard legislative procedure. He states:

... s. 57 ... provides for the enactment of legislation despite the opposition of the Senate.

Hanks further notes that the purpose of this provision was the insistence of the larger states of Victoria and New South Wales on not being in a minority in the Senate. Standard legal procedure may overcome such deadlocks in the following ways: (1) via alternative procedures, (2) via prescribed restrictive procedures, (3) via financial legislation—known as special procedures—and (4) via judicial review of legislative procedure. For reasons which I will identify, section 57 is a statutory remedy to overcome a deadlock. Section 57 is not therefore part of the problem but a provision which seeks to cure a deadlock once a problem has occurred.

So where does the problem lie? I submit that the problem lies in the equality powers of the Senate in section 53. If the Prime Minister would come clean on the matter, he would admit that he wishes to emasculate the powers of the Senate by repealing the equality provisions of section 53, thus effectively eliminating the bicameral Commonwealth structure in favour of a unicameral legislature with the executive effectively ruling with impunity—one more step towards dictatorship and unaccountability.

The Prime Minister’s insistence that the minor parties now dominate the Senate and block supply is in sharp hypocritical contrast with the fact that Labor policy discussion paper No. 14, entitled ‘Constitutional Reform and the Resolution of Parliamentary Deadlock’, notes:

... from 1972 to 1975, the Coalition-controlled Senate rejected a record 93—

Labor—

Government bills, 25 more than the total number of rejections in the first 71 years of the Senate’s history.

The PM himself has form regarding a number of these rejections since 1974 because, as we know, that was the year he was elected to federal parliament—and we all know what happened in November 1975 and in the December 1975 election, when Prime Minister Fraser
was elected and Mr Howard subsequently went on to become the Treasurer of this nation. The Prime Minister should be aware of history; we understand that he is an aficionado in that area, but he is selective in ignoring his contribution to this particular problem.

This is yet another ploy by the Prime Minister to obfuscate debate on the aggregate parliamentary process by recourse to amendment of section 57 alone without having a holistic review of the operation of that provision. In chapter 1 of his paper, to which I have referred, he suggests that the solution to the Senate blocking supply is via amendment to section 57. At page 11, the Prime Minister does note that it is, in fact, section 53 that gives the Senate equal power with the House of Representatives in respect of all proposed laws. Hanks notes:

Section 57 of the Constitution provides a mechanism by which that obstruction can be circumvented— although the complexity of that procedure is an indication of the reluctance with which the smaller colonies gave ground during the draft conventions.

Perhaps the most sobering advice the Prime Minister can take on his apparent misunderstanding of the existence and purpose of section 57 is to found in the ratio decidendi of Stephen J. in Western Australia v. Commonwealth (1975) 134 CLR 201. It states:

In prescribing condition for the exercise of the power which it confers, s. 57 directs attention to the legislative history of a measure, not with a view to its translation from Bill into a centred Act but rather to identify a situation of legislative deadlock which its machinery is designed to resolve. It looks, as a matter of record, to the history of that measure in the past; no rue as to the consequences of prorogation can alter that record as historical fact, and it is only with that fact that s. 57 is concerned.

So, in short, if it is the intention of the Prime Minister to overcome legislative deadlock, the statutory remedy afforded under section 57 is not the way to go about it. Hanks notes that the:

... section 57 procedure has now been exploited only six times, although only once (in 1974) has it been pushed through to its final stages ...

Therefore, I put to this committee that there is no respite to be found in amending section 57 if it is the intention to reduce or eliminate the power of the Senate to block supply. Rather, the Prime Minister is kicking the cat in approaching section 57, which affords one of the few statutory respites against the prevailing Senate powers.

The solution, I am afraid to say, is more complex than a simple review of section 57. Nor will the elimination of Senate power to block supply solve the problem, for this will cause more destabilising influences in the current complex battle of powers between the bicameral structure and the complex power relationships between the legislature, executive and judiciary. I therefore bring to the parliament’s attention the need for a comprehensive review of the legislative framework to be commenced and I fully endorse the comments of the Leader of the Opposition, the Hon. Simon Crean, who said in his statement on 8 October 2003 that a joint selection committee should be appointed.

As I have noted repeatedly about the conduct of this 40th parliament, and the 38th and 39th, this government is fixated on a de minimus, quick fix and reductionist methodology. Like removing one card from the card house and the whole house will come down, amend section 57 alone or with a few amendments—and not consider carefully the constitutional impacts on the fundamental shifts and the separation of powers doctrine—and there will be more problems created than the Prime Minister’s references to the amendments of 1948, 1949 and 1983. The Prime Minister will go down in history as making the Constitution even more unworkable than the problem he claims needs fixing now. He will create more problems in the
operation of the Constitution than he will solve. Against this background, I support Simon Crean and his call for a joint select committee on this most vital issue.

In terms of the Prime Minister’s opportunities to call an election when it suits him, it is also farcical that we are faced with the real prospect of a double dissolution because of the mounting legislation in the Senate as we speak. I do not think there are too many of us on this side of the House who do not believe we are looking down the barrel of a double dissolution election next year, particularly with very important areas such as the full privatisation of Telstra and the changes to our media laws through the Broadcasting Services Amendment (Media Ownership) Bill to be debated. I understand this bill is coming back to the House of Representatives on Thursday. In my view, it is a very cynical attempt by the Prime Minister to curry favour with Australia’s two biggest media proprietors and for him to be re-elected for a fourth term. You can be sure that with the present composition of the Senate, that particular bill—and the full privatisation of Telstra—will have no chance of succeeding. Hence we are looking at the prospect of a double dissolution election. What does that say for democracy?

On the one hand we know that the Prime Minister does not want to have a double dissolution election, because he realises the composition of the Senate will be even more hostile next year. He cannot call a double dissolution election after 12 August, because that would be less than six months before the anniversary of the first sitting day of this parliament. We can all reasonably expect that he will probably call a double dissolution election some time in the second half of next year and we are probably looking at an election some time around 18 September.

It is absurd that we have this situation and that this is allowed under our Constitution. There is a need for reform, but not because the Prime Minister wants to take charge of when a federal election can be held. This is very cynical and people should be made aware of the real agenda. Conceivably we could have a normal general election as late as March or April 2005, but we do not know that. There is even the prospect that he could call a double dissolution election early next year. This might be the second last sitting week of this parliament. Who knows?

It is all that uncertainty and the constant speculation about the timing of the election that makes it even more necessary to enshrine four-year parliamentary terms in our Constitution, through a referendum. It works very well in New South Wales. It saves the taxpayer a considerable amount of money and it gives the government of the day an opportunity to implement the policy platform they went to the election on. The current situation is that, once 18 months to two years has elapsed in the life of a parliament, there is constant speculation about when the next federal election is going to be held. That cannot be good for democracy.

I want to state what I have said many times in the House about the seriousness of calling a double dissolution election—and what I believe could potentially be a most cynical double dissolution election, where the Prime Minister would expect editorial support from the major commercial media players in Australia by promising Mr Packer that he would get Fairfax and promising Mr Murdoch that he would get a television network. You have only got to understand the incredible amount of power and influence that the Packer and Murdoch families exercise over both sides of politics in this country to know that it is not in the public interest to allow such a situation. In the present environment and the ordinary cycle of general elec-
tions, there is no way the Senate would allow the media ownership bill to get through the
Senate and thrash our democracy, as is proposed by the Prime Minister.

