Thursday, 12 February 2004

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

PERSONAL EXPLANATIONS

Mr STEPHEN SMITH (Perth) (9.01
a.m.)—Mr Speaker, with your indulgence, I
would like to correct an error that I have
made.

The SPEAKER—The member for Perth
may proceed.

Mr STEPHEN SMITH—Last night on
the ABC’s 7.30 Report I said that the $1.3
million cost of detaining one asylum seeker
on Manus Island was the equivalent of
500,000 bulk-billed GP consultations. I had
of course intended to say 50,000 bulk-billed
GP consultations. That my error was inadver-
tent is reflected by the fact that earlier in the
day I had used the 50,000 figure on the
ABC’s PM program.

COMMITTEES

Public Works Committee

Reference

Mr SLIPPER (Fisher—Parliamentary
Secretary to the Minister for Finance and
Administration) (9.02 a.m.)—I move:

That, in accordance with the provisions of the
Public Works Committee Act 1969, the following
proposed work be referred to the Parliamentary
Standing Committee on Public Works for consid-
eration and report: Proposed fitout of new leased
premises for the Department of Health and Age-
ing at Scarborough House, Woden Town Centre,
Australian Capital Territory.

The Department of Health and Ageing pro-
poses to fit out new leased premises at Scar-
borough House in the Woden Town Centre in
the Australian Capital Territory. Health has
occupied space in the Woden Town Centre
since the development of the town centre
concept in the early planning of Canberra. As
Health has expanded and the need for addi-
tional space grew, it became necessary to
take up space in surrounding buildings. To-
day, Health occupies in excess of 40,000
square metres of leasehold accommodation
across 15 sites in Canberra. Of these, 12 are
in the Woden Town Centre.

Health proposes to collocate its operations
from these fragmented leases into one loca-
tion as there are expected to be significant
benefits from an organisational perspective,
including cost and operational efficiencies.
In December 2002, Health advertised a re-
quest for proposals to provide between
11,000 and 14,000 square metres of primary
commercial office space in either a new or
existing building. Following a detailed
evaluation of the six proposals submitted,
Indigenous Business Australia Pty Ltd was
chosen as the preferred tenderer.

Scarborough House is a 15-storey build-
ing located at the northern end of the pedes-
trian precinct in the Woden Town Centre. It
has been vacant and totally gutted since the
rationalisation of the Commonwealth prop-
erty portfolio several years ago, and sold to
Indigenous Business Australia Pty Ltd. In-
digenous Business Australia has engaged a
team of experts to develop a scheme for the
total refurbishment and extension of the
building, comprising: office accommodation
of approximately 16,000 square metres; ap-
proximately 49 car parking spaces in the
basement, including two spaces for disabled
parking; and a drop-off area and two short-
term courier parking spaces adjacent to the
building.

Health proposes to occupy all floors of of-
face space, totalling approximately 16,000
square metres. Where practicable, the in-
tegration of services, including electrical, hy-
draulic, airconditioning and fire will be in-
corporated into the base building works. In
particular, Health will ensure that the instal-
lations are in accordance with the fitout re-
requirements and that the flexibility to accommodate future changes is built into the systems.

The fitout will be specifically designed to meet the requirements of the department. The architecturally designed office accommodation will include general office areas, meeting rooms, utilities, conference and training facilities, secure areas for incident rooms and accommodation for the department’s secretary. Security and reception facilities will be accommodated on the ground floor at the building entrance.

The developer has programmed the extension and refurbishment work to commence in February this year, with completion of the base building works by the end of April 2005. Health will negotiate an integrated fitout with the construction contractor and, subject to parliamentary approval, construction is planned to commence in early June this year, with occupation by July next year. The estimated cost of the new proposal is $18.5 million. I commend the motion to the House.

Question agreed to.

WORKPLACE RELATIONS AMENDMENT (SIMPLIFYING AGREEMENT-MAKING) BILL 2002

Second Reading

Debate resumed from 11 February, on motion by Mr Abbott:

That this bill be now read a second time.

Dr Emerson (Rankin) (9.06 a.m.)—I pretty well covered the field, I think, in my remarks yesterday. Therefore, I move the opposition’s second reading amendment, which has been circulated:

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

“the House declines to give the bill a second reading, and condemns the Government for:

(1) systematically weakening the capacity of working Australians to bargain collectively;

(2) pursuing a legislative framework that is hostile to trade unions being able to represent their members effectively;

(3) refusing to require the parties to bargain in good faith;

(4) creating an environment wherein working Australians are forced to accept Australian Workplace Agreements, allowing employers to set conditions of employment below the minimum award conditions; and

(5) weakening the capacity of the Australian Industrial Relations Commission to settle disputes where the parties cannot reach agreement”.

Mr Cadman (Mitchell) (9.06 a.m.)—In the years 1997, 1998, 1999 and 2000, the number of working days lost per 1,000 employees was 75, 72, 87 and 60 days respectively—an average of 73.5 days per 1,000 employees. In each of the 10 years prior to the commencement of the Workplace Relations Act, the average number of working days lost per 1,000 employees was 174 days. There has been a massive change in the ethos of industrial relations in Australia since this government came to office. People are more productive and they are happier. Their lives are not interrupted by lost time and down time created by militant unionism and union leaders—for things like annual meetings of the union, establishing a precedent in a particular area, or creating havoc in order to gain advantage for themselves and their members. It is obvious that the change has been beneficial for Australian workers.

I am delighted that Australian families are now better off by 100 days in the workplace each year per 1,000 employees. That is a significant change and a benefit to Australian men and women and their families, and it has been brought about by a change in outlook by the federal government. The federal government has recognised that it is not a matter
for external people, whether they are employer groups or employee groups, to interfere in the relationship between an employee and the person for whom they are working. It is a matter for that workplace alone and for those who want to unite to achieve a common goal—continuation of business activity—because that means employment and profits, which benefit both employers and employees. Expanding opportunities and increasing profitability are common goals because they mean better wages and conditions, higher returns to the company and benefits to families. Expanding business and expanding opportunities, whether it is in the Australian environment or through exports, will mean that people grow and achieve positions of responsibility with a business, hence gaining greater stability and greater returns.

This government should be congratulated for the achievements it has made in the Australian workplace; and it has been done without protest—except by the Australian Labor Party in the Senate, which is the only group that has really protested against these changes. There has been no marching in the streets. I have not seen demonstrators opposing the government’s changes. The only demonstrations have been the irate ones here in this chamber and in the Senate. There is nothing objectionable about what the government has done. The changes are reasonable and people across the nation have been vastly better off over the past six or seven years than they were for the previous 10 years.

Today, in discussing the Workplace Relations Amendment (Simplifying Agreement-making) Bill 2002, we are debating additional factors in the Workplace Relations Act that will continue to build upon the achievements already in place. There has been a marked change in focus in the workplace. In recent years, there has been a move away from reliance on third parties to settle relationships, conditions of employment and remuneration. One must acknowledge that, under federal awards, allowable matters continue. The basis of fairness in the workplace is part of the law. That cannot be changed. Nobody wants to change that. Australian workers expect things like sick leave and holiday leave; they are the basics of employment. There is also the factor of a minimum wage below which people cannot fall, so that slave labour under these changed relationships is not contemplated. Exploitation cannot exist, because it is against the Australian law.

The benefits of increased wages and salaries and increased employment are there for every Australian, and yet the Australian Labor Party wants to claim that things are terrible. There are fewer disputes, people are getting more money, and there are more people at work. What can be terrible about that? I think it is a marvellous achievement and a marvellous change for this nation, and it is recognised internationally. The Workplace Relations Act aims to ensure that:

… the primary responsibility for determining matters affecting the relationship between employers and employees rests with the employer and the employee at the workplace …

There is a range of collective agreements that can be entered into, and the decentralised process, which gets away from the courts, the unions and the large employer groups—the so-called industrial relations club—can take a number of forms. The simplest form of agreement is the one-on-one: the Australian workplace agreement between an individual and their boss. I understand that there have been more than 400,000 AWAs, Australian workplace agreements, lodged since their introduction, and they cover approximately 11 per cent of employees in the federal system. So there is a huge number of people involved.
The purpose of AWAs is to allow sympathetic finetuning of an employee’s worth to their boss, in such a way that the employee is happy and the boss is happy. I think that the practice of putting these things in writing goes back in Australian tradition. Having been both an employer and an employee, I know that when we have got a clearer understanding of what expectations are everybody is happier. It is obvious that people are happier: they are signing on to Australian workplace agreements. The Australian Bureau of Statistics found in May of 2000 that an estimated 22.7 per cent of all employees were covered by formal agreements under the federal system.

That brings me to the second type of collective agreement, which can be the workplace in totality—the total factory or office—agreeing with the boss as to what their payments and conditions should be. That is a more formal collective agreement between the people in the workplace and the boss himself or herself. It is a simplified process. No longer are there days and weeks lost arguing cases in the court. The only people who do not like this process are a few of the lawyers and of course the unions themselves, because their employment depends on being able to trump up some sort of argument to get into a court to justify their existence. Employer groups have also existed by saying, ‘Mr Employer, you need the protection of an employer group to be able to stand between you and those terrible unions.’ The unions are not terrible; they are just made up of people—and employer groups are the same. But, if you cut down the barricades of difference in the structure that have been put in place and the fabricated reliance on these groups, you can have a simplified process where the worker and the boss get together for mutual benefit.

The one thing that the Workplace Relations Act guarantees is freedom of association. The choice should not, and should never be, that of the union or the employer association. It must never go back to that situation. The proof of the value of such an approach is the massive change in lost days per thousand employees—diminishing from 174 days per thousand lost in the 10 years prior to this government coming to office to an average of 73.5 currently. Those figures speak for themselves: it is a massive and important change.

The proposals before the House are simple. This bill seeks further to simplify the procedures for making collective agreements and to provide more flexibility in that process, and seeks to encourage working agreements that better suit the needs of employers and employees. It appears that the Australian Labor Party are opposed to both flexibility and choice. They want some sort of approach where people remote from the workplace have a ‘one size fits all’ that is argued before the Conciliation and Arbitration Commission or the industrial courts that we now have. That is the stuff they love. The Labor Party voted against our proposals—but there were no protests out there and things are working better.

There will be no changes to the key safeguards—that is, the allowable matters will not be changed. The focus of this bill is to ensure a more efficient process of making and approving AWAs and certifying agreements. The government’s amendments will provide that extended agreements may have a nominal life of between three and five years and set out the criteria to be applied by the Industrial Relations Commission when certifying extended agreements. That is a sensible thing. If people are getting on, why not extend the agreement? Why do you have to go through the whole process of renegotiation? If people are happy, why not just extend it for up to five years?
One of the other changes proposed will be to ensure the integrity of the no disadvantage rule. This is a pivotal matter that is partly responsible for the success of the change in industrial relations. There will be no disadvantage to any employee moving into Australian workplace agreements. That basic rule has been maintained by the government and in the workplace and is testable before the courts.

Mr Brendan O'Connor—Unfortunately, it does not work in practice.

Mr CADMAN—Anyone in the Australian Labor Party who says that it is not factual is not dealing with facts themselves because it can be contested at any time before the court. The no disadvantage rule has been applied. These processes that we are debating today will safeguard and ensure the integrity and importance of the no disadvantage test, and that will be provided in the extension of all rules.

The ALP have said that they want to abolish the Australian workplace agreements and the Office of the Employment Advocate, which is there to assist and support people wishing to understand exactly what is taking place in the workplace and to understand what has changed in their agreements. They have a right to go to the Employment Advocate. The Australian Labor Party think that the removal of that office and the removal of Australian workplace agreements will be beneficial to employees. That is certainly not the case.

The changes proposed in this bill will make the agreements more easily available. The changes should reduce delays and formalities in making agreements and getting them certified and prevent unwarranted interference by third parties in agreement making. People elbowing their way onto the table, for their own purposes, to have their say in an agreement should be put to one side. They have no place there and unless employees or the parties want them there, that is the way it will happen. They will have no automatic rights to come to the table. They will be barred from coming to the table unless there is a request. The legislation will also remove barriers to the effective exercise of agreement making choices.

The bill allows organisations bound to a certified agreement made directly with employees the opportunity to make submissions regarding extension, variation or termination of the agreement, but the bill removes the right to veto any such proposal. So submissions regarding any extensions can be put forward but there is no right of veto by any external organisation.

The legislation will explicitly allow the approval, variation, extension or termination of a certified agreement without a hearing. And that is the point I was making: that people are happier if they know that there is going to be stability in the workplace. If they are happy with the way things are going, they are going to be allowed to extend it. Hearings will only be required if an employer or employee has requested one and the commission is satisfied that there is a reasonable ground for that request.

The AWA process and existing filing and approval requirements will be consolidated into a one-step approach. Currently, this process involves the Employment Advocate approving AWAs, with a provision for referral to the Australian Industrial Relations Commission where there is doubt about whether it passes the no disadvantage test. Currently, AWAs cannot be put into effect immediately after the parties have reached agreement. What is going to happen is that, after they have reached agreement, the AWA will be put in place and, if there are any problems with it, the advocate and the court will sort it out. That means there will be no
delay or uncertainly. So the bill will make AWAs take effect from the day of signing unless the parties specify otherwise. It is no good painting a picture that this is riding over the top of employee rights. It is not the case. They have the right, as have the employers, to go to the advocate and the court. It means it is a streamlined process. It means that things will continue without halt or change, it will prevent uncertainty and people will know precisely where they are going.

This bill will also allow employees to sign AWAs at any time after receiving from the Employment Advocate an information statement and an explanation of the effect of the AWA. As additional protection, an employee party to an AWA will be able to withdraw consent to the AWA within a cooling-off period, which will be five days from the date of signing for new employees and 14 days for existing employees. What more protection could you want? This is sensible stuff. This is building on what has been established. And look at the result for Australians: more jobs and far better salaries. Instead of salaries going backwards, as they did under the ALP, people’s salaries have increased significantly in real terms over the period and there is less downtime. The disputes have diminished by two-thirds or more.

Also under this legislation, an employer is required to satisfy the Employment Advocate that the employer did not act unfairly or unreasonably in failing to offer AWAs in the same terms to comparable employees. That is reasonable in terms of comparative wage justice. I remember years ago the forklift driver, was extremely slow and took three or four times that length of time to load and unload trucks. But, by comparative wage justice, they were both paid the same amount. There was no incentive for the employee with the skill and capacity to do better. This breaks that process and allows people doing the same job to be paid different amounts if one happens to do a better job, to be more skilled, to be more knowledgeable, to be more clever or to be more suited for that type of employment. This individualises the whole process. The bill will provide flexibility, it will give employees and employers a better go, it will allow a quick changeover and extension of agreements, and it will prevent the uncertainty that is created when an agreement is up for renegotiation. I support the bill. (Time expired)

Mr BRENDAN O’CONNOR (Burke) (9.27 a.m.)—I rise to oppose the bill and support the amendments moved by the shadow minister. The Workplace Relations Amendment (Simplifying Agreement-making) Bill 2002 is, as most would know, a rehash of the efforts by the then minister for workplace relations, Peter Reith, to introduce the 1999 second wave legislation in the so-called More Jobs, Better Pay bill. As we all know, it was rejected then, quite reasonably so, by the Senate. It was attempted once again by the introduction of the Workplace Relations Amendment (Australian Workplace Agreements Procedures) Bill 2000. So it is nothing new in this parliament to see efforts by this government to diminish the capacity of Australian workers to negotiate their conditions of employment. This is the third effort by this government to strip away those protections in place for Australian working families. I should not be surprised that it is being introduced again, but it does concern me that the member for Mitchell has such little understanding of what the practical application of this bill would be if it is enacted.
Anyone who has worked in a workplace and has considered these matters outside the realm of this chamber—as some would say, in the real world—would know that Australian workplace agreements have been an abject failure. Only two per cent of employees in this country—two per cent of the entire workforce—are on Australian workplace agreements, despite the prodding, pushing and coercing by this government and its ministers in this area since 1996: Peter Reith, Tony Abbott and now the new minister. Two per cent of the workforce are covered by AWAs and only 10 per cent of that two per cent are in small businesses. So this is not a feature that provides so-called flexibility for the workplace in those organisations that might require less formal structures in order to effectively manage their business; the fact is that this is usually imposed upon larger workplaces. Of course, the ideology of the government is about smashing collective arrangements and, wherever possible, destroying collective agreements and smashing organised labour, which involves unions. If anyone understands the practicalities, the fact is that AWAs are introduced into large workplaces and each AWA mirrors the others in those workplaces. The amount of administration required to apply AWAs is extraordinary, and there are no efficiency benefits whatsoever.

I think it is important also to mention a number of authorities who have raised concerns about the government’s intentions in this area. The minister is a devout Catholic, and I respect that. Indeed, we saw his beliefs on show when he genuinely referred to his beliefs and concerns in the stem cell debate. The minister is a practising Catholic, and he brought that fact into the debate himself, as I recall. I ask him to have regard to the Australian Catholic Commission for Employment Relations, who remarked upon the bill in 2000 when they said, with respect to these matters, that they were concerned that provisions similar to those proposed in this bill would result in a situation where employers offered AWAs on a ‘take it or leave it’ basis. They said:

... there does not appear to be adequate safeguards against such behaviour.

That is, they expressed concern that employees would be asked to take it or leave it; that they would be asked, in effect, to sign an AWA if they wanted to be employed or to sign an AWA if they did not want to be sacked.

In other words, the Catholic commission were, I think, quite rightly concerned that this was not an environment in which employees were able to negotiate freely and to have the same power as their employer. The Catholic commission were also concerned that the operation of AWAs from the time of signing was problematic. Indeed, their overall concern with these types of provisions is that, as they say, they offend against some of the core principles contained in Catholic social teaching. For example, they said:

... any industrial legislation should not act to the exclusion of third parties in the employment relationship, whether those third parties are unions, employer associations, private mediators, industrial tribunals or courts, or governments.

Indeed, they say that certainly the contents of much of this bill offend the principle by further restricting the role of both unions and the Industrial Relations Commission in collective bargaining, which I will get onto soon.

I do quite genuinely ask of the minister to consider those comments, given his own beliefs, which I believe are genuine because I believe he is devout. I think he should reflect upon those concerns raised by the Catholic Church and upon the Catholic teaching in this area. I do not think it is just the Catholic Church—indeed, there are others who have
concerns about this bill who have made comment upon it—but, in essence, those comments by the Australian Catholic Commission for Employment Relations certainly sum up some of the concerns I share.

We also know that, in practice, Australian workplace agreements are none of those things. Of all the things that are Orwellian in the titles used by this government, ‘Australian workplace agreements’ must be up there at the top of the ladder. There is no doubt that the term ‘Australian workplace agreements’ is one of the great ironies. If it were not so sad in its effect on employees, I could say it was a humorous irony, but it is a tragic irony for many employees because Australian workplace agreements are neither Australian nor are they workplace based and rarely are they agreements.

Are they Australian? Let us think about that. They were introduced in 1996. Until then, since Federation, there was no capacity under the federal system to provide for such agreements. In other words, they are anathema to the Australian federal system. We should remember that this federal system was supported by Robert Menzies, by Malcolm Fraser and by all Liberal prime ministers, up until this one, and that the system has been supported by conservative and Labor governments since Federation. It is only since 1996 that we have allowed laws that would actually introduce individual arrangements under the federal system. We call them ‘Australian’ but they are not Australian; they are not an Australian tradition. They offend the Australian tradition and this system.

They are not workplace agreements either; they are individual arrangements where the employer, most often, invites the employee—or, worse still, a prospective employee—into his or her office and asks them to sign an agreement on their own without any capacity to consider the matter collectively and perhaps without any third party to assist the employee. Every person in this land knows that no employee has the same power as their employer. None does—not on their own. However skilled an employee may be, very rarely are they in a position to be able to negotiate freely and on an equal footing to that of their employer. Again, I think the notion that it is a workplace agreement when it goes to one individual is quite wrong and quite contradictory.

I do not see this place negotiating on an individual basis either. I do not see the members of government here negotiating their packages individually. I do not see an Australian workplace agreement applying to members of this House. Indeed, if there are any changes—and our leader has already mooted some that might occur to our employment conditions—it will be done collectively. I do not see any of the members of the government wanting to opt out of the collective arrangements they have in this place. The fact is that it is not a workplace matter; Australian workplace agreements are about targeting an individual in the workplace.

I forgive the member for Mitchell for his ignorance in the area of ‘agreements’. I do not think he would know much about a workplace. Unless he had goggles and a white overall on, he probably has not been in too many other than this place. He has not been where ordinary Australian workers put their effort in and produce things for and provide services to this community. The member for Mitchell would not know about those things. But I was involved in them prior to coming to this place. And many others in workplaces across the country know that AWAs are not agreements. Rarely are they agreements. As the Catholic Commission for Employment Relations said, AWAs are not agreements in most circumstances. You either sign one or you are sacked; you
sign it or you do not have a job. These are the things that happen at workplaces. To pretend that AWAs are lovely, equal arrangements between a worker and his or her boss is a misnomer; it is a lie. It is a lie that would be exposed if you went to any area, any workplace, whether it was unionised or not, whether labour was organised in the workplace or not.

I also know the way in which this government attends to employees in this place. I know there are many casuals in this parliament who have been working here for almost 10 years, and in some cases more, in jobs where there are no replacements for them. In this place—in this parliament—the government is quite happy to apply unfair conditions to their staff. I think it is outrageous and it is about time it was addressed. As I said earlier, only two per cent of the Australian workforce have Australian workplace agreements. So the only way they can even build up to that meagre two per cent is with the government forcing Commonwealth employees onto AWAs wherever they can. Not even big private sector employers impose AWAs on most of their workers. I think that is something that most people in the real world know and that therefore should be considered. It should therefore be opposed.

Labor are against Australian workplace agreements. We do not think they provide flexibility. We do not really need a lesson from the government on workplace flexibility. When the Prime Minister—or shall I say the member for Bennelong, now that we are able to use the member’s title rather than the title of their office—was Treasurer in the seventies, I do not recall him introducing changes into the parliament, but the fact is that it was the Labor government that introduced the capacity to ensure that we moved away from a rigid centralised wage system. That is what happened. It was in the nineties, before the election of the Howard government, that Labor introduced those things.

When we introduced those things, we introduced them with protection for the work force. I think that is something that separates us from the government. The government is about introducing and increasing the decentralisation of the system without any protection whatsoever for Australian workers. I think that is the difference. We agree that we had to change in the workplace system. We agree that we had to enable people to negotiate certain changes at the workplace level, but we did it with protection, which the government has not done. This bill continues to go down that path, where it tries to make less formal arrangements between employers and employees, but with no protection for the employee. That is something that is of concern to me and indeed would be of concern to all members on this side.

I want to go to the particular concerns I have in relation to this bill. I do have concerns that you can commence an Australian workplace agreement before it is certified by any third party. This bill is really asking us to enact a law that will enable an agreement to be signed without scrutiny. The member for Mitchell wanted to talk about the protections in place. He made references to the no disadvantage test. The no disadvantage test, it should be noted firstly, is not one to prevent people having lesser conditions of employment. The no disadvantage test that is now enclosed in the Workplace Relations Act 1996 is a provision that allows the commission or the Employment Advocate to compare the AWA or collective agreement against the award rate. Indeed, the award rate is now falling well below the actual rate.
There is a real concern about the fact that the test is not really protecting employees' conditions properly in the first place. But having said that, the one thing the government boasted when it introduced AWAs was that you would have the advocate, Mr Hamburger—or ‘Hamburglar’, as some people like to call him—overseeing the AWAs to see whether in fact they met the no disadvantage test as it is currently prescribed in the Workplace Relations Act. Whilst that is a minimal level of protection, it is at least something. But this government now wants us to accept that we should allow the agreement to commence before the scrutiny of the Employment Advocate. I think that is a further move away from protecting the Australian workforce and, indeed, it is something that is more driven by this government’s ideological predisposition and its hatred of collective arrangements than it is about the concerns of business. I think that is something that is being shown up in the debate on this bill today.

I also think it is a concern, certainly to me, that collective agreements, which involve a union or unions as a party, can be changed without their involvement. As I remember, and I think it is still the case, section 170LK provides for employers and their employees to enter into a collective agreement without the union. That exists now under the Workplace Relations Act. That is something that Labor would not oppose if it were to win the next election. There are arrangements where an employer and their employees can sign an agreement without the involvement of a union. There is also another provision, section 170LJ, that allows parties to include unions. So there are already those options for people at the workplace to choose whether they wish to have their union or unions involved in an agreement. This bill wants to say there is a choice, but the fact is that there is not a choice. I think the government should take note of that. (Time expired)

Mr RANDALL (Canning) (9.47 a.m.)—It is my pleasure today to speak on the Workplace Relations Amendment (Simplifying Agreement-making) Bill 2002. This is great legislation; it provides opportunity for workers to have a flexible workplace and an agreement which they can strike individually with their employer. It is a pity that the member for Burke has left the chamber because I want to correct something that he said. He said there are only two per cent of people involved in this. That is not true; in fact, over 400,000 AWAs have been lodged since their introduction, and they now cover about 11 per cent of employees in the federal system—not two per cent.

I will give you an example from Western Australia, which I quoted the other day in regard to another bill. The state government endeavoured to organise their own arrangements at the state level for employee arrangements, and they are called employer-employee agreements—EEAs. The success of those to date, since the election of the Gallop government in Western Australia, has meant that only 114 EEAs have been registered in Western Australia yet, over the same period of time, 93,800 AWAs have been registered in Western Australia. That demonstrates where people want to be in terms of their agreements in the workplace—they want AWAs. They want AWAs because they realise that they get a better deal. They are able to strike a better deal with their individual employer.

This one-size-fits-all mentality from the Labor Party is bizarre. As I said the other day in relation to the member for Rankin, it is the industrial dinosaurs of the Labor Party rising through the mire and the swamps again trying to take us back to the sixties. Let us realise what this is all about. It can be crystal-
lised into a very simple statement: the unions want to control the workplace and they do not want any other flexibility in the arrangement because, if they do not have their union-dominated awards in place, they cannot manipulate the work force. I will give an example. In Western Australia on the Burrup Peninsula there is a huge amount of work going on with the development of chemical plants—the onshore gas treatment plants et cetera with Woodside—which are huge export industries for Australia. As we know, a $25 billion deal has been struck with the Chinese government to deliver gas into China from now on from the Burrup Peninsula et cetera. The ongoing work in that area is outstanding.

At the moment, the CFMEU have finally broken into the north-west work force. There has been a long-standing demarcation between the other unions in the Burrup Peninsula, but the CFMEU have finally been able to muscle in to the operation up there. One company, BGC, has been able to strike agreements with its workers on AWAs—Australian workplace agreements—for the contracts they have won. These people are on a better deal than the ones who have been snared into the basic awards of the CFMEU-sponsored agreements. They are still working, but what are the workers under the CFMEU currently doing today, as I speak? They are on strike. The guys on the AWAs are not on strike; they are actually earning money.

I know a little bit about that part of the world. I first began my employment in the Pilbara. Like Mick Young from the other side who said, ‘I have washed my hands in solvol’, I have worked as a labourer in the Burrup Peninsula around Wickham. So, unlike a lot of members in this House, I know what it is like to work in those conditions. Striking an individual agreement is something that is beneficial to the worker and to the job because, whether you are a specialised worker or a labourer, you know what you can generally provide to that job and you can strike an agreement with your boss to get a better deal. What is wrong with that? I will tell you what is wrong with it: the unions have told the members in this House that they cannot support this. I can support this by pulling out a statement which came out of the Labor Party’s federal conference, which was held on Wednesday, 4 February at Darling Harbour, some of which says that the party accepts amendments to:

Commit Labor to giving preference when procuring goods and services to suppliers that comply with the party’s IR policy, including meeting their legal employment obligations and supporting collective bargaining and the award system ...

They want to go back to the rigid old award system. We see the award system as the safety net—the bottom benchmark. The worst you can get is the award. We are saying that AWAs provide a far better deal because you can do better than the award. If you do not like the AWA that is being offered or you cannot negotiate one, you can always fall back to the award—that is the bottom line. Yet the union does not want AWAs because they cannot control the work force if they strike an individual deal, even though, as the member for Burke conceded, the unions can act as an agent and an adviser in striking an AWA. But because they do not control the whole work force collectively right across that industry or that workplace they lose control.

The only objection to this is the loss of control of union power at the work site so they cannot manipulate them. As I said, the guys on award based agreements with the CFMEU are on strike and people on AWAs are not. That demonstrates it very simply: the ones who want to work are working; the ones who have got a better deal are working; the ones who are told what to do by their
union bosses cannot work. What is sad about this is that, when they go on strike in the Pilbara, for example, where it is hot and there is not much to do, they all end up in the pub. They get paid and then they spend their money in the pub—and goodnight. They went up there to earn big money for their families, to buy a house back down in Perth or whatever and all that money has gone because has all been frittered away in the local Roebourne hotel, the Port Hedland hotel or wherever they are stuck while they are on strike. That is what this out-the-gate mentality delivers under a union sponsored deal with these arrangements.

Further, another of the resolutions at the Labor Party conference is:

Condemning the Howard Government for introducing AWAs.

They are locked into weakened collective bargaining rights, which restrict the AIRC’s capacity to settle disputes, and they attempted to move unfair dismissals to the federal sphere. At the end of the day, you cannot say that the people opposite have not been instructed by the unions to oppose this, because, even though the former opposition leader, the member for Hotham, tried to put some democracy into the Labor Party’s conference, we know that 60 per cent of the people who attended that conference were either current or past employees of a union, so it was still out of kilter. The union-dominated Labor Party national conference came out with this mantra, and we know that once they make policy in that forum then the people opposite are obliged to try and implement it. They try and implement it, unfortunately, when they get to the Senate, with the help of the Democrats and the other faction of the Labor Party, the Greens, and, as a result, these things get bottled up.

Since 1996 this government has made a more flexible work force and freed it up. All this legislation is saying is that we intend to make a more flexible work force. Why is Australia one of the model economies of the world? Because we have been able to introduce flexibility into the work force, so we do not have this very rigid system which reduces productivity. In our environment in the world, Australia has been so successful competing against the lower pay rates in Asia and to our near north. We are far more competitive because we are more productive because we have been able to make the workplace more flexible. As a result, we have produced greater productivity.

We know that one of the opposition’s tactics is to oppose for opposition’s sake. The member for Werriwa, as the leader, said he would not do that sort of thing, but he is doing it again. The member for Rankin said that any legislation brought into this place by the previous Minister for Employment and Workplace Relations, Mr Abbott, would be opposed. He is doing the same again with the current Minister for Employment and Workplace Relations because they have been told they have to. It has nothing to do with the rights and wrongs of it or a better deal for workers. We know where the workers are better off: they are better off under the governance of this side of the House than under those over there, because they actually get a job when we are in government. There is 5.6 per cent unemployment, compared to 11.2 per cent under the previous government, in their heyday.

As a result, we are doing something for the workers, which the Labor Party were never able to do, and that is to give them a job. All this business about the Labor Party being for the workers is just not true. If they were there for the workers, they would actually see that they earned more money and got a job. But under their proposals and the opposition that they are providing to bills like this, there will be fewer people getting a job,
particularly young people, which is where the greatest unemployment is. If you can strike a deal, even with casual workers, they can earn more money because they can work for several hours here and several hours there, rather than having to work from nine to five, which the rigid award system in many cases requires them to do. It is stultifyingly mind numbing to try to understand the other side because they are just opposing because they have been told to by their union bosses. There is no other understanding for it.

Interestingly, the Master Builders Association of Western Australia have produced their first newsletter for the year. One would think that they would be interested in lots of issues on behalf of their industry. However, as I will demonstrate when I quote from their newsletter, they are bound up in continual fights and continual opposition from the unions to do work in Western Australia. This is the Master Builders Association of Western Australia. This shows what a union dominated work force will do to you. I quote from this newsletter because, as we know, this is union inspired opposition to this bill. It says:

CFMEU Pattern EBA
The MBA continues to receive reports about the CFMEU attempting to press its pattern EBA with little success.

Few builders have signed the union EBA due to competitive reasons with some saying the union EBA imposes up to a 10% increase on total costs with few clients willing to accept that extra cost, especially in the mid tier of the commercial market where much of the work is in Perth. We understand the additional cost for sub-contractors—in other words, small business people—under the EBA is between 20% and 25%.

So that is what the state sponsored EBAs do to the work force: they lock them into this rigid, basic award system. It will actually increase costs to the contractors by between 20 and 25 per cent. The legislation that we are endeavouring to bring through this House today actually makes it more competitive and more productive so that costs are brought down. The newsletter continues:

Another problem for the union on the EBA front has been the demise of a number of grano/formwork teams in 2003 as a result of the union EBA and the loss of jobs that followed. The CFMEU leadership's apparent disinterest in these closures in continuing to pursue an extravagant EBA has been noted.

Subcontractors are reminded that they do have options if faced with a demand by the CFMEU to sign up on the union pattern EBA. These options are:

- Not sign it.
- Make application to the WAIRC to have the union 'bargain in good faith'.
- Limit it to say only those few builders with an EBA with the union.
- Limit it to projects over a certain value, say 20 million.

Sub-contractors faced with a demand by the CFMEU to sign the EBA are recommended to contact the MBA's Industrial Relations Manager...

This is the sort of thing that they are tied up in because the unions are trying to take them back to the old draconian workplace relations. It goes on:

Union Bargaining Agents Fees
The CFMEU’s attempts to impose a fee of between $400 to $500 per year on non-members under its EBA was heard by the WAIRC in mid December with the decision still reserved.

The union conceded during the hearing that if the fee only applied to non-union members it would breach the state Freedom of Association laws and would have to be struck out. The union argued however that this was not its policy and the fee applied to union and non-union members alike.

Unfortunately for the union, its policy of applying the fee to non-union employees only was in writing and was presented to the WAIRC.
They are waiting for the outcome. As I said, this is what happens when the work force is dictated to by the union, as is the wont of the opposition in this case. That is why they are opposing this legislation. The letter goes on to show the domination of the CFMEU in the work force. It says:

The new year has well and truly kicked off and some may ask what the new year holds on the industrial relations front.

For many it will be business as usual with many of the same issues still on the agenda.

For example, the CFMEU has already reportedly targeting certain construction projects in an attempt to convince the builder(s) to sign up on the union’s pattern EBA and/or certain subcontractors on those projects to do the same.

Regrettably, the CFMEU has already resorted to one of its more obnoxious and tired of tactics of the ‘rat pack’ with up to 7 union officials visiting a Victoria Park construction site. Such behaviour is straight out intimidation and has no place in the building industry.

We know that in Perth, and it is well documented in the Cole royal commission, the CFMEU roll up to these building sites with their thugs, go in on the premise of a safety issue and intimidate the workers on the site to sign an agreement, and if they do not they then picket them and lock them out. In 2002 there was even a case where some guys hid themselves in a hut to escape these thugs and the thugs tipped the hut over and smashed it up while they were inside. These are the sorts of intimidation tactics that you get from the CFMEU on these building sites. This is what the union would foist on us in an agreement. That is why the opposition opposes freeing up the work force on these sites so that people can make individual choices about what sorts of agreements they enter into.

The newsletter goes on to say that the CFMEU are reportedly facing legal action. People are actually starting to fight back—they are taking legal action. It says:

The Cole Royal commission showed clearly how the industrial relations system has failed the building industry over the years so some builders have decided to take action in the real courts to protect themselves.

The prospect of the CFMEU and/or its officials being held accountable for the actions in the courts is attractive to some builders and may just cause the union leadership to moderate some of the union’s more thuggish and obnoxious behaviour.

And yet what does the Leader of the Opposition, the member for Werriwa, want to do? He wants to cut funding from the implementation of the Cole royal commission recommendations. He is telling us that he is going to pull out $145 million in what he calls ‘cost saving’. This will open up workplaces again to this sort of thuggish behaviour from unions like the CFMEU. They do not want workers to have a choice. They do not want individual agreements to be easily struck. They want to make sure that they impose their own basic minimalist award system on workers.