I would hope that the government has a really hard look at that bill. Amendments to the bill
were moved in the Senate, particularly by Senator Harradine, which would have freed up the
so-called constrictions on media proprietors. But because Senator Harradine made it quite
plain in his amendment that it would not allow Mr Packer to buy Fairfax and Mr Murdoch to
buy a television network, not surprisingly those amendments were defeated. I think that is
shocking, because there is form on both sides of the parliament in relation to giving media
proprietors what they want at the expense of the public interest and the future of our democ-

cracy. I think it is a most serious piece of legislation and something that must be defeated. Even
if the Prime Minister does get his way and we do have a double dissolution election, I would
hope that the Senate is hostile and that the numbers will be there in a joint sitting of parlia-
ment to defeat that bill. That legislation, more than any legislation before the House at the
moment, has grave consequences for the public interest and the future of our democracy. I
will not stop speaking out on that legislation. I have nothing personal against Mr Packer or Mr
Murdoch in terms of their contributions to this country, but to allow media ownership to con-
centrate in Australia is a very serious matter. (Time expired)

Mr PRICE (Chifley) (12.43 p.m.)—I would like to express my thanks to the Prime Minis-
ter for allowing other members of parliament to debate these proposed changes to section 57
of the Constitution. I might also say that my colleague the member for Greenway was kind
enough to relieve me in the House and thus afford me the opportunity to at least participate in
this debate. I think it would have been unfortunate had I not been able to participate.

Mr Deputy Speaker, both you and I served on a joint select committee looking at changes
to the Constitution in relation to the head of state. Even though I think it is fair to say we may
not have shared a common view, I think we both agreed that the process of getting out there
and trying to access the views and concerns of the public was right. I would argue that insuffi-
cient attention was drawn to that in the propositions that were finally put to the people. But I
certainly stand here as a member who is concerned about constitutional reform and parlia-
mentary reform.

Ordinarily I would not reflect on a contribution by the honourable member for Calare, for
whom I have a great regard and with whom I often agree. However, it is wrong to suggest that
the only people interested in parliamentary or constitutional reform are either Independents or
minor party candidates. There are people of goodwill on both sides interested in improving
this place. As far as the Labor Party is concerned, we have a more than adequate record of
wanting to reform the place. I recall that, with support of all parties, we instituted the Main
Committee in the last Labor government and it has since proved itself. Indeed, it is being fol-
lowed elsewhere and it has certainly helped stop bills being guillotined.

But as to these two options, I find it somewhat ironic that they are being proposed, because
the Whitlam government was subjected to an extraordinary number of bills being rejected in
its short three years of government. In fact, more bills got rejected in the Senate in those three
years than the total number of bills rejected in the previous 71 years of our parliament. Be-
tween 1972 and 1975, the opposition rejected a record 93 government bills—25 more than the
total rejected in the previous 71 years. During the period of John Howard’s government 1,269
bills have been passed by the Senate—with or without amendment—and only 25 bills have
been negatived in the Senate: seven have been rejected twice, 11 have been laid aside by the government and four have been laid aside twice. What has happened in six-plus years of this government is a huge contrast to what happened in the three years of the Whitlam Labor government.

But where does the opposition stand in relation to these proposals? Fundamentally the Labor Party’s position has been that governments should, by and large, be allowed to govern. The very nature of the Senate changed in 1949 when proportional representation—authored by Arthur Calwell—was introduced. That had the effect of changing the numbers in the Senate over time to the point now where it is quite unlikely—although it may happen—that any future government will get a majority in the Senate. The Labor Party principally is concerned with that issue. The Leader of the Opposition has said that we are willing to entertain these propositions subject to a fixed four-year term and the constitutional removal of the power to reject supply that the Senate has—but has exercised only once.

A number of speakers in this debate have referred to supply. Ironically, now that the budget has been brought forward to May from August, there are no supply bills going forward later in the year. The issue is one of principle rather than one of reality because of the budget having been brought forward to May.

The member for Lowe commented on New South Wales and the fixed four-year term. I, like a lot of people, was very sceptical about the introduction of a fixed four-year term in New South Wales, but I have to say my scepticism has been removed. I think it has worked very well. There will always be swings and roundabouts, as is the case with elections, but I do not see that either major party in New South Wales will move to change fixed four-year terms. In fact, we have fixed four-year terms for local government too. It is now well and truly entrenched as part of the furniture. I do not think there will be any change there. Victoria has also moved now for fixed four-year terms both for local government and the state house.

In relation to proposals to have a fixed four-year term for the Senate, I have a slightly different view. You may remember—I think it was in 1987—that the constitutional reform put up by the Hawke government proposed a fixed four-year term. It also proposed some radical things like freedom of religion, and states being required to offer fair compensation for resumed land. These proposals were opposed by the Liberal Party, and the then member for Flinders, Peter Reith, made his reputation by and large by opposing them.

However, I was always of the view that to get a fixed four-year term for the House, having an eight-year term for the Senate was a small price to pay. Lionel Bowen was the Attorney-General at the time. At the time—you would recall this, Mr Deputy Speaker Causerly—the upper house in New South Wales had 12-year terms, so it was nothing radical. I can live with the proposition of having general elections for all the members of the House of Representatives and half the Senate. I think you do get a sufficient refreshing of contemporary sentiment amongst the population to make it a viable proposition.

We will not get any constitutional reform unless both major parties bite the bullet and support it. I must say that I am strongly in favour. We are increasingly becoming an anachronism in having a three-year term and, on average, going to the people every 2½ years. I have great difficulty with the first of the two proposals, which is that after a bill has been rejected twice by the Senate there should be a joint sitting. I much more favour option 2, which is that a bill must be rejected twice in one parliament and again in the subsequent parliament to provide a
joint sitting. This is a reasonable way around some of the existing problems. I would argue for
the retention of the current provisions of double dissolutions. It may be the case that a gov-
ernment feels so strongly that it wants to take all of the Senate out by way of a double dissolu-
tion, although increasingly there are costs to pay in relation to that.

The Prime Minister has not always had a view of the Senate as being, as he said recently, ‘a
house of obstruction’. In fact, on previous occasions he has been very supportive of the pow-
ers of the Senate to delay and reject legislation. In fact, there is more in the Hansard about his
views about the importance of the Senate as a house of review and the importance of being
able to delay and amend and change legislation and indeed obstruct legislation than there is of
his more current view. But we should try and put those sorts of things aside.

We should look at what the challenge is for moving forward with the Constitution. I sin-
cerely hope that the government will move forward. The Labor Party have insisted on a cou-
ple of things. I sincerely hope that they can be accommodated so that when we do move for-
ward and take a proposition to the people we do it with both the major parties agreeing rather
than disagreeing.

To sum up, I welcome the opportunity to make a small contribution to this debate. I again
thank the Prime Minister for allowing it. I must say that I am rather surprised at the small
number of members who took the opportunity to speak, but maybe we are trying to do too
much too quickly, particularly at this time of the year.

Mr Ripoll (Oxley) (12.55 p.m.)—It certainly is a privilege for me to speak on this par-
ticular provision under section 57 of the Constitution. In the few minutes that I have, I want to
put some comments on the public record. In my view, the Senate plays an extremely impor-
tant role, and one which should not be diminished by the government of the day. We would
then find that the government of the day would, when it suits them, find that the Senate is ex-
tremely beneficial to them and can work in their favour. However, it can go both ways. The
reality is that, over the many years since Federation, the Senate has been a hindrance to some
governments and has provided opportunities for others.

The view that Prime Minister Howard and this government have is that, because they are
currently frustrated by the non-passage of legislation through the Senate, they should reform,
review and completely change the system of democracy that we have in this country. I do not
believe that the community actually believe that. I think they understand it very clearly. They
see it purely as the government being frustrated and trying to get its own way, beyond that for
which the government was elected—the so-called mandate which John Howard talks about.

Talking about a mandate, the Senate has a mandate. People did know what they were doing
when they elected people to the Senate. They elected minor parties, Independents and a bevy
of individuals separate to and quite distinct from those in the House of Representatives. When
the community votes, they understand the important role that the Senate plays in terms of its
charter as the house of review.