I rang a civil contractor yesterday and he said that his workers had said to him: ‘Why can’t we all be on federal AWAs? We would be much better off. We would get paid more. Our conditions would be easily varied. They are registered with the Employment Advocate. We feel quite secure in making these agreements because they are registered, they are scrutinised and, if they are not, we know that we can go before the Industrial Relations Commission.’ They provide certainty. They actually want to move. As I have demonstrated, in Western Australia they have moved to these federal awards in droves because they see a greater opportunity to do better for themselves by striking individual awards.
What is the matter with Australia today? The member for Burke says that it is almost un-Australian to strike an individual award. The individuality of workers in this country is one of the unique characteristics of Australians. We are nonconformists; we like to do things on our own and see a better deal for ourselves. What is wrong with getting a better deal for your family so that you can earn more money and have better conditions? That is what this bill will do. It will sponsor a more flexible, more tailored approach to individual workers on individual sites so that they can get a better deal for themselves, their families and their futures. It is a bill that must be promoted and must go through not only this House but the Senate, because Australian workers want it. They want to see it go ahead. The only ones who do not want it are the unions and their lackeys in this place, the Labor Party. As a result, they are going to oppose it. (Time expired)

Mr LINDSAY (Herbert) (10.07 a.m.)—To set the context for the debate on the Workplace Relations Amendment (Simplifying Agreement-making) Bill 2002, I guess that all Australians would recognise that currently our country has the lowest unemployment and the lowest inflation rate for some 35 years. That achievement is a stark reminder that the economic policies of the Howard government have been functionally very good for Australia. It is a great credit to the Howard government that we have been able to bring stability and security back to the country. People in areas such as Townsville, which I represent, are no longer fearful of 17 per cent mortgage interest rates. They are no longer fearful that they will not have a job. It is a great position for the country to be in.

It is not surprising that the Australian Labor Party today is opposing this workplace relations amendment bill. It has been a hallmark of the Howard government that we have tackled very difficult issues. We have tackled very difficult issues in the realm of industrial relations. While commentators sometimes think that the economy is one of the great achievements of the Howard government, the change in industrial relations is another great achievement. It has been done in very difficult circumstances, with the Australian Labor Party opposing the government at every step of the way. But we have persevered and we have made some enormously important changes which are reflected in the fact that we have very low unemployment in this country today.

It is also not surprising to see the amendment to this bill that has been moved by the Australian Labor Party. The first point of the amendment is that the opposition condemns the government for systematically weakening the capacity of working Australians to bargain collectively. Let me tell you what that is actually code for. The words are code for the fact that the Australian Labor Party objects to losing its stream of financial contributions from the unions. That is what the point really says. I was looking at the AEC annual disclosure returns yesterday, and the amount of money that pours into the Australian Labor Party from the unions is very significant indeed.

I guess if I were in the Australian Labor Party I would be concerned that Australian workers were moving away from being union members and were entering workplace agreements. That would mean that the contributions that are sent to the Labor Party, which unions force on members, would begin to dry up—and they have been drying up. Many people in Townsville tell me that they object to being a member of a union and compulsorily having part of their union fees sent to a political party that they do not support. That is outrageous. There is nothing wrong with having strong unions in this country. There is nothing wrong with unions
standing up for the work force. The government believes that there is a place for unions in this country, but the problem is that unions are effectively a branch office of the Labor Party—or the Labor Party is effectively a branch office of the union, depending on your point of view. It is wrong that a union member is forced to have part of his union contribution paid to the Australian Labor Party.

The second point of the amendment talks about pursuing a framework that is hostile to trade unions being able to represent their members effectively. If trade unions were relevant these days they could represent their members effectively. The previous speaker, the member for Canning, gave the parliament clear examples of where unions are not relevant. Unions have lost sight of what they are actually there to do. They are there to specifically represent their members, to get good outcomes and to work hand-in-hand with employers so that everybody benefits. That is the object, of course, of Australian workplace agreements. If the unions have ceased to be relevant in the workplace, that is why employees and employers are supporting Australian workplace agreements.

The third point of the amendment mentions creating an environment wherein working Australians are forced to accept AWAs, allowing employers to set conditions of employment below minimum conditions. That is just wrong. The government’s philosophy, the government’s position, is that there will always be minimum award conditions and you cannot make any agreement that is below minimum award conditions. That is sensible and prudent. The government has always supported that and always will. I am disappointed to see an amendment that suggests otherwise.

In Townsville there was a very famous strike, some years ago now, at Sun Metals. It was extraordinarily distressing to see two unions fighting each other over the same work patch. There was no thought given to the needs of the employees. Everybody was at one except the two unions who were fighting. The work force wanted to go back to work but the unions would not have it. When you see unions not working in the interests of their members it is time to question the relevance of those particular unions.

In this case, this bill before the parliament today is about simplifying agreement making. What is wrong with that? I guess it is not surprising that the Labor Party opposes it. We have seen this week complete opposition to the free trade agreement with the United States. People say, ‘But we didn’t get everything we wanted,’ but, gee, what we got will give this country an enormous boost. But Labor is saying it is going to knock it over in the Senate. That is really unfortunate. I do not know how the Labor Party is going to stand up and talk to all of the employees in the manufacturing and services sector of this country whose employers now have the opportunity to do business with the United States with their hands untied. Why would the Labor Party want to knock that over? It will be the same in the Senate today—the Labor Party will be voting against a safety net for Medicare. Why would it be that when the government wants to provide a safety net so that if your medical expenses exceed $500 everything from then on is free the Labor Party wants to knock it over? It is just bizarre.

It is the same with industrial relations. With every industrial relations bill that I can remember has come to the parliament the Labor Party stand up and proudly say, ‘We’re going to vote this down in the Senate.’ But the government wants this country to do even better. There are opportunities for the country to do better, and the only way we can do that is make sensible amendments to
our industrial relations law. And so it is with the workplace relations amendment bill that is before the parliament today. We want to make the act simple and less costly, but the Australian Labor Party, in their wisdom, say no, because they think it will weaken their position with the unions. You can detect that when the bill says it is going to help prevent unwarranted interference by third parties in agreement making. Of course, that is code for interference from the unions.

I have seen so many AWAs entered into where both the employer and the employee are delighted with the outcome. They do not want to have their workplace conditions on a factory floor in Townsville set by some union official in Melbourne who has no idea about how Townsville operates or about the climatic conditions and lifestyle in Townsville. Employees want to be able to negotiate directly with the employer and come to an agreement on something that suits both of them. The result has always been that the employee gets a better deal and gets more money. We have seen this over the years in that the rise in the real wages of employees has been very significant indeed, whereas real wages fell under the industrial relations policies of the former Labor government. It has been the coalition government that has set the conditions to allow employees to do much better in their wage outcomes, and long may that continue. Long may an individual employee be able to negotiate with an individual employer and come to an arrangement that suits both of them. Why would you object to that?

I guess that is what this bill is about in simplifying agreement making. There are a number of technical matters in it, but the bottom line is that it makes it easier for an employer. But that does not mean to say that EBAs are a thing of the past; they are not. It does not mean to say that a union cannot represent its members at a local level; it does not, and long may that continue. But it is very important for Australia, for individual employees and for individual employers that there is choice in the industrial relations system in this country. Across many of the portfolio areas that we have seen where the government has introduced choice you get a better arrangement. People do not necessarily follow what the government says they should do but they have the choice to do what they want to do, and long may that continue.

I want to conclude by saying that my feedback from Townsville-Thuringowa is that employers and employees—both groups—want to have choice in industrial relations. They want to make sure that their lifestyle can be as they want it. They want to have the opportunity to make even more money because they can come to an arrangement that suits their employer, and they want government and unions out of the way. I appeal to the parliament to allow that to happen through the passage of this bill and the other 12 bills that the government has introduced in relation to workplace relations amendments.

Mr SECKER (Barker) (10.21 a.m.)—I rise today to give my support to the Workplace Relations Amendment (Simplifying Agreement-making) Bill 2002—otherwise known as the SAM bill. This government has always been concerned about the working conditions of the nation’s employees, and we have made many advancements in this legislative area which have, I believe, made our industrial relations area much more workable and employee-friendly. I am particularly keen to speak on workplace relations issues as I know just how important they are to the employees within our community, particularly when it comes to helping people balance their personal and professional lives.

The bill before the House today once again goes a long way towards giving the
power back to the employee to negotiate the terms and conditions of their employment with their employer. It has been designed to streamline the processing measures for Australian workplace agreements and certified agreements, known as AWAs and CAs. They are a very common part of the workplace language now. We are doing this by amending the Workplace Relations Act 1996 in various ways. Through this legislation, the government intend to make agreement making much easier and much more widely accessible to employees. We intend to reduce the formality and costs involved in having agreements certified—surely that is something that we all should be supporting—and we intend to prevent unwarranted interferences by third parties in agreement making.

Unlike those opposite, the Howard coalition government has faith in the ability of our nation’s employees to work out what is best for them in their workplace and to negotiate with their employer based on that. For many years now, those opposite have consistently displayed their lack of confidence in the intelligence of Australia’s employees by encouraging and often forcing them to become members of unions which then did their bargaining for them. They forced employees to bow to union pressure and work under agreements which, while claiming to be for the benefit of all employees, were really only beneficial to the few union reps who got to voice their opinions to union superiors who then got to negotiate the deal. This is a very convoluted way of doing business, and it is very easy to see how we have ended up with so many awards which do not provide many of our employees with the kinds of working conditions that they require.

I am already on record in this House as saying that unions do not always have the best interests of workers at heart, that the union hierarchy are only interested in what will maintain their power and that those opposite are only listening to what their union mates tell them and are blinded by the thought of losing millions of dollars worth of campaign funding if they do not vote the way the unions want them to. As a result of this, they are too blind to see the positive changes that these amendments make, and they are too blind to see that, by improving the agreement-making system so that workers can negotiate their working conditions, we are providing a work environment which they have requested—one that will lead to greater productivity and therefore have a greater impact on the economy. They cannot see that a happy worker is a productive worker and a productive worker is good for our economy. All they can see is power and money—two things which employees may want but will never get under a Labor industrial relations policy; however, they can achieve that under this piece of legislation.

We all know that under the former Hawke-Keating governments, over 13 years, real wages fell. Is that the sort of thing that we want? As a government we certainly do not, because real wages have risen quite considerably under our government.

Frankly, when it comes to Australian workplace agreements, I think Labor have to be crazy, and their policy to get rid of AWAs will hurt a lot of people. For example, many traineeships are done under AWAs. The Subway franchise around Australia have all their trainees under AWAs. Not only are they under those AWAs; they are receiving wages that are above the award rates which the unions think they have done so well for. Effectively, what this means is that the Labor Party want to say to employees at Subway and in many other firms around Australia, ‘We don’t want you to get higher wages,’ because those employees are part of an AWA to which they are ideologically opposed.
It concerns me when you see the sorts of things that are happening in South Australia, for example, with apprenticeships and traineeships. Our government have a very proud record when it comes to that area. We have more than tripled the number of apprenticeships in Australia. Yet in South Australia the state government has decreed that you cannot leave school before you have completed year 12, unless you go through a whole lot of rigmarole and get permission, which is not always granted. A lot of these people leaving school—and, frankly, they are better off because they are not really interested in staying there—go into an apprenticeship which gives them a future. It is something that they are freely choosing to do, yet in South Australia the state government is trying to stop that sort of thing happening. It makes you wonder whether the Labor Party really are in favour of apprenticeships and traineeships. They are opposing AWAs, under which a lot of traineeships occur, and they are opposing the way forward for apprenticeships to occur in South Australia—and probably all over Australia, for that matter.

The SAM bill is designed to streamline the agreement-making process for both certified agreements and Australian workplace agreements. In the case of certified agreements the bill will allow the Australian Industrial Relations Commission to certify, amend, vary, extend or terminate an agreement without conducting a hearing. This means that the commission can now rely on the written process, which is sufficient in most cases, but can still have the option to call a hearing to satisfy the commission if it deems it necessary. That is fine. You have the choice not only of what you have now but also of getting rid of a lot of the bureaucracy that is involved and the costly hearings that occur. Why would anyone want to oppose that?

The bill will also remove the requirement to recommence the 14-day employee consideration period in certain circumstances during the agreement-making process, thereby clarifying a situation which is currently unclear. If it is unclear, we should clear it up—and that is what we are about with this legislation. Until now, it has not been clear whether the 14-day employee consideration period should be recommended every time an employee joins during a consideration period to make certain that reasonable steps are taken to ensure agreement terms are explained. This bill finally addresses this issue and clarifies it. In the case of the Australia workplace agreements, or AWAs, the bill seeks to consolidate the existing filing and approval processes into a one-step process, with provision for referral to the Industrial Relations Commission in certain cases.

This amendment will encourage time saving in the processes as the AIRC will no longer have to waste much time issuing filing receipts, which is a very time-consuming and resource intensive task—and, of course, it costs more money. It would allow an AWA to take effect from the date of signing, which would make the process a lot simpler by having immediate commencement. It would provide a cooling-off period of five days for new employees and 14 days for existing employees, which is designed to still give employees a chance to receive independent advice on the AWA, which may be through the union movement, a lawyer or various areas. So they would still have that cooling-off period, but it would not be wasting time and incurring the costs of delaying the start date. This cooling-off period amendment has been introduced for the extension, variation and termination of agreements and provides employees with the opportunity to reconsider their options even though they have signed the agreement, quite in the same way that you get two working days to cool off in pur-
chasing a property, for example. In some states I think it might be four days.

The bill would also enable the Employment Advocate to recover unpaid money and pursue penalties on behalf of employees. This means that, for those employees covered by an AWA or a related agreement which has ceased, been approved with an employer action or undertaking or is void, the Employment Advocate could step in and recover the shortfall which, up until now, has been limited to new employees. This would ensure that employees that cannot take action for themselves would not be disadvantaged. This is a sensible bill as not only does it simplify the agreement making process but also it maintains the checks and balances on the system to ensure that workers are not outnegotiated by their employers and that agreements are not disadvantageous to workers, while still providing support to the employees when they need it.

I am sure that we are going to hear many arguments from those opposite—if we actually had a few more speakers from that side here today—in relation to these amendments. I am sure we will hear some in the Senate. The opposition are going to say things like: ‘They don’t protect the workers. The process doesn’t scrutinise agreements enough.’ However, I ask the chamber to keep in mind the motives of those opposite when saying those things. Are they thinking of the Australian employee who wants to be able to balance their personal and professional life? Are they thinking of those opposite when saying those things? Are they thinking of the employer who wants to keep employees happy so that they continue to work for that company instead of jobhopping in the hope of gaining better pay and conditions? Are they thinking of those things? I assure you, Mr Deputy Speaker, that they are not. They are thinking that they must deny the merits of this legislation because millions of dollars in campaign funds may not end up in Labor’s coffers. In some cases, their preselection may depend on it. Labor cannot acknowledge that AWAs and certified agreements help to provide employees with the remuneration and working conditions that make their lives easier. They cannot acknowledge that someone should be able to negotiate the terms and conditions of their employment.

I am part of a government that wholeheartedly believe that employees should be rewarded for their involvement at work. We believe that a good worker should be able to receive remuneration relative to the effort that he or she puts in and not be bound by the limits of other employees in similar positions in determining the pay and conditions of that employment. That is what AWAs are all about. They give employees the opportunity to negotiate conditions and terms with their employer, and they give them the flexibility in the industrial relations system that they need, unlike the Labor governments of previous times who advocated awards which were so stringent that they would go into as much detail as determining how many minutes employees worked before they were forced to take a break and how many breaks that employee must have a day. It was an antiquated and outdated view of industrial relations and one that we no longer need.

I am obviously not the only one who thinks so. With union membership decreasing so dramatically, I am surprised that unions are not recognising that employers and employees are sick of their standover tactics and enforced rules and regulations. Employers and employees, on the other hand, have embraced these changes and have hurried towards a more flexible, employee-friendly work force and workplace. Instead of being bound by agreements which encompass everyone who does the same job regardless of their ability, productivity or personal circum-
stances, employees and employers have moved towards more and more AWAs and certified agreements to ensure that productivity is rewarded, personal circumstances are considered and employment is a two-way street. Instead of being told what they can and cannot do, employees are contributing to the conditions of employment knowing that the benefits will certainly be there for them, just as they are there for the employers.

In short, this bill has many positives when it comes to simplifying the agreement-making process. From dispensing with the time-consuming and resource intensive task of issuing filing receipts to encouraging immediate commencement of agreements, the legislation is looking at ways to encourage workplaces to use agreements. It makes changes to avoid cost and time wasting in delayed commencement whilst still providing employees with the capacity to withdraw from an agreement within a cooling-off period. It improves flexibility, which is compatible with the concept of individual agreement making, and it also allows for the Employment Advocate to refer agreements to the Australian Industrial Relations Commission if there is any doubt about an agreement and the no disadvantage test.

The bill provides for administrative time-saving insofar as it eliminates a process that takes a lot of time and resources to make minor technical amendments to agreements, all the while ensuring that the commission must still be satisfied that the agreement is not detrimental to any employee as a result of failure. It enables the commission to use formal hearings only when it deems them necessary, leaving it free to utilise the written process to certify, extend, vary or terminate an agreement. Only agreements on an exceptional basis need to be tested, and this saves a lot of time and resources.

The bill also prevents employee organisations from blocking certified agreements that the majority of employees want, thereby protecting employees from being forced into an agreement which is perceived to be good for them—even though they do not agree with it. Employee organisations will be unable to veto agreements to which they are not directly a party. However, members can still invite the employee organisations to make submissions with regard to an agreement.

Employees will still benefit from the protections of the Employment Advocate, because the advocate is now able to recover the shortfall in entitlements in specified circumstances where an AWA or related agreement ceases to have effect, is approved with an employer action or undertakings, or was void. It means that the Employment Advocate can take action on behalf of employees to ensure that they are not disadvantaged. Employees will still have protection from the employee advocate as the agreement must still pass the no-disadvantage test. The Employment Advocate has already stated that all the AWAs will be checked to ensure that they pass the no-disadvantage test.

All in all, this bill is yet another step toward a better industrial relations system, which will be of great benefit to both employers and employees. Just as we are restoring services to regional Australia in electorates like Barker and giving local communities the ability to resolve local issues locally, our workplace relations amendments are designed to let employers and employees resolve their employment conditions locally. Instead of forcing opinions onto them, and instead of not giving them credit to be able to think for themselves and to know what they need, we are actively working towards providing a framework so that the two parties can negotiate agreements between them that are mutually beneficial to both parties—a win-win situation. Where support is needed,
we are providing it, but we are enabling the parties to determine for themselves when, if necessary, they seek support and in what form they seek that support.

We understand that the average Australian worker does have the intelligence to negotiate for themselves and should be allowed to negotiate terms and conditions which are important to them. We understand that the average Australian worker should not be bound by the performance of others and that their agreements should contain fair and just conditions and remunerations specific to their employment and their abilities.

Over the last seven years this government has dragged our industrial relations system out of the workplace relations gutter, dusted it off and cleaned it up. We have amended antiquated and outdated regulations and we have given power back to the employers and the employees. It is for both of these reasons that the unions do not like these agreements; they reduce the unions’ power base. I am firmly committed to this legislation and I urge the chamber to support it.

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (10.41 a.m.)—The Workplace Relations Amendment (Simplifying Agreement-making) Bill 2002 proposes amendments that will significantly simplify the procedures for making agreements in the federal system. By simplifying the procedures for making certified agreements and Australian workplace agreements, the bill will help to ensure that the flexibilities of the agreement-making system are accessible to a broader range of employers and employees. The opportunity for an employer and employee to make formal, individual employment agreements has been one of the outstanding features of the government’s workplace relations reforms.

There is no doubt that Australian workplace agreements have found support amongst employees and employers; however, the complexity of the procedures for making an AWA may have inhibited their wider use. This bill would amend the Workplace Relations Act to make the AWA processes simpler, while ensuring that there are adequate safeguards for employees. The bill will also reduce the formality and costs involved in making a certified agreement and prevent unwarranted interference by third parties in the agreement-making process.

I wish to address a number of matters that were raised by honourable members in the course of debate. Firstly, I indicate to the House that the bill will allow an AWA to take effect from the date of signing so that the new working arrangements can commence immediately. At present, AWAs cannot commence to operate immediately. This amendment addresses concerns about the delays and frustrations arising from the current arrangements. In particular, employers have been frustrated about the difficulty of using AWAs in the case of new employees because filing with the Employment Advocate is necessary before the AWA can come into operation.

The current protections for employees making AWAs will still apply, including that an employee must genuinely consent to the terms of the AWA, an AWA must still be assessed against the no-disadvantage test, and an AWA will still be referred to the Australian Industrial Relations Commission by the Employment Advocate if there is a concern about whether or not it passes the no-disadvantage test. In addition to current protections, a new cooling-off period will ensure that employees are not disadvantaged by having an AWA take effect from the day of signing. This means that an employee who is a party to an AWA has the right to withdraw
consent to the AWA during the cooling-off period, which is five days for new employees and 14 days for existing employees from the day of signing by the employee.

As the member for Rankin acknowledged, the bill also has an important new provision which will allow the Employment Advocate to recover shortfalls in remuneration for an employee where an AWA has commenced but is revoked or stops operating, and in other circumstances. At the moment only an employee can take action to recover shortfalls.

Secondly, there was some comment in the debate about the provision relating to comparable employees. The provisions that had existed are incompatible with the concept of individual agreement making. Removal of this provision will allow more scope for flexibility in the tailoring of AWAs to the particular circumstances of individuals, including taking account of family responsibilities. The present requirement is of concern to employers who wish to take individual performance into account in considering what terms and conditions should be offered to their employees. I ask: what could be more reasonable? The present requirement is inconsistent with the concept of individual agreements.

Thirdly, there was some discussion about the 14-day consideration period. The bill provides that, where an agreement is made directly with employees and the proposed agreement is undergoing minor changes before the formal agreement process, the Australian Industrial Relations Commission will have a discretion to waive the requirement to recommence the consideration period with each variation. Employees will not be disadvantaged, as the commission must be satisfied that waiving the requirements to recommence the consideration period would not be detrimental to the employees whose employment would be covered by the agreement. The members opposite talk about the importance of an independent umpire—the commission—being given appropriate power and discretion. This is exactly what the bill does. The objective of this provision is to reduce the delays, formality and cost involved in making a certified agreement and remove barriers to the effective exercise of agreement making.

Finally, there was some discussion about the bill removing the requirement that a union which is a party to a collective agreement must approve its variation, termination or exercise. Under the act, a union can elect to be bound by an agreement that has already been made directly between an employer and employees—that is, after the event—even though the union may have played no part whatsoever in the negotiations. Once a union elects to be bound it can effectively prevent the variation, extension or termination of the agreement even if this change has majority employee support. The bill proposes to remove the right of unions to prevent any proposed extension, variation or termination of an employer-employee agreement.

However, these amendments will not reduce safeguards for employees under non-union agreements. Union members will be able to request that their union represent their interests by the union making a submission to the commission. The commission will then decide whether or not to approve any such variation, extension or termination. These provisions will not apply to agreements which are negotiated and made directly with unions, such as section 170LJ and section 170LL agreements. One of the objectives of this bill is to prevent unwarranted interference by third parties in agreement making. It is inappropriate that an external third party who becomes bound by an agreement only after it has been made by the
negotiating parties can then override the wishes of the direct parties in the workplace. The amendments contained in the bill are an important step forward in ensuring greater access to the economic, social and industrial benefits of workplace bargaining. I commend the bill to the House.

The DEPUTY SPEAKER (Hon. B.C. Scott)—The original question was that this bill be now read a second time. To this the honourable member for Rankin 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.

The DEPUTY SPEAKER—The question now is that the bill be now read a second time.

Question put.

The House divided. [10.52 a.m.]

(The Deputy Speaker—Hon. B.C. Scott)

Ayes............. 77
Noes............. 64

Majority........ 13

AYES

Abbott, A.J. Anderson, J.D. Hockey, J.B.
Andrews, K.J. Anthony, L.J. Hunt, G.A.
Bailey, F.E. Baird, B.G. Kelly, D.F.
Baldwin, R.C. Barresi, P.A. Kelly, J.M.
Bartlett, K.J. Billson, B.F. King, P.E.
Bishop, B.K. Bishop, J.I. Lindsay, P.J.
Cadmian, A.G. Cameron, R.A. Macfarlane, I.E.
Causley, I.R. Charles, R.E. McArthur, S.*
Ciobo, S.M. Cobb, J.K. Moylan, J. E.
Costello, P.H. Downer, A.J.G. Nelson, B.J.
Draper, P. Dutton, P.C. Panopoulos, S.
Elson, K.S. Entsch, W.G. Prosser, G.D.
Farmer, P.F. Forrest, J.A. * Randall, D.J.
Gallus, C.A. Gambaro, T. Schultz, A.
Gash, J. Georgiou, P. Slipper, P.N.
Haase, B.W. Hardgrave, G.D. Somlyay, A.M.
Hartsuyker, L. Hawker, D.P.M. Stone, S.N.

NOES

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.
Crean, S.F. Crosio, J.A.
Danby, M.* Edwards, G.J.
Ellis, A.L. Emerson, C.A.
Evans, M.J. Ferguson, L.D.T.
Ferguson, M.J. Fitzgibbon, J.A.
George, J. Gibbons, S.W.
Gillard, J.E. Grierson, S.J.
Griffin, A.P. Hall, J.G.
Hatton, M.J. Hoare, K.J.
Irwin, J. Jackson, S.M.
Jenkins, H.A. Katter, R.C.
Kerr, D.J.C. King, C.F.
Lawrence, C.M. Livermore, K.F.
Macklin, J.L. McClelland, R.B.
McFarlane, J.S. McLeay, L.B.
McMullan, R.F. Melham, D.
Mossfield, F.W. Murphy, J. P.
O’Byrne, M.A. O’Connor, B.P.
Organ, M. Pibersek, T.
Price, L.R.S. Quirk, H. V.*
Ripoll, B.F. Roxon, N.L.
Rudd, K.M. Sawford, R.W.
Sciacca, C.A. Sercombe, R.C.G.
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) (10.57 a.m.)—by leave—I present a supplementary explanatory memorandum to the Workplace Relations Amendment (Simplifying Agreement-making) Bill 2002 and move government amendments (1) to (19), as circulated, together:

(1) Schedule 1, item 1, page 6 (after line 6), after the definition of State agreement, insert:

\[\text{sure means not having any doubts.}\]

(2) Schedule 1, item 1, page 12 (line 9), omit paragraph (d), substitute:

(d) the Employment Advocate is sure that the AWA passes the no-disadvantage test; and

(3) Schedule 1, item 1, page 25 (line 21), omit paragraph (d), substitute:

(d) the Employment Advocate is sure that the AWA, as varied, passes the no-disadvantage test; and

(4) Schedule 2, page 49 (before line 5), before item 1, insert:

1A Section 170LD
Repeal the section, substitute:

170LD Nominal expiry date
For the purposes of this Part, the nominal expiry date of a certified agreement is:

(a) unless paragraph (b) or (c) applies—the date specified in the agreement as its nominal expiry date; or

(b) unless paragraph (c) applies—that date as extended or further extended under section 170MC; or

(c) the date taken under section 170MCA to be the nominal expiry date of the agreement.

(5) Schedule 2, page 49, after proposed item 1A, insert:

1B At the end of Division 1 of Part VIB
Add:

170LGA Extended agreement
For the purposes of this Part, an extended agreement is an agreement that:

(a) is made in accordance with Division 2 or 3 (other than section 170LL); and

(b) specifies a nominal expiry date that is more than 3 years after the date on which the agreement comes into operation but not more than 5 years after that date; and

(c) states that it is made as an extended agreement.

(6) Schedule 2, page 51 (after line 7), after item 8, insert:

8A After paragraph 170LT(3)(b)
Insert:

and (c) the agreement is not an extended agreement;

(7) Schedule 2, page 51 (after line 11), after item 9, insert:

9A Subsection 170LT(10)
Omit all the words from and including “cannot be”, substitute:

cannot be:

(a) if the agreement is an extended agreement—more than 5 years after the date on which the agreement will come into operation; or

(b) otherwise—more than 3 years after the date on which the agreement will come into operation.
(8) Schedule 2, page 51 (after line 22), after item 10, insert:

**10A At the end of section 170LU**

Add:

(9) Despite section 170LT, the Commission must refuse to certify an extended agreement unless it is satisfied that:

(a) the agreement’s nominal expiry date is appropriate in the circumstances; and

(b) the agreement’s nominal expiry date is in the interests of the employer and the employees who will be bound by the agreement; and

(c) the agreement contains a statement setting out the right of a party to the agreement to apply for a reassessment of whether the agreement passes the no-disadvantage test.

Note: Subsection 170MCA(2) sets out the right of a party to apply for such a reassessment.

(9) Schedule 2, page 52 (after line 21), after item 11, insert:

**11A Division 7 of Part VIB (heading)**

Repeal the heading, substitute:

Division 7—Changes to nominal expiry dates

(10) Schedule 2, page 53 (after line 11), after item 14, insert:

**14A After subsection 170MC(3)**

Insert:

(3A) The Commission must make a decision whether or not to extend an agreement without holding a hearing unless:

(a) the Commission is not satisfied that it can make that decision with the information available to it; or

(b) any of the following persons requests the Commission, no later than 28 days after the day on which the extension occurred, to hold such a hearing and the Commission is satisfied that there are reasonable grounds for doing so:

(i) the employer;

(ii) an employee whose employment is subject to the agreement;

(iii) one or more organisations bound by the agreement;

(iv) a person prescribed by the regulations.

(11) Schedule 2, item 16, page 53 (lines 24 to 28), omit the item, substitute:

**16 Paragraph 170MC(5)(a)**

Repeal the paragraph, substitute:

(a) that is an extended agreement; or

(12) Schedule 2, page 53 (after line 28), after item 16, insert:

**16A After section 170MC**

Insert:

**170MCA Bringing forward the nominal expiry date if an extended agreement fails the no-disadvantage test**

(1) If:

(a) a certified agreement is an extended agreement; and

(b) an application has been made to the Commission under subsection (2) for a reassessment of whether the agreement passes the no-disadvantage test; and

(c) on conducting the reassessment, the Commission finds that the agreement does not pass the no-disadvantage test; and

(d) the agreement has not, before the end of the period of 3 months after the Commission makes the finding, been varied so that it passes the no-disadvantage test; and

(e) the day that would, apart from this section, be the nominal expiry date of the agreement is after that period of 3 months;

the nominal expiry date of the agreement is taken to be the last day of that period of 3 months.

Note: This subsection in effect gives 3 options to the parties to an
extended agreement that is found not to pass the no-disadvantage test. They may vary the agreement appropriately under section 170MD, terminate the agreement under Division 7A or allow the agreement to reach its new nominal expiry date under this section.

(2) A party to the agreement may apply to the Commission for a reassessment of whether the agreement passes the no-disadvantage test if:

(a) the application is made more than 3 years after the date on which the agreement came into operation, but before the nominal expiry date of the agreement; and

(b) neither the party, nor any other party to the agreement, has previously made an application under this subsection in relation to the agreement.

(13) Schedule 2, page 53, after proposed item 16A, insert:

16B Before section 170MD

Insert:

Division 7A—Varying or terminating certified agreements

(14) Schedule 2, item 23, page 55 (lines 28 to 30), omit the item, substitute:

23 Subsection 170MH(1)

Repeal the subsection, substitute:

(1) Any of the persons mentioned in subsection (1A) may apply to the Commission to have a certified agreement terminated:

(a) after the agreement’s nominal expiry date; or

(b) if the Commission has found under section 170MCA that the agreement does not pass the no-disadvantage test.

(1A) The persons are:

(a) the employer; or

(b) a majority of the employees whose employment is subject to the agreement; or

(c) if the agreement was made in accordance with section 170LJ or 170LL or Division 3—an organisation of employees that is bound by the agreement and that has at least one member whose employment is subject to the agreement.

Note: The heading to section 170MH is altered by omitting “after nominal expiry date”.

(15) Schedule 2, item 27, page 56 (line 26), omit “Division 7”, substitute “Division 7A”.

(16) Schedule 2, item 27, page 56 (line 29), omit “extend.”.

(17) Schedule 2, item 27, page 57 (lines 11 to 13), omit paragraph (a).

(18) Schedule 2, item 28, page 58 (line 3), omit “1”, substitute “1A”.

(19) Schedule 2, item 28, page 58 (line 4), omit “1”, substitute “1A”.

The government is proposing amendments to the bill that will address two improvements. The first set of amendments relate to the approval of the Australian workplace agreements. The second set of amendments provide for extended certified agreements which will operate for up to five years, subject to satisfying a number of requirements.

Amendments to the AWA provisions will ensure that the existing provisions of the Workplace Relations Act 1996 in relation to the approval of Australian workplace agreements are retained. The bill as introduced would have required the Employment Advocate to approve an AWA if it passed the no-disadvantage test. The opposition made claims that the bill would water down the approval requirements for AWA. This was not the intention. But, to reassure the members opposite, this amendment will preserve the current requirements that the Employment Advocate must be sure an AWA passes
the no-disadvantage test before it can be approved.

The second set of amendments introduce the option of five-year certified agreements in appropriate circumstances. These agreements will be known as extended agreements. Allowing for extended agreements recognises that some businesses and projects are likely to benefit from a stable workplace relations environment created by agreements that last for more than three years, which is the current maximum term. These amendments mark a significant development in the federal workplace relations system. The provision of extended agreements enhances the federal agreement-making framework and reflects the government’s confidence in the maturity of employers and employees to reach mutually beneficial bargaining outcomes at the workplace.

The new option of extended agreements of up to five years duration will be balanced by safeguards for employers and employees. Parties bound by an extended agreement will be able to ask the commission to reassess the agreement after it has been in operation for three years to see if it still meets the no-disadvantage test. If the commission finds that the extended agreement no longer meets the no-disadvantage test, the parties will have the option of varying the agreement so that it does meet the no-disadvantage test. If not varied or terminated within three months from the commission’s finding, the agreement will be deemed to have passed its nominal expiry date. Parties will be able to bargain for a replacement agreement under the act. 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) (11.00 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

POSTAL SERVICES LEGISLATION AMENDMENT BILL 2003

Second Reading

Debate resumed from 19 June 2003, on motion by Mr McGauran:

That this bill be now read a second time.

Ms O’BYRNE (Bass) (11.01 a.m.)—I rise to speak on the Postal Services Legislation Amendment Bill 2003. In an article in the Australian Financial Review on Saturday, 10 January, the journalist Brett Clegg wrote:

Few organisations have held as prominent a place in the community as Australia Post. With a history stretching back to 1809, when an emancipated convict, Isaac Nichols, opened the first post office in his home in George Street, Sydney, the postal service now faces its most challenging period and the prospect that the deregulation of mail delivery—even privatisation—will be put back on the agenda.

Australia Post plays an essential role in Australia’s economic and social infrastructure. It has been part of the fabric of Australian society and, despite the emergence and the dominance of electronic communication, Australia Post still provides the greatest access to a communication network for all Australians, regardless of where they live. Australia Post at present remains a major government business enterprise and the major organisation in the Australian postal services industry.

The passage of the Australian Postal Corporation Amendment Act 1994, however, opened up some previously reserved postal services to competition. Nevertheless, Aus-
Australia Post continues to operate its remaining reserve services, which are now essentially the delivery of letters weighing 250 grams or less and the carriage of letters for a fee of less than $1.80. In addition to this, Australia Post now offers a range of competitive services, such as the delivery of domestic letters weighing between 250 and 500 grams, delivery of domestic letters at a cost of between $1.80 and $4.50, letters moved within document exchange networks, express post and international outbound mail, as well as retail, bill payment and others.