There is no doubt that bad bills proposed by this government have been either amended or
rejected by the Senate. There is no doubt about that; I do not argue about that for a moment.
But I actually think that is a good thing. Not only does it keep a government honest but it also
makes a government think about the legislation that it has before the parliament. Often, in
their excitement, exuberance and enthusiasm to get things done, governments rush into the
parliament legislation that is badly written and badly thought out and which has not had the full scope of debate and a sufficient amount of time out in the community to be fully appreciated. So it is important that members of parliament think very carefully and very long before they go down the path of so-called reform purely for their own political advantage at a particular point in time, which may not suit them in the future.

We are talking about reform of the Constitution and, in particular, section 57. However, on the idea of four-year terms, I think the community is ready for four-year terms—there is no doubt about that—and we just heard the member for Chifley speak quite eloquently on the issue and, in particular, that people are also ready to have eight-year terms. We go to elections very often, and the average 2½-year term is a real detriment to a having a fully functioning government. It would not matter whether Labor or the Liberal coalition was in government, I think a four-year term would better suit the people of Australia.

Voting less often would be a better thing. Not only is there a good financial argument for that, because it would be cheaper, but there is also a good democratic argument, because you should give a government—including this government—the full scope of four years or thereabouts to implement its agenda, whether or not we like that agenda. It would give people more opportunity to see what the government is about, what its mandate stands for and to make a fuller assessment come the next election. I think this would be a better outcome for everybody.

On the issue of reform of the Senate, I think that reform is needed, and Labor supports reform, but I certainly do not support the sort of constitutional change on deadlock provisions that the government is proposing. I think it is a myopic view with very short-term advantages for a government which is frustrated because it has very bad legislation on the table. Unless it improves that legislation, that legislation will never pass the Senate, because that is the work of the Senate and the job that the Senate should do.

Debate interrupted.

Main Committee adjourned at 1.00 p.m.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Employment and Workplace Relations: Spouse Travel Entitlements
(Question No. 1811)

Mr Martin Ferguson asked the Minister for Employment and Workplace Relations, upon notice, on 13 May 2003:

(1) Since March 1996, under Remuneration Tribunal Guidelines, which departmental officers and/or public office-holders have had an entitlement for their spouses to travel, both domestically and internationally, and what conditions apply for approval of such travel.

(2) What are the details of travel including destinations, reasons for travel and the itemised cost of travel undertaken by spouses of departmental and/or public office-holders in this period.

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

(1) The Remuneration Tribunal has not issued any Guidelines on spouse travel.

From July 2000 there were Tribunal Determinations that contained provisions relating to an entitlement to, or conditions for, spouse travel for office holders. However in relation to departmental officers the Tribunal has not had responsibility for determining remuneration or related matters for these officers, apart from Secretaries which were under Tribunal jurisdiction up to December 1999.

Since 26 July 2000 a number of Tribunal determinations have contained a provision in relation to a spouse accompanying a public office holder at Commonwealth expense where it is certified to be demonstrably in the interest of the Commonwealth. The provision is currently contained in the Full-time Offices Determination 2003/11, the Specified Statutory Offices Determination 2003/06, the Part-time Offices Determination 2003/03, the Judicial and Related Offices Determination 2002/21, and the Principal Executive Offices Determination 1999/15.

There have been longstanding Tribunal provisions relating to domestic and overseas spouse travel provisions for members of parliament. The current entitlements and the conditions for approval, are set out in the Members of the Parliament - Entitlements Determination 2003/14.

Some of these provisions have changed since 1996, and the changes can be identified by reference to earlier determinations, in particular Determination Number 22 of 1995 (Members of Parliament – Travelling Allowance).

Copies of Determinations made after 1997 are available on the Tribunal website www.remtribunal.gov.au. Earlier Determinations were included with the Tribunal Annual Reports published each year up to and including 1997.

(2) A general list of spouse travel undertaken in conjunction with official travel by Australian Government departmental officers or public office holders is not maintained. The information sought is not readily available. The staff resources and costs involved to extract and collate the information would be excessive and cannot be justified.

Information on parliamentarians travel expenditure is available in the report tabled every six months, entitled Parliamentarians’ Travel Paid by the Department of Finance and Administration which does include some information on spouse travel allowance claims.
Law Enforcement: National Crime Prevention Program
(Question No. 2296)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, upon notice, on 19 August 2003:

(1) What projects (a) are currently funded and (b) have previously been funded through the National Crime Prevention Program.
(2) How much funding has been allocated to each project.
(3) Who is or was carrying out each project.
(4) How much has been spent in total to date under the Program.
(5) How much has been spent in each financial year since 1999-2000.

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

(1) (a), (2), and (3) The following table provides information on the currently funded National Crime Prevention Program projects between 1 July 1999 and 30 June 2003. The final allocated figure does not include GST, Australian Solicitor fees, publication costs (unless stated), or general administrative expenses associated with implementing the project.

<table>
<thead>
<tr>
<th>(1a) Projects currently funded</th>
<th>(2) Allocated project funding</th>
<th>(3) Who is carrying out the project</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT Burglary Reduction pilots</td>
<td>$150,000</td>
<td>Australian Capital Territory Department of Justice</td>
</tr>
<tr>
<td>Adolescents Domestic Violence Prevention pilot project</td>
<td>$450,000</td>
<td>Shire of Derby/West Kimberley, Madjulla Aboriginal Corporation (Evaluation)</td>
</tr>
<tr>
<td>Bullying in Pre and Primary Schools Programs (total project amount)</td>
<td>$500,000</td>
<td></td>
</tr>
<tr>
<td>Phase One: Meta-Evaluation of Bullying Programs</td>
<td>$99,990</td>
<td>University of South Australia</td>
</tr>
<tr>
<td>Phase Two: Development of Resource Materials for Parents and Teachers</td>
<td>$31,800</td>
<td>Printing (Complete)</td>
</tr>
<tr>
<td>Childwise Travel with Care Projects: Update and distribute Travel with Care brochure and produce two advertisements.</td>
<td>$50,500</td>
<td>Childwise</td>
</tr>
<tr>
<td>Translation of the Crime Prevention for Seniors: A Guide to Personal and Financial Safety booklet into 10 Community Languages</td>
<td>$205,000</td>
<td>Grasp Design and National Capital Printing</td>
</tr>
<tr>
<td>Translation of the Crime Prevention for Seniors: A Guide to Personal and Financial Safety booklet into 10 Community Languages</td>
<td>$34,800</td>
<td>LOTE Marketing</td>
</tr>
<tr>
<td></td>
<td>$100,800</td>
<td>Film Shot Graphic (Printers)</td>
</tr>
</tbody>
</table>
(1a) Projects currently funded | (2) Allocated project funding | (3) Who is carrying out the project
--- | --- | ---
Crime Prevention National Competency Training Standards and Training Resource Materials | $370,000 | Australian Training Development Pty Ltd, Anthony Dare Consulting, BMA Human Resource Consultants & Centre for Research in Education, Equity & Work
CROC Festivals | $382,000 | Indigenous Festivals Australia Ltd, Department of Health and Ageing
Youth Skills Training Program Early Intervention Demonstration Project - Redfern/Waterloo | $70,000 | $593,000 | Drug Arm WA Inc, NSW Attorney General’s Department
$494,608 | $250,000 | $349,100 | University of Western Australia. This project was undertaken in conjunction with ATSIC which provided a similar amount. $33,000 | Pirie Printers
$14,200 | $9,000 | Pirion Printers
Evaluation of the Northern Territory Agreement to continue a juvenile pre-court diversion scheme and Aboriginal Interpreter Service Northern Territory Night Patrols Project Prisoners and their Families - National Pilot (total project amount) Evaluation of the Prisoners and their Families Program Research on recidivism in Australia Regional Crime Prevention Workshops: Toowoomba and Alice Springs Small Business Crime Prevention Project Crime Against Small Business Survey South Australian Burglary Intervention Project - Public Awareness Materials South Australian Indigenous Youth Mentoring Scheme (Panyappi) Project Students Taking A Right Stand Project Students Taking A Right Stand Project: Evaluation | $150,000 | $5.1m | $150,000 | $85,114 | $30,000 | $809,598 | $125,000 | $40,000 | $150,000 | $25,000 | $5,000 | NT Police, Fire and Emergency Services, Good Beginnings, Success Works, Australian Institute of Criminology, South Australian Attorney General’s Department, Teen Challenge Foundation Inc, Social Systems & Evaluations
(1a) Projects currently funded