Australia’s postal services are quite possibly the most reliable, as well as the most affordable, postal services in the world. According to the 2002-03 Australia Post annual report, its on-time letter delivery was at 96.5 per cent, a record that Australia Post says is in part due to the introduction of new technology and processing systems that have increased reliability. In addition, Australia Post’s annual gross revenue was up by 4.3 per cent to $462 million, with its net profit after tax up by 11.4 per cent to $330.8 million. Australia Post managed to deliver 5.26 billion mail articles to 9.4 million delivery points and served an average 1.09 million retail customers each day. Australia Post employs around 35,000 people, with 27,000 people employed on a full-time basis and over 8,000 people on a part-time basis. Over the last year, Australia Post has increased the range of products and services it offers and expanded its banking services to 494 outlets, including 300 in regional areas, sometimes offering the only banking service in the area.

Yet, even with a successful enterprise such as this, the government continues to push an agenda to sell off Australian infrastructure. The government tends to hear one word. It hears the word ‘success’ and immediately thinks of another word: ‘sale’. In 2000, the government tried to introduce the Postal Services Legislation Amendment Bill 2000. This was its most overt attempt at deregulating the postal industry. This bill sought to decrease Australia Post’s ability to cross-subsidise less profitable services, particularly in outer metropolitan, rural and regional Australia. This bill would have led to consideration of differential pricing for its services. Many Australians would have had to pay more to use postal services the further away they lived from a GPO. It emphasised once again this government’s seeming obsession with creating two-tier systems of everything in Australia. In this case, it proposed one postal system for the city folk and another for those who live in rural and regional Australia. This bill received little support in parliament and even less in the community, so it was withdrawn. However, the then minister for communications warned that the bill would be reintroduced at some stage, and it remains the true expression of the government’s real agenda for the postal industry.

In 2001, the former minister attempted to make good on his commitment when he unsuccessfully tried a backdoor attempt at introducing amendments to a bill that would also have substantially deregulated the Australian postal services market. These secret amendments would also have allowed major international postal service providers—like Deutsche Post or Royal Dutch Post’s subsidiary TNT—to provide full end-to-end mail services in direct competition with Australia Post’s reserved services but with no consequent obligation to contemplate the provision of non-profitable services in outer metropolitan, rural and regional Australia. So, of course, we on this side and the community get very nervous when we see postal legislation of any type produced by this government. We know what the real agenda is; we know what the government really wants to do with our services. So when we see the Postal Services Legislation Amendment Bill 2003 we of course want to look a little bit
further than what the government says it purports to do. At first glance this bill might seem fairly innocuous, but when it is proposed by the government you must look further. This government is obsessed with deregulation.

While Labor will support some of the provisions before us, such as the facilitation of greater accounting transparency through the Australian Competition and Consumer Commission, we will move a second reading amendment in the House which will denounce the government’s consistent and thinly disguised attempts to deregulate postal services. Labor will seek amendments in the other place to remove the provisions legitimising document exchange and aggregation services and those providing the ACA with a regulatory role in regard to Australia Post services. It is these provisions that I will deal with today.

This bill has been described as a kind of hybrid, neither fish nor fowl—a bill that gives a special kind of leg-up to some operations already in place but which does not put any obligations on them in terms of community service. Australia Post responsibly uses its monopoly over the reserve services to cross-subsidise its community service obligations. These arise when the government requires a business to provide services which a private company would not choose to provide without some level of compensation. Section 27 of the Australian Postal Corporation Act establishes community service obligations which require Australia Post to supply a letter service for the principal purpose of carrying within Australia letters that Australia Post has the exclusive right to carry and to carry letters between Australia and places outside Australia. The letter service is to be available at a single uniform rate of postage for standard postal articles. Section 27(4) requires that Australia Post ensure that the letter service is reasonably accessible to all people in Australia on an equitable basis, wherever they live or carry on business, and the performance standards for the letter service reasonably meet the social, industrial and commercial needs of the Australian community.

CSOs are further defined in regulation 5 of the Australian Postal Corporation (Performance Standards) Regulations 1998, which provide that Australia Post must service 98 per cent of its delivery points daily and 99.7 per cent of its delivery points at least two days per week. Regulation 6 states that 94 per cent of reserve service letters must be delivered within a specified time—this being from one to four working days. In addition to this, Australia Post must maintain a physical presence throughout Australia, and under regulation 9 there must be at least 4,000 retail outlets with at least 50 per cent of these situated in a rural or regional zone.

I mentioned before that there were some who said this bill was neither fish nor fowl and that it gave a special kind of leg-up to some organisations already operating but did not put obligations on them. This sentiment particularly refers to the provisions in this bill that seek to legitimise what are currently unlawful activities but do not put any mechanisms in place to monitor breaches of the act, so that the responsibility is then left to Australia Post itself to act as judge, jury and executioner in these cases with regard to any breaches of the act. That is a responsibility that Australia Post could not possibly act upon, because of the immense political pressure that would be placed on it to not dissent in relation to activities that are in fact in line with what would then be government policy.

The activities I have referred to are long-standing practices in the document exchange and aggregation services area, where private providers have operated a service to their members which is technically reserved for
Australia Post. This bill would legitimise this activity. Whilst the government is seen to build in the provision of strict guidelines, it has neglected to build in any penalties for breaches of this legislation. If the government were serious about legalising what it believes to be a legitimate business practice then I would think it might also want to ensure that mechanisms are in place as well to protect the Australian people’s business interests in Australia Post. This has not been done. Why? I guess it no longer wants to take that responsibility and it is quite happy for document exchange and aggregate services to act in direct competition with Australia Post. This is what happened in the telecommunications sector—and we all know the path that the government has taken there. There is nothing in this agenda that will actually benefit or support Australia Post or the Australian people, particularly in regional areas, in maintaining quality postal services.

Document exchange and aggregation services provide an alternative postal service specifically to businesses, often small businesses. They allow for documents to be directly exchanged between members of the exchange service. Professionals—doctors, lawyers and the like—use this type of service extensively. Aggregation services are used to enable small businesses to qualify for the bulk mail discounts offered by Australia Post for high-volume deliveries.

Under the current legislation, the carriage of letters from small businesses to the aggregation services or between members of a document exchange service is reserved for Australia Post, thereby making the aggregation and document exchanges services which operate now technically illegal. The government has allowed this practice to develop and now, rather than dealing with a practice which is outside the legislation, wishes to just change the law to suit the current practice. Labor is concerned that regulating for these practices to fit inside the legislation will further erode Australia Post’s reserve service and that it is also going to set up a regulatory machine that will pave the way for further steps towards market liberalisation.

There need to be some pretty tight guidelines to safeguard Australia Post. Changing the law to suit a practice is a really dangerous precedent, particularly when there is no certainty about how these practices would be monitored to ensure that they were carried out under the provisions of the legislation. So the government has to take responsibility for getting organisations into these predicaments. One of the arguments we hear in relation to Telstra is that the government has no option now but to sell Telstra; after all, it is half pregnant. The government got it half pregnant; the government was the one that made these decisions. My concern is: are we going to go down a path where we get Australia Post in the same kind of condition?

The market value of the Commonwealth’s equity in Telstra is currently around $30 billion—a nice little earner for a government obsessed with selling off Australia’s infrastructure. A government that is interested in profit over policy is not always going to be a government that is acting in the interests of public and community good. This government continues to show just how Janiform it is, and I remain unconvinced of any intention on its behalf to ensure that all Australians were able to continue to access and afford a high level of postal services.

A second element of the legislation is the establishment of a postal industry ombudsman. The community remembers—and I am sure the government remembers—that this was actually an election commitment from about two years ago. It has been around for a while and we have been waiting for some time to see anything on it. There are a lot of
whispers that the postal ombudsman legislation is in the pipeline. We have seen its name on the bills list but we have not seen a bill, we have not seen anything about it and we do not really know where it is going to go. Nothing yet has been tabled. I am assuming it is just on the list so we cannot go around accusing the government in this matter, saying, ‘You walked away from an election commitment.’ But we still do not have this election commitment, so I guess we still have to have that view.

Although the original intent was that there would be a separate and independent postal ombudsman, I understand that it now looks like they will form a section of the Commonwealth Ombudsman’s office. A postal industry ombudsman would have responsibilities that would be applicable to all postal services, not just Australia Post, and would assist in improving services and customer confidence in the Australian postal industry. We will wait for that. We have seen the name on the list and we will see what happens.

A further element of this bill is based on the government’s wish to carry out significant reform in the communications sector with regard to the future management of the Australian Communications Authority and the Australian Broadcasting Authority. I must say we have considerable concerns about these reforms, particularly with regard to the proposal in this bill that would seek to transfer the responsibility of monitoring Australia Post. This is a role currently performed by the Australian National Audit Office. The government wants the ACA and the Australian Competition and Consumer Commission to take this over. Labor support the new role for the ACCC. This facilitates greater accounting transparency for Australia Post. But we are concerned that the new roles for the ACCC and the ACA are to be funded by a levy which will be charged against Australia Post by the minister.

I do not think we can support the government’s demand for increased transparency to be paid for by Australia Post itself, particularly when the talk of transparency is just a fair amount of hot wind by the government. The government talks about a wish for increased transparency in regulating Australia Post, yet it is prepared to put this regulatory role in the lap of an organisation under the same minister. I think that there are obvious suggestions here that we could encounter a conflict of interest, or a perceived conflict of interest at the least. Again, to use the example of the telecommunications sector, the government has already shown that it cannot be trusted to ensure that this type of reporting and accountability process remains independent.

The minister says that the aim of the ACA’s role is to provide independent oversight of the performance of Australia Post and to report on its findings so that it can identify service delivery problems and bring those problems to the attention of both Australia Post and the Australian public. The government is basing its belief in the ACA’s appropriateness to carry out this role as a result of the ACA’s current role in the telecommunications industry. I am really not sure that that is the best example to use, as the ACA is already known as an organisation that is largely considered to have been captured by the government. The ACA was criticised recently for publishing glowing reports on the telecommunications industry, while the government has been down the path of destroying Telstra. There is a very real concern that the ACA will become part of the push to deregulate Australia Post. But, alas, the government refuses to see its own shortcomings and does not really care what the outcome is as long as it is allowed to continue its particularly selfish and destructive path towards deregulation.
At present there are already regulations that enable the ACCC to inquire into disputes about the rate of reduction offered by Australia Post to its bulk-mail customers. The government is now telling us that this provision is too narrow given Australia Post’s monopoly over the carriage of certain letters and its legislated power to determine the terms and conditions under which services are provided in the absence of an agreement between Australia Post and the customer. This bill seeks to extend the powers of the ACCC to keep confidential detailed accounting and auditing information about Australia Post’s reserved services. What is confusing about the new role for the ACCC is that it will duplicate activities that are already being carried out. It will mean that Australia Post will have to provide records about the financial relationship between different parts of the business and then publish reports. This obviously means that the government has taken absolutely no notice of what Australia Post already does in this area, or it would know that Australia Post already carries out these functions. It seems to be a complete waste of resources to have an extra body carrying out the same functions that Australia Post already carries out and collecting the same information. I think that, if we are going to use the ACCC, we could probably use it in a far more efficient and effective manner than this.

In addition, the new regulatory provisions would obviously incur further costs that undoubtedly have to be passed on to the public one way or another—further costs for functions that are already being carried out. These changes do not seem to have any value to anyone except Australia Post’s competitors. They do not include any provisions that will improve services or strengthen the organisation. However, they do lay the path for further deregulation of the postal industry. As we know, that is just what the government has ordered. The government is convinced that, through the facilitation of the ACCC, there will be greater transparency and accountability in reviewing any proposed increases in the prices of Australia Post reserved services such as the cost of a stamp. What it has not taken into account though is the undoubted ability of the ACCC to impose new accounting methods on Australia Post.

The concerns about lack of transparency have been raised by some who believe Australia Post’s cross-subsidisation capability is hurting some other businesses. The government has allowed room for the ACCC to remove the ability for Australia Post to cross subsidise, despite the fact that the National Competition Council found there was absolutely no evidence of any cross-subsidisation occurring in those circumstances. However, while it seems these concerns have been raised in city areas, the postal services industry is apprehensive about the possible impact on small business owners such as those who run a licensed post office within their existing business. This will have a significant financial impact on businesses in regional and rural areas, particularly in terms of the additional costs that would be involved in implementing any new accounting methods. Once again, this shows just how out of touch this government is with the social fabric of Australia. These small business operators are concerned that Australia Post may have to reduce commissions paid to licence holders of mail contracts to reduce the range of products and services that they are able to offer. These changes would see the regulatory monitoring and reporting role for Australia Post come under the ACA. This would also mean that the ACA would assume responsibility for the costing of postal community service obligations, another indicator that this is just another stepping stone towards deregulation.
The ANAO has a proven record of providing effective and independent monitoring of Australia Post. At last year’s Senate committee hearings, Australia Post advised that the additional costs associated with the new regulatory roles of the ACA would be around $3.5 million a year, which would be levied on an ongoing basis. This amount is not insignificant and would have an impact on profit and the level of return to the shareholder. If the government is seeking to undertake such major reform in the communications sector, surely it would be more sensible to defer debate on this bill until the status of these regulatory bodies is determined.

It is my view that, rather than pass this poor excuse for a bill without amendment, there should be a review of the regulation of the entire postal services market. If the government is serious about improving transparency in postal services then this bill is not the way to do it. It is a waste of time debating a bill that can only be a stepping stone towards deregulation—what else is in it? Instead, let us have a bill that offers some real ideas about how to improve postal services. If this bill is passed and the process for deregulation is set in train, it cannot be easily reversed. It is in the public interest for Australia Post to remain in public ownership to ensure postal services remain available and affordable to everyone. The worst possible scenario is that Australia Post is sold off and the price of a stamp rises from the current 50c to $1, or even more.

The former communications minister based this bill on postal industry operations in Europe, particularly the operations in Belgium. As far as I am aware, apart from the fact that the postal industry in Belgium has been moving towards deregulation for some time, there is not a lot of symmetry between our respective postal industries. In fact, since 1992, the Belgian Post Office, like that of other European countries, has been under pressure to open up to competition and in 2000 it became a public company. Since then, it has been steadily reducing the number and hours of operation of its post offices while the number of organisations in direct competition has increased. This type of postal industry is not what the Australian people want. We want to ensure that all Australians have equal access to affordable postal services. We want to ensure that Australia Post is able to continue to provide cross-subsidised services to grow what is an integral organisation for the economic and social fabric of Australia.

If the postal industry is deregulated, many regional areas can kiss reliable and available postal services goodbye. It will not be in the economic interests of an organisation to continue to provide these services, let alone to expand them, when it could concentrate on making more money in the capital cities. Regional Australia will once again lose out on essential services because corporations do not see the provision of these services as economically viable to their businesses. It is for this reason that it is so important that essential services, like postal services and telecommunications services, are maintained in public ownership, so that regional and rural areas have some guarantee of service. Many regional and remote areas rely on a single location, usually a licensed post office, which incorporates a mixture of essential services, including postal. For a government that is so vocal about how much it helps small business operators, it is doing its best to help destroy licensed post offices operating within small businesses. If the government chooses to go ahead with these changes and ignores Labor’s amendments, the investment and livelihood of 3,000 licensees, 6,000 mail contractors and 775 community agents, their employees and subcontractors will be seriously at risk. In addition, these changes would mean extra costs to Australia...
Post, resulting in a lessened dividend to the government and an extra cost burden on independent business people operating within the postal industry.

Australia Post has paid either a special dividend or a capital repayment to the government since 1993-94, and Australia Post says that this has always been an agreement between the shareholder and the board under the financial circumstances at the end of each year. Under Labor the payment was based on capital repayments and was in fact an additional loan requirement payment, but this government, as it always does, goes that little bit further and completely erodes the service. This government has taken the word ‘special’ out of ‘special dividend’ and decided that Australia Post should simply make double taxation payments to add to the government coffers. The special dividend is determined through a corporate planning process, which is essentially an agreement or contract between the Australia Post board and the government. This process includes a series of projections of its dividend expectations for the year. In February it makes a recommendation to the minister about what it believes to be an appropriate interim dividend to be paid, and then in August it determines an appropriate final dividend once the final accounts have been signed off.

In last year’s Senate estimates hearings Australia Post said it could not reveal its projections for the dividend because it is regarded as a confidential agreement between the shareholder and the board. Forgive me, Mr Deputy Speaker Scott, but, as a government enterprise, isn’t the shareholder the government? And, if that is the case, then shouldn’t these figures be available as part of the government’s completely transparent way of managing its interests? But, transparency aside, the special dividend is becoming a routine payment of between $100 million and $170 million, or around a third of Australia Post’s profits each year. In the last financial year, Australia Post’s productivity grew by 3.8 per cent, compared to the 2.9 per cent CPI increase. Australia Post’s profit was $462 million before tax and $330.8 million after tax. Australia Post paid a special dividend to the government this year of $104.1 million, and last year it paid $116.7 million. The impact this payment has on Australia Post’s operations obviously is that there is around $100 million less to invest back into the organisation. The problem I have is that if Australia Post is giving an average payment of around $100 million to the government in the special dividend, which we have established is a third of its profits, then the next question is: why was the cost of stamps increased from 45c to 50c in January? Australia Post says that it was to keep pace with the CPI, but Australia Post productivity was higher than the CPI. I really do not know why the stamp price went up under those circumstances.

In Senate estimates hearings, Australia Post explained that the increase, the first in 11 years, was to make that portion of the letter business more profitable. But, if Australia Post is making such a huge profit in other areas of the business, surely it makes sense to protect the reserved services, particularly under Australia Post’s CSO obligations, and use other more profitable parts of the organisation to subsidise these services. Australia Post says it needs to ensure that all its products are competitive and profitable in their own right. But Australia Post also has an obligation to ensure that all Australians have access to postal services in the first instance. The fact that Australia Post turns a profit of the size that it does and can afford to give the government a third of that profit and yet still sees that an increase in the cost of basic reserved services is necessary does not make sense to a lot of Australians. The increase in the price of stamps to 50c will net
around $3 million extra a year for Australia Post. If the government were serious about making sure that Australia Post remained a government business enterprise then it would reduce the special dividends it collects each year, maintain the basic cost of postal services and ensure that Australia Post remains a fully public entity.

I move:

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

“whilst not denying the Bill a second reading, the House expresses its concern with respect to:

(1) the Government’s on-going agenda to deregulate Australia Post’s services, which threatens Australia Post’s longer term ability to provide all Australians with basic postal services, as evidenced by the proposals to legitimise the business practices of document exchanges and aggregation services in this Bill;

(2) the Government’s proposal to transfer the monitoring role of Australia Post’s services from the independent Auditor-General to the Australian Communications Authority; and

(3) the Government’s failure thus far to implement a Postal Industry Ombudsman scheme as promised at the last election”.

The DEPUTY SPEAKER (Hon. B.C. Scott)—Is the amendment seconded?

Mr Kelvin Thomson—I second the amendment and reserve my right to speak.

Mr McARTHUR (Corangamite) (11.27 a.m.)—I am delighted to participate in this debate on the Postal Services Legislation Amendment Bill 2003 having had a long-term interest in the activities of Australia Post. This is yet another piece of legislation that hopefully enhances the operations of Australia Post. It involves a number of philosophical issues. I participated in the inquiry in 1996. The House of Representatives Standing Committee on Communications, Transport and Microeconomic Reform presented a report called Keeping rural Australia posted in September 1996. That committee worked particularly hard and I participated in all the inquiries, so I became familiar with the operations of Australia Post. As somebody who was somewhat sceptical of the operations of Australia Post, having recalled the debacle at Redfern and some of the problems facing Australia Post in its former situation, I came to be impressed with the operations of Australia Post both in rural Australia and in the urban context.

A problem for Australia Post is the matter of community service obligation. That is a continuing debate, philosophically, between this side of the parliament and the other side, and amongst commentators. It is fair to say that Australia Post provides a standard letter rate between all Australians, whether they live in Oodnadatta, Townsville or Hobart. Australia Post gives a guarantee that a standard letter will be delivered to those locations for 50c. In terms of Australia’s geography and its communications, I think Australia Post does a remarkably good job in terms of the costs involved. The delivery times, compared to expectations, are in the range of 98 per cent, according to an independent audit. Historically, Australia Post was regarded as a sleepy giant controlled by a government department. I acknowledge that those opposite, I think under the Whitlam government, corporatised Australia Post, separating it from the former communications department. That separated the postal operation from telecommunications operations, and that was a step in the right direction. Now Australia Post is a corporate entity, run by a board of directors, employing 35,000 people and showing a remarkably good return on capital for the Australian people.

The changes in Australia Post were quite remarkable with the creation of licensed post offices. There are some 4,000 licensed post offices throughout Australia. The bigger sort-
ing post offices in the metropolitan areas are run by Australia Post, and run pretty well given the labour content, but the smaller licensed delivery post offices in the electorate of Corangamite and many rural electorates around Australia combine the advantages of being associated with Australia Post with being able to deliver a service in small rural areas to small rural customers. I think that has worked well and, again, I acknowledge that that took place under a Labor government. That was quite a dramatic change from the bureaucracy of the former Australia Post when everything was run according to a public service formula. They changed the culture so that smaller post offices could deliver mail and take on other activities such as giroPost and they were subsidised if the number of their items was below a certain figure. So there was a compromise between small business delivering the service in rural Australia and making sure that Australia Post provided the service at a reasonably efficient rate.

The standard letter rate provides considerable discussion, and our report alludes to that. There has been ongoing debate by successive governments as to what constitutes a standard letter and whether that should be in a protected position, given that an argument has been put that standard letter rates could be cherry picked on the eastern seaboard and those receiving standard letters in remote locations could be charged a very high price. I also note that Australia Post have introduced new technology into sorting areas, especially in some of the bigger mail exchanges. They have not relied on the very high human content in the bigger mail exchanges and are attempting to introduce new technology with barcodes and similar devices. It is my judgment, having looked at and studied other mail services around the world, that Australia Post is moving forward with new technology. They employ 35,000 people. It is a labour intensive operation. As I mentioned before, and the minister at the table acknowledged, the debacle of Redfern has been readdressed so that we now have mail exchanges with a sensible industrial relations regime where, whilst sorting mail remains a very labour intensive activity, Australia Post have been able to maintain their productivity and their price.

I have always been interested in the relativity of Australia Post to other international mail operations. I think the relativities have remained somewhat the same as they were when this study was conducted in April 1995. In our report, we compared the operations of other postal agencies throughout the world and it is interesting that Australia rated fourth. I draw the House’s attention to the other relative costs. New Zealand was placed first with a cost of 42c. Canada was second, along with the USA, at 44c, and Australia was fourth at 45c. We have since gone up by 5c to 50c. The UK is at 55c and the highest cost was in Japan with the cost at 131c. Germany was at 99c. I take a lot of note of those relativities, so the benchmark of Australia’s ability to deliver mail compares favourably when keeping in mind our land mass and our vast distances. I have been very supportive of Australia Post on that basis—the change of culture, the adoption of new technology and the desire to produce a profit in an increasingly competitive world.

I note that the opposition spokesman has moved an amendment and I will make some comments on that amendment. Regarding the phrase ‘the government’s on-going agenda to deregulate Australia Post’s services’. I make the observation that it was the Labor Party that started this process when they introduced some newer technology and licensed post offices. So they started the process and were very supportive of it when they were in government, and I commend them for that. But all of a sudden, under the new leader-
ship, we see the old Werriwa coming back to the fore and changing his spots. They do not want to continue to deregulate and to improve Australia’s postal services. They want to go back to supporting the postal union. The postal union has been a very influential union over the years. I think they have behaved more responsibly in recent times. But, as the Minister for Citizenship and Multicultural Affairs at the table knows, they still contribute to the ALP and I have noticed that they have run a number of campaigns over the years to support the ALP and make sure that they maintain a monopoly position whilst the debate is somewhat complicated. They are worried about changing the monitoring role to the Australian Communications Authority. That seems an eminently sensible thing to do, and I will refer to that at a later stage.

This bill will bring about an independent oversight where, it can be said, there is no genuine competition in certain areas of the postal market in Australia. As I have said, that is an ongoing debate and the shadow minister and I have had a number of discussions about these matters over the years. Even he, with his at times ideological commitment to the market, would agree that there has been increasing competition for various items in the postal market. But there is an overall debate as to who might oversee Australia Post in this marketplace where they have community service obligations and a certain monopoly.

The government is saying that we should transfer the oversight of Australia Post from the current agency, the Australian National Audit Office, to a more appropriate agency, the Australian Communications Authority. Even the shadow minister for communications, opposite—and he knows a fair bit about these things—could not really complain about that, because the ACA would be more aware of communications and would be closer to what Australia Post does. The Australian Communications Authority will provide improved independent scrutiny of the community service obligations to performance, and of the operational activities of Australia Post, and report on its findings. That is quite a reasonable proposition. I know that Australia Post does not object to being subject to that. The ACA is already the regulator of radio communications and telecommunications, so it is more appropriate that it looks at Australia Post’s activities. The bill also extends the ACCC’s responsibility to inquire into disputes between Australia Post and customers about terms and conditions for bulk mail operations. When I was on the committee there was a lot of discussion about bulk mail discount rates and the ability of Australia Post to service the market. Other operators are moving into that market area and are hopeful of making a return on their business activities.

This bill also introduces accounting transparency to Australia Post’s monopoly and non-monopoly services and proposes that they be monitored by the ACCC. When the standing committee was looking at this, Australia Post made a genuine attempt to separate the community service obligations, the standard letter rate monopoly and their other activities. It is a difficult operation, as we all know, to make a separation in accounting terms between the overall activity of literally millions of letters moving at the standard letter rate from far locations and urban areas and some of the other activities. But I have to say that Australia Post have been genuine in trying to separate them so that there is a more accountable process. One of the concerns expressed by licensed post offices was that the levy might flow back to them in the operation of the bill. The government and Australia Post have given assurances that that will not be the case.
The second measure in the bill is to provide transparency in Australia Post’s operations and to address the concerns of newsagents about the selling of stationery. The member for Melbourne, opposite, would be aware of the cosy monopoly that newsagents enjoyed under governments of both political persuasions for many years. That has been rearranged, shall we say, and newsagents are now in a much more competitive market. They do not have the monopoly that they once had. There are some discussions going on with newsagents and their major suppliers—the major newspaper proprietors—but I think that there is a much more healthy, competitive situation with newsagents. I find it quite ironic that newsagents are complaining that Australia Post might have a monopoly over stationery items when they themselves enjoyed an interesting monopoly for many years. I personally agree that Australia Post are entitled to sell stationery products in their post offices, in competition with other stationery providers, but I do concede the point that Australia Post should not be allowed to use their monopoly to provide a cross-subsidised service. The ACCC will be able to check what the genuine position is. I think there is a fair argument for that.

The third item in the bill deals with current postal business practices to do with document exchange and the aggregation of services that are valued by small businesses. As I understand it, document exchange has been a lucrative area and Australia Post has been able to maintain a niche in the market by regulation. As I understand the argument, this bill is opening up the market. In urban areas document exchange has been undertaken by independent contractors, but by virtue of legislation Australia Post has maintained a monopoly in one section of that.

Australia Post generally have provided good revenue flows to the government. As I said, they have become an efficient organisation. They have managed to maintain the price of a stamp at remarkably consistent levels. I think that the ability of Australia Post to maintain the price of a domestic stamp at 45c for 11 years was a remarkable achievement, both in business and technical terms. Maybe it was a reflection of some of the fat that was in the organisation prior to a number of the changes. However, compared to international and other agencies it does show the benefit of competition. Australia Post were made aware by the government that they needed to lift their game. They were also aware that there were competitive forces out there in the marketplace that would take sections of their standard letter rate to market very quickly and take them over unless they lifted their game. I think that they have done a good job on the standard letter rate. It is sometimes overlooked by the Australian public that here in Australia we were able to maintain the standard letter rate at 45c. It also incorporated the GST. I know Australia Post were somewhat surprised that they had to absorb the GST component as well.

As I mentioned, Australia Post employ about 35,000 people. They operate approximately 4,500 post offices. They serve a million customers every day and have about nine million delivery points. This is a very big operation, and I think they have served Australia well. Members opposite and others would know that I have a predisposition towards privatisation and competition but, after a long association with Australia Post, I have to say that they are serving the Australian people well. They are making a genuine return on their capital resources. They are well run. I say on the public record that the managing director, Mr Graeme John, and the board have done an excellent job. They have been sensitive, I think, to the attitudes of this parliament and members here. They have done their best, given the high degree of hu-
man content in the operation of Australia Post, to provide a service Australia wide.

It is interesting that in January 2004 an article headlined ‘A privatised Post: will it deliver?’ appeared in the Financial Review. That article canvasses the options. In other countries governments have privatised their postal operations in an endeavour to provide efficiencies and there is government regulation to supervise the post. The article really says that Australia Post are looking forward, not backward, and that they are looking for new possibilities and trying to be more efficient. While they are being commercial, they are prepared to make investments in other transport operations to improve their efficiencies. They note that the Netherlands, Germany and the United States have sold their postal services while at the same time retaining community service obligations to ensure, to differing degrees, accessibility and affordability of letter service.

It is an interesting debate about Australia Post, and I say on the public record in this parliament that they have done a good job. I hope they continue to do a good job, and I have very much in mind those smaller licensed post offices who do such a good job in the smaller communities throughout my electorate of Corangamite. They are always approachable, and they often combine their small licensed post office operation with other commercial activities. So we get the best of both worlds: we have a bigger operation and then we have the smaller licensed operations. And we know that, relative to the world, Australia Post are delivering. Their delivery times have been audited by an independent authority, and that is done every quarter, so there is certainly an incentive for Australia Post to maintain a genuine service and delivery times compatible with world’s best standard.

I commend the legislation as a step in the right direction. I hope that the opposition will support it, because in their heart of hearts they know that the government is moving Australia Post into the 21st century. I wish Australia Post well; I am sure they will continue to provide a good service. From time to time there will be some difficulties but overall they have done a remarkably good job. (Time expired)

Mr TANNER (Melbourne) (11.47 a.m.)—The Postal Services Legislation Amendment Bill 2003 seeks to amend the Australian Postal Corporation Act 1989 and other acts to implement a variety of consumer and regulatory reforms to Australia Post and the postal services industry. The bill contains several major provisions, some of which the opposition support and some of which we oppose. The opposition’s parliamentary secretary for communications—the member for Bass, who is monitoring Australia Post for the opposition—has moved a second reading amendment to this bill in the House condemning aspects of the bill to which Labor is opposed, particularly the government’s ongoing attempts to deregulate Australia Post’s services by stealth. Labor will seek to move specific amendments in the Senate with respect to these matters when the bill gets to the Senate.

The second division of this bill, which Labor broadly supports, facilitates greater accounting transparency on the part of Australia Post. This provision enables the ACCC to keep detailed accounting and auditing information about Australia Post’s reserved services to ensure Australia Post is not cross-subsidising its competitive services from its core reserved services—the principle of competitive neutrality with respect to government business enterprises was in fact put in place by the former Keating government under the competition principles agreement with the states in 1995. Any such cross-
subsidisation would, of course, be to the detriment of Australia Post’s competitors, such as newsagents. The bill will also allow the ACCC to inquire into disputes regarding the rate of reduction Australia Post allows to its bulk mail customers.

Labor are broadly comfortable with these provisions. While we support absolutely the continuation of Australia Post’s reserved service—which guarantees an affordable, accessible and reliable service to all Australians, regardless of where they live—Labor also support provisions to ensure that Australia Post is not using those provisions with respect to its core reserved services to unfairly disadvantage competitors in other areas. Roughly 85 per cent of Australia Post’s activities are now fully contestable, and it is important that those areas that are competitive are competitive on an even and fair basis in terms of private sector competitors. Labor welcome most of these initiatives in the second division of the bill and are happy to support them.

Our principal concerns lie with division 1 of the legislation. Division 1 contains amendments to legitimise current practices of document exchanges and aggregation services. These amendments legitimise the practices of document exchanges and bulk mail aggregators and in doing so represent the first steps towards deregulation of the existing core reserved service areas of Australia Post. It is clear that this has been the Howard government’s long-term policy ambition—to ultimately deregulate and eventually privatise Australia Post. In this instance, it is seeking to further that ambition in a relatively small way.

Under the legislation that is before the parliament today, with the carriage of letters from an aggregation services customer to an aggregator—somebody who puts together a variety of mail items for the purposes of making a bulk mail lodgment—the mail going from the customer to the aggregator will now be exempt from Australia Post’s reserved services. So, as well as an effective exemption applying from the aggregator to the recipient of the mail, it is now proposed that there will be an exemption from the customer of the aggregator to the aggregator. Labor rejects these provisions and equally rejects the provision that provides that the carriage of letters between a document exchange customer and document exchange centre will also be exempted from Australia Post’s reserved service coverage. The provisions amount to a gradual further deregulation of Australia Post’s services by stealth.

Australia Post cannot be expected to adequately undertake its strict community service obligations if its reserved mail services are gradually opened up to further competition and chipped away. It is correct, as the previous speaker indicated, that the former Labor government did significantly deregulate Australia Post’s services and substantially reduce the extent of the monopoly. History has shown that the decision taken by the former Labor government was correct, and Australia Post’s outstanding financial and service performance in recent years, under both Labor and coalition governments, is an indication that the increased competition in areas other than that of primary mail—the typical standard letter—has actually been beneficial to our economy and to Australia Post.

Mr Hardgrave—They have met every challenge.

Mr TANNER—As the honourable member says, Australia Post has met every challenge. We do, however, have a very different view with respect to that very core responsibility, the standard letter, which is still reserved as an Australia Post monopoly and which helps to guarantee that all Australians,
no matter where they live, have access to an affordable, high-quality postal service. The nature of our country, with a relatively small population distributed very unevenly across an enormous landmass, means that it is essential we have some mechanism of cross-subsidisation for basic postal services to ensure that all Australians can participate in our society and that everybody has access to those services, no matter where they live. Labor have consistently opposed further deregulation of Australia Post. We want Australia Post to remain in full public ownership, delivering high-quality postal services to all Australians, regardless of what part of the country they happen to live in.

Labor’s dissenting report from the Senate inquiry into this bill in August found serious problems with the deregulatory aspects of the legislation. The provisions will legalise activities that are presently illegal. Witnesses to the Senate inquiry stated that these measures represented a deregulatory agenda for Australia Post and would pave the way for further deregulation down the track. We oppose these provisions because we support Australia Post as an essential part of Australia’s economic and social fabric. Labor certainly do not intend to stand by and allow the Howard government to slowly erode Australia Post’s crucial national functions.

The Howard government has always had a secret agenda to deregulate and ultimately privatise Australia Post, just as it has had with Telstra. In 2000 the government tried to enact the Postal Services Amendment Bill, which pursued this deregulatory agenda. Fortunately the bill was withdrawn due to a lack of support in parliament, including, to be fair, substantial reservations amongst some members on the government side. However, the government’s deregulatory agenda remains. The then Minister for Communications, Information Technology and the Arts, Senator Alston, said that the government still supported the bill and would reintroduce it at some point in the future. That bill would have also decreased the services provided by Australia Post that are exempt from open competition. Just like the bill currently before the parliament, the previous bill sought to reduce Australia Post’s reserve services and thus its ability to comply with its community service obligations.

The government is now up to its old tricks with this new bill to legitimise activities by private postal services providers that are currently unlawful. Labor oppose these provisions and will continue to oppose the Howard government’s deregulatory agenda for Australia Post. We believe that Australia Post needs to remain a strong, fully publicly owned organisation, delivering decent postal services that are accessible to all Australians. We will resist attempts to further chip away at Australia Post’s reserve services, such as those contained in the first division of this bill. We will be opposing these provisions in the Senate, and we certainly hope that the minor parties and Independent senators will join us in defending the reserve services.

The other aspect of the first division of the bill which Labor opposes is the new requirement for the Australian Communications Authority to monitor and report on Australia Post’s performance in its supply of postal services and in meeting prescribed service standards. The Auditor-General currently modifies Australia Post’s prescribed service standards, and Labor prefers that these arrangements remain. The Auditor-General is completely independent of the communications minister, unlike the Australian Communications Authority, and has performed this task entirely competently. The ACA is not sufficiently independent of the government to monitor Australia Post’s service standards and costs. In the telecommunications area, the ACA was recently exposed as delivering statistics which portrayed
Telstra’s annual network fault levels in an extremely favourable and a very misleading light.

Recent rounds of Senate estimates hearings have exposed other weaknesses in the ACA’s reporting in the telecommunications area. The ACA has arguably been unduly influenced by the needs and political imperatives of the government, and of course its chairman is appointed by the government. The Auditor-General represents a much more independent and robust institution for monitoring Australia Post’s performance. A further reason for not giving the ACA these new monitoring powers is that the government is now in the process of reviewing future arrangements for its two communications regulators: the Australian Broadcasting Authority and the Australian Communications Authority. It is in many respects premature to grant either of these agencies significant new powers in a completely new area before that review is complete and decisions are taken with respect to the future of those two government organisations. Labor will therefore oppose these amendments and will seek to ensure that they are defeated when the legislation is dealt with in the Senate. We hope that the minor parties and Independent senators will join us in opposing these particular provisions.

With respect to the requirement that the ACA calculate the cost of Australia Post providing its community service obligations, Labor do not oppose such calculations being done but we do question whether or not the ACA is the appropriate body to perform such a task. Labor also have concerns about the proposal from the minister that the new ACA and ACCC roles be funded by a levy charged against Australia Post. While we reject outright the ACA’s new Australia Post monitoring role, as stated earlier we do support the new role of the ACCC. However, we have significant concerns about the process of a levy being imposed on Australia Post to fund those regulatory roles. Australia Post argued before the Senate inquiry that this would cost up to $3.5 million a year. That money ultimately comes out of Australia Post’s profitability and its annual return of a dividend to the government and therefore the Australian people. Telstra, with its $3 billion-plus profits, did not have similar levies placed on it when the ACCC’s accounting separation role was enhanced last year by the Telecommunications Competition Act. We remain to be convinced that funding of the ACCC’s new role, which may ultimately be of more benefit to Australia Post competitors than to Australia Post itself, should be paid for by Australia Post.

The amendment in schedule 1 with respect to section 50C of the Australian Postal Corporation Act 1989, which Labor does support, provides a mechanism to enable the measurement of Australia Post’s services as regards delivery arrangements. This amendment is designed to improve the processes that Australia Post has for determining whether delivery services should be provided to particular communities. Under current processes it is difficult for communities to convince Australia Post to institute delivery services to particular properties. Labor supports the provisions, which will ensure that communities can gain decent access to Australia Post services where that is appropriate.

One reform that would have benefited consumers, which is not in this bill and should be, is the establishment of a postal industry ombudsman. The government promised such an ombudsman prior to the last election to improve consumer outcomes in the postal sector. Such an ombudsman would apply to all postal service operators, not just Australia Post. But more than two years into its parliamentary term the government has thus far failed to even present such legislation for this significant reform. We note that
this bill has appeared on the legislative program, but we are yet to see the actual content. Until the government implements this proposal, it can only be seen as a broken promise in the making.

It is also important in the context of this parliamentary debate to deal with some issues of contemporary significance to Australia Post which are influenced by the proposals in this legislation. Labor support Australia Post as the publicly owned universal service provider in postal services, but we also expect Australia Post to behave with decency in the treatment of its staff and to award appropriate terms and conditions to its staff. We are concerned at the drive to further reduce the number of corporate post offices—post offices still directly owned and run by Australia Post—and, in particular, at the prospect of the wages and conditions of Australia Post workers, which are not fabulous by anyone’s measure, being reduced as a result of the effective contracting out of further postal services.

Labor know that, if the government get their way and the further deregulation of Australia Post occurs, staff cuts and reductions in the wages and conditions of workers in the postal services will follow as a matter of course, which is precisely what occurred as a result of the part privatisation of Telstra and the Howard government allowing Telstra to behave as if it were already a private company. A disturbing illustration of the kind of behaviour that will inevitably flow from the further deregulation of Australia Post, particularly if the government do ultimately proceed to privatise Australia Post, is the current controversy surrounding Australia Post’s decision to phase out the use of chairs by staff in its retail outlets. This highly insensitive decision has had a devastating effect on some existing staff who do need such chairs for health and medical reasons.

One such worker is Lillian Treadwell, who first began working for Australia Post in 1980. Ms Treadwell’s most recent position has been as a casual postal services officer. She has a serious medical condition that prevents her from standing on her feet for long periods. After Ms Treadwell discussed her position with Australia Post, she was sent on indefinite sick leave because of Australia Post’s new policy of not providing chairs for people serving at the counter in Australia Post offices. She would like to work. She would like to continue working as a dedicated and committed worker for Australia Post, as she has done for many years.

This no chair policy clearly discriminates against staff who need seats, and previously had access to seats, to perform their work functions at postal outlets. This is really a human rights issue, particularly as staff who previously performed their functions perfectly adequately are now sitting at home on extended sick leave. The postal and telecommunications division of the Communications, Electrical and Plumbing Union have been vigorously defending the rights of the workers affected by this change, and I support their efforts to persuade Australia Post to abandon this insensitive and backward-looking decision. I hope Australia Post does have the good sense and decency to revisit this decision and allow workers to use chairs at postal outlets when necessary. We want people like Lillian Treadwell back on the job.

In an era where a great deal of effort is being made to create employment opportunities for people with disabilities and to make workplaces more sensitive to the individual needs of workers who do have physical difficulties, it really is extremely unfair that Australia Post is heading in the opposite direction and, by withdrawing the availability of chairs, narrowing the range of people who can work in Australia Post outlets. They are
creating a situation where some existing workers who are doing their jobs perfectly well are no longer able to comply with the requirements of Australia Post and are no longer able to do their job.

In conclusion, Labor support the measures in this bill that increase the ACCC’s powers to ensure fair competition in the postal services market in areas where Australia Post does not have a reserved service. We support the provisions that make it easier for communities to convince Australia Post to increase their level of service, but we reject the deregulatory agenda in the legislation—that is, the legitimising of business practices with respect to document exchanges and aggregation of services that will further erode Australia Post’s reserved service and, therefore, its capacity to comply with its community service obligations. We also reject the government’s proposal to transfer the monitoring role of Australia Post’s services from the Auditor General to the Australian Communications Authority. We are also disappointed that the bill does not include the government’s proposal for a postal industry ombudsman scheme, which it promised at the last election and which Labor support.

Labor will seek to improve the bill in the Senate by moving appropriate amendments, and we will continue to defend Australia Post. We will continue to support Australia Post remaining in full government ownership with an appropriate level of reserved services as a platform for guaranteeing that all Australians, no matter where they live or what their income levels, will have access to a basic and decent postal service to enable them to stay in touch, communicate and participate in our society on equal terms with those who live in more profitable circumstances—those in the major cities. Australia Post deserves to be congratulated for rising to the challenge, as previous speakers have indicated. It has made very major reforms.

The union also deserves to be congratulated for working constructively with Australia Post over the years to tackle many difficult issues and contributing to the organisation becoming a more effective and more efficient organisation—a much more robust organisation with a much higher quality of service. Both Australia Post and its workers deserve a lot of credit for the improvements that have been achieved. Some of the proposals in this bill will bring about further improvements, but some of the proposals are retrograde. Labor do not support them. We will be seeking to amend the bill accordingly in the Senate. I hope that the minor parties and Independents in the Senate will join us in protecting Australia Post’s reserved service and ensuring that it remains in public hands, delivering high-quality services that benefit all Australians.

Mr PROSSER (Forrest) (12.07 p.m.)—
The purpose of the R1802Postal Services Legislation Amendment Bill 2003 is to make amendments to the Australian Postal Corporations Act 1989. It intends to provide independent oversight of Australia Post’s service performance and operational activities, as well as allowing for, and legitimising, a number of existing practices, such as businesses carrying letters between customers of document exchange and aggregation services within the postal services market. The impact of this bill will not affect Australia Post’s revenue but will benefit small businesses that use these services. The bill will provide the Australian Communications Authority with responsibility for: oversight and reporting of Australia Post’s quality of service; independent costing of Australia Post’s community service obligations; and addressing concerns by newsagents and others about anticompetitive cross-subsidisation.

The bill will extend the powers of the Australian Competition and Consumer Commission to inquire into disputes between
Australia Post and its customers and make recommendations about the terms and conditions offered by Australia Post for bulk mail interconnection. The Australian Competition and Consumer Commission will also have the power to require Australia Post to keep and maintain records in a manner determined by it, which will introduce accounting transparency between Australia Post’s monopoly and non-monopoly services, thereby demonstrating clearly the separation between Australia Post’s reserved and competing services.

Australia Post is generally regarded as a successful business and is promoted as one of Australia’s top 10 major companies. It employs some 35,700 full-time and part-time staff, handling some 5.26 billion articles of mail every year and servicing 9.4 million delivery points nationally. In 2001-02 Australia Post delivered a pretax profit of some $407 million and paid tax and dividends to the Commonwealth of some $285 million. The 2002-03 pretax profit was $462 million, some $54.8 million, or 13.5 per cent, higher than the previous year. In 2002-03 the first increase in basic postage rates in 11 years occurred, with the price of the domestic stamp rising from 45c to 50c on 13 January 2003. However, in the view of the National Competition Council, Australia Post’s performance has been too good. It has been too good in this case because it reflects a lack of competition in postal services. The NCC noted that in recent times Australia Post’s return on equity has been about three times higher than the highest average for publicly listed companies.

Since 1901 the Commonwealth has reserved certain postal services to be conducted by the government-owned postal authority. Section 29 of the act currently reserves to Australia Post the exclusive right to carry letters within Australia, whether the letters originate from within Australia or outside. Generally speaking, the principal services reserved to Australia Post are the collection and delivery of all letters weighing no more than 250 grams, letters carried for a fee of less than $1.80 and all inbound bound international letters.

Australia Post must ensure that the letter service is reasonably accessible to all people in Australia on an equitable basis, wherever they reside or carry on business, and that performance standards, including delivery times for the letter service, reasonably meet the social, industrial and commercial needs of the Australian community. Australia Post uses its monopoly over the reserved services to cross-subsidise its community service obligations.

The community service obligations are further defined by regulation. Regulation 5 of the Australian Postal Corporation (Performance Standards) Regulation 1998 provides that Australia Post must service 98 per cent of delivery points daily and 99.7 per cent of delivery points at least two times a week. Regulation 6 deals with delivery times: 94 per cent of reserved service letters must be delivered within a specified time. This time ranges from one to four working days. Australia Post must also maintain a physical presence throughout Australia. Regulation 9 states that there must be at least 4,000 retail outlets, with at least 50 per cent of those outlets being in a rural or remote zone. Australia Post estimates that its community service obligations cost $88.2 million in 2001-02, and I note from its annual report that its community service obligations costs were estimated to have been $90.5 million in 2002-03.

The government, in its Postal Services Legislation Amendment Bill 2000, proposed arrangements that would provide for access by competitors to Australia Post on terms and conditions no less favourable than Aus-
Australia Post offers its own customers and intended to implement this by: reducing the scope of services reserved to Australia Post, thereby increasing the opportunities for competition in postal services; and providing a postal services access regime under the Trade Practices Act 1974 to facilitate access to Australia Post’s network by other market participants.

The Auditor-General currently undertakes oversight of Australia Post’s performance in its delivery services. Section 28 of the Australian Postal Corporation Act requires the Auditor-General to monitor Australia Post’s performance against the prescribed performance standards. It was argued that this regulation by the Auditor-General is not adequate, given Australia Post’s monopoly over certain services and the limited competition pressure of Australia Post’s performance in the supply of services. I have to say that sometimes Australia Post displays the arrogance that comes with monopolies.

The bill will therefore give the Australian Communications Authority an oversight role in relation to Australia Post by providing for the ACA to monitor and report on Australia Post’s performance in the supply of postal services. I note from the minister’s second reading speech that it was recommended that the ACA be the regulator as it was the most appropriate organisation to oversee and monitor Australia Post because of its current role in relation to overseeing the delivery of telecommunications.

New section 50A confers on the ACA the responsibility of monitoring the supply of postal services by Australia Post. Under new section 50B, it must report each financial year to the minister on various matters relating to Australia Post’s performance in the supply of postal services, including performance against prescribed standards and the cost of its community service obligations.

In recent years there have been concerns, particularly from newsagents, that Australia Post unfairly competes in the marketplace using its reserved services revenue to cross-subsidise its retail activities such as selling greeting cards, stationery and postcards. Although the National Competition Council found no evidence to substantiate the claims of newsagents, it recommended that there be a requirement for detailed auditing and accounting information to provide for transparency of the financial relationship between the different elements of Australia Post’s business. I must say that I am very uncomfortable with Australia Post as a corporate monopoly competing with small business in stationery and other retail areas.

In order to allay concerns of cross-subsidisation, new sections 50H to 50K will require the Australian Competition and Consumer Commission to make record-keeping rules for Australia Post. Under new section 50H(2), the ACCC must require Australia Post to keep records about its reserved services. Australia Post must give the ACCC copies of records when requested, under the new section 50H(3). The ACCC may then prepare and publish reports analysing the information, as provided under new section 50I. The minister may also direct the ACCC to prepare and publish such reports under section 50J. A claim of commercial-in-confidence by Australia Post in relation to the information to be published can be overridden if the ACCC is satisfied that the claim is not justified or that it is in the public interest to publish the information provided under new section 50K.

I note that in June 2003 the bill was referred to the Senate Environment, Communications, Information Technology and the Arts Legislation Committee for inquiry. The committee reported on the bill on 19 August 2003. The committee’s majority report recommended that the bill be passed without
amendment. The committee also noted that, as Australia Post’s reserved service is a monopoly, albeit one that is government owned and operated, the government is duty-bound to implement a system of independent scrutiny of Australia Post activities as a means of assuring the public, the parliament and potential competitors that the company is operating within acceptable bounds. The scrutiny is a cost that must be borne in the interests of transparency. The committee accepted that the ACCC and the ACA were the appropriate agencies to perform this important accounting and monitoring task. The bill acknowledges that there is competition in the marketplace and encourages that as being necessary in the interests of returning a high standard of service to its customers. It is therefore necessary to have an independent monitoring body to ensure Australia Post has no unfair advantage over operators as it expands into other postal areas and related activities outside its reserved services.

Australia Post’s commitment to rural and regional Australia is enshrined in the community service obligation, which requires the corporation to provide an accessible standard letter service to all Australians at a uniform price. Australia Post’s performance standard states that at least half the retail outlets must be in zones classified as rural and remote and, in any event, must be no fewer than 2½ thousand; at least 90 per cent of residents within the metropolitan area must be within 2.5 kilometres of a retail outlet; and an average of at least 85 per cent of residents in rural and remote zones must be within 7.5 kilometres of a retail outlet.

In June 2003 Australia Post reported that 2,588 of the corporation’s 4,493 outlets were in rural and regional Australia. Although that exceeds the community service obligation requirement, I believe that a minimum of 2½ thousand outlets in such areas is not meeting the growth demands in urban areas. In the area that I represent there is massive growth around the city of Bunbury and the shires of Capel, Dardanup and Busselton. The chairman of Australia Post recently stated:

We’re committed to maintaining our position as a trusted and reliable service provider for the entire community, while adapting to meet the needs of our changing markets.

Australia Post claims to have achieved this commitment because of its delivery performance. I note that, for the second consecutive year, in 2002 Australia Post reported that it delivered at least 96 per cent of its standard domestic letters early or on time, which is in excess of the 94 per cent standard required under its community service obligations. It also claimed that the 2002-03 result of 96.5 per cent was the best result since independent auditing of its delivery performance began in 1993.

While Australia Post quote an average percentage of 96.5 per cent for the delivery performance, you have to remember that that figure is only met because they have set their own criteria. It takes three days to deliver mail from Canberra to the city of Bunbury. One would normally think that you could get it the next day. So of course they can meet the delivery standards. However, even with a 96.5 per cent delivery performance, the remaining 3.5 per cent of some 5.62 billion postal articles still equates to a lot of letters not being delivered on time or at all. Sometimes I think that the 3.5 per cent are actually all within my electorate of Forrest, in the south-west, judging from the complaints that I continue to receive, which range from totally lost mail to returned mail—even though it was correctly addressed—to issues of community concern that there are not enough new postboxes and those sorts of things.

It also disappoints me that, when people do change their addresses, as everyone in this House would know, it sometimes takes
years for utilities, government, local government, friends, families, credit providers and that type of thing to pick up on the new address. Mail is quite often forwarded to the old address. When the resident has just moved two or three doors up in the same street, the mail will still go to the old address because that is where it is addressed to. Sometimes a bit of commonsense would go a long way with Australia Post when they know darn well that the people have moved a couple of doors up the street.

I hope that the measures proposed in this bill that will provide independent monitoring will instil some sense of initiative and drive in Australia Post. I believe that these very core issues are the issues that Australia Post should be concentrating on and maybe the bar needs to be raised on performance standards. That is something that will be independently evaluated by the Australian Communications Authority. Customers will have access to complaints mechanisms through the ACCC.

As I have previously said, it is all very well for Australia Post to state its percentage against performance standards, but, in reality, it has to meet a growing demand by providing services and not hide behind percentages that claim good performance. I also note that, from the 2002-03 report, the performance standard sets at 10,000 the number of street posting boxes. Australia Post exceeded that amount a few years ago. The number listed in the performance schedule stands at 15,000-odd. Therefore, I believe it is obviously time to up the ante on this performance standard as it is not reflecting the true growth in some of these areas.

I support and encourage competition. I acknowledge that private companies would not want to compete in certain delivery areas and that has resulted in reserved services for Australia Post, but that does not mean that the quality of delivery services should remain constant. This is where competition is vital to maintain a high degree of delivery standards and, ultimately, customer satisfaction. It should not be the case that customers start to consider alternative delivery options only when the system utilised by Australia Post lets the customer down. But it does highlight that there are faults in the system. Certainly it is sound business acumen to develop, expand and improve the profitability of existing facilities by competing for market share of the parcel delivery business, but this expansion should not be at the expense of maximising and improving the existing reserved services performance that leaves rural communities lagging behind the service afforded to metro residents.

One of the problems that Australia Post needs to come to terms with, particularly as it relates to my electorate of Forrest, in the south-west of Western Australia, is that relying on existing facilities is not good enough with the growth rates being experienced in these areas. As I have previously stated in the House, the inner regional local government area of Dardanup within my electorate was recorded as the seventh fastest population growth area in Australia between 1996 and 2001, with an average annual growth rate of 6.2 per cent.

Residents of one particular suburb, Glen Iris, recently called on Australia Post to install a street posting box in their suburb. Initially Australia Post said no, advised that the residents of Glen Iris could utilise the postbox located at the Bunbury Forum Shopping Centre in the City of Bunbury at a distance of some three kilometres, and stated it was too costly to install a new postbox. Australia Post claimed it had met and exceeded its performance standard by 5,139 postboxes above its standard set at 10,000. It basically did not want to improve this area. My elderly constituents, and mothers with children, would
have been forced to walk along a road verge—there are no footpaths—over three kilometres, across a couple of streets and a busy highway, to get to the shopping centre to post their letters in the postboxes.

It amazes me that, even with such huge growth, Australia Post resisted installing such basic postal services in Glen Iris. Was this a case of profit before service? How much does it cost to install and maintain a roadside postbox? Isn’t it part of the CSO that Australia Post has? However, after intervention on my part into this matter and some three months down the track, Australia Post has agreed to install the postbox—that, I might add, should have been installed in the first place—in a rapidly growing area of the south-west. My concern here is that, however happy I may be to take up the request and have the problem solved, Australia Post is not looking at the challenges of these new growth areas.

Australia Post delivery operations are not without their problems as well. Another example from my electorate of Forrest is that the residents of Ocean Star retirement villas in Bunbury recently had problems with Australia Post’s parcel deliveries. Parcels should have been delivered to their doors, but, when the recipients were not at home to receive their parcels, instead of leaving a note at the door, the contractor decided to dump the parcels at the nearby Ocean Star Hostel. Therefore the parcels did not get delivered until much later—when they were eventually discovered. Some of the parcels contained medicines for the elderly residents. Unfortunately the delivery method resulted in all these parcels simply being dumped at the hostel without the delivery person checking first whether residents were at home. Had the residents of the Ocean Star villas not brought their problems to my attention, they would have had to put up with this delivery method of critical parcels.

An important measure under this bill is that the Australian Competition and Consumer Commission will be able to independently monitor disputes and performance levels to ensure services are increased in growth areas. I am also aware that Australia Post is in the printing market. It currently does a huge amount of statement printing for banks, piggybacking on its monopoly services. This is commercial work that would have previously been outsourced to local printing companies or done in-house by the banks. But now printing opportunities are being taken away from small business operations and enterprises that employ local residents and are being centralised by Australia Post. I hope the ACCC will take a close look at the monopoly practices of Australia Post once this bill is passed.

I must also add that Australia Post promised it would develop a better model than the current licensed post office contractual arrangements by providing a new franchise model that would meet the expectations of not only Australia Post but also its franchisees and customer base, as well as keeping pace with the increasing demand generated by population and customer growth. To this day, after three years of promises, Australia Post has still not come up with a franchise model in Western Australia to appoint new post office franchise outlets in new growth areas that can deliver many of the basic modern services that customers expect today, including facilities such as BPay. It is because of the legitimising measures contained in this bill, and the independent monitoring and reporting operations of the ACA and the ACCC to improve Australia Post’s activities in the marketplace, that I commend the bill to the House.

Ms JANN McFAULANE (Stirling) (12.27 p.m.)—I am pleased to rise today and discuss the Postal Services Legislation Amendment Bill 2003. As everyone in this
place is aware, Australia is a vast country. Even with new communication mediums such as the Internet, Australia Post is still a significant part of Australian infrastructure. Without the foundation for postal services that the Postmaster-General gave us in our fledgling years as a nation, we would not be the country we are today. The importance of postal services goes all the way back to the start of the colony.

I would like to read a quote from a book called Life Lines: Australian women’s letters and diaries 1788 to 1840, which was edited by Patricia Clarke and Dale Spender. I think this quote is very important, because it goes to the heart of the importance of postal services. The introduction of this book talks about the importance of letter writing and communicating with the home country and of how it was mainly the women who did the letter writing. It says:

Then, too, there was the cost of postage; not until 1840 did the ‘penny postage’ come in. Prior to that time, the cost of postage was determined by the distance and the letter size and was often paid by the recipient; with letters of more than one sheet being charged at twice the rate, it is no wonder that for many women in Australia the cost of getting extensive news from home was exorbitant.

The introduction of the penny post was a dramatic and great innovation by government that benefited people’s lives, and we have built on that. As I said, the Postmaster-General, in our fledgling years as a nation, gave us a great service. The amendments that Labor wants to put into this bill to strengthen it—again, for the benefit of us all—are:

(1) the Government’s on-going agenda to deregulate Australia Post’s services, which threatens Australia Post’s longer term ability to provide all Australians with basic postal services, as evidenced by the proposals to legitimise the business practices of document exchanges and aggregation services in this Bill;

(2) the Government’s proposal to transfer the monitoring role of Australia Post’s services from the independent Auditor-General to the Australian Communications Authority; and

(3) the Government’s failure thus far to implement a Postal Industry Ombudsman scheme as promised at the last election”.

The concerns I have are also felt by my constituents, community groups, businesses, services, sports groups and other organisations in the electorate of Stirling. The concerns are there because the government have made two attempts to get these legislative changes through this place and each time they pulled the bill out because it was so massively flawed.

There are other stakeholders in relation to this bill, and one of the major stakeholders is the Communications, Electrical and Plumbing Union, the CEPU. They welcomed the opportunity to have input into this debate, and to make sure they had input they put in a submission to the Senate Environment, Communications, Information Technology and the Arts Legislation Committee inquiry in 2003. I would like to point to something they had in their submission that I think we all need to keep in mind as we progress this legislation. It said:

The fact that both these attempts at postal “reform” were aborted suggests that the Australian Parliament is yet to be convinced that deregulation of postal services will benefit the community at large, as opposed to the commercial interests seeking to enter the more profitable sectors of the postal market. The Communications, Electrical and Plumbing Union shares this scepticism and has consistently argued against any further erosion of Australia Post’s reserved service, pointing to the impacts this must inevitably have on the...

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corporation’s ability to fund its community service obligations.

When we talk about community service obligations, we also must be mindful that we are talking about consumers’ ability to receive an affordable and accessible service. I would like to discuss this bill with that in mind.

Australia Post is one of the biggest revenue winners for the federal government and the Australian people. Labor legislators were the first to be mindful of the advantageous market position Australia Post has, and Labor believes that the reasonable interests of private business need to be looked after. Looking at the bill before us today, I note that some of the measures within it are a logical extension of this principle. However, I have some strong concerns about some other measures included in the bill. Again, these concerns are shared by many in the Stirling electorate, including people in business, community services and government services—the broad range of people in our community who need Australia Post services.

The first of these measures I will mention is the transfer of administrative responsibility for Australia Post. Right now, the Auditor-General has control of Australia Post in terms of its finances and administrative standards. I for one believe that Australia Post has been very well run by the Auditor-General, particularly when you compare the running of Australia Post to that other bastion of Australian communications, Telstra. The Australian Communications Authority, the ACA, has the very difficult task of administering communications in a time when technology in the area is evolving at an exponential rate. The government asserts that moving Australia Post to ACA control is merely a logical reshuffle. I have serious reservations about the ACA being able to run Australia Post any better than the Auditor-General is running it. The Auditor-General is independent; the ACA is not. The approach the Howard government is showing will not necessarily be reflected on the bureaucratic level and, by comparison, the Auditor-General has a proven record of reliability. Are we throwing water on a fire that does not exist?

I believe the term ‘reliability’ should feature highly in this debate. Australia Post is important to Australia because of its reliability. Our businesses need to know they have a postal service they can trust. They need to believe that they can communicate in a no-nonsense manner. Right now, Australia Post provides this peace of mind. Consequently, Australia Post is extremely successful in the marketplace. We can rely on Australia Post to keep functioning well because it is a public organisation. When I say ‘public’, I do not mean public by ownership; it is public in that the public trust it and depend on it. Australia Post is a cornerstone of how Australians talk to each other, and people have relied on that from colonial times until now. I believe that ‘reliability’ is a word that features highly in The Nationals’ view on this bill. Their primary constituency relies on Australia Post offices dotted throughout regional Australia. Regional Australians rely on the 2,000-plus post offices to connect with the rest of our nation.

Can we rely on Prime Minister Howard to keep Australia Post regulated? I have asked myself this question, and I am not sure we can. If Telstra is anything to go by, the Howard government has a strong aversion to any responsible regulation of core services. I imagine the Deputy Prime Minister is asking himself that same question every day. Should this bill pass as is, the ACA might be able to shed some light on the answer. Allow me to list the main functions of the ACA, as outlined on the ACA web site. They are:
To me, the bulk of this list seems concerned with the technical aspects of communications rather than with business practice. Interestingly, if you have a complaint about the way a telecommunications firm operates, including its transparency, you do not go to the ACA; you go to the Telecommunications Industry Ombudsman. Consequently, I am beginning to wonder if the government is making the ACA bite off more than it can chew. Another point to note is the failure of the government to implement its promise that there would be a postal industry ombudsman.

The ACA seems to be positively blooming. I have in this place discussed the spam legislation that has now gone through, and this will be yet another area that the ACA will have to regulate. I am sure it will be with great difficulty. I see conflicts of interest arising, for the ACA will be the regulator, supervisor and manager of postal services. I am a big believer in trusting the Public Service. However, federal government departments and authorities like the ACA need to be given half a chance to function properly.

I also hold reservations about how the ACA is being run. One of my colleagues, the member for Melbourne, has spoken many times about inconsistency in the ACA’s public reports about government efficiency in telecommunications. For example, I should draw to the attention of the House the media release put out by the member for Melbourne on 8 October 2003. In this media release, the member details how the ACA misrepresented performance statistics to the Australian people. The ACA tried to tell Australia that Telstra’s payphone availability to make calls in the month of June was a spectacular 100 per cent. How we wish that were true. In fact, this availability test was based on the ability to make emergency phone calls. While I appreciate that this is an extremely important service, it is certainly not the main reason that most Australians access public telephones. The more important statistic came out in the Senate inquiry into the sale of Telstra. Only 82 per cent of public phones were fully operational—that is to say that there was the ability to make every variety of phone calls from them.

I have a great deal of discomfort in seeing the ACA behave so dishonestly. Try telling people who went to use one of the 18 per cent of phones that proved to be faulty during that month that the ACA are responsible in performing their duties. It is exactly that sort of fiddling with figures that gives the Howard government a bad name. In contrast, we have the office of the Auditor-General, an institution that is currently independent and far more transparent, accountable, efficient
and reliable. I know which organisation I and the Stirling people, organisations, groups and services would prefer to hold administrative control over Australia’s postal services.

We on this side of the House want to protect this vital organisation. Australia Post represents the foundation stone in our information infrastructure. To allow this bill to pass as is, is to encourage the eventual deregulation of Australia Post by stealth. I, along with my fellow constituents, am disgusted by such a plan. One of the key roles of Australia Post is to provide community service, which a postal service based purely on profit would never provide. These services are essential for many Australians and to put these services in danger would make life difficult for many of these people.

With this in mind, Labor also opposes the provisions in division I that legitimise document exchange and aggregation services. I did not run for parliament with the intention of legalising questionable practices just because they are already happening and nobody has been doing anything about them. I came to this place to ensure that the best interests of the Australian people—all Australian people—were acted upon. Legalising document exchange and aggregations, as this bill intends, is one more step down the ladder to a deregulated Australia Post. In coupling this plan with change in the organisation’s regulator, a mentality of deregulation is being put in motion. Labor simply cannot support such an attitude towards our vital postal service.

I am also concerned about the logistics of this bill. The government does not expect this plan to cost the taxpayer anything. Personally, I am not so sure. The ACCC’s expanded role in playing watchdog to Australia Post accounts must surely require extra staff and resources. Furthermore, the ACA’s proposed new administrative role over Australia Post would surely require retraining and movement of staff from the Auditor-General’s office. This all costs money. I am concerned about the new ACA and ACCC roles in setting up a system which is funded by a levy charged against Australia Post. Surely this is a conflict of interest. My concerns are also shared by the Communications, Electrical and Plumbing Union, the CEPU. They say:

Similarly, the union questions whether the granting of new functions to the ACA will produce any public benefit. Under the proposed bill, the ACA is charged with costing Australia Post’s Community Services Obligations and with monitoring and reporting on Australia Post’s service performance. The new requirements will involve some duplication of functions, as Australia Post itself will presumably continue to make its own estimates of CSO costs for the purposes of planning. The cost of such duplication will ultimately be borne by the public.

Those are the CEPU’s concerns, strongly stated. Sadly, at the end of the day, this seems to have come down to an ideological battle. The Howard government is utterly determined to continue with its agenda of deregulation and privatisation. Ultimately, another core service will be let loose and become purely profit driven. Any additional profits that may be made as result of this long-term Howard goal will be offset by the negative social costs incurred by the Australian people—an unpalatable thought.

Australia Post is far more than a place where you can buy envelopes and stamps; it is an institution that Australians have relied on for generation upon generation to conduct their business and assist their lives. As this bill stands, the dependence and faith that most people place in Australia Post will be severely under threat. This government should remember its obligations to the average person—particularly those in country towns—and not continue an agenda that will eventually sell out these same people. Labor
will always support the improvement of our core services such as Australia Post, but I am afraid to say this is not an improvement—this is deregulation by stealth—and in the end Australian families, small businesses, community services and government services will be the ones to bear the consequences.

I would like to briefly mention my disappointment, and that of Stirling constituents, groups, services and sports groups, in the government’s failure to implement their promise to bring in a postal industry ombudsman. Again, in the 1990s consumer rights and consumer processes became an important issue, and people continually brought it to the attention of this place that in every area of their life they expected not just a fair complaints process and a dispute resolution process but someone independent to oversee it, to whom they could go when they felt the process had been flawed or they had not been taken seriously. The need for a postal services ombudsman is there. The government needs to address this, to look at this, because people are disappointed at a very deep and personal level.

Labor supports some, but not all, of the provisions of this bill. Along with Stirling constituents and services groups, I find it a positive experience when we work in a bipartisan manner on these issues. I ask the government to support Labor’s amendments.

The bill will provide consumers and customers with social benefits by improving the independent oversight of Australia Post’s service performance and operational activities, ensuring accountability and transparency of Australia Post’s operations. The bill legitimises a number of existing practices within the postal service market, benefiting the small businesses that use these services.

Mr BRUCE SCOTT (Maranoa) (12.45 p.m.)—I rise today on the Postal Services Legislation Amendment Bill 2003. This bill implements decisions of this government to address regulatory and consumer issues relating to the current postal regime by amending the Australian Postal Corporation Act 1989 and several other acts. The government has developed a postal reform policy that responds to the legitimate concerns of the postal services industry, small businesses and consumers. I want to talk about items that particularly relate to rural services. I note that the bill has been developed in consultation with Australia Post, the Australian Communications Authority—the ACA—the Australian Competition and Consumer Commission—the ACCC—and industry.

I understand the legislation does have the support of Australia Post and the industry in regard to the amendments before the House. The bill will provide consumers and customers with social benefits by improving the independent oversight of Australia Post’s service performance and operational activities, ensuring accountability and transparency of Australia Post’s operations. The bill will address concerns by newsagents and others about anticompetitive cross-subsidisation, which is a particularly important point because there are some newsagents in my constituency that have often brought this issue to my attention. The issue concerns transparency and the pricing of products available through some of Australia Post’s business opportunities. We have to make sure that there is full transparency in relation to the way Australia Post operates its business activities which are outside its core business. The bill legitimises a number of existing practices within the postal service market, benefiting the small businesses that use these services.

There is currently limited oversight or regulation of Australia Post’s performance in
the delivery of services. There is also limited competitive pressure to drive efficiencies and the quality of delivery of services because of Australia Post’s ongoing monopoly over the carriage of certain letters. The proposed role of the ACA will be to provide independent oversight of Australia Post’s performance in the supply of postal services and to report on its findings. The ACA also is considered to be the most appropriate organisation to carry out these functions and clear comparisons can be made with the consumer safeguards established in the telecommunications industry. In view of the existing role the ACA has in relation to these matters, it is the ideal candidate to undertake this role in relation to postal services. The ACA is an independent regulator with the prerequisite portfolio expertise to monitor and report on Australia Post’s performance in the supply of postal services.

The amendments to the Australia Postal Corporation Act 1989 include allowing the carriage of letters between customers and document exchanges and the operators of the service, and allowing the carriage of letters between customers of aggregation services and the operators of the service. These measures will legitimise the existing practice of those businesses, extending the powers of the ACCC to inquire into disputes between Australia Post and its customers about the terms and conditions offered by Australia Post for bulk-mail interconnection. They will further provide the ACCC with the power to require Australia Post to keep and maintain records in a manner determined by the ACCC. They will introduce accounting transparency between Australia Post monopoly and non-monopoly services. They will further provide the ACA with the power to monitor and report on Australia Post’s quality of service and independently cost Australia Post’s CSO.

The amendments will impose a levy on Australia Post to cover the costs of the ACA and the ACCC, and extend the standard regulation-making power in the act to include standards relating to Australia Post processes for determining the availability and the accessibility of the delivery of services. Minor technical amendments have been made to update the list of laws in the act under which the use of disclosure of information by an employee of Australia Post to law enforcement agencies is permitted. I applaud the improvements to the postal services legislation because Australia Post is vital as a service provider and obviously as a business, and we want to make sure that it is as efficient as possible. At the end of the day, if it is not efficient, it is going to be the consumer who will be paying for those inefficiencies.