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Allocated Project Funding</th>
<th>Who is carrying out the project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Young People and Motor Vehicle Theft</td>
<td>$1,345,000 in total:</td>
<td>Tasmanian Department of Police and Public Safety,</td>
</tr>
<tr>
<td>Prevention Projects</td>
<td>TAS $200,000</td>
<td>Western Australia Department of Premier and Cabinet,</td>
</tr>
<tr>
<td></td>
<td>WA $400,000</td>
<td>Queensland Police Service,</td>
</tr>
<tr>
<td></td>
<td>QLD $400,000</td>
<td>Care and Communication Concern (NSW) and</td>
</tr>
<tr>
<td></td>
<td>NSW $225,000</td>
<td>Urbis Keys Young (Meta-Evaluation)</td>
</tr>
<tr>
<td></td>
<td>Meta-Evaluation $120,000</td>
<td></td>
</tr>
</tbody>
</table>

(1b), (2), and (3) The following table provides information on the previously funded National Crime Prevention Program projects between 1 July 1999 and 30 June 2003. The final allocated figure does not include GST, Australian Solicitor fees, publication costs (unless stated), or general administrative expenses associated with implementing the project.

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Final allocated project funding</th>
<th>Who carried out the project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult and Community Education - Learning</td>
<td>$350,000</td>
<td>Adult Learning Australia, Anthony Dare Consulting, various designers, editors</td>
</tr>
<tr>
<td>Circles</td>
<td></td>
<td>Australian Institute of Criminology</td>
</tr>
<tr>
<td>Alcohol Consumption, Young People and</td>
<td>$5,000</td>
<td>Australian Institute of Criminology</td>
</tr>
<tr>
<td>Crime Research</td>
<td></td>
<td>Tasmania Department of Police and Public Safety,</td>
</tr>
<tr>
<td>Common Ground Pilot Project</td>
<td>$154,000</td>
<td>Sally Kaufman (Editor)</td>
</tr>
<tr>
<td>Community Justice Pilot Feasibility Study</td>
<td>$8,200</td>
<td>Unity of First People of Australia</td>
</tr>
<tr>
<td>for NSW Community Justice Pilot (Indigene</td>
<td>$25,000</td>
<td></td>
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<tr>
<td>us)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constable Care Child Safety Project</td>
<td>$53,200</td>
<td>Constable Care Child Safety Project (Inc)</td>
</tr>
<tr>
<td>Crime in Australia: a State by State</td>
<td>$20,000</td>
<td>Green Words &amp; Images, ABS</td>
</tr>
<tr>
<td>Comparison Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Crime Mapping Project</td>
<td>$257,078</td>
<td>Australian Institute of Criminology</td>
</tr>
<tr>
<td>AIC/AGD Joint Crime Prevention Conference</td>
<td>$25,000</td>
<td>Australian Institute of Criminology</td>
</tr>
<tr>
<td>Crime Prevention Q and A Manual</td>
<td>$25,000</td>
<td>Bob Bowden Consulting</td>
</tr>
<tr>
<td>Crime Prevention Training Needs Assessment</td>
<td>$100,000</td>
<td>University of South Australia</td>
</tr>
<tr>
<td>reports</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consultancy services in relation to</td>
<td>$50,000</td>
<td>Printing and Design</td>
</tr>
<tr>
<td>developing a proposal for possible</td>
<td>$16,900</td>
<td>Quay Connections</td>
</tr>
<tr>
<td>government sponsorship of a national</td>
<td></td>
<td></td>
</tr>
<tr>
<td>television program dealing with crime</td>
<td></td>
<td></td>
</tr>
<tr>
<td>prevention and law enforcement issues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diversion and Youth Conferencing</td>
<td>$80,000</td>
<td>Melbourne International Enterprises Ltd (Melbourne University)</td>
</tr>
<tr>
<td>(1b) Projects previously funded</td>
<td>(2) Final allocated project funding</td>
<td>(3) Who carried out the project</td>
</tr>
<tr>
<td>--------------------------------------------------------</td>
<td>------------------------------------</td>
<td>---------------------------------------------------------------------</td>
</tr>
<tr>
<td>Drug Use and Minor Property Crime Research</td>
<td>$5,000</td>
<td>Australian Institute of Criminology</td>
</tr>
<tr>
<td>Drugs Use Monitoring in Australia</td>
<td>$1.2m</td>
<td>Australian Institute of Criminology</td>
</tr>
<tr>
<td>Fraud Presentations Project</td>
<td>$25,000</td>
<td>Australian Bureau of Criminal Intelligence</td>
</tr>
<tr>
<td>Fraud Prevention Pilots</td>
<td>$187,580</td>
<td>Queensland Department of Premier and Cabinet</td>
</tr>
<tr>
<td>Good Practice in Crime Prevention Report</td>
<td>$119,000</td>
<td>South Australian Attorney General’s Department</td>
</tr>
<tr>
<td>Guidelines for Preventing Violence and Crime at Public Events</td>
<td>$181,000</td>
<td>Various contractors for market testing, editing, design, indexing and printing. Research undertaken pre 1999</td>
</tr>
<tr>
<td>Hanging Out: Negotiating Young People’s Use of Public Space</td>
<td>$15,000</td>
<td>Urbis Keys Young</td>
</tr>
<tr>
<td>Identity Fraud Prevention Capacity Project</td>
<td>$26,000</td>
<td>Australian Bureau of Criminal Intelligence</td>
</tr>
<tr>
<td>Improving Justice Outcomes for the Koori Community in the La Trobe Valley Project</td>
<td>$45,000</td>
<td>Victorian Department of Justice</td>
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<tr>
<td>International Crime Victimisation Survey</td>
<td>$170,000</td>
<td>Australian Institute of Criminology</td>
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<tr>
<td>Investing in Our Youth - Bunbury Pilot</td>
<td>$100,000</td>
<td>Edith Cowan University</td>
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<tr>
<td>Kalgoorlie Crime Impact and Response Process project</td>
<td>$100,000</td>
<td>WA Police Service</td>
</tr>
<tr>
<td>Launceston Lighting Project</td>
<td>$14,700</td>
<td>Launceston City Council</td>
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<tr>
<td>Living Rough: Preventing Crime and Victimisation among Homeless Young People</td>
<td>$60,000</td>
<td>Strategic Partners Pty Ltd</td>
</tr>
<tr>
<td>National Illicit Drugs Strategy - Contribution to the Drink Spiking Project</td>
<td>$100,000</td>
<td>MOU with Department of Health and Aged Care</td>
</tr>
<tr>
<td>National Profile of Approaches to Diverting Juveniles from the Criminal Justice System</td>
<td>$80,000</td>
<td>Urbis Keys Young</td>
</tr>
<tr>
<td>NSW Cannabis Intervention Trials</td>
<td>$116,000</td>
<td>NSW Attorney General’s Department</td>
</tr>
<tr>
<td>Pathways to Employment and Positive Citizenship for Disadvantaged Young People</td>
<td>$675,500</td>
<td>Project Australia: Caring for Youth</td>
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<tr>
<td>Pathways to Prevention Consultancy</td>
<td>$80,000</td>
<td>Developmental Crime Prevention Consortium</td>
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<tr>
<td>Preventing Residential Break and Enter Information Campaign Pamphlets</td>
<td>$198,000</td>
<td>Tall Poppies Research and Marketing with the assistance of D&amp;M Research Pty Ltd: Ideas and Directions</td>
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<tr>
<td>Preventing Residential Break and Enter Kit</td>
<td>$449,000</td>
<td>Flying Fox Design and Paragon Printers</td>
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<tr>
<td>Preventing Residential Break and Enter South Australia</td>
<td>$160,000</td>
<td>South Australia Attorney-General’s Department</td>
</tr>
<tr>
<td>(1b) Projects previously funded</td>
<td>(2) Final allocated project funding</td>
<td>(3) Who carried out the project</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------------------------</td>
<td>-------------------------------------</td>
<td>---------------------------------------------------------------------</td>
</tr>
<tr>
<td>Preventing Residential Break and Enter Queensland</td>
<td>$170,000</td>
<td>Queensland Criminal Justice Commission</td>
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<tr>
<td>Preventing Young People’s involvement in Motor Vehicle Theft Scoping Study</td>
<td>$14,000</td>
<td>Dr Marge Hauritz and Associates</td>
</tr>
<tr>
<td>Preventing Residential Break and Enter Meta-Evaluation</td>
<td>$30,000</td>
<td>M &amp; P Henderson &amp; Associates</td>
</tr>
<tr>
<td>Seed funding for the Australian Research Alliance for Children and Youth</td>
<td>$32,000</td>
<td>Paragon Printers</td>
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<tr>
<td>Research into Community Attitudes on Crime</td>
<td>$200,000</td>
<td>Department of Family and Community Services</td>
</tr>
<tr>
<td>Review of Programs for Perpetrators of Domestic Violence Forum</td>
<td>$100,000</td>
<td>Elliot and Shanahan</td>
</tr>
<tr>
<td>Roadmap of Early Intervention Projects</td>
<td>$12,730</td>
<td>Australian Institute of Criminology</td>
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<tr>
<td>Sexual Assault Information - Z-Cards</td>
<td>$24,730</td>
<td>Urbis Keys Young,</td>
</tr>
<tr>
<td></td>
<td>$23,600</td>
<td>Anthony Dare Consulting</td>
</tr>
<tr>
<td></td>
<td>$221,233</td>
<td>GSI Media</td>
</tr>
<tr>
<td></td>
<td>$23,000</td>
<td>Buckingoodesign</td>
</tr>
<tr>
<td></td>
<td>$22,730</td>
<td>Tall Poppies</td>
</tr>
<tr>
<td>Sexual Violence Research</td>
<td>$18,000</td>
<td>Australian Institute of Criminology</td>
</tr>
<tr>
<td>South Australian Feasibility Study on a Home Burglary Database</td>
<td>$16,800</td>
<td>South Australian Attorney General’s Department</td>
</tr>
<tr>
<td>Travel with Care Project: To produce a brochure, educational video, training materials and newsletters</td>
<td>$57,000</td>
<td>End Child Prostitution and Trafficking Australia</td>
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<tr>
<td>Truancy and Juvenile Crime Project</td>
<td>$79,500</td>
<td>Tasmanian Department of Police and Public Safety</td>
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<tr>
<td>ViCLAS Accreditation and Training Project</td>
<td>$20,000</td>
<td>Australian Bureau of Criminal Intelligence</td>
</tr>
<tr>
<td>Violence and Crime Prevention Awards</td>
<td>$19,800</td>
<td>Australian Institute of Criminology</td>
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<tr>
<td>Violence in Indigenous Communities Consultancy</td>
<td>$38,000</td>
<td>Paul Memmott and Associates</td>
</tr>
<tr>
<td>Volunteering and Crime Prevention Report</td>
<td>$43,700</td>
<td>Printing and Design</td>
</tr>
<tr>
<td>TVW Telethon Institute for Child Health Research - WA Aboriginal Child Health Survey</td>
<td>$100,000</td>
<td>Volunteering Australia</td>
</tr>
<tr>
<td>WA Cyclic Offending Handbook Project</td>
<td>$51,700</td>
<td>Estill and Associates</td>
</tr>
<tr>
<td>Working with Adolescents to Prevent Domestic Violence - Indigenous Rural Town Model</td>
<td>$50,000</td>
<td>University of Western Australia</td>
</tr>
<tr>
<td>Working with Adolescents to Prevent Domestic Violence – Northam</td>
<td>$150,000</td>
<td>Avon Valley Help Centre, Western Australia Police Service</td>
</tr>
<tr>
<td>Young Men and Violence Roundtable and Research Paper</td>
<td>$74,263</td>
<td>Australian Institute of Criminology</td>
</tr>
</tbody>
</table>