Today I would like to focus on some of the rural postal services and some of the issues relating to mail services and licensed post offices, of which I know there are some 4,000 across Australia, and I know a lot of them in my electorate of Maranoa. While I am reasonably satisfied with Australia Post’s recent response to representations from my office on behalf of some of my constituents in Maranoa, I still feel it is necessary to bring these concerns to the attention of the House. So often large institutions attempt to overlay metropolitan models for business services and infrastructure onto rural Australia. In the case of rural mail runs and licensed post offices in rural Australia, they are expected to simply look at that business model and make it work. Often making it work, based on that city business model, is difficult and sometimes impossible, due to the already reduced populations in the bush in these country towns, which continue to be depleted for a myriad of reasons, including drought, low commodity prices and the drift of population from smaller centres to larger centres in rural areas. It is this declining population that makes providing high-quality services to people who remain in those rural communi-
ties a less viable business option, although that service is vitally important to those rural communities.

Madam Deputy Speaker Gambaro, as you would be aware, the government recognise that one size does not fit all. We have also recognised that it is important to provide services where a business model will not necessarily provide it. That is clearly identified in the government’s rural transaction program, which we implemented on coming into power in 1996. We also provided capital assistance to see mobile phones extended to rural communities; otherwise it would not have been a viable business proposition for a carrier to provide all the capital required for that mobile phone extension. The list goes on in relation to communications, including broadband access and access to untimed local calls for about 40,000 subscribers across Australia. For decades that was an issue not addressed by government or Telstra because it just did not stack up as a business model, yet the government provided capital to assist Telstra to provide untimed local calls.

Going back to the Postal Services Legislation Amendment Bill 2003, I want to highlight that the government has recognised the need to provide services in our rural communities where a business model will not necessarily make them viable based on a stand-alone model. I refer to Australia Post advising a mail contractor—and I am sure they have done this to many mail contractors on rural mail runs—that they had to form an incorporated company before submitting their tender. This example clearly identifies the fact that Australia Post finally, the School of Distance Education or, in some cases, through the external courses of universities. So it is a vital service, not just for business but also for education.

The mail run to which I refer was very small and the mail contractor was required to become an incorporated body before submitting their tender. My constituent then contacted their accountant about this because it was going to be a very expensive exercise to incorporate. There would also be extra paperwork and they were not going to be able to undertake that mail run. In this case, in this small community, the only possibility for a mail contractor was this one, which had been providing it for a number of years. When the local contractor said that they were not going to incorporate, Australia Post then offered my constituent a one-year contract, with incorporation not being necessary. My constituent said: ‘That’s still not good enough. How can we have a contract for one year and have any security over the business?’ So they went back to Australia Post and were finally offered a three-year contract, with incorporation not being necessary, to which they agreed and are now satisfied.

The point I want to highlight is that the business model that may suit some regions—some capital cities or some larger provincial areas—is not always the model that will fit some of the smaller rural and remote communities which have very tiny services, and yet they are such vital services to the community. I ask Australia Post, when they look at mail contractors in the future, to look at the size of the operation and the size of the tender—which is so often very small. Sometimes contracts are for less than $10,000, but they are vital services. It loads another cost on to those small businesses, and they then have to incorporate that into their tender, which adds greater cost to Australia Post. Is that really necessary? This example clearly identifies the fact that Australia Post finally,
after sitting down with this contractor, was able to negotiate a successful tender without the need for the company to become incorporated.

I am also aware that some of the mail contractors in my constituency believed that they had no grounds on which to talk to Australia Post on this issue and they did become incorporated—they went ahead and outlaid the heavy costs involved. They have undertaken extra paperwork which has become an annoyance to those people. This is the other side of the issue for my constituents. They find that it is an annoyance, it is something that they did not see as necessary, and yet there are those who have been able to negotiate a contract without becoming incorporated. Those who were not aware that they could negotiate with Australia Post to have a mail contract tender approved without being an incorporated company have gone ahead, become incorporated, and now have additional costs. Once again, I call on Australia Post to look at the way they deal with licensed mail contractors, particularly in our rural and remote communities.

I would also like to raise the issue of licensed post office businesses. It has been brought to my attention that, when licensed post office operators want to build up their businesses, one of the services they often bring to the community is an EPOS transaction facility. The licensed post office operator will provide some of the capital for the machine and the infrastructure for that but, beyond the associated cost of the capital providing the EPOS machine, they then have to pay an annual lease fee to Australia Post. Why do they have to pay an annual lease fee to Australia Post for a piece of equipment and a service that they provide in a community when the owner of that business has provided the capital to put the facility in place?

I also ask Australia Post to have a look at the minimum number of EPOS transactions that they require of post-office operators before a penalty is applied to that business. As I understand it, unless they are able to generate a minimum of 10,000 transactions per year through that EPOS facility in that community, they will receive a penalty. They will actually have to pay a penalty to Australia Post because they have not met the 10,000 transactions that are required under the agreement to put the EPOS facility into the licensed post office. I urge Australia Post to look at that. Once again, one size does not fit all. When an EPOS facility is put into a small community, it takes some time before the business builds up, so I suggest to Australia Post that they look at waiving those penalties—or eliminating them completely, but at least waiving them—for a number of years, particularly in those small communities where it will take time to build up the numbers to meet that 10,000-transaction benchmark that Australia Post apply to these small licensed post-office businesses.

The other thing that 10,000-transaction benchmark does is that it prevents some of the very small communities from even putting in such a facility, when it would be a great service to have. The business operator says, ‘It’s just not going to stack up in this community. If I do put it in, there’s a capital cost to the community and there’s a penalty if I don’t meet this benchmark each year.’ In fact, I understand that the penalty works on a month by month basis. So I ask the management of Australia Post to, firstly, have a look at the transaction benchmark; secondly, allow a period of time for the business to be established in the community before even considering any penalty; and, thirdly, consider that one size will not fit all.

The post office is a vital service in our rural communities. In many ways it is the last vital link for the community. I know that, in
the communities where we do have successful Australia Post business operations run by licensed post offices, the people come to town, they shop in town and they do more business in town. If the service is not there, they tend to go to a town that does provide that service—and they do not shop in the other businesses in their town. So it is a vital link. It is part of the fabric of many of our rural communities.

In conclusion, I support this bill, but I would ask Australia Post to look at those two issues: mail runs in rural communities and the licensed post-office businesses that have EPOS facilities or those that would like to have an EPOS facility but do not because they realise that if they are unable to meet that benchmark of 10,000 transactions a year it is actually going to cost them money. I ask Australia Post to look at this issue as another post-office service and also as infrastructure that will help keep our rural communities together. I thank the House.

Ms KING (Ballarat) (1.03 p.m.)—I rise to speak on the Postal Services Legislation Amendment Bill 2003. The bill seeks to amend the Postal Corporation Act 1989 and to implement consumer and regulatory reforms to Australia Post and the postal services industry in general. The bill contains several provisions and, as indicated by the member for Bass in her contribution, there are some that Labor support. These include those provisions that facilitate greater accounting transparency by Australia Post. Our concerns with the bill are around division 1. Division 1 contains amendments to legitimise the current practices of document exchange and aggregation services, including bulk mail aggregators, and in doing so represent the first step towards what has been Mr Howard’s long-term agenda: the deregulation of Australia Post.

Under this bill the carriage of letters from an aggregation services customer to an aggregator before lodgment will be made exempt from Australia Post reserved services. This means that a person or company will be able to gather mail and lodge it under the bulk mail service. The explanatory memorandum to a previous, similar piece of legislation proposed in 2002 suggested that the approximate loss to Australia Post business would be around $40 million. Associated with this is the proposal to reduce the scope of the current reserved services and the document exchange procedures. Currently, the delivery of mail between document exchange services is exempt under reserved services. The carriage of mail from the document exchange service to the customer is still an Australia Post reserved service. This legislation will remove this as a reserved service and allow, in no uncertain terms, the undermining of the Australia Post system we have in place.

The provisions in this bill amount to a gradual deregulation of Australia Post by stealth. Labor will be seeking to amend the bill to delete the provisions that legitimise document exchange and aggregation services, as well as seeking an amendment to remove the role of monitoring Australia Post that this bill proposes for the Australian Communications Authority. We are seeking to remove these provisions in the legislation because we know on this side of the House exactly what this legislation is about. It is not about transparency in the running of Australia Post—I wish that it was; it is about a slow deregulation of Australia Post.

Australia Post is an essential part of our community. It provides a vital service, particularly in regional communities such as mine. Australia Post is a major employer in my district, and the government’s continued attempts to deregulate postal services could seriously undermine the jobs in my commu-
nity. Australia Post runs a terrific service. It is responsive to its customers. We have one of the best delivery systems in the world and consumers generally report a high level of satisfaction with its services. That is not to say that it is always a good employer and that it cannot improve some of its management strategies. Australia Post is also operated profitably. Despite the fact that the government has been stripping it of its dividend, which has left limited funds for reinvestment in improving postal services, Australia Post has been doing relatively well.

Coalition members have claimed in this chamber that they support Australia Post and that they think it is doing a great job. They wax lyrical about its importance in regional and rural communities, yet at the same time they are prepared to come into this chamber and vote for this piece of legislation, which will do Australia Post out of a large proportion of the work that it currently does and will see the deregulation of Australian postal services in this country—including in country areas such as that which I represent—and subsequent job losses. It is all very well to come into this chamber and wax lyrical about how fantastic you think Australia Post is, but if you do not actually support it or do anything to stop its deregulation—which is exactly what this legislation is about—then you cannot be held to have any credibility.

In 2000, the government tried to enact the deregulatory Postal Services Legislation Amendment Bill 2000. This bill was withdrawn due to a lack of support, including from some government members. Not satisfied with this rejection of the deregulatory agenda, the government is now seeking to introduce it by stealth in this bill. This legislation does nothing to support or assist in the processing of mail to the nine million Australian delivery points, nor does it assist in the facilitation of the delivery of the close to 4.9 billion pieces of mail that are sent through the Australia Post system each year. It does nothing for Australian households and nothing for the people in my electorate. What it does is legitimise the removal of part of Australia Post’s market from public ownership to potentially private ownership.

This legislation also seeks to transfer the monitoring powers of the Auditor-General to the Australian Communications Authority. In this bill the government seeks to remove the powers of the Auditor-General to monitor and report on the performance of Australia Post’s prescribed services to the Australian Communications Authority. The Auditor-General currently monitors Australia Post’s prescribed services, and it does so with the approval of this side of the House. The job is completed in a competent and, most importantly, independent way. The Australian Communications Authority is not sufficiently independent of this government to monitor Australia Post’s service standards and costs.

I have serious concerns over the ACA’s consumer surveys in relation to telecommunications satisfaction, concerns that are warranted in the context of the politicisation of survey data by this government in its aim to press the case for the full privatisation of Telstra. We know that in the telecommunications area the ACA is prepared to produce material that is sympathetic to the position taken by its political masters. Most recently, there was the example of the ACA providing overtly favourable figures for the government in reporting the annual fault levels of Telstra. On this side of the House, we are all too aware of the ducking and weaving demonstrated by the government instead of honesty about its decision to fully privatised Telstra. That is what it is trying to do with this bill. We are looking at the deregulation of Australia Post and, potentially, the full privatisation of Australian postal services in this country. This is a first step towards that.
As mentioned previously, the privatisation of Australia Post was mooted in the Postal Services Legislation Amendment Bill 2000. It was withdrawn through lack of support in the parliament by the then minister for communications, who said that the government still supported the bill and would reintroduce it at a later stage. Now, three years on, the government is aware that the bill could not get through in its original format so it is turning around and using the tried and tested approach it took to the full privatisation of Telstra: privatisation by stealth. Why would the government give the ACA greater powers over Australia Post when it is currently considering a review of future arrangements? It would be premature and illogical to grant the ACA new powers before that review was even complete. There can be no doubt that the Postal Services Legislation Amendment Bill 2003 is the beginning of the end of Australia Post remaining in full public ownership.

The concern that we have on this side of the House is with the amendments to legitimise the current practices of document exchanges and the aggregation of services. These amendments will legitimise the practices of current document exchanges and bulk mail aggregators. These amendments will directly affect the future financial viability of licensed post offices. According to the Post Office Agents Association Ltd, which represents over 3,000 small business owners from the licensed post office network, this will have a detrimental effect. In her evidence to the recent hearing on this legislation, the chairperson of that association, Ms Marie McGrath-Kerr, warned of the effect that this would have on her members. She said:

The parliament, however, should be aware that the financial viability of licensed post offices often depends on the volume of sales that are derived from local small businesses. If these were to be lost under the guise of these provisions, it would adversely impact on the financial viability of those LPOs.

These are legitimate concerns from the chairperson of an organisation that accounts for approximately 80 per cent of the licensed post office network. It is estimated that the 3,000 small business owners that run licensed post offices have a combined $800 million invested in these small businesses.

There are currently 25 licensed post offices within my electorate, including in Elaine, Gordon, Ballarat West, Mount Clear, Buninyong, Kingston, Daylesford, Hepburn Springs, Blackwood and Clunes. They employ hundreds of people, from counter staff to contractors who deliver the mail. For many towns the licensed post office is the lifeblood of the community. Often, other than postal services, it contains facilities such as banking, bill paying and other services that are vital to the community. It is the meeting place for many of my small communities. These licensed post offices depend on the volume of sales to determine the financial viability of these important facilities in our rural towns. If the volume of mail were lost, it would directly influence the future job prospects of many in rural and regional towns that depend on these services. It would mean the loss of a vital injection of capital to these communities and, most importantly, it would mean a loss of access to services for people in these small towns and communities.

The deregulation and privatisation of Australia Post will adversely affect the licensed post office network. No number of ACA consumer satisfaction surveys in the telecommunications industry can hide from people in my community the impact that even the partial privatisation of Telstra has had on them. It has meant increased costs and reduced services. Now we are seeing the government attempt to do exactly the same to Australia
Post. It will affect our livelihood in small communities and it will affect the social fabric of those small communities. This government might think that it is okay to lose a few jobs here and there in the pursuit of its agenda of deregulation, but I can tell those on the other side of the House that the loss of just one job in some of the small towns in my community has a dramatic effect.

What is to stop a company expanding its services overall to undermine the reserved services of Australia Post and to establish a rival delivery network? The government will tell us that there are safeguards against this and that their plan is not for the gradual deregulation of Australia Post. Frankly, I just do not believe them. They propose a raft of measures that includes things such as customers being required to choose to become a member of a delivery exchange service, paying a fee to remain a member and being allocated a unique identifier by the delivery exchange service. This sounds to me like the introduction of a two-tiered postal system.

Mr Entsch—Conspiracy theories.

Ms King—It just seems like a bizarre thing to do. We are seeing a two-tiered system within health, and now potentially a two-tiered system of Australia Post services—great services for people who can afford to pay and a secondary system within Australia Post of people being starved of access to market share.

This government had a great opportunity in this legislation to finally commit to one of its election promises. During the last federal election the government promised a postal industry ombudsman. It was aimed at providing improved consumer outcomes not just for Australia Post but for the postal sector in general. There is no mention in this bill of a postal services industry ombudsman and there is not likely to be one in the near future. In only October last year, in a discussion paper on the issue, the whole idea of industry self-regulation was again raised. Instead of the important role that a postal industry ombudsman could bring to the industry, what this bill proposes will pave the way for the government to use as its own political tool the Australian Communications Authority on the pathway to not just deregulation but full privatisation of Australia Post.

Let me say in conclusion that this is the beginning of the end for strong and independent Australian postal services in this country. The government would like to pretend that that is not the case, but that has been exactly its agenda since 2000 when it removed the bill it had before this place because it could not get it through the Senate. It is exactly what the government intends to do with Australia Post. This is the first step towards deregulation of the market share of Australia Post. Australia Post is a fantastic service and it has been working for and contributing enormously to small communities across my electorate, yet the government seems determined to deregulate its services and to undermine this essential service within our community.

Labor are committed to Australia Post and we are committed to the services they provide to Australian families. I am pleased to support the amendments to be moved by the shadow minister that condemn the government’s ongoing agenda to deregulate Australian postal services and to threaten Australia Post’s long-term ability to provide all Australians with basic postal services. I call on those on the other side of the House to condemn the government as well and to support Labor’s amendments.
to Australia Post and the services it provides. That would be acceptable if the reforms were to result in performance improvement, greater consumer protection and increased accountability for the delivery of postal services. If that were the case, this bill would have the opposition’s complete support. But, unfortunately, as is too frequently the case with this government, regulation and reform when applied to important government services such as Australia Post usually means another step on the march to privatisation.

Before considering the bill, it needs to be stated that Australia Post has a specific performance charter which includes community service obligations. We all know that providing community service obligations can be costly, but that has historically been the Australian way, recognised by the collection of public taxes and the formation of government departments and agencies to provide those services in a sustainable and successful way for the community good. And that is just what postal service is about—community good. Communications are vital to community wellbeing, and postal services have some special and distinct characteristics.

For ordinary Australians, the letters that arrive each day in their letterboxes are the most important part of those services. They are representative of the shape and form of their daily lives: communications with friends and loved ones; formal notifications of events and occasions important to personal and civic life; the accounting for financial and legal obligations; offers of opportunities to vary life’s circumstances and arrangements, journals and magazines that capture the interests and imagination that enrich life, and community information that provides links to the groups and organisations that sustain communities. They are services that perhaps could be provided by any commercial operator on a profitable fee-for-service basis, but there has been an understanding in this country that some services need to be government operated to ensure community good. That may also mean government subsidised in some cases.

In the case of Australia Post, we are talking about a very successful and profitable business. Profit has risen each year in the last three years and revenue paid to the government has been substantial. The amount of mail for daily delivery, in spite of SMS messages and mobile phone calls, continues to increase, but the problem, according to the National Competition Council, is that Australia Post’s overall performance has been too good, reflecting, they claim, a lack of competition in postal services. For the public, that is a real win-lose situation. We have a winning service but we should lose some of it to the private sector and watch as staff levels are downsized and services are streamlined, which is competition-speak for ‘jobs lost, services cut and prices increased’.

Australia Post does use its monopoly over the services reserved for it to operate, to cross-subsidise its community service obligations, but apparently this is not efficiency; it is lack of competition. So this legislation responds to the National Competition Council’s concerns and tries to provide market liberalisation, which is competition-speak for ‘more profits for the business mates’. The second division of this bill, which Labor broadly supports, allows for greater accounting transparency for Australia Post, enabling scrutiny by the ACCC. That is totally acceptable; that is their role and we know that efficiencies can deliver profitability and service improvement for all Australians.

There is a balance to be had in providing community obligation reserved services. Sticking to core business and not extending that to restrain trade by other commercial operators, such as newsagents or whoever is providing a similar service, does reflect the
fair go ethos that most Australians subscribe to. The second division amendments would also allow the ACCC to inquire into disputes regarding the rate of reduction Australia Post allows to its bulk mail customers. This is also supported by the opposition, and from experiences in my electorate it is an element that I would particularly like to see implemented.

Last November, with just two weeks notice given to customers, the Newcastle West post office and the Hamilton Delivery Centre post office in my electorate were closed. Australia Post claimed that a decline in profit made this unavoidable. Newcastle West post office was located in the CBD and, although there has been a decline in business over the past decade, recent trends in Newcastle are for rapid business and residential growth. According to The Alliance which represents inner city traders, 68 new businesses have opened up in the CBD over the past year. The apartment boom linked to the Honey-suckle Development Corporation’s successful regeneration and redevelopment of the CBD will see a 12-storey residential and retail block erected straight opposite this post office this year, and there are several other apartment blocks recently completed or under way in a two-block radius from Newcastle West post office. A new polyclinic for the Hunter Area Health Service, employing potentially hundreds of employees, will be constructed 50 metres along the road from the post office this year, and recent land acquisition in the vicinity for a supercentre type development suggests an imminent surge in activity. So why close this post office down?

Newcastle West post office and the Hamilton Delivery Centre post office may not have high retail customer volume but both are major recipients of bulk mail. The Newcastle West post office is used by the Newcastle Trades Hall Council, the Hunter Business Chamber, a state MP and this federal MP. We are all significant bulk mail users. So, when the Australia Post Hunter retail area manager told me of the pending closures two weeks hence and then offered me a bulk mail service direct to my office—at additional cost, of course—I was naturally a little suspicious. Closing down a post office and capturing the bulk mail users in a fee-for-service facility might be good for Australia Post profits but it does not make much sense when it means small traders and residents lose their service.

The Hamilton Delivery Centre post office and Newcastle West post office were both easily accessible by car for bulk drop-offs, and of course the CBD location meant customers and small business operators could simply walk and trolley their mail to those centres without having to use cars. A public bus service pulled up outside the CBD post office, allowing older or less mobile residents to access this inner city post office very easily, making sense of their new inner city lifestyles. The two alternative locations in the vicinity are not so easy to use. The privately operated service nearby is small, with no room for expansion and, generally, a queue stretching out the door. The nearest Australia Post owned outlet is off the main street mall. Access is difficult for residents and it is unfortunately the source of frequent complaints to my office.

The closure of the Hamilton Delivery Centre post office was a great inconvenience to the bulk mail users in that area. A constituent expressed his frustration in a letter to the area manager. I quote:

I am writing to protest at the closure of Hamilton Business Centre. It will badly inconvenience our business which has an Australia Post account which runs between about $1200 and $3000 per month plus uses Billpay around $10,000 a month average. We rely on the later closing time of 5:30pm to allow us to process orders up to the usual close of business at 5:00pm. As we use a fair bit of express post as well as normal mail,
you may reason that we could just use drop boxes, however, drop boxes do not take our account!

Any other post offices (except the regional mail centre which is totally inconvenient for us) close at 5:00 pm and agencies which are open longer do not have reliable mail truck pickups after 5:00 pm anyway, so our mail would be delayed by an extra day.

You cite poor financial performance at Hamilton Business centre as the reason for closure. I suppose you mean sales from your post shop. You could not mean lack of mail throughput because I know there are large volumes of business mail lodged there. We alone would lodge at least 3000 to 4000 items a month and we’re only small business.

I think that was well said. It certainly is a concern. But unfortunately a two-week protest was not able to save either of these services. So I welcome the provisions in this bill to allow scrutiny by the ACCC of bulk mail service practices and urge Australia Post management to ensure they do not compromise their community service obligations by closing post offices with high bulk mail users just to maximise profit. Other communities should take note and be alarmed if this practice spreads to their areas.

I am sure Newcastle CBD will see a privately managed Australia Post retail centre open eventually to replace the lost Australia Post service, but bulk mail users will eventually be forced into pick-up and delivery bulk mail services that they will have to pay for on top of ordinary postage costs. I register my thanks to the business community and local residents in Newcastle for the efforts they made to protest about the closure of the two post offices which were very much used, and for bulk mail services. I also mention my sincere appreciation to the shadow minister for communications and member for Melbourne, Lindsay Tanner, for his personal support to the Newcastle community on this issue.

That brings me to division 1 of this legislation. It is division 1 of the legislation that I and my Labor colleagues have particular difficulty with and will oppose. These amendments legitimise the current practices of document exchanges and bulk mail aggregators and, instead of regularising existing practices, as the government claims, actually represent the first step in deregulation and divesting or privatising these services. Trading off services reserved for Australia Post will eventually mean that Australia Post will have more and more difficulty meeting its community services obligations. Service decline will surely be the result.

Given our concern about the possibility that this legislation could lead to the compromising of the service charter to provide accessible and affordable postal services to Australians wherever they live, I would like to share with the House a particular service issue that has arisen for residents in Stockton, a suburb in my electorate of Newcastle, since their mail delivery service was privatised a little under two years ago. I particularly refer to the southern Stockton delivery service. After 130 complaints were received in my office, I set up some discussions between our shadow minister, me and local residents. Convinced by then that the service had declined since being contracted out to a private contractor, I requested some scrutiny and improvements from Australia Post management.

One response from managers was that the previous Australia Post delivery personnel had obviously spoiled the local residents, giving them too good a service, and that people’s expectations were too high. I found that to be an odd attitude to quality service. Another response was, ‘We’ve had no complaints, so there can’t be a problem.’ Welcome to the call centre approach to handling complaints. Good for phone rage, and perhaps for Telstra, but not much good for com-
plaint registering or resolution. The complaints were not just about misdirected mail or late delivery of mail. They included a posted medical bracelet found in the gutter, a missed university place offer, the wife of a RAAF pilot serving in Iraq who missed by two weeks an invitation to a support day for families of defence personnel deployed overseas, fines for nonpayment of accounts never received, a misplaced will, cheques found in the street, missed training opportunities, missing bank statements, missed notification of family celebrations, missing parcels, missing doctor referrals and Centrelink breaches because mail was not received.

After so many significant complaints, I surveyed Stockton residents. The survey of postal delivery services covered a three-month period in 2003 and was returned by 122 households in half of the suburb of Stockton. It showed that 80 per cent of households were still experiencing mail delivery problems after processes had been put in place by Australia Post to assist the contractor, and showed that 90 per cent of respondents had completely lost confidence in their mail delivery service. After a residents forum, again with the member for Melbourne, further action was taken. I congratulate the then newly appointed area manager of the Australia Post delivery network, who undertook to finally fix the problem. When shortly after a second bundle of 200 letters was found on the side of a Stockton street the private contract was terminated.

This example may appear to be totally absurd—it certainly was totally avoidable. No enterprise, either private or public, can afford such public relations disasters. The amount of resources spent by Australia Post in responding to this situation and in trying to fix the problem far outweighed the commercial savings from redeploying Australia Post personnel and putting on a private contractor. The first area manager I dealt with told me that the savings to Australia Post by privatisation of the Stockton service were in the order of 50 per cent of the service delivery costs, and he seemed quite pleased about that. The real outcome was a greater than 50 per cent reduction in the quality of the service as well as significant damage to the reputation of Australia Post in my electorate and, of course, did not account for the amount that eventually had to be spent in retraining, supporting and then terminating the services of that contractor.

Other amendments in division 1 of this legislation transfer performance monitoring roles to the Australian Communications Authority from the Auditor-General. After hearing of the experiences of Stockton residents, one may understand why I oppose taking that monitoring role for scrutiny of those services away from the independent Auditor-General. Having served for two years on the Joint Committee of Public Accounts and Audit, I know that the independence of the Auditor-General is essential in reviewing the performance of any Australian government department or agency. Unfortunately, ministerial influence on the Australian Communications Authority would be a matter of major concern. With my opposition colleagues, I would like to see the adoption of Labor’s policy to appoint a postal industry ombudsman to improve consumer outcomes in the postal sector. I am sure that had an ombudsman been in place when I was assisting the residents of Stockton they would not have had to suffer this mail delivery problem for over a year before obtaining some satisfactory action. Of course, they are not completely satisfied: they would still like to see Australia Post personnel—their ‘posties’—delivering their mail.

One amendment in schedule 1 that Labor and I support is the proposed new section 50C of the Postal Corporation Act, which provides a mechanism to enable measure-
ment of Australia Post’s services in respect of delivery arrangements. This amendment is designed to improve Australia Post’s processes for determining whether delivery services should be provided to particular communities. I know that, under current processes, it is difficult for communities to convince Australia Post to institute new services. I lodged a petition in the House last August from 291 residents in the Blue Gum Hills corridor, a rapidly growing area in the western section of my electorate. I quote from their petition as lodged:

We the undersigned ... draw to the attention of the House the current lack of a full postal service in the Blue Gum Hills corridor in which the Maryland Shopping Centre is located, serving the suburbs of Maryland and Fletcher with a population of 15,000 plus.

The residents go on to say why they would like a full postal service. I certainly support their attempt to gain a better service in the very rapidly developing western section of my electorate. I quote from their petition as lodged:

We the undersigned ... draw to the attention of the House the current lack of a full postal service in the Blue Gum Hills corridor in which the Maryland Shopping Centre is located, serving the suburbs of Maryland and Fletcher with a population of 15,000 plus.

The residents go on to say why they would like a full postal service. I certainly support their attempt to gain a better service in the very rapidly developing western section of my electorate. I am sure that this section of the legislation was designed to assist people living on very isolated rural properties to have their needs better considered. But, given the example I have just mentioned in the Maryland-Fletcher-Blue Gum Hills area, it does seem that some regional and even city communities are not yet satisfactorily serviced by Australia Post.

I would also like to register my support for the Sydney postal workers who are today striking for 24 hours. The stoppage affects the 2,000 Australia Post parcel post and transport workers in Sydney and is being directed by the Communications, Electrical and Plumbing Union. The stoppage supports their claim for the preservation of full-time jobs and employee entitlements which are expected to be sacrificed as part of Australia Post’s major restructuring of their parcel post business. Australian jobs lost this way are often not regained.

In conclusion, I have serious concerns with much of the legislation we are debating. I hope to see the bill amended in the Senate and returned to us here in a form that properly supports Australia Post’s ability to deliver decent and reliable postal services to all Australians regardless of where they live—a commitment that Labor will always adhere to.

Ms HALL (Shortland) (1.36 p.m.)—The Postal Services Legislation Amendment Bill 2003 is another example of this government’s ideology and its preoccupation with privatisation. The Howard government is committed to the privatisation of Australia Post, just as it is committed to the privatisation of Telstra. Regarding the privatisation of Australia Post, you should listen to the horrific stories about what has happened in the electorate of the member for Newcastle. This is a government of ideologues, driven by a philosophical commitment to market forces and competition rather than service provision, community benefit and the best interests of the Australian people. Forgive me, but I always thought that government was about the people and ensuring that they have a good quality service, not about promoting market forces and big business.

This legislation is the government’s second attempt to deregulate Australia Post. Its initial attempt was the Postal Services Legislation Amendment Bill 2000. That was withdrawn from the parliament due to lack of support both within the parliament and within the community. My office was contacted by thousands of people opposing it. There were thousands of signatures on the petitions that I submitted to this parliament detailing people’s opposition to the privatisation and deregulation of Australia Post. People appreciate Australia Post. They know the service that they are given by Australia Post. They value that service and want to retain that current level of service. They do not
want a second-rate, second-class privatised postal service.

It is important at this stage to review the history of Australia Post. Australia Post has been operating since 1901. It replaced the Postmaster-General’s Department as the national postal service. Australia Post became a separate entity under the Australian Postal Services Act 1975 and in 1989 became a statutory corporation under the Australian Postal Corporation Act.

It is a very successful business: one of the top 10 companies. It employs 35,762 full-time and part-time workers. Within my own electorate it is a very valued employer and provides an outstanding service. It delivers 4.9 billion articles a year to the homes and businesses of Australians. It delivers to 9.2 million delivery points. In 2001-02 pre-tax profit was $407.2 million—quite a contribution to the Australian economy and quite a contribution to the delivery of services to the Australian people. Ninety-six per cent of all letters were delivered, and that was up from 88 per cent in 1989.

It is interesting to have listened to the contribution that was just made by the member for Newcastle and to have heard about the difference in the service delivery by the private mail delivery service in Stockton. We heard how people were finding their valuable mail in gutters. We heard about the 80 per cent dissatisfaction rate because of the lack of service provision by the private contractor. When you compare this to the 96 per cent of all mail being delivered by Australia Post, there is quite a contrast.

There has recently been an increase in the cost of postage stamps, up from 45c to 50c. That is the first increase in 11 years. That demonstrates that Australia Post is an efficient business, a business that delivers an excellent service to the Australian people. It is a business that this parliament should be supporting, as it is an institution within Australia that the Australian people value.

I am opposed to certain parts of this legislation, as are most of my colleagues on this side of the House. I will outline the areas that I am opposed to. I am opposed to the proposal to legitimise the business practices of document exchanges and aggregation services, as these will threaten Australia Post’s ability to provide basic postal services—equal and affordable access to postal services—to each and every Australian.

The government’s proposal to transfer the monitoring of the role of Australia Post’s services from the independent Auditor-General to the Australian Communications Authority is something that is not worthy of support, because the Australian Communications Authority’s independence is questionable—and I will move to that a little bit later. The government’s failure to implement a postal industry ombudsman scheme is a notable omission in this legislation, and the government should be condemned for failing to do that.

I will return to the proposal to legitimise the practice of document exchange and bulk mail aggregators. I see this as the first step in the government’s agenda to deregulate and privatise Australia Post. It is definitely an example of privatisation by stealth. They will start in one area, privatise a section, legitimise the bulk mail aggregators and then eventually be able to move to the next step—and then the next step, and then the next. Before we know it, Australia Post will be privatised.

It is also, as I have mentioned, bringing to fruition the Howard government’s long-term agenda of privatisation. This is something that the government is committed to, and it
will not be happy until Australia Post has been privatised. If reserve mail services are gradually opened up to competition Australia Post will be prevented from undertaking its strict community service obligation. This is something that the Australian people will not and do not appreciate.

Australia Post must remain in public ownership and it must provide equal service to all Australians, no matter where they live. The Howard government’s agenda to deregulate and privatise Australia Post will compromise this and will lead to a situation where a differential service will be offered to Australians. Through this legislation, the government is attempting to legitimise the activities of private postal services operating currently. I and my colleagues on this side of the House strongly support a fully publicly owned Australia Post, and we will fight to see it remain in public ownership.

The second proposal causing me concern is that to transfer the monitoring of Australia Post to the ACA, whose independence has been questioned. Currently the Auditor-General monitors Australia Post, and his independence is beyond question. That makes me and my colleagues on this side of the House ask the question: why is the government so determined to move the monitoring of Australia Post from the independent Auditor-General to the ACA? There is no valid argument whatsoever for transferring the monitoring process to the ACA, which is not completely independent of the minister. The ACA was exposed recently for delivering stats which were misleading—and they were misleading in that they showed Telstra’s network faults in an overly favourable light. Once again this demonstrates the fact that the ACA is a servant of the government and the minister.

We do not support the proposal to fund the new role of the ACA and the ACCC through a levy. Whilst I do support the ACCC being given its new role, it is important to note that the government is treating it differently from the way it has treated Telstra. Telstra, which had a $3 billion-plus profit, did not have a similar levy placed on it. Why is the government placing a levy on Australia Post to provide this service? I would like the government to answer that question, and I think it should address its answer to the Australian people.

Another extremely disappointing aspect of this legislation is the government’s failure to provide for the establishment of a postal industry ombudsman. That would have been a positive initiative which the government could have included in this legislation to improve postal services to all Australians. Such an initiative would be in the interests of the consumers, who are the Australian people. But the government did not choose to include that initiative in its legislation. A postal industry ombudsman would apply to all postal service operators so that, when people with a problem contacted my office and the offices of other members of parliament, we could go to the postal ombudsman, just as we go to the Telecommunications Industry Ombudsman when flooded with complaints about telecommunication companies. The Prime Minister, John Howard, promised the Australian people back in 2001 that the government would instigate legislation to establish a postal industry ombudsman. He has broken that promise he made to the Australian people. But I suppose we should not be surprised, because that is something that the Prime Minister constantly does.

The government’s new initiative to give the role of the monitoring of Australia Post to the ACA does nothing for openness, transparency or improved service delivery. Openness and transparency are best monitored by the Auditor-General’s office, and this initiative will remove some of the public scrutiny
The impetus and effect of this legislation is deregulation and privatisation by stealth. The outcome of this legislation will be a poorer and more variable service—good service for Australians living in cities; poor service for Australians living in regional and rural areas. I might add that even now there are problems in some cities and outlying areas, and it is only by the government making a commitment to service delivery that this will improve—by making a commitment to Australia Post, not to deregulation and privatisation. This deterioration in service will be accompanied by more post office closures and a loss of revenue to Australia Post and its current shareholders, the Australian people.

The government’s preoccupation with and enslavement to privatisation is not in the best interests of the Australian people and it should be condemned. The ALP, the opposition, supports the retention of Australia Post in 100 per cent public ownership, and this legislation works against that. As such, we cannot support it in its current form.

Ms CORCORAN (Isaacs) (1.50 p.m.)—The Postal Services Legislation Amendment Bill 2003 and the amendments to it are there to do a number of things, including providing the Australian Communications Authority with responsibility for the oversight and reporting on Australia Post’s supply of postal services. It will require the Australian Competition and Consumer Commission to make record-keeping rules for Australia Post to demonstrate clearly the separation between Australia Post’s reserved and competing services. The amendments will enable the ACCC to inquire into disputes, make recommendations in relation to terms and conditions of Australia Post’s bulk interconnection service and reduce Australia Post’s reserve services in relation to document exchange and aggregation services.