QUESTIONS ON NOTICE
(1b) Projects previously funded

(2) Final allocated project funding

(3) Who carried out the project

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Funding Amount</th>
<th>Responsible Entity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Young Peoples Attitudes to Domestic Violence</td>
<td>$370,000</td>
<td>University of Western Australia - Part funding, project undertaken in partnership with DETYA</td>
</tr>
<tr>
<td></td>
<td>$60,500</td>
<td>Design and printing</td>
</tr>
<tr>
<td></td>
<td>$15,000</td>
<td>Australian Institute of Criminology</td>
</tr>
</tbody>
</table>

(4) The total expenditure under the National Crime Prevention Program for the period 1 July 1999 to 30 June 2003 is $22,475,306. This total includes organisation memberships, conference sponsorship, project costs, employee costs and general administrative expenditure.

(5) Program expenditure in each financial year since 1999-2000 is as follows:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999-2000</td>
<td>$5,030,853</td>
</tr>
<tr>
<td>2000-2001</td>
<td>$4,449,004</td>
</tr>
<tr>
<td>2001-2002</td>
<td>$6,324,493</td>
</tr>
<tr>
<td>2002-2003</td>
<td>$6,670,956</td>
</tr>
</tbody>
</table>

**United Nations General Assembly**

(Question No. 2338)

*Mrs Irwin* asked the Minister for Foreign Affairs, upon notice, on 8 September 2003:

(1) From the time of the 51st session of the United Nations General Assembly, at which sessions including special and emergency sessions, has there been debate or discussion on the agenda items:

- “Question of Palestine”
- “The Situation in the Middle East”

(2) What resolutions related to these agenda items were adopted by the United Nations General Assembly in each session.

(3) How did Australia vote in relation to each resolution.

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

(1) The agenda items ‘The Question of Palestine’ and ‘The Situation in the Middle East’ have been discussed at all sessions of the United Nations General Assembly (UNGA) from the time of the 51st session through to the 57th session. These items are also listed on the agenda for the current 58th session. Emergency special session resolutions on Palestine and the Middle East have been adopted in every year from 1997 to 2003.

(2) UNGA resolutions related to these agenda items are listed in the attachment. The full text of each resolution is available from the website of the UN Information System on the Question of Palestine (http://domino.un.org/UNISPAL.NSF).

(3) Australia’s vote on each resolution is included in the attachment.