Labor are happy to support some of these changes, but we have reservations about others. Our reservations are related to threats in this bill to deregulate Australia Post’s services. Because of this concern, Labor will seek to make amendments to this bill in the Senate to protect our postal service. The areas which we are happy to support are broadly the ones which will mean improved accounting transparency for Australia Post. This greater transparency will occur through the requirement for the Australian Competition and Consumer Commission to make record-keeping rules for Australia Post to demonstrate clearly the separation between Australia Post’s reserved and competing services. This record keeping will mean that we can be assured that Australia Post is not cross-subsidising its competitive services with its reserve services.

The potential for cross-subsidisation is of particular concern to two groups—the first being newsagents, who see Australia Post offering a broader and broader range of stationery and other items for sale. I am sure that all of us from time to time have been seduced by bins of diaries, electronic calendars, kids books and so on that we see as we queue up for service at Australia Post. You have to wonder about the newsagent over the road selling the same stuff. I can understand newsagents being worried about the possibility of unfair practices based on cross-subsidisation. The second group is mailing houses, who are worried about Australia Post getting into the game and perhaps using information that mailing houses by law have to give to Australia Post. That is seen as being a little unfair.

This bill will also allow the ACCC to inquire into disputes regarding the rate of reduction Australia Post allows its bulk mail customers. Labor’s and my main concern is the threat inherent in this bill of deregulation of Australia Post. Like the previous speaker,
the member for Shortland, I regard Australia Post as an essential part of our society. It provides an essential service and so should remain in public ownership, just like Telstra. Australia Post must remain in public ownership to ensure that all Australians, regardless of where they live, get a decent, affordable and reliable postal service. This would be under threat if Australia Post was deregulated. Postal services, along with electricity, health et cetera, are essential elements of a good society.

The threat in this bill is the provisions that legalise the aggregation services and document exchange services which presently exist illegally. The legalisation of these services represents the thin edge of the wedge to deregulation and, ultimately, the privatisation of Australia Post—something this government has always wanted to do and to which I am opposed.

The other aspect of this bill which Labor is opposing is the move to require the ACA to monitor the report on Australia Post’s performance. Currently this monitoring and reporting is done by the Auditor-General. The A-G reports on Australia Post’s performance in delivering postal services and how well it meets the prescribed service standards. The beauty of the A-G doing this work is that the A-G’s office is independent of the Minister for Communications, Information Technology and the Arts and has to date performed well in this task and many other tasks it undertakes. The ACA is not independent of the minister; in fact, it reports to the minister—the same minister that Australia Post reports to. The ACA does not have a good track record. Recent Senate estimates hearings have revealed weaknesses in the ACA reporting in the telecommunications area.

Why would any sensible person move the reporting and monitoring function away from a body which is, and which is seen to be, independent to an organisation which reports to the same minister as Australia Post and which has had its credentials questioned already? Another reason that this proposed move is silly is that the government is in the middle of reviewing the future arrangements of the Australian Broadcasting Authority and the Australian Communications Authority. It seems silly to give new responsibilities to one of these bodies—the ACA—in circumstances where its future is unknown.

Labor supports the provisions which are designed to make it easier for communities to convince Australia Post to establish delivery services in their area. These provisions are aimed at regional communities; they help them to gain access to Australia Post services where appropriate. Although these amendments are aimed at rural and regional communities, I would like to digress for a moment to talk about one of my local communities and its campaign for a post office.

I would like to draw the minister’s attention again to my constituents in Aspendale Gardens and their campaign for a post office or an LPO at the Aspendale Gardens shopping centre. Some time ago, Australia Post refused the request for an LPO at Aspendale Gardens on the grounds that, if one was established there, it may have a detrimental effect on the LPOs in nearby Aspendale, Edithvale and Chelsea Heights. I acknowledge that that is a reasonable and valid concern, but I would like to point out that, whilst these LPOs appear to be close to Aspendale Gardens when one takes a quick look at the map, they are in fact not close or convenient. A closer look at the map will show that the Aspendale Gardens area is bordered by a waterway or drain on one side and Mordialloc Creek on another.

If residents in Aspendale Gardens want to use Australia Post or a post office service, it means a car trip. Once you are in the car
from Aspendale Gardens, you do not drive to Edithvale, Chelsea Heights or Aspendale. At present there is a postal point located in the newsagency at Aspendale Gardens, but this is basically limited to the sale of stamps. There is no facility for paying bills or for more complex postal transactions.

Late last year I asked the minister for communications whether any survey had been done to establish where residents of Aspendale Gardens currently conduct their bill paying and postal service transactions. This was an attempt to test the theory that establishing an LPO at Aspendale Gardens would be detrimental to nearby LPOs. The minister responded to my question—and I thank him for doing that—and said that no recent survey had been done. I urge the minister and, through him, Australia Post to undertake a survey now and then reassess the need for an LPO at Aspendale Gardens. The survey now will ensure that any decision that is made is based on current and real information and not on guesswork, however well intentioned that guesswork is.

Aspendale Gardens is growing rapidly. Its population grew by 57 per cent between the 1996 and 2001 census dates. New areas are opening up nearby as we speak. Ritchies supermarket stands as testimony to how quickly the Aspendale shopping centre is growing. The supermarket is already a large store and is planning on expanding its floor space by 50 per cent this year. This is pretty strong evidence of strong and growing customer traffic through the centre and is therefore an argument for an LPO. A decent post office service is needed in this growing community. Again, I urge the minister to review the earlier decision and to ensure that the review includes accurate and up-to-date information about the present patterns of behaviour.

In summary, Labor will be supporting the provisions of this bill which increase the ACCC’s power to ensure fair competition in the postal services market and in areas that Australia Post does not have a reserve service. Labor also support the provisions which are designed to make it easier for communities to convince Australia Post to increase their level of service. Labor will not be supporting any changes which threaten the public ownership of Australia Post. Therefore, we will not be supporting the provisions which make legal the existing illegal practices of aggregation services and document exchange services. We will not be supporting the silly provisions that move the reporting and monitoring functions away from the Auditor General, who is both independent and has a good track record, to the ACA, which is not independent and does not have a good track record.

The Speaker—Order! It being 2 p.m., the debate is interrupted in accordance with standing order 101A. The debate may be resumed at a later hour.

MINISTERIAL ARRANGEMENTS

Mr Howard (Bennelong—Prime Minister) (2.00 p.m.)—I inform the House that the Minister for Trade will be absent from question time today as he is travelling interstate. The Minister for Foreign Affairs will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Parliamentary Superannuation Scheme

Mr Latham (2.00 p.m.)—My question is addressed to the Prime Minister. Now that he has had two days to analyse the matter, will the Prime Minister inform the House as to whether he supports Labor’s policy to close down the parliamentary superannuation scheme?

Mr Howard—The analysis continues.
Trade: Free Trade Agreement

Mr ANTHONY SMITH (2.01 p.m.)—My question is addressed to the Minister for Foreign Affairs representing the Minister for Trade. Will the minister inform the House of the reaction by Australian industry and business groups to Australia’s free trade agreement with the United States? Could the minister inform the House of any other alternative views?

Mr DOWNER—I thank the member for Casey for his question and not only his interest but his strong support for the historic free trade agreement with the United States. This is an agreement that has been welcomed by the overwhelming majority of peak business bodies and a wide range of sectoral industry associations. The Australian Chamber of Commerce and Industry said that the free trade agreement was:

... a high-quality agreement which benefits the whole Australian economy, including the manufacturing, services, agricultural, mining and investment sectors.

The President of the Business Council of Australia said it ‘will provide massive opportunities for Australian companies of all sizes to gain access to the world’s largest market’. The Australian Industry Group said that it is going to have a lobbying campaign both in Australia and, importantly, in the United States explaining to all sides of politics the anticipated benefits of the agreement. I think they will have a fair bit of work to do with the other side of the House. The chief executive said:

... we cannot underestimate the potential benefits of better access to our second largest export market after Japan and the primary source of Australia’s Foreign Direct Investment.

Holden’s managing director, Denny Mooney, said the agreement will provide increased opportunities in vehicles and components while flow-on effects of stronger economic growth will benefit the entire industry. The Minerals Council of Australia said that the free trade agreement ‘is just the fillip the Australian minerals industry is looking for from these trade negotiations’. The horticultural industry, through Horticultural Australia, considers the agreement would deliver very substantial benefits to the industry. Instead of two per cent in value of fresh Australian horticultural exports entering the US tariff free, which is the case at the moment—and therefore, of course, is Labor’s policy—100 per cent will have zero tariffs. The wine industry supports the deal. The Australian Seafood Industry Council has said that benefits of the deal will be felt right across the Australian seafood sector. The National Farmers Federation has pointed out the market access gains for agricultural industries, including dairy, beef, horticulture, sheep, meat and wool. This is a pretty broad cross-section of industries throughout Australia. As far as we can make out, the only people who stand against this commonsense, logical and visionary free trade agreement are the Australian Council of Trade Unions, who are against any kind of reform whatsoever, and their servants here in the federal parliament, the Australian Labor Party.

Taxation: Family Payments

Mr SWAN (2.04 p.m.)—My question is directed to the Prime Minister. Does the Prime Minister recall listing the balance between work and family as a key priority for his third term in government when he addressed the National Press Club in August 2001? Why then has the Prime Minister failed to fix his flawed family payment system so that parents are not penalised for moving in and out of the work force, failed to introduce a national paid maternity leave scheme, failed to fund enough child-care places and failed to make workplaces more family friendly?

Mr HOWARD—I thank the member for Lilley, and I remind him that the govern-
ment’s third term, let alone fourth term, still has a considerable time to run. I remind him that this government, in the time it has been in government, has provided substantial increases in assistance to help people balance work and family. The greatest thing you can do for any family is to give its members the opportunity of employment. I note from today’s unemployment figures that unemployment remains below six per cent at 5.7 per cent, compared with the 8.5 per cent that this government inherited when it came to office in 1996. We have improved the access and affordability of child care. We have provided 200,000 additional places since 1996. There are now over half a million child-care places. In December 2003, we announced an additional $79.5 million for 10,000 more places in outside school hours care and vacation care, an additional 2,500 family day care places and funding for an additional 4,000 playgroups. ABS data shows that, at June 2002, for 38 per cent of all families using formal day care the net cost was less than $20 a week. It remains the case that the government has some other options under consideration and, if they are chosen by the government, further statements will be made.

Mr Swan—Will the Prime Minister table the document from which he was quoting?

Mr Howard—It was marked confidential.

The Speaker—Was the Prime Minister reading from a document?

Mr Howard—I was reading from a document marked confidential.

The Speaker—I am required to ask the Prime Minister: was it marked confidential? He has indicated it was. He was quoting from a document marked confidential.

Trade: Free Trade Agreement

Mr John Cobb (2.07 p.m.)—My question is addressed to the Minister for Agriculture, Fisheries and Forestry. Would the minister advise the House what benefits will flow from the Australia-United States free trade agreement to Australia’s primary producers in areas like my electorate of Parkes?

Mr Truss—I am delighted to tell the member for Parkes that there will be very substantial benefits to Australian farmers from the free trade agreement. Over recent days there has been quite a lot of attention given to the enormous gains to the dairy industry and the beef industry. They are significant—of the order of $1.5 billion for the dairy industry over 20 years and at least $2.5 billion for the beef industry over that period. I think it is appropriate that such attention has been given to those industries, because they were particularly difficult areas—areas where the United States has great sensitivities and where our Minister for Trade has been able to negotiate a very significant improvement in Australian access. That will mean real benefits for those two great Australian industries. For the dairy industry in particular, most of those benefits are in year 1. They start right from the beginning, so we will have much improved access in that regard.

But there are a range of other producers who will also do very well out of the free trade agreement. Around 21,000 Australian horticultural producers will benefit from immediate tariff elimination for oranges, mangoes, mandarins, strawberries, fresh tomatoes, cut flowers, olives, fresh macadamias and a range of other products. Avocado producers will have a quota of 4,000 tonnes into the United States market. We need to put that into some kind of perspective. The total production of avocados in Australia is only 28,000 tonnes and our exports last year totalled about 440 tonnes. Now there will be access for 4,000 tonnes of avocados into the United States—across the seasons, I might add, and not exclusively reserved to one
time, as some on the opposite side have been falsely claiming.

For the first time, for some Australian peanuts there will be free and open access to the United States market. The significance of this needs to be recognised. It may surprise the House to know that currently the tariffs on Australian peanuts, if they were to go to the United States, would range between 132 per cent and 164 per cent. Now we will move towards free access for some Australian peanuts. What is Labor’s response? Do they want our peanuts to go to the United States without a tariff or do they want us to pay a 132 to 164 per cent tariff? Clearly, no peanuts will go to the United States when those sorts of tariff measures are in place.

The US is the most important of our wine markets. It is now our biggest market. Tariffs will be phased out, which will be of great benefit to that enormous industry. Forty-eight tariffs will be removed immediately from Australian seafood exports to the United States. That is a $12 billion market. Those tariffs, ranging between six per cent and 35 per cent, will be eliminated immediately, opening up a whole range of new opportunities for our seafood producers. Honourable members will remember the trouble we had with our lamb exports and the tariffs that were placed on those exports. They will also disappear. So we will have the complete elimination of all tariffs on lamb and mutton, worth about $1.5 million every year to our industry.

An incident having occurred in the gallery—

Honourable members interjecting—

The SPEAKER—Order!

Mr TRUSS—For the wool producers there will be an elimination of the tariff, worth 18.7c per kilogram. That tariff will be gone. It will be worth over $1 million a year to the industry. These are very significant benefits to Australian producers, but Labor would have us make no gains at all for our primary producers. They want to keep all those tariffs, keep all those barriers and lock Australia’s industry into a limited potential.

Taxation: Family Payments

Mr SWAN (2.12 p.m.)—My question without notice is directed to the Prime Minister. Can the Prime Minister confirm that the government received cabinet-in-confidence advice in December 2002 that was critical of the government’s family payments system? Prime Minister, don’t paragraphs 215 to 217 of the cabinet report say that changes made so far by the government to reduce debts will not ‘solve the problem’, and that ‘significant changes are needed’, such as ‘changing the income test so that it is more appropriately based on current income or the past financial year’s income, with no respective adjustment’?

Mr Ross Cameron interjecting—

Mr SWAN—What have you got to hide?

The SPEAKER—I will deal with the member for Lilley unless he addresses his remarks through the chair, and I will deal with the member for Parramatta unless he addresses his remarks through the chair!

Mr Bevis interjecting—

The SPEAKER—I do not need any assistance from the member for Brisbane.

Mr Ross Cameron—Mr Speaker, I rise on a point of order. We have all been patient, but this is a long-winded argument—

The SPEAKER—If the member for Parramatta has a point of order, he will come to it!

Mr Ross Cameron—Previous Speakers, such as Speaker Halverson, have ruled that questions must not become speeches and should not be preceded by a long introductory preamble argument. This speech should
be given in the adjournment debate. It should be ruled out of order.

Mr McMullan—Mr Speaker, I rise on the point of order. Firstly, the question is by no means longer than many that have been asked. Secondly, there was no preamble; the question without notice started with a question seeking confirmation from the Prime Minister. You would be aware of both those facts but, thirdly, the reason I rose is to say that because of the disruption that occurred before I think the whole House had a bit of difficulty with the early part of the question. I wonder whether, in the interests of fair presentation, you might give the member for Lilley the chance to put the question again without quite the hubbub that was going on—perfectly understandably—because of the disruption that took place.

Mrs Bronwyn Bishop—Mr Speaker, further to the point of order, I refer you to page 529 of House of Representatives Practice, where it says very plainly:

Questions should not contain statements of fact unless they are strictly necessary to render the question intelligible ... Members may not give information under the guise of asking a question ...

It says:
The Chair frequently interrupts Members to warn them that their questions are excessively long and requires them to come to the point quickly.

I think the member opposite has infringed in respect of this point, and I ask you to rule accordingly.

Mr Ross Cameron interjecting—

The SPEAKER—This is a matter frequently raised, and I remind the member for Parramatta of the statement I have made on previous occasions. It is not unusual for me, in company with the Clerk, to go back through questions asked by members under previous speakers to ensure that the way in which I am dealing with questions is consistent with my predecessors. As I mentioned to the member for Rankin yesterday, there is a risk of too much information being given in a question. The member for Lilley was close to doing that. He was asking a question about cabinet advice that may have been made available to the Prime Minister about changes in the family support assistance package. I invite him to continue his question.

Mr Swan—My question concerned cabinet-in-confidence advice given to the government in December 2002 that was critical of the government’s family payments system. That advice said—

The SPEAKER—I invite the member for Lilley to continue the question from where he was interrupted by the point of order.

Mr Swan—I am doing that, Mr Speaker. It said that government moves to change the system had not ‘solved the problem’. My question to the Prime Minister is this: if work and family is the Prime Minister’s third-term priority, why has the Prime Minister not acted on the advice of a 14-month-old report to ensure that working families receive timely assistance without the risk of debt?

Mr Howard—The practice of government is not to comment on the contents of particular documents or whether they do or do not come to cabinet.

Mr Swan interjecting—

The SPEAKER—The member for Lilley has had an opportunity to ask his question.

Mr Howard—Seeing as the member for Lilley has asked me a question about the benefits that have been provided by this government to families with children since it has been in office, I take the opportunity to draw on some analysis published by that most impeccable of all economic sources, the Commonwealth Treasury.
It published an analysis comparing the real disposable incomes of Australians before the new tax system was introduced and about one year afterwards. Do you know what that analysis found, Mr Speaker? It found that all family types had a greater disposable income 12 months after the introduction of tax reform. This is not myth; this is fact. The increase in real disposable income was generally significantly higher for couples with children and sole parents than for households without children, and that is as it should be.

The analysis found that between the years 1999 and 2001 couples with two children in the bottom income quintile received a real increase in average weekly disposable income of $36. Couples with children in the second bottom quintile received a real increase of $51 a week. Couples with children in the top income quintile received an average increase in real disposable income of $32 a week, and sole parents, across all income quintiles, received an average real increase of between $34 and $46 a week. But there was one thing that the Treasury analysis did not contain—which is only proper for an apolitical Commonwealth government department—and that is the observation that if the Australian Labor Party had had its way none of these increases would have occurred.

Employment: Statistics

Mr LINDSAY (2.29 p.m.)—My question is directed to the Treasurer. Will the Treasurer inform the House of the results of today’s labour force figures? What are the factors that have led to this strong result? Are there any initiatives that would lead to further jobs growth?

Mr COSTELLO—Today, the labour force figures were released, showing that in the month of January 13,900 new jobs were created in Australia. I know the member for Herbert will be interested to hear that—13,900 new jobs were created in Australia. Interestingly enough, the number of full-time jobs which were created in Australia in the month was 29,900—nearly 30,000 new full-time jobs in the month of January. In terms of the unemployment rate, which moved to 5.7 per cent—marginally above the 22-year low of 5.6 per cent—this was the sixth consecutive month where the unemployment rate has been below six per cent. It now looks in a trend sense as if unemployment has moved down below that six per cent notch.

The House might be interested to know that in the last six months there seems to have been a pick-up in full-time job creation in Australia. In the last six months there have been 169,000 new full-time jobs created in Australia, which, as the Minister for Employment and Workplace Relations pointed out today, is a larger number of net full-time jobs created in the last six months than were created in the last six years of Labor government, from March 1990 to March 1996. A total of 169,000 full-time jobs were created in the last six months and that is, in net terms, greater than the number of full-time jobs created in the last six years of Labor government, from March 1990 to March 1996.

It is worth reminding new members of the House as to how bad Labor was when it was in government, because one forgets to compare and contrast in terms of how much damage the 1990 recession did to this country. The teenage unemployment rate has fallen, and I point out that the strong job creation has also been at a time when Australia has been reducing tariffs and liberalising its trade. So what can we do to create further employment opportunities in Australia? We have to maintain the course of liberalising our trade. To turn back now to the path of tariffs—like the member for Werriwa wants to do—or to turn back on the free trade agreement would be to turn back on those
things that have contributed to Australia’s strength over recent years. We have to maintain a disciplined economic position. We have to keep our budget in balance. We need to reform our labour market, and we need to take structural change into the labour market if we are going to take that rate down further. Disability pension reform, welfare reform, the big structural reforms in industrial relations—these are the things that will give young Australians greater opportunities in the future. These are the things of a disciplined and consistent economic policy, and these are the things that the government will continue to work on.

Taxation: Family Payments

Mr SWAN (2.23 p.m.)—My question without notice is directed to the Prime Minister. Can the Prime Minister confirm that the government received cabinet-in-confidence advice in December 2002 detailing punishing tax rates for mothers returning to part-time work? Didn’t paragraph 184 of the confidential work and family task force report say:

A key group of concern remains second earners in single income families in the $30-40,000 income range ... paying for each extra dollar earned 60% plus tax and net childcare costs.

Isn’t it also the case that the Prime Minister’s department received a subsequent report from NATSEM—

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

Mr SWAN—which detailed that one million families were being hit by punishing rates of tax? Prime Minister, if work and family is your third-term priority, why have you not acted on both of these reports?

Mr HOWARD—I have already indicated my view in relation to comments about documents that may or may not come to cabinet. The member for Lilley in the course of asking his question has raised the issue, as he has in the past, of effective marginal tax rates. Let me point out to the member for Lilley a few salient points about effective marginal tax rates. They have been part and parcel of Australia’s family payments system. In fact, they were more sharply emphasised under the former government because of the practice of the former social security minister, Brian Howe, of more tightly targeting social welfare support. I am not saying that that was necessarily wrong: I am simply making that observation. And the member for Batman nods assent to that, which I appreciate very much. The purpose of that was to target assistance to those families who needed it most, and that is low-income families. Withdrawing benefits from families on higher incomes helps to limit the cost to taxpayers generally of funding family assistance.

High effective marginal tax rates were a feature of the tax and welfare system under the former government. Many families under the former government faced EMTRs of over 85c in the dollar. In fact, a recent report by NATSEM found that EMTRs faced by individuals in 2002—that is the year that I think the member referred to in his question—had an overall average the same as in 1994; that is, 29 per cent. In 2002, 24 per cent of individuals had zero EMTRs, 71 per cent had EMTRs of less than 40 per cent and only eight per cent of individuals had EMTRs of greater than 60 per cent. The government did reduce EMTRs for many families as part of a new tax system. The level of assistance under the family tax benefit was increased and take-up rates were reduced.

The honourable member referred to the position of single-income families. The level of assistance given by this government to single-income families has been unprecedented. In fact, the situation for single-income families with one child under the age of five years and with a family income of up to about $60,000 to $65,000 a year is equiva-
lent to those families having been given the full benefit of income splitting, which is a measure of the generosity. It stands to reason that, if you significantly reduce the level of tax for single-income families, there is a change when the family ceases to be a single-income family, but it does not in any way diminish the reality that, overall under this government, families have been massively advantaged.

Trade: Free Trade Agreement

Mr Somlyay (2.27 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of the international community’s reaction to Australia’s free trade agreement with the United States? Are there any other countries interested in free trade with the United States?

Mr Downer—I thank the honourable member for Fairfax for his question and for his strong support for the historic free trade agreement with the United States. Not surprisingly, around the region and beyond there has been a great deal of interest in the free trade agreement that Australia has negotiated with the United States. After all, here is a free trade agreement between two of the world’s most dynamic economies. I was pleased to see that my New Zealand counterpart and friend, Phil Gough, congratulated Australia on the agreement. He argued that there would be spin-offs from this for New Zealand, and I am sure there will be. There was also a very positive early reaction from prominent regional business groups, not least the Indonesian Chamber of Commerce and Industry, which also believes that there will be benefits in this for the Indonesians.

It is easy to see why there is such interest. Many in the region and elsewhere want greater access to the United States market. Thailand, for example, wants a free trade agreement with the United States, and it will commence negotiations with the United States later this year. We all know that New Zealand wants one. The United States concluded a free trade agreement last year, I think, with Singapore. The United States has a very important free trade agreement with Canada and Mexico, and it also has free trade agreements with countries like Israel, Jordan, Chile and Costa Rica. There are other countries—quite a long list of countries—that are looking to enter into negotiations over the next few years for a free trade agreement with the United States. It is interesting that the United States and the ASEAN countries are also discussing closer economic relations and ways they can gradually liberalise trade between them.

The point I make is this: if you are, like the Australian Labor Party, an opponent of a free trade agreement with the United States, you have to remember one thing—that is, a lot of other countries are doing them. Those other countries that are doing them, if we do not, get a competitive advantage in the American market over us. The Chilean business sector and Chilean agriculture will have preferential access into the American market. We will lose that access if we do not negotiate a free trade agreement with the United States. So there is a real opportunity cost if this country were to follow Labor’s policy and oppose a free trade agreement with the United States.

I must say, talking of the Labor Party, it is interesting that they supported the free trade agreement with New Zealand, they support a free trade agreement with Singapore, they support one with Thailand, but they do not support one with the United States. I have tried to check—the computers in Parliament House have been down for the last couple of days—but I believe that not a single question has been asked in the House of Representatives by the Labor Party about the free trade agreements with Singapore and Thailand.
Not one. Stranger still, on 4 July 2000, an appropriate date perhaps, the Leader of the Opposition told the Economic Society of Australia about his enthusiasm for the ‘third way’—and I think honourable members will remember what the third way is—praising ‘Bill Clinton’s leadership of APEC and the NAFTA as an ‘agenda for more effective governance.’ Here is a curious thing that the Australian public will I think focus on. The Leader of the Opposition supports a free trade agreement between Canada and the United States but opposes one between Australia and the United States.

Mr Rudd—Mr Speaker, I rise on a point of order. The question asked of the Minister for Foreign Affairs dealt with which alternative countries are interested in free trade agreements with the United States but did not talk about alternative views—the normal cover they use to whack into the opposition. So this is not relevant to the question.

Mr Downer—I see Laurie Brereton is an alternative to you!

The SPEAKER—The Minister for Foreign Affairs will wait for the call.

Dr Emerson—Naughty, naughty, Alex! You’ve been a teensy-weensy bit bad.

The SPEAKER—And he would not be on his own, would he, Member for Rankin? The Minister for Foreign Affairs will note that the member for Griffith does make a valid point. The question did refer to countries as I have noted it down, not to parties.

Mr Downer—I am referring to Canada. The Australian Labor Party is happy to see Canada benefit from a free trade agreement with the United States but is not happy to see Australia benefit from a free trade agreement with the United States. I think this takes anti-Americanism to a new level. This is another example of the Labor Party on this issue, to use an Australianism, being right out there.
The government's policy in these areas, as in areas such as education and health, is to provide Australians with choices. We do not mandate a particular pattern of family behaviour. It is not our view that people having had a child should return to work as soon as possible if they do not want to. Those who most zealously advocate paid maternity leave, in my view, evince a society where there is a limit to the choices that are available to women, whereas we support a society where you have the maximum advantages available to Australian mothers and Australian families.

The attitude of the Labor Party in this area is of a piece with the attitude of the Labor Party in the areas of both health and education. In the area of health they believe in destroying the private system in order to add to the public system, and in the area of education, if they were given their opportunity, they would undermine the decades-long support for a dual system of education. Their proposals to transfer money from so-called rich schools is the thin end of the wedge to implement the policy of the Australian Education Union to diminish support for all independent schools and to re-establish the pre-eminence of the public system.

**Taxation: Income Tax**

Mr BALDWIN (2.37 p.m.)—My question is addressed to the Treasurer. Has the Treasurer seen reports of plans to cut the personal income tax of high-income earners? What do these reports indicate about policymaking processes in developing tax policy?

Mr COSTELLO—I thank the honourable member for Paterson for his question. I have seen reports about proposals to change income tax at levels up to $75,000. According to an article in today's Australian Financial Review, leaked documents reveal that the Labor Party has asked the Labor research firm Access Economics to model options for income tax cuts, including lifting the top income tax threshold to $75,000. Members of this House will recall that this government introduced a bill to do precisely that in July 2000. That bill was opposed by the Australian Labor Party, led by the member for Hotham and supported by the member for Werriwa, on the grounds that it was fiscally profligate and was giving tax cuts to the rich. That was then.

Last year when he became shadow Treasurer, the member for Werriwa supported lifting the threshold again. It was part of his attack which ultimately brought down the previous Leader of the Opposition, where he told the Sydney Morning Herald that the threshold should be pushed up because people on $60,000, $70,000 or $80,000 had a problem with their tax. Then after I raised that point in the House he went against this proposal again. He came into the House and said that when he was speaking to the Sydney Morning Herald about this he was not putting forward a policy, just identifying a problem. He was at that point opposed to it.

Now he is in favour of it again, because he has commissioned Access Economics to model it. He opposed it, he supported it; he opposed it, he supported it. He flopped, he flopped; he flipped, he flopped. Is it Lateline or lunchtime, lunchtime or Lateline? He has got my head spinning. It is spinning around and around. But, however much my head spins, it does not spin as much as his does. It depends on the day concerned as to where the policy is. When you are making tax policy, you cannot have one policy at 11 p.m. one night and a different one by lunchtime the next day. Negative gearing was going to be abolished on Lateline; it was back by lunchtime.

Economic policy takes some consistency of purpose: the purpose of balancing budgets, the purpose of reforming taxation, the
purpose of improving industrial relations and the purpose of disciplined and stable government. That is what is represented by the coalition and not by the Labor Party and this Leader of the Opposition.

**Taxation: Family Payments**

Ms MACKLIN (2.40 p.m.)—My question is again to the Prime Minister and it relates to the cabinet-in-confidence report that has been referred to in previous questions. Can the Prime Minister confirm that he—the Prime Minister—commissioned the task force on work and family, provided the task force with guidance and that a member of his personal staff was on the task force, as it says in paragraphs 1 and 2 of the report?

Mr Howard—I commission a lot of documents from a lot of people, and long may that remain the case.

**Immigration: Offshore Processing and Migration Zone**

Mr PEARCE (2.41 p.m.)—My question is addressed to the Attorney-General. Would the Attorney-General inform the House whether there would be any impact on the courts if the so-called Pacific solution were ended and unauthorised arrivals were brought to the Australian mainland? Would the Attorney-General also advise the impact of removing the excisions from the migration zone in relation to unauthorised boat arrivals?

Mr Ruddock—I thank the honourable member for Aston for his question. The member has asked whether or not there would be any impact on the courts if the Pacific solution were ended and unauthorised arrivals were brought to Australia. There is a very simple answer to that question. The answer is: yes, it would have a significant impact. I am sure honourable members opposite will recall that, when we sought to provide in the Migration Act the capacity to remove people from Nauru and to have them transit Australia for the purpose of going home, they added a provision that if those people remained for over six months in Australia they would have access to the Refugee Review Tribunal. That means that, if you were to end the Pacific solution and bring people to Australia and they continued to refuse to cooperate in returning home, inevitably they would be here for six months and inevitably thereafter they would be taking every other opportunity, as all other asylum seekers and rejected asylum seekers have done, to access our courts.

Migration matters have of course added very considerably to the workload of the High Court. For instance, 82 per cent of matters filed in the High Court today are migration matters, up from 41 per cent previously. This issue goes much wider than just covering the people currently on Nauru, because the Labor Party is talking about ending offshore processing altogether. What that means is that inevitably people would be coming to Australia. We know that because, notwithstanding the areas in which we have been very successful—securing over 200 prosecutions of people smugglers—it had not effectively ended the transit of people to Australia if they thought they would get a benefit from doing so. What Labor said in relation to the most recent boat arrival, the Menasa Bone, is that it would have brought those people to Australia and it would have ensured that they were here ostensibly on the basis that they were going to give evidence to prosecute people smugglers, knowing that prosecuting people smugglers alone has not had any impact on the psyche of those who are seeking to come to Australia.

In fact, what we do know is that the strongest message that has ever been given was the message to turn around boats. In an interview on SBS radio in July 2000, one of the most notorious—and now prosecuted—
people smugglers, Mr Keis Asfoor, had this to say:

If Australia closes the door and turn back one time a ship, the day a ship is turned back I will stop this thing.

That was very clear. Labor, of course, wants to change the other aspects of policy. It wants to unwind the TPV regime. It wants to unwind aspects of the detention arrangements. It is quite clear that Labor does have an alternative policy. It ought to own up to it as being the policy of ‘meet and greet’ in relation to unlawfuls. Its aspect of policy is to unwind the measures that have worked and to ensure that people come back to Australia on boats again.

**Family Services: Work and Family**

Mr SWAN (2.46 p.m.)—My question without notice is directed to the Prime Minister. Can the Prime Minister confirm that the government received cabinet-in-confidence advice in December 2002 detailing massive shortages in the number of child-care places? Didn’t paragraph 172 of the confidential work and family task force report say that there was an undersupply of outside of school hours places? Didn’t it say:

Around 30,000 children currently cannot access ... places. Some families are paying full price but most cannot access any service at all.

If work and family is the Prime Minister’s third-term priority, when will the Prime Minister provide an adequate response to this crisis?

Mr HOWARD—The member for Lilley has already asked a series of questions and I simply indicate that I do not confirm or deny any receipt of documents or commissioning of documents. I might remind the member for Lilley that, under this government, as I indicated earlier, child care has become not only more plentiful but also more affordable. The number of child-care places has increased by 200,000. The total number is now more than 500,000. Contrary to the predictions made by the Australian Labor Party when the new taxation system was introduced, the cost of child care in this country actually fell. In December of last year, there was an increase of 10,000 in the allocation for family day care places. So the allegations made by the member for Lilley are not right.

**Workplace Relations: Australian Workplace Agreements**

Mr BARTLETT (2.48 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Would the minister inform the House of the success of Australian workplace agreements? Is the minister aware of any alternative policies?

Mr ANDREWS—I thank the member for Macquarie for his question. I can indicate to him and to the House that more than 430,000 Australian workplace agreements have been approved since the establishment of the Employment Advocate. These agreements give both employees and employers both choice and flexibility in setting—

Mr Bevis—How many of them are current?

The SPEAKER—The member for Brisbane is warned!

Mr ANDREWS—I will say it again. These Australian workplace agreements give both employees and employers choice and flexibility in terms of setting wages and workplace conditions. In fact, this has been a major factor in the creation of some 1.3 million jobs, and real wage increases of over 13 per cent. Now we find out that the policy platform of the Australian Labor Party is to abolish Australian workplace agreements and to abolish the Office of the Employment Advocate. What they want to do is re-regulate the bargaining process and, in the process of that, give a privileged position to the union bosses at the expense of ordinary Australian workers. The Labor Party is proposing to
attack 430,000 Australians and their families who have chosen to use Australian workplace agreements. This is a crazy plan which will be a disaster for Australian workers and their families. It is a plan to cost jobs.

This has not always been the position of the Leader of the Opposition, the member for Werriwa. Indeed, when he was a Liverpool councillor in the early 1990s, according to a report in the Liverpool Leader, the now Leader of the Opposition ‘pursued management and workplace reforms with zeal and frantic pace’. So why do we have this flip-flop now from the member for Werriwa, the Leader of the Opposition? There are 40 million reasons why we have this flip-flop—$40 million donated by the big unions in Australia to the Australian Labor Party. That is the 40 million reasons for this flip-flop. This is coming from a Leader of the Opposition who in the past has described the union movement as industrial dinosaurs.

In a major speech which the Leader of the Opposition made back in 1998, he talked about this sort of opposition policy. He was talking about the Australian Labor Party and he said:

This is an opposition which sees its role as exploiting the change process. It tries to feed off the discomfort governments inevitably encounter in having to manage the consequences of economic and social change. It constantly tries to lift the scab off the wounds of change ... Since 1996, federal Labor has been in scab-lifter mode ... this approach sits easily with the political background of Labor’s inner circle, comprising ex ALP State secretaries and ex union secretaries. The State secretaries know of no other politics than scab lifting ... Each is comfortable with the critique of economic rationalism—a belief that economic reform is contrary to society’s best interests.