UN General Assembly resolutions on
‘The Question of Palestine’ and ‘The Situation in the Middle East’
51st–57th Sessions (including resolutions in emergency special sessions)
57th Session (2002)

<table>
<thead>
<tr>
<th>Resolution No.</th>
<th>Resolution title</th>
<th>Australian vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/RES/57/107</td>
<td>Palestine question/CEIRPP - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/57/108</td>
<td>Palestine question/DPR - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>Resolution No.</td>
<td>Resolution title</td>
<td>Australian vote</td>
</tr>
<tr>
<td>---------------</td>
<td>------------------</td>
<td>-----------------</td>
</tr>
<tr>
<td>A/RES/57/109</td>
<td>Palestine question/DPI - Special information programme - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/57/110</td>
<td>Palestine question/Peaceful settlement/ Quartet efforts - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/57/111</td>
<td>Mideast situation/Jerusalem - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/57/112</td>
<td>Mideast situation/Golan - GA resolution</td>
<td>Abstained</td>
</tr>
</tbody>
</table>

### 56th Session (2001)

<table>
<thead>
<tr>
<th>Resolution No.</th>
<th>Resolution title</th>
<th>Australian vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/RES/56/31</td>
<td>Mideast situation/Jerusalem - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/56/32</td>
<td>Mideast situation/Golan - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/56/33</td>
<td>Palestine question/CEIRPP - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/56/34</td>
<td>Palestine question/DPR - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/56/35</td>
<td>Palestine question/DPI - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/56/36</td>
<td>Palestine question/Peaceful settlement - GA resolution</td>
<td>Abstained</td>
</tr>
</tbody>
</table>

### 55th Session (2000)

<table>
<thead>
<tr>
<th>Resolution No.</th>
<th>Resolution title</th>
<th>Australian vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/RES/55/50</td>
<td>Mideast situation/Jerusalem - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/55/51</td>
<td>Mideast situation/Golan - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/55/52</td>
<td>Palestine question/CEIRPP - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/55/53</td>
<td>Palestine question/DPR - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/55/54</td>
<td>Palestine question/DPI - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/55/55</td>
<td>Palestine question/Peaceful settlement - GA resolution</td>
<td>In favour</td>
</tr>
</tbody>
</table>

### 54th Session (1999)

<table>
<thead>
<tr>
<th>Resolution No.</th>
<th>Resolution title</th>
<th>Australian vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/RES/54/37</td>
<td>Mideast situation/Jerusalem - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/54/38</td>
<td>Mideast situation/Golan - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/54/39</td>
<td>Palestine question/CEIRPP - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/54/40</td>
<td>Palestine question/DPR - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/54/41</td>
<td>Palestine question/DPI - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/54/42</td>
<td>Palestine question/Peaceful settlement - GA resolution</td>
<td>In favour</td>
</tr>
</tbody>
</table>

### 53rd Session (1998)

<table>
<thead>
<tr>
<th>Resolution No.</th>
<th>Resolution title</th>
<th>Australian vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/RES/53/37</td>
<td>Mideast situation/Jerusalem - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/53/38</td>
<td>Mideast situation/Golan - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/53/39</td>
<td>Palestine question/CEIRPP - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/53/40</td>
<td>Palestine question/DPR - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/53/41</td>
<td>Palestine question/DPI - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/53/42</td>
<td>Palestine question/Peaceful settlement - GA resolution</td>
<td>In favour</td>
</tr>
</tbody>
</table>
### 52nd Session (1997)

<table>
<thead>
<tr>
<th>Resolution No.</th>
<th>Resolution title</th>
<th>Australian vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/RES/52/49</td>
<td>Palestine question/CEIRPP - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/52/50</td>
<td>Palestine question/DPR - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/52/51</td>
<td>Palestine question/DPI - GA resolutions</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/52/52</td>
<td>Palestine question/Peaceful settlement – GA resolutions</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/52/53</td>
<td>Middle East situation/Jerusalem - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/52/54</td>
<td>Middle East situation/Golan - GA resolutions</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/52/250</td>
<td>Palestine question/Participation of Palestine in the UN - Resolution (1998)</td>
<td>In favour</td>
</tr>
</tbody>
</table>

### 51st Session (1996)

<table>
<thead>
<tr>
<th>Resolution No.</th>
<th>Resolution title</th>
<th>Australian vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/RES/51/23</td>
<td>Palestine question/CEIRPP - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/51/24</td>
<td>Palestine question/DPR - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/51/25</td>
<td>Palestine question/DPI programme – GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/51/26</td>
<td>Palestine question/Peaceful settlement – GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/51/27</td>
<td>Jerusalem - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/51/28</td>
<td>Middle East situation/Golan - GA resolution</td>
<td>Abstained</td>
</tr>
<tr>
<td>A/RES/51/29</td>
<td>Middle East peace process - GA resolution</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/51/135</td>
<td>Middle East situation/Golan - GA resolution (reissued)</td>
<td>In favour</td>
</tr>
<tr>
<td>A/RES/51/223</td>
<td>Jerusalem/Settlements - GA resolution (1997)</td>
<td>In favour</td>
</tr>
</tbody>
</table>

### Emergency special sessions (1997–2003)

<table>
<thead>
<tr>
<th>Resolution No.</th>
<th>Resolution title</th>
<th>Australian vote</th>
</tr>
</thead>
<tbody>
<tr>
<td>A/RES/ES-10/1</td>
<td>Credentials - GA 10th emergency special session - Resolution (1997)</td>
<td>Adopted without vote</td>
</tr>
</tbody>
</table>
Mr Murphy asked the Minister for Health and Ageing, upon notice, on 18 September 2003:

Further to the answers to questions Nos 1620 to 1635 and 1637 (Hansard, 12 August 2003, page 18168) what are the Chief Executive Officers of the Minister’s departments and agencies doing to ensure that they do not retain the services of any barrister or solicitor who has previously been made bankrupt.

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

The Department and portfolio agencies use their panel firms of solicitors to instruct barristers. Engagement of barristers is done in accordance with the Attorney-General’s Legal Services Directions on Engagement of Counsel.

The Australian Government policy in relation to such matters, as set down by the Attorney-General, is intended to ensure that Departments and agencies do not engage counsel ‘who use insolvency as a means of avoiding tax’. The policy is not directed at preventing the briefing of all counsel who are, or have been, insolvent.

The Department and portfolio agencies have now formalised arrangements with panel firms and the Office of Legal Services Coordination in the Attorney-General’s Department to ensure that no counsel will be engaged who has been identified as using insolvency as a means of avoiding tax.

Mr McClelland asked the Attorney-General, upon notice, on 7 October 2003:

For each six-monthly period during the (a) 2000-2001, (b) 2001-2002, and (c) 2002-2003 financial years, (i) what was the number of complaints received by the Office of the Privacy Commissioner under the Privacy Act 1988, (ii) what was the number of complaints closed, (iii) what was the average time taken to close complaints, (iv) how many staff performed complaint-handling duties and what were their classifications, (v) how many audits did the Privacy Commissioner complete, and (vi) how many staff performed audit duties and what were their classifications.

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

<table>
<thead>
<tr>
<th>Complaints received</th>
<th>Complaints closed</th>
<th>Average time to close complaints</th>
<th>Complaint handling staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/7/00 to 31/12/00</td>
<td>1/7/01 to 31/12/01</td>
<td>1/7/02 to 31/12/02</td>
<td>1/7/03 to 30/06/03</td>
</tr>
<tr>
<td>Not available</td>
<td>97</td>
<td>153</td>
<td>476</td>
</tr>
<tr>
<td>Not available</td>
<td>66</td>
<td>115</td>
<td>260</td>
</tr>
<tr>
<td>Not available</td>
<td>120 days</td>
<td>93 days</td>
<td>70 days</td>
</tr>
</tbody>
</table>
23100  HOUSE OF REPRESENTATIVES  Wednesday, 26 November 2003

QUESTIONS ON NOTICE

1/7/00 to 31/12/00
1/1/01 to 3/6/01
1/7/01 to 31/12/01
1/1/02 to 30/6/02
1/7/02 to 31/12/02
1/1/03 to 30/06/03

APS 6 2 2 2 2 2 6 6.5
Exec Level 1 1 1 1 1 1.5 1.5
Exec Level 2 0.75 0.75 0.75 0.75 0.8 0.8
Total complaint staff 4.75 4.75 4.75 4.75 10.3 10.8

Audits completed 7 7 13 14 7 6
Audit staff
APS 6 2 2 2 2 1 0.5
Exec Level 1 1 1 1 1 0.5 0.5
Exec Level 2 0.25 0.25 0.25 0.25 0.2 0.2
Total audit staff 3.25 3.25 3.25 3.25 1.7 1.2

Notes:
1 The figures on the number of complaints completed for the periods 1 July 2000 to 31 December 2000 and 1 January 2001 to 30 June 2001 are estimates based on figures reported in the Office’s annual report. The Office’s new Complaints Management System commenced operation on 1 July 2001 and is able to produce more detailed figures.
2 The staffing figures provided are for the number of people allocated to these functions for each of the six-month periods. The positions may not have been filled for the entirety of the period due to absences on leave, training or short term vacancies.
3 For the periods 1 July 2000 to 30 June 2002, the staff assigned to the audit function were also responsible for the Commissioner’s own motion investigations under subsection 40(2) of the Privacy Act.