This attitude to scab lifting which he criticised on behalf of the Australian Labor Party, which he is now leading, is of course the policy that the Leader of the Opposition is now adopting. The bankruptcy of this approach was revealed once again today in an editorial in the Australian newspaper, which said in part:

Whether it is a management misjudgment or a cynical exercise in spin, this decision runs counter to Mr Latham’s previous strategy of communicating directly with the people.

What they were talking about was that the speech that the Leader of the Opposition gave in the past, the purport of which was that political courage beats Labor scab lifting, is one of the reams of speeches and media releases that the Leader of the Opposition has now expunged from his web site. He cannot be trusted. The Leader of the Opposition could not be trusted to keep his promises in the past; he cannot be trusted to keep his promises in the future. For the purpose of the House, I table the speech.

**Family Services: Work and Family**

Mr LATHAM (2.53 p.m.)—My question is to the Prime Minister. I remind him of his promise to the Australian people in August 2001 to make work and family the centre of the government’s third-term agenda. Prime Minister, doesn’t the cabinet-in-confidence document prove that Australian families are still facing the family payment debt trap, disincentives to move from welfare to work and difficulties in combining parenthood and work because there is no paid maternity leave, insufficient child care and no support for parents seeking to return to work on a part-time basis? Prime Minister, why has the government failed to deliver on its work and family promises?

Mr HOWARD—Let me point out to the Leader of the Opposition that—leaving aside his assertions or anybody else’s assertions—there are a number of tests in relation to the matters he raised. That is what has happened. The truth is that unemployment in Australia is now at a 22-year low. The truth is that for
the first time in 35 years we have an unemploy-
ment rate below six per cent and an infla-
tion rate below three per cent. The truth is
that the long-term unemployment rate as
measured by the Australian Bureau of Statis-
tics is dramatically lower than what it was
under the former government. The truth is
that ABS data showed that unmet demand for
child-care places has fallen since this gov-
ernment came to office.

The percentage of children requiring addi-
tional formal care fell from 8.4 per cent in
March 1996 to 5.6 per cent in June 2002. In
absolute numbers, there was a fall in the
number of children requiring additional for-
mal care from 261,700 in March 1996 to
174,500 in June 2002. The truth is that
through the child-care benefit payment intro-
duced with the tax reform package in 2000
we have increased assistance with child-care
costs significantly. The latest available fig-
ures show families receive an average CCB
payment of nearly $2,000 a year. And, as I
said earlier, the most recent ABS figures
show that for 38 per cent of all families using
formal care the net cost of care was less than
$20 a week.

This government has made a record allo-
cation of about $8 billion for child care for
the next four years, and the government
spent more than $7 billion on child care in its
first six years of office. That is 70 per cent
more than was spent on child care over the
last six years of Labor’s time in office. They
are the facts. Work and family policy is, of
course, a continuum. What those figures
demonstrate is that since this government
came to office there has been a continuous
increase in the level of assistance. The fig-
ures demonstrate, as well as the tax benefits
introduced with the new taxation system, just
how much this government has rebalanced
work and family and how many more oppor-
tunities we have provided. The most dra-
matic illustration is to be found in the em-
ployment figures that were released today.
The Leader of the Opposition asked about
incentives to move from welfare to work.

Ms Macklin interjecting—
The SPEAKER—I warn the member for
Jagajaga!

Mr HOWARD—it stands to reason that if
unemployment is falling there cannot be too
many disincentives to move from welfare to
work.

Defence: Property

Mr NAIRN (2.57 p.m.)—My question is
addressed to the Deputy Prime Minister and
Minister for Transport and Regional Ser-
vices. Would the Deputy Prime Minister in-
form the House of the government’s position
in relation to the sale of Defence land adja-
cent to Canberra airport to the ACT govern-
ment? Are there any impediments to this
sale?

Mr ANDERSON—I thank the honour-
able member for his question and note his
very real interest in this. I note too that there
seems to be something about Labor parties
and airports. Last month the ACT govern-
ment announced that it would build a prison
in Hume in the south of Canberra—and I
know this is of real concern to the member
who asked the question. The Chief Minister,
Mr Stanhope, conceded that this was a sec-
ond-best site, but went on to say that the ter-
ritory had only chosen it because the Aus-
tralian government had refused to sell the ACT
a site on Defence land near Canberra airport.
The Chief Minister is dead wrong, and he
must know it.

The Australian government has never
ruled out transferring part of the Defence
land near the airport to the ACT. All we have
asked, perfectly reasonably, is for the ACT to
wait until we have seen, through a review
process that will be completed this year, how
much of the Defence land will be needed—
wait for it!—to support Canberra’s air transport needs beyond the 20-year timetable set out in its master plan. And the Chief Minister himself has in fact conceded the point. But, as I wrote to the Chief Minister:

I am hopeful that long-term land-use planning strategies can be identified—that allow for both—that concurrently protect the operational integrity of Canberra Airport and meet the ACT Government’s needs.

As I said, that will be completed over the next few months. All the Chief Minister and his government need to do here is to wait and see if a site on Defence land near the airport becomes available. I see that one of Mr Stanhope’s backbenchers has accused the Australian government—and this is breathtaking—of putting the commercial interests of Canberra airport ahead of the interests of the ACT community. How can he make such a claim? Is it not the fact that Canberra airport is one of the territory’s most valuable assets? Of course it is! Indeed, the Chief Minister has confirmed this. He wrote to me in relation to the airport and said:

We are very aware of its importance not only as a major gateway to the nation’s Capital, but also as a key economic driver for Canberra and the region.

It is not in the community’s interest to curtail development of the airport as a national gateway either now or in the future, and we will continue to work closely with CIA—that is, Canberra International Airport—to establish and meet its long term needs in this regard.

These are words of very great commonsense from the Chief Minister, so I do not understand why on earth it is that he says, in the next breath, that we should not look to the long-term needs of the airport and therefore to Canberra and its economy. His own ministers have been saying just this week that you cannot ignore proper process and that you cannot just plonk a building down anywhere. That is sound advice, and exactly the same applies here.

I call on the ACT government to suspend its consideration of the Hume site. The member for Eden-Monaro has very strongly pointed out its problems, and that includes its proximity to HMAS Harman and the SouthCare helicopter base, as well as the ACT’s complete lack of community consultation. I ask those commentators who have been writing about this in recent days to refer to the correspondence between the Chief Minister and me, which I now table. All the ACT government needs to do is to wait and see—it will not take long—whether or not land becomes available. I am hopeful that it will and, if it does, we will seek to meet Canberra’s needs in a reasonable way.

Health and Ageing: Aged Care

Ms ELLIS (3.01 p.m.)—My question is to the Minister for Health and Ageing. Is the minister aware that the Salvation Army is putting 15 aged care homes, with 2,390 residents, up for sale? Is the minister aware that a significant factor in the Salvation Army’s decision to sell is increasing financial pressure? Minister, when will the government release the $7.2 million Hogan aged care funding review, which is sitting on the Prime Minister’s desk, and stop standing idly by while the aged care sector is crumbling under financial pressure?

Ms JULIE BISHOP—I thank the member for her question. I was informed by the Salvation Army that it intended to refocus its activities on its central mission. It was going to concentrate its activities on funding the most disadvantaged in society rather than the broader cross-section of the community in aged care, so it has taken a policy decision to sell some—not all—of its aged care facilities.
Ms O’Byrne interjecting—

The SPEAKER—I warn the member for Bass!

Ms JULIE BISHOP—I have been given assurances by the Salvation Army that there will be continuity of care for all residents, there will be certainty for the residents and their interests will at all times be paramount in this transfer. The transfer of these places, like all other transfers—and this is not a rare occurrence; some 3,000 places or more have changed hands in the last six months nationally—will of course be subject to the strict guidelines and stringent assessment that the Department of Health and Ageing will apply under the government’s Aged Care Act.

As to the financial position of the sale, I will quote from the Salvation Army representative. He said:

Well, there’s going to be no extra bed shortages as a result of this sale. These are very viable aged care centres.

He went on to say:

They are to be sold as going concerns, as is.

I am aware of the great deal of interest already in these homes, and that would also be evidenced by the enormous support that the market has given to the recent aged care round’s allocations. The aged care round was oversubscribed by some five to one, so there is huge market demand for aged care places across the country, and I have no doubt that there will be solid interest in these places. In relation to the question of the financial state of the aged care industry, this government has put more money into aged care than any other Commonwealth government in the history of Federation. It took some 30 years for federal government funding to reach a level of $3 billion. It took just seven years for this government to double aged care funding to $6 billion.

In relation to the Hogan review, in 2001, at the election, the government promised to commission a detailed review of aged care funding and of pricing arrangements in residential care—

Ms King interjecting—

The SPEAKER—Order! If the member for Ballarat persists in interjecting, I will be forced to warn her. She would then effectively have a hat-trick, it would seem.

Ms JULIE BISHOP—and as result Professor Warren Hogan was commissioned to carry out the review. He has had an extensive inquiry under way for just over 12 months. Last December he asked for an extension of time, given that he had received some 912 financial submissions, which is an extraordinary response from the industry. He asked for further time in which to consider those financial submissions. Of course I agreed to an extension of time; it would be irresponsible not to have done so. In the meantime, Professor Hogan has provided a draft outline of his thinking. Recently he provided a draft interim report. As is the case with all reports of this nature, the government will await a final report with final recommendations before responding.

But it is interesting that the member should ask a question about aged care. There was great expectation at the Labor conference that the Labor Party would unveil its aged care policy. After all, it has had eight years in opposition to develop a single policy in aged care. But what happened at the conference? Nothing! There was just a grab bag of stale, old ideas—not one new idea in aged care—and totally unfunded promises.

Ms Gillard—Mr Speaker, I rise on a point of order. This does not have anything to do with the question. No part of it canvassed alternative views. We are asking about the Salvation Army selling homes—

The SPEAKER—The member for Lalor will resume her seat. The Minister for Ageing will come to the question.
Ms JULIE BISHOP—Mr Speaker, I was asked about the Hogan review. The Hogan review will be delivered shortly. When Labor was confronted with its policy failure, what did it say it would do? It said it would hold a Senate inquiry. Oh, please! What a pathetic excuse for policy failure.

Small Business: Employment

Mrs MOYLAN (3.08 p.m.)—My question is addressed to the Minister for Small Business and Tourism. In the light of the labour force figures released this morning, would the minister inform the House of any policies or proposed policies that would affect the growth of employment in the small business sector?

Mr HOCKEY—I appreciate that very good question from the member for Pearce. It is great news that full-time employment in Australia has increased by over 29,000 jobs, taking us to a record high of 6.95 million Australians in employment. It is great news for Australia. It is also good news for small business because 3.3 million Australians are employed in small business. Of course, small business could do better. However, on 34 occasions now the Labor Party has refused to pass our changes to the unfair dismissal laws. On 34 occasions the Labor Party has voted against the creation of 50,000 new jobs in small business. On 34 occasions the Labor Party has put the interests of their mates in the union movement ahead of the interests of working Australians and 1.1 million small businesses. I used to rationalise this—

Mr Albanese interjecting—

The SPEAKER—I warn the member for Grayndler!

Mr HOCKEY—I used to rationalise this as the Labor Party just being true to form.

The SPEAKER—The minister will come to the question.

Mr HOCKEY—We remember the member for Brand, as Leader of the Opposition, who said on 6PR that the Labor Party never pretended to be the party for small business—and nothing has changed. The new Leader of the Opposition has decided once again to reject changes to the unfair dismissal laws, and now he wants to go further by fiddling with casual employment and giving unions right of access to premises for membership recruitment, and he is putting more red tape on small business by asking employees returning from maternity leave whether they are going to take part-time employment. During his forgotten years—or should we say the deleted years—the old member for Werriwa said this:

Highly skilled workers now command stronger bargaining power ... than many small businesses.

So what does he do when he becomes leader? He announces that they are abolishing AWAs. On the one hand he said previously that workers are even more powerful than small business but as soon as he gets into a leadership position he says that, in fact, small business is more powerful than workers. Flip-flop. As the commentator Robert Gottliebsen said in Monday’s Australian:

Unfortunately, Latham has been captured by ... dangerous ALP thinking.

How right that is. New leader, old Labor.

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

QUESTIONS TO THE SPEAKER

Parliamentary Language

Mr TANNER (3.12 p.m.)—Mr Speaker, I have a question to you. Yesterday in question time I raised a point of order with you regarding the fact that a number of ministers had described the Leader of the Opposition by the title of his seat rather than by his title of ‘Leader of the Opposition’. You ruled, in response to my point of order, that it was
perfectly in order for them to do so. I note in passing that the Treasurer did the same thing again today. I refer you to page 157 of *House of Representatives Practice*, which I had not had an opportunity to consult. It states:

Members of the House of Representatives are referred to in the Chamber as ‘honourable Members’. In order to guard against all appearance of personality in debate a Member must not refer to another Member by name, but only by the name of the electoral Division he or she represents.

It then states:

Ministers, the Leader and Deputy Leader of the Opposition, the Leader and the Deputy Leader of third parties, and the Speaker, Deputy Speaker and Second Deputy Speaker are referred to by the name of their office.

It does not indicate that that is optional. I would accept that it is not appropriate that some kind of zero tolerance approach would apply here, but I would urge you to indicate that, for example, the opposition stand up and address you regularly as ‘the member for Wakefield’ or address our questions to ‘the member for Bennelong’ rather than to ‘the Prime Minister’. you would rule that as unparliamentary in the same way that persistent failure to refer to the Leader of the Opposition as ‘the Leader of the Opposition’ is unparliamentary.

The SPEAKER—I can assure the member for Melbourne that, if I am in error, I will clearly make an effort to ensure that that trend does not persist. As the member for Werriwa and Leader of the Opposition is aware, I have gone out of my way in the past to ensure that he was appropriately recognised.

Parliament House: Services

Mrs Crosio (Prospect) (3.15 p.m.)—I also have a question. I indicated at the beginning of question time that I would like—

Mr Downer interjecting—

The SPEAKER—I warn the Minister for Foreign Affairs!

Mrs Crosio—If our foreign minister does not wish to apologise, I will—

The SPEAKER—The member for Prospect will resume her seat.

Questions on Notice

Mr Murphy (3.16 p.m.)—Mr Speaker, further to my questions to you yesterday in relation to standing order 150, could you tell me whether in the last 12 months you have ever received any responses from any of the ministers after you have sought reasons for their delay in answering the questions that I have put on the Notice Paper?

The SPEAKER—I only hesitate in my response to the member for Lowe because the answer is, yes, I have received responses from numerous ministers when I have written to them under standing order 150 asking them to indicate whether they were going to take a particular action or follow a matter up. I am assuming that that would include questions from the member for Lowe. The only reason I have not responded unhesitatingly about that is that I have not listed them against each of the member’s lists. The answer is, yes, I regularly get responses from ministers.

Mr Murphy—Mr Speaker, I raise that because it would help me, in getting answers to those questions, if I were able to get a copy of any letters that are sent back to you because that standing order provides that you seek reasons, on my behalf, for the delay in the response. I am at the mercy of the minister to get a response and you are the only avenue I have to get a response.

The SPEAKER—I indicate to the member for Lowe that I do all that the chair is empowered to do under standing order 150.

Parliament House: Services

Mrs Crosio (3.18 p.m.)—Mr Speaker, I indicated at the beginning of question time
that I would like to put a question to you. I am sure every office in this building that has computers is going through the same problems that my office is. I have had a number of reports come to me. I appreciate the information that is coming from the people who are trying to correct the problems. It has now been indicated that they tried to work all night. I wonder if you have any more information as to whether we will see a solution this weekend and, when we come back next week, we will be able to use the computers in our offices, or are we still going to have the same problems we are encountering now?

The SPEAKER—This is a matter that is causing great frustration for all members of the chamber and, I suspect, for the Senate as well. I would have made a statement at 2 p.m. had it not been that the staff of the parliament sent an email, I understand, to all officers to outline what they had done. I can add nothing to the email that was sent out at 2 p.m. I can indicate to the member for Prospect that had it been humanly possible to resolve this matter overnight it would have been resolved. Staff, and staff internationally, worked on the solution, and they will continue to do so. It is certainly not my wish that this frustration should continue for one minute longer than is necessary, and they will continue to work over the weekend to reach a resolution. I am, I confess, computer illiterate; I can be of no help to them in diagnosing the problem. I only know that they are doing all that is possible.

Ms Roxon—You are the only one who is okay, in that case.

The SPEAKER—No. I think the member for Gellibrand will recognise that even my office has a certain reliance on modern technology.

AUDITOR-GENERAL’S REPORTS
Report No. 28 of 2003-2004

The SPEAKER—I present the Auditor-General’s Audit Report No. 28 of 2003-2004 entitled Audit activity: July to December 2003—Summary of outcomes.

Ordered that the report be printed.

PAPERS

Mr Anthony (Richmond—Minister for Children and Youth Affairs) (3.21 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.

MATTERS OF PUBLIC IMPORTANCE
Howard Government: Economic Policy

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

The government’s failure to address the growing pressures on families or reform its own flawed work and family policies.

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

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

Mr Swan (Lilley) (3.21 p.m.)—Question time today proved that this government is stuck in the past and irrelevant to the future. This document proves the harshness of its tax and family policies and how they continue to make life difficult for too many Australian families. This is an indictment of the record of the Howard government not just over the last two years but over the last eight years. Over the last eight years we have seen how this government has put the squeeze on low and middle income families—those bat-
tlers that the Prime Minister claims that he represents. The truth is that no government in our history has done more to create the battlers and no government has done less to help them. That is what this document proves and chronicles. The thing about it is that it was signed off by a member of the Prime Minister’s personal staff—the hard evidence is here. His staff have been involved in the development of the report—a report which is so critical of the government’s record. The Prime Minister has been sitting on this evidence, covering it up and hoping that it will not get out so he can go around the country moralising with his phoney rhetoric about how he really cares for families and how much he is doing for them.

One thing has become crystal clear to the battling families of this country over the last eight years, and it is crystallised by this report today. Whenever the Prime Minister puts his hand around their shoulders, they always know that his hand is in their pockets. What is so embarrassing about this report today is that the Prime Minister has been in the newspapers—most notably in the Australian—in recent times talking about how family friendly his policies are. Every couple of months there is a headline: ‘Howard to act on families; Howard to help families mix family and work’. Time and time again we get the phoney diet of pretence that he is doing something for families, but of course what is going on behind the scenes is his Scrooge-like behaviour, and that is what is chronicled in this report today.

Why is this important? It is important because the greatest policy challenge of the 21st century is to help parents better balance their work life and their caring, nurturing and parenting responsibilities. It is absolutely essential to the economy, to productivity and to social cohesiveness, because the foundation of fairness in a society is in the quality of care that is given to children. That is why the opposition and the Leader of the Opposition are putting so much emphasis on the early years. They are so important, because the great clash of the 21st century is that we do not have enough time to be both good workers and good parents. That is why this is absolutely essential to the future economic prosperity of this country and its future social cohesion.

This document today gives us a stark understanding of the crisis confronting average families. The point is that the Prime Minister has sat on this report for 14 months—that is how old this report is—and it makes it clear how damaging the government’s policies are for families. Frankly, the people of Australia have had a gutful of the Prime Minister’s fake sincerity when it comes to being family friendly. They want some understanding. When you have understanding, action should follow. This document proves that this government and this Prime Minister are absolutely incapable of either.

Two-and-a-half years ago the Prime Minister said that work and family policy would be his third term priority. At the Press Club, in August 2001, he said:

... supporting the needs of working families and ensuring a balance between their responsibilities will require a whole of government response. In a third term, we can make great progress ...

I would hate to see what progress is when, almost three years on and 14 months after he gets his initial report, there has not been one concrete action, bar some child-care places. There has not been one concrete action when it comes to family friendly workplaces and not one concrete action when it comes to lifting the financial pressure that comes from those very high effective marginal tax rates, when the second earner in a family is being taxed effectively 80c in every additional dollar they earn. They do not give up their family time to hand back to John Howard 80c of
every additional dollar in overtime. This is the government that claims that they stand for incentive, but the truth is that the only people who get incentive in their system are those at the very top, and those at the bottom get the stick. That is what this report proves.

A week ago John Howard, the Prime Minister, was asked by Kerry O’Brien on the 7.30 Report about what he had done to help families balance work and child rearing. Who saw that? It was quite an embarrassing moment. Kerry O’Brien asked:

Before the last election, you promised to make the needs of working families a priority of your third term ... have you fulfilled that promise ...

John Howard answered with abject silence. It was one of those moments that people have in life occasionally—and John Howard had it—when our minds occasionally go blank, and it happens to us more over time. It happened to the Prime Minister—his mind went absolutely blank—and then he said:

... give people the opportunity of a job.

It was not a question about creating jobs; it was a question about the people in jobs and how they were coping with their work and family responsibilities.

We know why the Prime Minister is so embarrassed; it is because the Leader of the Opposition has absolutely left him for dead in the last couple of months when it comes to the critical issues of caring, nurturing and making our society a decent and fair place to live. Of course, that was why the Prime Minister went 4,000 kilometres west when the Leader of the Opposition was heading to Queensland. He decided, ‘I’ve got to make myself look contemporary.’ And there he was: his big effort—given that he has no concrete initiatives—was to sit on the floor and say, ‘Goo goo.’ That was his one effort to look contemporary. To join the lifestyle of most families in this country and their children in the 21st century, he laid down on the floor.

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

Mr SWAN—We want to see some real action. We do not want to hear any more talk; we actually want some action. There is action set out in that document, and it is not that hard to do. In the time between 2001 and September 2002, when this document was commissioned, we see that 30,000 parents went without outside school hours care for their children. That is pain in their lives. Those 30,000 parents obviously did not go to work or they made unsatisfactory arrangements for the care of their children. I do not think he has a clue what after-hours school care is all about—not a clue.

Since the time he promised action three years ago 1.5 million families have received crippling family payment debts totalling $1.5 billion. Half a million children have been born to mothers who have not had access to a paid maternity leave scheme. And he does not seem to think this is urgent. Half a million children have been born in that time that he promised he would have some action. More than one million families have been paying more than 60c in every dollar with the withdrawal of social security benefits in their taxation arrangements. So every day that John Howard sits on the evidence of his failed work and family policies the pain is obvious to Australian families. The truth is there has been no action from this Prime Minister, simply because he does not walk in the same shopping aisles as the average Australian. He does not drive his car down and fill up with petrol and go and buy the groceries—none of that. He is so far removed from the needs and lifestyle—

Mr Crean—He’s restocked that wine cellar.
Mr SWAN—He has stocked the wine cellar pretty well. He has got his personal jet and his extra mansion. He has got all these things. But he has not got anything for average income earners in this community, and that is the problem.

Let us look at the family payments system. Each year, the government’s family tax benefits payments trap delivers debts on average of $1,000 to families. There were 700,000 families in the first year, 600,000 families in the second and an estimated number that will be pretty high for this year. As I said before, more than $1.5 billion has been clawed back. The Prime Minister has on many occasions claimed to have solved these problems. He has been up there talking to the Australian, principally to Dennis Shanahan, telling us all the time how effective the government is and how concerned they are. He has never once owned up to what the actual situation is. He has never once said: ‘Sorry, my department has been working on this. We have discovered all the problems, and we are going to do something about it.’ But he is always out there promising action.

What are we going to do to solve these problems? The most immediate thing is to do something about the crippling effective marginal tax rates affecting families, particularly 1½-income families. You would have read in articles how the Prime Minister says, ‘I am really a sensitive new-age guy. I have come to understand that the typical family in this country earns about 1½ incomes. I have actually discovered that women work!’ He said that he discovered all of this through reading the books of Catherine Hakim, who is not actually an Australian, and that his policies are going to be really sensitive. The problem is that this document absolutely proves that the harshest financial policy that he has in place punishes those families—punishes the modern Australian family. When my dad lost his job, my dear old mum went to work as a school cleaner. That was in the 1960s. This Prime Minister still has not woken up to the fact that in the 21st century 1½ incomes is pretty typical.

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

Mr Bevis—He doesn’t have to look at you.

The DEPUTY SPEAKER—The member for Brisbane is in a very powerless position in this parliament, so he should remain silent.

Mr Bevis—He still doesn’t have to look at you!

The DEPUTY SPEAKER—The member for Brisbane will remove himself under standing order 304A.

Mr SWAN—If he had woken up to that, he could never have designed a system which punishes those people. He designed a system for those people in that $30,000 or $40,000 bracket that we were talking about before which effectively means that they get 20c in every additional dollar they earn when they work overtime or have additional casual work. This document is damning across the board. I will leave it to the Deputy Leader of the Opposition to chronicle just how vicious and negligent this government has been when it comes to issues such as family friendly workplaces, child care and the rest. It has been absolutely vicious.

The government is absolutely determined to claw back what was supposed to be this huge financial benefit that went to families in the new taxation system. But what it is so embarrassed about is that the financial arrangements introduced with the new tax system absolutely dudied Australian families, and that is what these figures prove. The $2 billion that this minister over here is going to
brag about in a minute—the so-called bonanza that went to Australian families to compensate them for the GST—is not there. It is not there because it has been clawed back. It has been clawed right back through the family debt process and clawed right back through those very high effective marginal tax rates. And it is not $2 billion; it is more like $1 billion—and the minister knows it.

The more research that is done on the interaction of the social security system and the tax system the more this becomes clearer. That is why we say that the biggest creation of this government has been the creation of a sinking middle—that people on modest incomes or incomes made modest by the costs of raising their children are losing out with this government. It is not just a question of what is happening in the income tax system or in the social security system; it is how much more they also have to pay for additional health and education services. This government is the highest-taxing government in Australian history. People pay their taxes, they pay for education and they pay for health care—they get slugged at every turn. That is why there is a new dynamic abroad in the politics of this country. People pay their taxes, they pay for education and they pay for health care—they get slugged at every turn. That is why there is a new dynamic abroad in the politics of this country. People are absolutely fed up with the cynicism of the Howard government and the sneaky way it goes about defending, obscuring and camouflaging all these impacts of its policies. They are absolutely fed up with it. That is why in the end this Prime Minister will be hung on the promise that he originally made when he was elected in 1996. He said that his job was to defend the battlers of Australia. As I said before, the proof in these documents is very simple. No Prime Minister in Australian history has done more to create the battlers and no Prime Minister has done less to help them. When you go through this document, you will see all the evidence of how Australian families are squeezed for time and squeezed financially.

The Treasurer quoted from the 2000-01 tax stats which were released on Christmas Eve. Consider this: between 2000 and 2001 middle incomes went backwards, falling $150 a year to $30,916 in real terms. We did not hear about that in the Treasurer’s presentation. They actually went backwards. What happened at the top? The top five per cent had their incomes leap more than $4,000 a year to an average of $150,000. Those at the top are simply streaking away under this government. Those on low and middle incomes are being squeezed and the poor are being left behind. If you have a look at what is happening at the bottom, those figures dropped by more than seven per cent in the period under analysis. (Time expired)

Mr ANTHONY (Richmond—Minister for Children and Youth Affairs) (3.36 p.m.)—I have the pleasure of coming to the dispatch box to respond to the member for Lilley. I remember an old saying—and you, Mr Deputy Speaker Causley, as a cane farmer would remember it: ‘You can fool some of the people some of the time but you certainly can’t fool all the people all of the time.’ It is interesting to see how the member for Lilley has been let off the leash since voting for Kim Beazley. He has been rejuvenated. It is his golden opportunity to show his loyalty to the new leader, whom he spent a lot of time running down.

He comes in with the same old boring lines that we have heard repeated on so many occasions since he has been the shadow minister for family and community services. I cannot but remember Mike Seccombe’s comments. They just keep coming back to me. I think it is important to explain to the parliament that the member for Lilley is talking about integrity and how Australian families are going. Like the Leader of the Oppo-
sition, he is chanting the new mantra about raising standards. I remember that Mike Seccombe said about the member for Lilley:

If there is one example of anything that is wrong with the modern Labor Party it is Wayne Swan. I mean anodyne, unimaginative, poll driven. I mean he is a shocker.

Mike Seccombe, as you would know, is not really a friend of the—

Ms Macklin—Mr Deputy Speaker, I rise on a point of order. The matter of public importance is about the pressures on Australian families, not anything that Mike Seccombe or anyone else might have said.

Mr ANTHONY—Anyway, I am glad you have overcome the identity crisis and you are back at the despatch box. It is great to see the member for Lilley.

The DEPUTY SPEAKER (Hon. I.R. Causley)—The minister will address members by their seat or by their title.

Mr ANTHONY—I know there has been a lot of discussion. The member for Lilley talks about the importance of families, like the member for Jagajaga does. Here is an opportunity, I thought: let us see what is on the member for Lilley’s web site. I found out that Wayne is working for Lilley, for families and for the Australian community. I clicked on the pages and, to my surprise, I found ‘About Wayne’. The site said:

In a democratic country it’s important to know your Federal Member of Parliament. Wayne Swan is the Federal Member for Lilley ...

The contents section was empty. What about the page headed ‘About Lilley electorate’? Empty contents. I would like to table some of these things.

Mr Swan—How old is that?

Mr ANTHONY—This was today. What about the page headed ‘Family and Community Services’? Empty contents.

Mr Martin Ferguson—On a point of order, Mr Deputy Speaker: the matter of public importance goes to the growing pressure on families, not to the views of some empty vessel who cannot address this matter of public importance.

The DEPUTY SPEAKER—The member for Batman does not have a point of order.

Mr ANTHONY—The page headed ‘Welcoming the babies’ is empty. It is a bit like you are using the Napisan test—trying to erase the stains of your past. It is important in this debate to talk about how Australian families have benefited enormously since the coalition came to government. This has been recognised even by people like Laurie Oakes, who is not always sympathetic to the government. He wrote that the PM is the one leading the way on work and family issues.

The most important thing that you can do for Australian families is to give them job opportunities—job opportunities which they did not have under the previous ALP administration. Unemployment rates today are at a 22-year low. As mentioned in question time, 169,000 new full-time jobs went to the mums and dads of Australia in the last six months alone, compared to the same amount in six years when Labor was last in government. Inflation is at its lowest now in 35 years. The unemployment rate of 5.7 per cent is the lowest for years. These factors have a significant impact on Australian families—for getting a job in the right environment and ensuring that you have enough money to pay the mortgage. So more job opportunities, an increase in wages and low interest rates set a very good national framework for developing resilient families and giving families choice, particularly when raising their children.

The member for Lilley spends a lot of time talking about the family tax benefit scheme. I am glad he raised it earlier, in his
speech, because today the average family receiving family tax benefit part A and part B is receiving around $6,000 a year. He smirks. That $6,000 is a tax-free contribution. The average child-care benefit is $2,000 a year. We are talking about a vast majority—two million families—receiving that $2 billion extra payment that we put in place. It is going to 3.5 million children. Those families are receiving on average around $8,000 straight up, if they have children in child care. That is a very strong endorsement of this government’s support for Australian families.

We have seen a substantial increase in the number of Australian families receiving top-up payments. In the last quarter, more Australian families received top-up payments than were overpaid. They were top-up payments that we introduced to give Australian families flexibility, particularly when there is a change in their income circumstances. The latest information is that for the 2002-03 December quarter the number of top-ups paid to Australian families was three per cent higher than the number of overpayments. Here is a situation where the vast majority of Australian families not only are benefiting substantially from our changes to the family tax benefit but are starting to understand the system as well. It is anticipated that about 200,000 overpayments per year will be eliminated through new measures that we have put in place, giving more choice to families.

Child care is the one area where the Labor Party are trying to spin a line. This government have an outstanding record on child care. When you look at our public allocation to child care for the next four years, you will see that it is an $8 billion taxpayer commitment—70 per cent more than when Labor were last in government. We have over 1,700 more new services on the ground today. There are 200,000 more children using Commonwealth funded child care today than there were back in 1996. The rate of cost increases in child care is half of what it was back in the dying days of the Hawke-Keating government. Then, they had cost increases of 8.5 per cent; today that figure is around 3.8 per cent. Even in the CPI for the last quarter there was hardly any movement whatsoever in the fees for child-care centres.

We have seen the number of children in Commonwealth funded child care increasing dramatically, as I mentioned, to 211,000 in over 530,000 places across Australia. Despite the rhetoric and mistruths that we hear from the Labor Party, one of the areas where there has been a massive explosion in places is in outside school hours care. Why? In 1996, there were 72,000 places. I see the member for Jagajaga nodding. Today there are over 240,000 places. There has been a massive explosion of 153,000 places in outside school hours care.

Since the introduction of the child-care benefit in the middle of 2000, we have seen a 44 per cent increase in outside school hours care that is being funded by the Commonwealth—125,000 places to 180,000. Last year, we made an $80 million announcement which created 10,000 new outside school hours care places. They trot out this figure of 30,000. We have made a commitment to go back in the budget process to look at meeting some of that unmet demand. But let us remember: 72,000 places when we came into government and 240,000 places that we have now funded. We have wiped out unmet demand in family day care with the 2,500 places that we allocated last year.

Ms Macklin interjecting—

Mr Swan interjecting—

Mr ANTHONY—We do not hear anything from the opposition about playgroups. Their whole policy is about child care, not about the families and many of the mums
and/or dads who choose to stay at home. There are 4,000 new playgroups that we have decided to fund, because we believe it is important that Australian families have choice: there are those who want to go to child care and those who want to stay at home and use playgroups.

Let us talk about a quote from the National Family Day Care Council, coming under the heading ‘Christmas comes early for family day care.’ They said:
The Australian Government has today delivered a huge boost for the Australian Family Day Care program. They said that in addition to the 2,500 places it ‘is sufficient to meet immediate demand’.

Mr Swan interjecting—

The DEPUTY SPEAKER—The member for Lilley was heard in silence. I expect him to hear the minister in silence.

Mr ANTHONY—Robin Monro-Miller from the National Out of Schools Care Association has welcomed the news, stating that the outside school hours care places were ‘a down payment for the future’ and would bring ‘relief for many families struggling to find affordable care’. As I mentioned, there has also been a massive increase in the number of playgroups funded.

What surprises me is the ALP’s position, particularly on outside school hours care. As the Prime Minister said earlier in the week, there is this flip-flop mentality. The opposition spokesperson is Senator Jacinta Collins. Only a few weeks ago she was reported in the Age as saying that Labor will lift the cap on the number of outside school hours care and family day care places. The next day, in the Sydney Morning Herald, Senator Collins said that they are not going to remove the cap but are going to leave the cap on. One day they are saying one thing about outside school hours care and the next day they are saying something else.

Ms Macklin—It’s all in this document of yours.

Mr ANTHONY—What is really interesting is the real agenda of the ALP when it comes to child care. Indeed, the member for Jagajaga should know about this because of the deal that was stitched up at the ALP national conference in Sydney recently. Cassandra Wilkinson—whom I am sure the member for Jagajaga knows very well from the New South Wales Labor Women’s Forum—let the cat out of the bag about the secret deal that they had struck with the Deputy Leader of the Opposition. That proposed policy gave 10 hours free child care to all Australian families. Bob McMullan, the member for Fraser, is always talking about restraint on behalf of the Labor Party, but that policy proposal would cost the Australian taxpayer $3 billion. Why would you give child care free to everyone in Australia when that could include the wealthy families of Double Bay? They are always complaining about millionaires receiving too much and here they are proposing to give free child care to everyone, at a $3 billion cost, and also proposing to take over the preschool system.

No wonder they want to take over the preschool system. In New South Wales, Bob Carr’s government has run down the preschool sector to an extent now where people prefer to put their children in child care rather than preschools because they know they are going to get more money from the Commonwealth government through the child-care benefit. This is yet another endorsement of how our policies are working and how other—Labor—governments, particularly in New South Wales, are failing young children, despite all the rhetoric about the importance of the early years.