Justice System: Legal Representation
(Question No. 2507)

Mr McClelland asked the Attorney-General, upon notice, on 7 October 2003:
What proportion of matters involved an unrepresented party in the (a) High Court of Australia, (b) Federal Court of Australia, (c) Federal Magistrates Court, (d) Family Court of Australia, and (e) Human Rights and Equal Opportunity Commission, in (i) 2001-2002, and (ii) 2002-2003.

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

(a) High Court of Australia
The High Court advises that the proportion of matters in the High Court that involved an unrepresented party was 30% in 2001-2002 and 19% in 2002-2003.

(b) Federal Court of Australia
The Federal Court advises that the proportion of cases in the Federal Court that involved at least one party who was not represented at some stage in the proceeding was 41% in 2001-2002 and 37.7% in 2002-2003.

(c) Family Court of Australia
The Family Court advises that in the family law jurisdiction it is typical for parties to be represented at some stages of the proceedings but not at others and for this to vary from case to case, registry to registry and, it is believed, over time. Cases seldom involve parties who are either completely represented or completely unrepresented.

A survey of court files conducted by the ALRC in the course of its review of the civil justice system (ALRC 89 Managing Justice: Review of the Federal Civil Justice System) found that 41% of matters surveyed involved at least one party who was unrepresented or partially represented during the course

QUESTIONS ON NOTICE
of proceedings. Other studies conducted by the Family Court of Australia have arrived at conclusions broadly consistent with this finding (with figures in the order of 35%). More recent figures are not presently available, although the court will be recording such statistics as a matter of course in future.

(d) Federal Magistrates Court
The Federal Magistrates Court advises that there is no reasonably accessible or reliable data available indicating the number of general federal law applications involving an unrepresented party for 2001-2002 and 2002-2003, or the number of family law and child support applications involving an unrepresented party for 2001-2002.

The Federal Magistrates Court advises that approximately 24% of applicants seeking orders in family law and child support matters were unrepresented in 2002-2003, and that applicants for divorce were unrepresented in more than 66% of applications in 2002-2003.

(e) Human Rights and Equal Opportunity Commission
The Human Rights and Equal Opportunity Commission advises that 76% of complainants were unrepresented in complaints finalised in 2001-2002 and that 72% of complainants were unrepresented in complaints finalised in 2002-2003.

The Human Rights and Equal Opportunity Commission further advises that there is no reasonably accessible or reliable data available in relation to respondents’ representation.

Foreign Affairs: Islamic Charities
(Question No. 2527)

Mr Danby asked the Minister for Foreign Affairs, upon notice, on 7 October 2003:

(1) Is he aware of the (a) International Islamic Relief Organisation (IIRO), (b) World Assembly of Muslim Youth (WAMY), and (c) The Charitable Foundations of al-Haramian.

(2) Can he confirm whether the (a) IIRO, (b) WAMY, and (c) The Charitable Foundations of al-Haramian, is (i) listed by the United Nations as a terrorist group or a group funding terrorist organisations; if so, is it illegal to handle assets or provide finance to this group in Australia, and (ii) listed by the United Nations as having links with al-Qaeda and/or the Taliban; if so, is this group proscribed under the Criminal Code.

(3) Which countries have proscribed the (a) IIRO, (b) WAMY, and (c) The Charitable Foundations of al-Haramian.

(4) Does the Government have information indicating that these organisations (a) fund terrorist organisations, (b) are terrorist organisations themselves, or (c) have links with terrorist organisations.

(5) Can he confirm whether (a) these organisations receive donations from the Saudi royal family, (b) these organisations are headed by Saudi Cabinet Members, (c) there are documented links between IIRO and al-Qaeda going back to 1989, (d) Bin Laden’s brother-in-law, Muhammad Jamal Khalifa runs IIRO’s Philippines office, (e) Muhammad al-Zawahiri, the brother of Ayman al-Zawahiri, a senior al-Qaeda figure, is employed in IIRO’s Albanian office, (f) Kenya has proscribed the IIRO, (g) an IIRO employee was implicated in planning a terrorist attack in India, (h) there are documented links between IIRO and WAMY and Hamas, (i) Al-Haramain funds al-Qaeda operations in South East Asia, (j) Al-Haramain was the source of the US$100,000 that the Jemaah Islamiah (JI) financier, Hambali, admitted was given to JI for the families of the Bali suicide bombers, but was instead used to fund the suicide bombing of the Marriott Hotel in Jakarta, (k) Al-Haramain’s offices in Bosnia, Somalia and Azerbaijan were closed down for financing terrorist organisations, and (l) Canadian authorities recently closed the offices of WAMY and arrested its local operators for alleged involvement in al-Qaeda sponsored terrorism.
(6) Is the Islamic Youth Organisation in Sydney affiliated to the WAMY.

(7) Is he aware of allegations made before the US Senate Judiciary Subcommittee on Terrorism, Technology and Homeland Security of links between the Council of American Islamic Relations (CAIR) and the Islamic Assembly of North America (IANA) and various terrorist organisations.

(8) Is he aware of any individuals or organisations in Australia who (a) have links to, (b) provide funding to, or (c) receive funding from CAIR or IANA; if so, who, and are they under investigation.

(9) Is he able to say whether the (a) IIRO, (b) WAMY, and (c) The Charitable Foundations of al-Haramian, is present in Australia.

(10) Is he aware of any individuals or organisations in Australia who (a) have links to, (b) provide funding to, or (c) receive funding from (i) IIRO, (ii) WAMY, or (iii) al-Haramain; if so, who, and are they under investigation.

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

(1) Yes.

(2) (a) (i) The International Islamic Relief Organisation (IIRO) has not been listed by the United Nations as a terrorist group or a group funding terrorist organisations. It is not illegal to handle assets or to provide finance to this group in Australia. (ii) This organisation has not been listed by the United Nations as having links with al-Qaeda and/or the Taliban. (b) (i) The World Assembly of Muslim Youth (WAMY) has not been listed by the United Nations as a terrorist group or a group funding terrorist organisations. It is not illegal to handle assets or to provide finance to this group in Australia; (ii) This organisation has not been listed by the United Nations as having links with al-Qaeda and/or the Taliban. (c) (i) and (ii) On 13 March 2002, the al-Haramain Islamic Foundation in Bosnia and Herzegovina and Somalia were listed by the United Nations Security Council 1267 Committee as ‘Individuals and Entities Belonging to or Associated with the Taliban and al-Qaida organisation’. Under Australian law, it is a criminal offence to use or deal with assets which are owned or controlled by either organisation. The penalty for these offences is five years imprisonment.

(3) It is not possible to provide a definitive answer to which countries have proscribed the International Islamic Relief Organisation (IIRO), the World Assembly of Muslim Youth (WAMY), and the Charitable Foundations of al-Haramain.

(4) Please refer to answer to question number 2528 asked of the Attorney-General on 7 October 2003.

(5) The work required to answer the honourable member’s question would involve a significant diversion of resources within the department and I am not prepared to authorise the use of these resources.

(6) Please refer to answer to question number 2528 asked of the Attorney-General on 7 October 2003.

(7) Yes.

(8) Please refer to answer to question number 2528 asked of the Attorney-General on 7 October 2003.

(9) Please refer to answer to question number 2528 asked of the Attorney-General on 7 October 2003.

(10) Please refer to answer to question number 2528 asked of the Attorney-General on 7 October 2003.

Military Detention: Australian Citizens
(Question No. 2603)

Mr McClelland asked the Attorney-General, upon notice, on 14 October 2003:
(1) Is he aware of allegations that persons detained as part of the war on terror, potentially including Australian citizens David Hicks and Mamdouh Habib, are being subjected to treatment that amounts to torture or other cruel, inhuman or degrading treatment or punishment.
(2) What has he done to investigate these allegations.
(3) What was the outcome of any such investigations.

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

(1) Yes.
(2) We have raised this matter with US authorities who have explained that the reports are inaccurate and engaging in torture is against both US law and policy. This was confirmed by President Bush. Australian officials recently visited the detainees and reported that they both appeared to be in good physical condition.
(3) See the answer to (2) above.

Military Detention: Australian Citizens
(Question No. 2636)

Mr Kerr asked the Attorney-General, upon notice, on 15 October 2003:

(1) Is he able to say what the International Bar Association’s (IBA) view is regarding the United States of America’s treatment of detainees at Guantanamo Bay, Cuba.
(2) Does the Australian Government’s assessment differ from the IBA’s; if so, in what way.
(3) Do the statements of the IBA’s task force on terrorism coincide with a statement from the International Red Cross (IRC) condemning the indefinite detention without trial of those held at Guantanamo Bay and noting that the IRC had found a “worrying deterioration” in the detainees’ mental health.
(4) Will he detail all the representations made to the United States on behalf of Australian nationals held at Guantanamo Bay.
(5) Do any of these representations include submissions drawing attention to the IBA’s or the IRC’s conclusions; if not, why not.

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

(1) The IBA has stated its view that the treatment of detainees is inconsistent with the prohibition against arbitrary detention.
(2) The treatment of detainees is a matter for the US. Australian officials recently visited Mr Hicks and Mr Habib and reported that they both appeared to be in good physical condition.
(3) The statements were made within a week of one another. I am not aware whether the IBA drew on the substance contained in the ICRC’s statement nor whether the IBA’s statement was prompted by the ICRC’s statement.
(4) The Government has been in continuous dialogue with the US since David Hicks and Mamdouh Habib were detained.
(5) Yes.

Nayouf, Mr Nizar
(Question No. 2639)

Mr Danby asked the Minister for Foreign Affairs, upon notice, on 16 October 2003:

(1) Is he aware of the detention by the French government of Mr Nizar Nayouf in September 2003; if so, has he been charged and what are the charges.

QUESTIONS ON NOTICE
(2) Can he confirm that Mr Nayouf was imprisoned in Syria for nine years; if so, (a) why, (b) what had he done prior to being arrested by the Syrian authorities, (c) was he considered to be political prisoner by Australia, and (d) when was he released.

(3) Can he confirm that Mr Nayouf was invited to attend a conference organised by the Foundation for the Defense of Democracies in Washington DC, USA, to speak on Syria’s record of human rights and political reforms.

(4) Did the Australian government have any representatives at the conference and is he able to say who spoke at the conference and what the outcomes of the conference were.

(5) Is it the case that the French government indicated that Mr Nayouf must not attend the conference in the United States on Human Rights in Syria.

(6) Does the Australian government share the view of the government of the United States of America that the Syrian government has not done enough to combat international terrorism.

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

(1) No.

(2) Yes; (a) Mr Nayouf was a member of the Syrian Labour Communist Party and was imprisoned for his political affiliations; (b) Mr Nayouf was a journalist and a founding member of the Committees for the Defense of Democratic Freedoms and Human Rights in Syria; (c) His detention may have been in breach of internationally accepted human rights standards; (d) Mr Nayouf was released from prison in 2001.

(3) Yes, according to information available on The Foundation for the Defense of Democracies website.

(4) No. Information on the conference is available on The Foundation for the Defense of Democracies website.

(5) I (Mr Downer) am not aware of the French authorities’ views on this matter.

(6) Yes.

Employment: Work for the Dole

(Question No. 2646)

Mr Albanese asked the Minister for Employment Services, upon notice, on 16 October 2003:

(1) How many Work for the Dole participants have received a placement with a private sector (commercial) business since the commencement of the program.

(2) Which industries and sectors do these businesses operate in (eg child care, health care, etc.).

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

(1) Placement in for-profit organisations is not permitted under Work for the Dole. Under Drought Force provisions introduced in December 2002, placement is permitted to enable emergency drought mitigation and support for fire fighting efforts. From inception to 24 October 2003, 371 participants have been placed on Drought Force projects located on commercial premises, mainly farming properties.

(2) These participants have undertaken activities in Agriculture and Restaurant and Catering.

Health: Pervasive Development Disorders

(Question No. 2663)

Mr Byrne asked the Minister for Health and Ageing, upon notice, on 23 October 2003:
(1) Does the Government accept the classification of Pervasive Developmental Disorders (PDD), including autism, as clinical conditions by the American Psychiatry Association, in the 4th edition of the Diagnostic and Statistical Manual of Mental Disorders published in 1994; if not, why not.

(2) If this classification is accepted, (a) how have services for people with autism changed to reflect the clinical nature of autism, and (b) what clinical attention and intervention is provided for people with these conditions by the Australian health system.

(3) Does the Government have any information on the unmet demand for the clinical treatment of autism; if so, what.

(4) In respect of the finding reported at the first World Autism Congress held in Melbourne last year that a significant number of mental health patients in Australia who do not respond to treatment for schizophrenia were found to have undiagnosed autism spectrum disorders, (a) what is the Government doing to improve the detection of autism spectrum disorders in mental health patients, and (b) will the Government act to ensure that the treatment provided for people with multiple diagnoses that include autism spectrum disorders is effective for their combination of conditions.

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

(1) This is the most common diagnostic system used in mental health services in Australia.

(2) (a) As the Australian Government does not provide services in relation to the diagnosis of children with autism, I am unaware of how services have changed for people with autism to reflect the clinical nature of autism. (b) The provision of treatment is the responsibility of the treating clinician, and may cover educational programs focusing on improving communication, social, academic, behavioural and daily living skills.

(3) No. There are no national data on the diagnostic profiles of people with autistic disorders. The provision of services in relation to autism is addressed by individual State and Territory disability programs with the provision of treatment the responsibility of the treating clinician.

(4) (a) The National Health and Medical Research Council is currently funding seven grants relevant to autism spectrum disorders, with a 2003 budget of approximately $717,500. In addition, the National Health and Medical Research Council will provide approximately $31 million in 2003 for funding other research projects into mental health and neurosciences, which may have the potential to benefit those suffering from a range of intellectual and developmental disabilities. (b) No. As mentioned above, the provision of services in relation to autism and mental health are addressed by individual State and Territory Governments. The provision of treatment is the responsibility of the treating clinician.

Howard Government: Advertising

(Question No. 2759)

Mr Murphy asked the Minister representing the Special Minister of State, upon notice, on 6 November 2003:

(1) Further to my questions Nos 2614-2631 which were placed on the Notice Paper on 15 October 2003, can he confirm that the responses to these questions will be co-ordinated through his office.

(2) Can he explain why the individual Ministers cannot respond individually to each question.

Mr Abbott—The Special Minister of State has provided the following answer to the honourable member’s question:

(1) Yes.

(2) I am answering this question on behalf of all Ministers as the information you seek is held centrally in the Government; also, I am Chairman of the Ministerial Committee on Government Communications.