There was this $3 billion commitment and all of a sudden it was scuttled. Not only is it
economically irresponsible; it would put the child-care industry into absolute chaos. It is on the public record. Everyone knows that we should be valuing more the work of child-care workers—we have not got enough of them. What are you going to do when you make it available to everyone? There would be an extreme shortage of workers in this particular sector. Not only would it be expensive but how would you fund it? You would either go further into debt or, I would suggest, cut the child-care benefit. That would be the only way.

But interestingly, with a wink and a nod the Deputy Leader of the Opposition quickly got Cassandra Wilkinson to remove the motion from the agenda. They could not possibly talk about this because this was part of the $8 billion worth of flip-flop promises that have been made in the past three weeks or even the past month since Christmas. There was a nod and a wink from the union movement, wasn’t there? In reality, I think it was a low ball—what Jenny thought would be a reasonable commitment.

The DEPUTY SPEAKER—The minister will refer to members by their correct title.

Mr Anthony—That is how they got it off the agenda. They said, ‘Take it off now. We’re going to come back with something bigger and better.’ It might be bigger and better, but it has got to be paid for. If they are really interested in the welfare of children in this country they should come up with a more responsible policy, quite frankly. They should also put a bit of pressure on other ALP governments, who have let down so many Australian families and children, particularly in the area of child protection and foster care where we have had a range of reports coming down through Labor administrations about dealings with the most vulnerable children and families in Australia.

This notion that the Labor Party suddenly care for Australia’s families and children should be seen for what it is. A lot of this is hollow rhetoric. I am sure they have got a genuine concern, like all of us here in this parliament. But they keep spreading out this spin, particularly in the area of child care, where there has been an enormous amount of taxpayers’ money spent and where there have been enormous increases in the numbers of children using child care and an enormous increase in the amount of taxpayers’ money going to child care through the child-care benefit, making it more affordable. Interestingly, they talk about a shortage in meeting demand. I had a peak group come to see me today—the Child Care National Association. One of their observations was that there was too much supply being created in the child-care sector. (Time expired)

Ms Macklin (Jagajaga) (3.51 p.m.)—Too much demand being created for child care! Maybe Australian mums are having babies! Goodness me! And maybe they want to combine having a baby with their work responsibilities. Goodness me! It is not only the Prime Minister who is back in the 1950s and does not understand what has happened to parents, especially mothers, in the 21st century.

We have seen again today that the Prime Minister has no idea about the pressures that are on so many young Australian families as they struggle to combine their need to go to work and their desire to have children and spend time with them. If the Prime Minister had any understanding, he would not have sat on this cabinet-in-confidence task force report—his own report—on work and family issues for 14 months. He has had this report for 14 months and he has done nothing. Australia’s Prime Minister has sat on this report for 14 months and has done absolutely nothing.
We know that this task force was set up by the Prime Minister. On the task force there were senior officials from his own department, the Treasury, the Department of Finance and Administration, the Department of Employment and Workplace Relations and the Department of Family and Community Services, as well as a representative from the Prime Minister’s own office. No doubt he has seen the report. No doubt he knows what is in it. But this so-called third-term priority of his government has got no response at all. Now that we are in the twilight of this third term there are still no policies on this critical issue facing Australian parents. The Prime Minister said that this was the priority of his third-term agenda, and all we have is a cover-up of a major report that has been done for the Prime Minister, that was asked for by the Prime Minister’s own office. All we have had out of him is delay after delay.

The families of Australia do not want delay. They need solutions and they need them urgently. But of course we all know that we have a Prime Minister who is stuck back in the 1950s. He does not have any concept of what it is like to have to raise a family and go to work and manage the difficult time pressures that are on so many families today. The Prime Minister thinks that he can make some political capital out of this, so he talks about it a lot. He talks about the problems that face families, but he continues to refuse to do something that might help parents manage the very difficult situation that they are in.

There is so much in this report that is damning of this government, and I will focus on a couple of issues that are critical to Australian parents. We do know that what is terribly important to parents, especially when their new babies are born, is to get financial assistance at the time the baby is born. This report shows that for the first time we have had a first-hand critique by senior government officials of this government’s baby bonus scheme. This report basically says to the government, ‘Get rid of the baby bonus because it is not delivering support to parents when they need it most—at the time when a baby is born.’ The report also says:

Most assistance—by this government—is directed to middle income families with a secondary earner who does not return to work while children are young (paid maternity leave on the other hand would be paid regardless of future labour force participation).

It says that in the government’s own report. The baby bonus is a flop. It is time that it was abolished and replaced with a national paid maternity leave scheme. That is what this report says. That is what the government has been sitting on for 14 months, and it is time the Prime Minister listened to the senior advice that he has had for so long. How many times have we heard the Prime Minister say that he is considering paid maternity leave? We hear that he keeps considering it as an option. He says that he has not ruled it out and that it is something that he is thinking about. Today in question time he said that the benefits of paid maternity leave are limited. That is not what this report from his senior officials says. This report says that paid maternity leave:

... would benefit the majority of mothers at the time of their first birth.

That is no surprise to any of the mothers here. Obviously, it is a big surprise to the Prime Minister, but it is not a surprise to his senior officials. It is time the Prime Minister took a bit of advice from those that he asked.

Labor, by contrast, are committed to a 14-week period of paid maternity leave, delivered nationally for mothers in this country when they need it. Labor will phase out the baby bonus scheme. We will make sure that assistance is delivered to new mothers when
they need it most—when their babies are born. We now know from the Prime Minis-
ter’s response today that it is only Labor that are going to deliver paid maternity leave.

I want to go to another issue that is very important for many new mothers—and for
fathers, as well; increasingly, fathers want to combine their work and family responsibili-
ties. The report says:

Most working women—especially in low paid and casual jobs and in key industries where
women’s employment is concentrated ... do not have access to [paid maternity leave] at all.
The government’s own report goes on to say:

A government-funded scheme would ensure uni-
versal coverage of eligible women for at least
some level of income support for a certain time
period unlike the current patchy cover of em-
ployer provisions at present.

That ‘patchy cover’ at the moment could be
fixed by a national scheme, if only we had a
Prime Minister who cared about it. Once
again—not a surprise to anyone here—the
report also says:

Women in low paid and casual work are currently
far less likely to have access to paid maternity
leave.

The Prime Minister was told this 14 months
ago—if he did not know it from his own ex-
perience—and has done nothing. We know
that working mums, in particular, need to
keep in touch with work if they are to go
back to some form of paid employment after
having a baby. Many mothers like to go back
to work part-time and spend any extra time
with their young children. The Prime Minis-
ter’s task force report—this cabinet-in-
confidence report—says that the right to re-
quest part-time work would be a good idea.
It says that this:

... would provide more equitable access to part-
time work options for different groups of workers
as well as more choice to remain in the labour
force. It may potentially increase the retention of
skilled workers for individual employers and the
economy generally.

Sounds like it might be a win all round. So
the Prime Minister’s task force is now en-
dorsing Labor policy that new parents should
have the right to request part-time work. We
know that the Prime Minister does not want
to take any notice of this task force report.
The task force thinks it is a good idea, Labor
certainly think it is a good idea, but we know
that this Prime Minister is just stuck in the
past.

We have heard quite a bit from the other
side today about jobs. Unfortunately, today’s
labour force figures show that women have
lost 50,000 part-time jobs over the last 12
months. Those women who want to go back
to work part time and continue to look after
their children are actually having a pretty
tough time of it. We know that only Labor
are committed to a national paid maternity
leave scheme, only Labor will fix the flawed
family payments scheme, only Labor will
make sure that child care is both affordable
and accessible, only Labor will give parents
the right to request part-time work and only
Labor will make sure that working families
in this country can be good workers and
great parents. Labor intend to do something
about it. If this Prime Minister does not want
to, he should get out of the way and give us a
go.

Miss Jackie Kelly (Lindsay—
Parliamentary Secretary to the Prime Minis-
ter) (4.01 p.m.)—It is only Labor that is go-
ing to sit by your child’s bedside at night and
read them three books provided by Labor. It
is only Labor that is going to insist that your
children be raised in centre based child-care
centres without other options. It is only La-
bor that is going to demand that your kids go
to state schools, where the Leader of the Op-
position believes there should be corporal
punishment. It is only Labor that will de-
mand three months maternity leave and then
make women return to work. It is only Labor that really wants this nanny state in which it will raise our children from the cradle to the grave.

There is one light on the hill for Labor, and that is the government. From the coalition’s perspective, in Australia we have thousands and millions of sources of light, and they are the families. Families know best how to spend, as the Minister for Children and Youth Affairs mentioned, the $6,000 the average family will be getting back in family tax payments, part A and part B, and the $2,000 that they get back in child-care assistance. They appreciate the more than doubling and sometimes trebling of child-care places and options available in Australia.

One of the critical things that this government did after 13 years under Labor was to make child care available to shift workers. There is no doubt that the Prime Minister is right about this issue being a barbecue stopper. Everyone has a solution to it. One of the key things that has just been brought home to me by the speech by the member for Jagajaga about part-time jobs and part-time employment is: how do you go back to part-time employment as a mother once your three months are up? What are the long-term prospects for you as a mother in the work force in Australia?

Today in New South Wales the trains are in crisis. From my area the jobs are over two, sometimes three, hours away. So, even if you had a part-time job, to get your kids to school by nine o’clock and pick them up at three o’clock is not an option while the jobs for women to access are still so far away. The critical thing that needs to be recognised by the opposition in this debate is the role of state and local governments in doing some serious town planning and allowing employment to be based where mothers can access it. Mums want to be able to drop their kids at school at nine o’clock, pick them up again at three o’clock, get home and get things ready for the family that evening and get ready for the busy next day.

I think there are some wonderful opportunities for the state governments in something like nursing, which is a predominantly female oriented industry. We have seen a massive walkout from nursing by nurses. Offering nurses a shift that finished at eight o’clock in the morning, a shift that started after three o’clock or a shift that started at seven o’clock at night and being flexible about those options are all things state governments can trial within their own government systems rather than running straight out to people in private enterprise, such as my female friend who runs a child-care centre in a predominantly female industry, and saying, ‘As a small business woman employing predominantly females, you will be paying 14 weeks maternity leave at wage.’ At least one employee will be on maternity leave in any one year in any child-care centre. The costs to the small business woman in that scenario are crippling. Either we will see a huge rise in child-care costs or we will see women who have selected to go into small business and who create jobs, who would not benefit from a maternity leave scheme as proposed under Labor, move out of business and seek employment where they can benefit from an employer based maternity leave scheme. The solutions put forward by Labor—the simplistic ways of saying, ‘Give them a book and they will read it; give them maternity leave and it will solve the work-family balance’—are just too farcical to give any credence to their having given this barbecue stopper any serious consideration whatsoever.

What are some of the things that make us squeezed for time? We are trying to get physical activity into our lives, mainly because obesity is an issue. We are striving for a variety of food choices. We are told all the
time about diabetes. I had the Diabetes Association knocking on my door, lobbying, and they recommended that you should not feed your children takeaway more than once a month. I looked at them and thought, ‘What working woman only gives their kids takeaway once a month? Hello!’

There are so many pressures on mothers today. Given travel times to and from work, how can we manage our physical activity and food choices in order to try to avoid heart disease? Another issue is air quality in our cities and its link to asthma. There are safety issues relating to pathways and cycleways. There is the question of how the community spaces that we design relate to mental health issues. Housing options, land zonings, educational opportunities and human services are all things that influence the shape of a city.

I was speaking to Tony Capon this morning, who is leading a lot of research in this area. We have agreed on a number of things. One of the amazing facts he told me was that Rome was the first city to reach a population of one million in the early parts of recorded history. The second city to reach a population of one million was London in 1800. Today we have three cities in Australia with over one million people and there are about 35 cities in China with over one million people. It is estimated that within a decade about 250 cities in Asia will have over one million people.

I am talking about work and family balance issues. How do we sustain local economies where employment is close to home, where we can meet the competing demands of caring for our children and maintaining the family income at the level to which we aspire? This government provides us with a flexibility of choice. In the area of education, you can send your children to a same sex school if you so desire, because you know your children; you know what is best for your children. We support people being able to pick and choose amongst all the options to find out what is best for their children.

Imagine a mother in New South Wales yesterday coming home on the trains to pick up her children at a long day care centre which was due to close at 7 p.m. She would have been desperate. She would have been making phone calls. Talk about stress levels! However, if the children had a place in family day care, their mother would have been quietly confident that things would be okay when she got on the incredibly late train to go and pick them up and begin life at home that evening.

There are tremendous pressures on families today. They are not the creation of the federal government. In our time in parliament we have done an enormous amount to put forward a number of flexible, workable options for families. There is some responsibility in this area with state and local governments in terms of how they plan our cities, what they are doing to address the state of our health, what they are doing to address the shapes of our cities that lead to a lot of these critical issues that we face every day in terms of the care of our children, our priorities within our family and the income that we seek for the type of lifestyle that we desire.

The Labor Party has come up with providing children with free books. In any op-shop you will only pay about 5c for a child’s book. Under the Labor Party’s policy it will cost obscene amounts of money to deliver full child care to every child across Australia. Will there be any more flexibility, any more choice, and any less stress? It is a barbecue stopper. A whole-of-government approach from all three levels of government is needed in terms of how we design our cities, the financial support we give our families and the
types of environments we plan. It is not as simplistic as the member for Lilley would have it.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! The discussion is now concluded.

BILLs RETURNED FROM THE SENATE

The following bills were returned from the Senate without amendment or request:
- Primary Industries (Excise) Levies Amendment (Wine Grapes) Bill 2003
- National Residue Survey Customs Levy Rate Correction (Lamb Exports) Bill 2003
- National Residue Survey Excise Levy Rate Correction (Lamb Transactions) Bill 2003

POSTAL SERVICES LEGISLATION AMENDMENT BILL 2003

Second Reading

Debate resumed.

Mr ORGAN (Cunningham) (4.12 p.m.)—I rise today to speak on the Postal Services Legislation Amendment Bill 2003, which makes amendments to the Australian Postal Corporation Act 1989, the Australian Communications Authority Act 1997 and the Trade Practices Act 1974. These amendments aim to address various regulatory and consumer issues related to Australia Post. At least that is what the government asserts. However, I think its purpose is more sinister. We have heard from previous speakers some of the aspects of what this bill is really all about. I think this bill is a step towards the eventual privatisation of yet another key piece of public infrastructure—Australia Post. That is a view shared by constituents of mine who are likely to be directly affected by the changes brought forward in this bill. In October 2003 I received a letter from the operators of the Corrimal East licensed post office in my electorate of Cunningham, on behalf of the 13 licensed post office operators in my electorate. This is what they had to say:

We are small business people who serve our local community with dedication and loyalty.

We have invested financially in the postal business, and draw your attention to our concerns regarding the Postal Services Legislation Bill 2003.

There appears to be no discernable public benefit or cost savings in the amendments.

Indeed, there will be a reduction in funds to the Government because Australia Post will be obliged to pay the ACCC costs as well as the ACA costs which will reduce its dividend to the Government.

The introduction of the Australian Communications Authority in place of the Australian National Audit Office gives rise to serious concerns that this is the first step by the Government to deregulate the postal industry.

The Post Office Agents Association Ltd, which represent the owner-operators of Australia Post’s licensed post offices, community agents and mail contractors, have also written to me expressing their intense concern about the impact on those small businesses if the bill is passed ‘as is’. They say:

The investment and livelihood of 3,000 licensees, 6,000 mail contractors and 775 community agents, their employees and sub-contractors will be seriously endangered if postal deregulation eventuates. Furthermore, these proposed changes will mean extra costs to Australia Post which will result in lesser dividend to the Government and an extra cost burden on independent business people in the postal industry.

The Greens’ major concerns with this bill are that, firstly, the measures in the legislation are designed to aid postal industry deregulation; secondly, the proposed measures simply add to the cost of providing Australia Post services but without providing certainty as to the benefits to be gained; thirdly, the costs for the Australian Communications Authority and the Australian Competition and Consumer Commission requirements may flow
on to licensees, mail contractors and postal agents; and, fourthly, there are doubts that document exchange services will be consistently, efficiently and adequately monitored and prosecuted if they break the law.

It is pretty clear that the small business sector, which this government sets such store by, is not impressed at all with these changes, as the above quotes show. Not content with selling off Telstra, this government is obviously hell-bent on shedding yet another public utility, one which provides a significant income stream to the Australian people. In his second reading speech, the minister told us:

The bill is intended to provide greater consumer and social benefits by providing independent oversight of Australia Post’s service performance and operational activities and by legitimising a number of existing practices within the postal services market.

Specifically, the bill provides the Australian Communications Authority, the ACA, with responsibility for overseeing and reporting on the supply of postal services and extends the current responsibilities of the Australian Competition and Consumer Commission, the ACCC, in relation to Australia Post. The bill also introduces measures to legitimise the current business practices of document exchange and aggregation services.

Legitimise current business practices! In other words, some of the government’s business mates are doing something illegal, so this House is being asked to change the law to allow those activities to flourish. This is outrageous—it is nothing less than disgraceful conduct.

The minister’s argument fails on its own logic. The truth is that Australia Post is an extremely efficient and successful business—so successful that the private sector is clearly drooling with anticipation at the prospect of getting hold of this golden goose. Performance standards and community service obligations or CSOs, as they are called, for Australia Post are prescribed by section 27(4) of the Australian Postal Corporation Act. The act requires Australia Post to ensure:

(a) that... the service is reasonably accessible to all people in Australia on an equitable basis, wherever they reside or carry on business; and

(b) that the performance standards (including delivery times) for the letter service reasonably meet the social, industrial and commercial needs of the Australian community.

The CSOs—that is, the community service obligations—are further defined by regulations. Regulation 5 of the Australian Postal Corporation (Performance Standards) Regulations 1998 provides that Australia Post must service 98 per cent of delivery points daily and 99.7 per cent of delivery points on at least two days a week. Regulation 6 of those regulations deals with delivery times. Ninety-four per cent of reserved services letters must be delivered within the specified time and this time ranges from one to four working days. Australia Post must also maintain a physical presence throughout Austra-
lia. Under regulation 9 of the regulations, there must be at least 4,000 retail outlets, with at least 50 per cent in a rural or remote zone.

These performance standards are monitored by the Australian National Audit Office. Yet, within his second reading speech, the minister advances absolutely no argument to suggest that oversight is inadequate. Nevertheless, he wants to transfer that function to the Australian Communications Authority. He says:

The ACA is considered to be the most appropriate organisation to carry out these functions because of its current role in relation to overseeing the delivery of telecommunications services.

How could anyone seriously suggest that the organisation which oversees telecommunications should take on letters and parcels? It is like going to the butcher for your fruit and veg. It is nothing more than specious nonsense. Then there is the matter of additional oversight of Australia Post by the Australian Competition and Consumer Commission, the ACCC. The minister would have us believe:

These amendments are intended to address concerns of some competing businesses, such as newsagents, that Australia Post is cross-subsidising its competitive services with revenue from its reserved, monopoly services.

The amendments will ensure transparency in Australia Post’s accounts and identify any areas of cross-subsidisation.

This move obviously has its origin in claims by the Australian Newsagents Federation that Australia Post was using its reserved services revenue to cross-subsidise its retail activities such as selling greeting cards, stationery and postcards. The National Competition Council found no evidence to substantiate those claims back in 1997-98. The newsagents themselves enjoy a monopoly of sorts over delivery of newspapers, but that does not stop them from pointing the finger at a public utility which has a monopoly on standard letters. Remember what my constituents told me in October last year. They said:

… there will be a reduction in funds to the Government because Australia Post will be obliged to pay the ACCC costs as well as the ACA costs which will reduce its dividend to the Government.

And those local constituents were right. Australia Post estimates the cost of having these two entirely unnecessary functions performed by the ACA and the ACCC to be $3.5 million a year. That is an awful lot of 50c letters. But that is not the end of it. This government is now trying to eat into those very letters by making it easier for aggregation and document exchange services to operate. This is how the minister described it in his second reading speech:

Aggregation and document exchange businesses provide valuable, alternative services to other businesses, particularly small businesses. Aggregation services aggregate and bar code the mail of small mail generators to enable them to qualify for the bulk mail discounts offered by Australia Post for volume based, bar coded lodgments of mail. Document exchange services can provide time-critical deliveries of specialised documents on behalf of architects, doctors or lawyers, for example. The continued viability of these businesses is, therefore, of some considerable importance.

As the legislation currently applies, the carriage of letters from the small business to the aggregation service provider is still reserved to Australia Post. To facilitate the operation of these aggregation services, the bill contains provisions to amend the bulk mail exception in the act to include the carriage of letters from the customer to the aggregator.

The document exchange provisions in the act currently allow for the carriage of mail, in the course of a document exchange service, from one document exchange service centre to another or within a document exchange service centre. However, the carriage of mail between the customer of the document exchange and the document exchange centre is still reserved to Australia Post. As this carriage is an integral and longstand-
ing part of the service provided by document exchanges, the bill contains provisions to remove this carriage from the reserved service and, thereby, legitimise current practices.

In other words, these services are already doing what the Australian Postal Corporation Act reserves to Australia Post. But rather than seeking to apply a penalty to those businesses acting outside the law and bringing them into line, this government changes the legislation to help them make money. What a joke!

The regulation impact statement which forms part of the explanatory memorandums to this bill makes the startling assertion that there is no practical means of collecting information about the number of document exchange and aggregation services operating in Australia. I can only assume that the Internet was down that day, because a simple search of the Yellow Pages online produces a list of eight companies across the nation that do that work. One of the biggest document exchange services appears to be Toll Holdings, which acquired the DX group in June 2002. Members will, I am sure, be familiar with the white vans in their livery of the green letters ‘DX’ separated by a red-and-white arrow—not as familiar as they are with the red Australia Post vans, but no doubt that will come with time. And what is the catchcry of the DX group? The answer is easy—it is: ‘Don’t post it—DX it!’ So much for protecting Australia Post’s interests! But in his second reading speech the minister assured us:

… members must choose to be members, pay a fee for the service, be given a unique identifier by the document exchange service and the document exchange service provider must have provided a separate receptacle for each member to lodge and collect letters. Members who have their mail delivered or collected from them will also be required to be businesses or government or another service provider et cetera and not members of the general public and they will be entitled to send and receive documents through the document exchange service.

Somehow I cannot see that lasting—not with a government that is already changing the law to legitimise current industry practice, which is illegal practice. How long will it be before some smart operator finds a way around the restrictions to make the DX group motto, ‘Don’t post it—DX it,’ a reality? It is a small wonder that my constituents believe:

… this is the first step by the Government to deregulate the postal industry.

And we have heard various speakers in this debate reinforce the view that it is only the first step in deregulating the postal industry—yet more privatisation of the public sector and important public utilities by a government which is hell-bent on dragging Australia down the path of privatisation even when it is clearly not in the best interests of the people of this nation. Some of the audited results of the performance of Australia Post over previous years have shown that it is doing a great job. It is doing a wonderful job. And if it ain’t broke, don’t fix it. It seems that the government is going down this path, and it is not in the best interests of this nation. But it is nevertheless clearly in the best interests of vested interests—vested interests which recent events suggest may well include some big overseas players and not only the local companies such as the DX group, which I referred to earlier.

The Australia-US free trade agreement, which the government has spent this week trying to sell to an increasingly cynical electorate, seems to open up an avenue for US operators to break into the market. The detail is not really there yet. The summary of the FTA published by the Office of the United States Trade Representative, in regard to the bill before us and the issue that we are currently talking about, tells us:
Australia will accord substantial access across to U.S. services suppliers, subject to very few exceptions, based on the so-called “negative list” approach. Australia’s commitments apply across a wide range of sectors, including but not limited to:

Express delivery services

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! It being 4.30 p.m., I propose the question:

That the House do now adjourn.

Bowman Electorate: Australia Day

Mr SCIACCA (Bowman) (4.30 p.m.)—Mr Speaker, on Australia Day I had the great pleasure of presiding over a citizenship ceremony in the Wynnum Manly district of my electorate of Bowman. The ceremony, hosted by the Moreton Bay Lions Club, gave some 46 new Australians the opportunity to share what is a very important day in their lives with family and friends and representatives of the community that they have adopted as their own.

Community based organisations like this which hold citizenship ceremonies give citizenship candidates an appealing alternative to a council-run ceremony which, in a city as large as my home city of Brisbane, can be a bit drawn out. Mr John Wearne, of the Moreton Bay Lions Club, did a wonderful job organising the ceremony, which drew an impressive line-up of dignitaries. In addition to me, as the officiating officer, Senator Brett Mason attended, representing the minister, as did my good friend and colleague the state member for Lytton, Paul Lucas, who was yesterday elevated to the important transport ministry in the Queensland government.

A highlight of the ceremony was the element that came out of the recommendations of the Australian Citizenship Council a few years ago, whereby all present had the opportunity to affirm their commitment and loyalty to our nation by repeating an affirmation pledge. I think this is a great innovation. It is this reflection and heartfelt appreciation of what it means to be Australian, which was evident at this ceremony, that I am afraid has really been missing from the way that we celebrate Australia Day as a nation on 26 January each year.

It is my view that Australia Day, as it presently stands, should be changed. I believe that, in fact, all it has turned out to be is a holiday. People just have a public holiday and that is about it. Some of the members of parliament go to some citizenship ceremonies and that, in itself, is very good. But I think that Australia should have a truly national day, when we all sit down and start to think about ourselves as Australians and where we celebrate not, perhaps, where we come from—and there are many millions of us from overseas—but where we are. I think that the traditions that are engraved in the United States, for instance, with their Thanksgiving Day, show the sort of day that we should have in this country. In an article of 19 August that I read by Sarah Lane, about Thanksgiving Day in the United States, she says:

Our nation has survived war, breaches in homeland security, natural disasters, and economic breakdowns, only to stand once again as a unified group. Americans have an uncanny ability to rise to the best of their abilities. This is due mostly to the strength and determination ...
The melting pot overflows now as almost 300 million strong we overcome barriers, reach out to one another and simply be happy that we are here, alive and together.

I believe that in Australia we should do exactly the same thing. I think it should be a patriotic day. We should get it away from the Australia Day associations all over the country, which organise an Australian of the Year each year. Usually, if you are the captain of the test cricket team, you have a pretty big chance of becoming Australian of the Year. I think in the last three years we have had Steve Waugh, Mark Taylor and Allan Border.

Mr Edwards interjecting—

Mr SCIACCA—The point I am making is that they are fantastic—they are great test cricket captains. I think that that is fantastic; I have no problem with that. But I think we should go further than the bounds of somebody who is good at cricket or sport, as good as they are. In many cases they are paid and do pretty well out of it. There are battlers outside—there are people in science, the arts and community service who deserve to be elected as Australians of the Year.

More importantly, I think that in Australia we do not celebrate our identity as much as we should. I know we are only 200 years old, but I think that as a community we can celebrate the fact that we are Australians a lot better than we do now. I think it should be a grassroots type of campaign. I would like to open up the debate out there amongst people to see if they can come up with ideas as to how we can truly celebrate Australia Day—possibly not on 26 January, to get away from that argument about the fact that it was foundation day et cetera, but to have something similar where we can sit down with our families. We can thank God—those of us who believe in God. Those of us who believe in Allah or Buddha or whatever can do the same thing. If they do not have a religion, they can thank their lucky stars or whatever they like. The point is that we can thank somebody—even thank ourselves—and be thankful that we are Australians, that we enjoy a great standard of living, that we love living in this country and that we would not live anywhere else. (Time expired)

Walshe, Mr Bob

Mr BAIRD (Cook) (4.35 p.m.)—Recently I attended the 80th birthday party of Bob Walshe, in Cronulla. I attended the luncheon not only because Bob Walshe is a local hero and because he is also the former Chairman of the Sutherland Shire Environment Centre but, in particular, because he was my high school history teacher and a very inspirational figure in my youth. He taught me a love of Australian history, a pride in our own past, and the importance of the Eureka Stockade as the beginning of a separate Australian identity. He has strong environmental credentials, has been a leading advocate for the preservation of the sand dunes on the Kurnell Peninsula and has led the opposition to the further expansion of Port Botany. He has given inspiration and leadership to numerous people during his lifetime and seems to have no plans for slowing down now.

Bob served for three years in World War II and following that took advantage of the War Service Matriculation Scheme, which put him through university, where he gained an honours degree in history. Bob not only became an outstanding teacher but also authored and co-authored many best-selling textbooks including the popular *World History Since 1789*. Following that, in the next two decades, he was very busy. In 1963 he established the Martindale Press publishing firm and in 1969 he again combined his love of teaching and writing and established the first adult course in modern writing at Sutherland Shire Evening College. The year 1971

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saw the establishment of the Sutherland Shire Arts Council Foundation, of which Bob was a founding member and initiated and then edited its *Directory of Arts, Crafts and Courses*.

That was not enough. The year 1972 was to prove one of his most active years. He founded the Sydney Teachers Writing Group, which is still very much active today, and he co-founded the Primary English Teaching Association and the Total Environment Centre and also managed to put out a book called *My Machine Makes Rainbows*. It was a creative writing textbook put out to primary schools and managed to run to six editions. For 12 years after the foundation of PETA Bob was honorary editor, putting out an enormous number of publications to assist teachers in finding new and imaginative ways to teach writing to children. So popular were these publications that by the end of the seventies PETA had some 20,000 members.

It was also at the end of this decade that Bob went back to his roots as a self-described ‘youthful activist’ and changed his role in life from that of a scholar to that of an environmental activist. He said, ‘If we go wrong on the environment, we go wrong on everything else.’ With the same dedication, passion and incredible energy that he had shown throughout his life, he now threw himself into the fight for the environment.

His love for writing of course remained constant. By the end of the eighties he had written ‘Greenhouse Alert’, published by the federal department of the environment, which was sent to all schools in Australia. Bob was still educating. The Australian Museum asked him to tutor a course in writing for the environment, and, encouraged by the positive response to the course, Sutherland Shire locals asked Bob to tutor a similar course for them.

Sensing that there was a need for the people of Sutherland Shire to be able to voice their concerns about environmental issues, Bob once more took up the challenge and was appointed the first chairman of the Sutherland Shire Environment Centre. He went on to hold that position for 10 years. That was to be the launching pad for many of Bob’s campaigns. The first one was against the expansion of a local waste depot in 1992, in which he was successful. Next came his campaign in 1994 to stop the expansion of Helensburgh from polluting the Royal National Park, an area of outstanding beauty. Not content with that, he moved to stop the Metromix proposal to mine offshore sand near Botany Bay, Cronulla and Marley. Bob also fought against the building of Sydney’s second airport near Holsworthy in 1997 and against a co-generation plant at Kurnell which could have caused damage to Botany Bay and its surrounds. Many of these campaigns were conducted by him when he was in his late 60s and early 70s, an age when many people slow down—not Bob, though. His boundless energy and enthusiasm is an example to all. From 1998 to now, Bob has been the active chair of Kurnell Regional Environmental Planning Council, an alliance of community groups in the interests of Kurnell and Botany Bay.

Of course, I am not the only one to recognize the amazing achievements of Bob Walsh. He was named Shire Citizen of the Year in 1995, awarded the Order of Australia Medal in 1998, received a mayoral volunteer recognition award in 2000 and was awarded the Centenary Medal in 2001. Bob is continuing to fight for environmental protection even now. He has been appointed as one of only two community representatives on the 19-member Botany Bay Strategy Advisory Committee. He is currently the leader of a joint community and council campaign to
stop the tripling in size of Port Botany’s con-
tainer handling.

At 80, he is still writing for the environ-
ment and campaigning for the causes that
mean so much to him and to so many of the
people lucky enough to live in the Sutherland
Shire. Again I would like to extend my best
wishes to Mr Walshe on achieving such a
great milestone: 80 years educating Aus-
tralia’s future and fighting for the environment.

Kyin Than

Mr MOSSFIELD (Greenway) (4.40
p.m.)—I rise tonight to inform the House of
the plight of Kyin Than, a rather frail 85-
year-old woman who is currently living in
my electorate with her adopted family. I say
‘currently’ living in Greenway because, if
this government has its way, she will be
forcibly deported to Burma, where she has
no family or means of support and where she
will face harassment and persecution from
the security forces, as she did before coming
to Australia four years ago. You see, her ap-
plication to be considered a refugee from one
of the most repressive regimes on the face of
the earth has been denied by the govern-
ment—first, by the former minister and now
more recently by the new minister’s chief of
staff. He has apparently refused to show his
boss, Senator V anstone, the file. I will speak
more about that later.

It is important for government members to
realise what they are doing by forcing Kyin
Than back to Burma. As I said, she is 85
years old, from a country where the life ex-
pectancy for females is 57½. Elections were
held, as everybody knows, in 1990. The Na-
tional League for Democracy, the NLD, led
by Aung San Suu Kyi, won 392 of the 485
seats—an overwhelming majority. That is
when the military stepped in, and they have
been exercising brutal power ever since.
Amnesty International reports of torture,
forced labour, extrajudicial executions and
summary arrests for merely possessing po-
litical pamphlets. They reported that as re-
cently as November an NLD supporter was
arrested in Mandalay for handing out rice to
poor people and making a bamboo hat,
which is the symbol of the NLD. That is
what this government is sending an 85-year-
old woman with no means of support and no
family back to. It amazes me that they can
sleep at night.

It is true that Kyin Than is not herself a
political activist. But her family here in Aus-
tralia is. They are constantly in front of the
Burmes embassy, protesting for democracy
to be restored to their homeland and having
their photographs taken by the Burmese se-
curity forces. It does not take a genius to re-
alise that Kyin Than will be targeted if she is
forced to return by this government. Before
members opposite say that the security
forces would not pick on an 85-year-old
woman, I would like them to think again. In
February last year, Dr Salai Tun Than, a pro-
fessor in his mid 70s, was sentenced to seven
years imprisonment for staging a peaceful
demonstration 14 months earlier. Ms Than
was subjected to state-sponsored harassment
as an 80-year-old before coming to Australia.
How can this government think that she will
not be again if she is forced to return?

But the question that really needs to be
asked is: who is making the decisions? Is it
the minister or somebody else? I wrote to the
former minister about this case in January
last year. It took them 12 months to reply to
me, and when they did I was more than a
little perplexed by the letter. The letter is
dated 15 January 2004 and is signed by John
Nation, Chief of Staff. It is the second last
paragraph that has me confused. It reads:
Ms Than’s case has been reassessed in the light of
your recent letter ...
It seems 12 months is recent.
It still does not fall within the ministerial guidelines and has not been referred to her—
That is, the minister. My question is: who is making the decision? Who is exercising the ministerial discretion here? Clearly in this case it is not the minister herself, because the file has not even been shown to her. Her chief of staff has said so. So when a member of this House, elected to represent their community, asks for a minister to review a particular case, they are, it seems, being blocked by unelected members of staff. It is an insult to our democracy. Ministerial discretion cannot be exercised by a member of staff. Yet that is what appears to have happened in this case. John Nation, whom nobody has ever heard of, has decided that this frail 85-year-old woman should be forcibly deported into the clutches of a brutal and repressive regime—and he has not even told his boss about it. What kind of government do these people think they are running? And who is running this government: the ministers, who are elected to do so, or their staff, who are not?

Petrie Electorate: Boondall Police

Ms GAMBARO (Petrie) (4.45 p.m.)—I would like to take this opportunity to pay tribute in this House to a band of dedicated, hardworking, unsung heroes in my electorate of Petrie who are tireless in their efforts to protect and defend their fellow citizens, often in thankless and under-resourced circumstances. I speak of the staff and officers of the North Brisbane District Police Service who are stationed at Boondall. To Superintendent Paul Wilson, District Officer of the North Brisbane District Police, and his staff must go thanks and admiration from me and from all of the people of the electorate of Petrie. In welcoming Queensland’s new police minister, which was announced yesterday, I think she should double her efforts to ensure that police like those at Boondall—her new portfolio responsibility—are not left in the same mess as child welfare workers and that those police officers are given all the resources they need and the thanks they deserve.

Today’s and yesterday’s story on the front page of the Courier Mail newspaper reveals just how much credit the team at Boondall police deserve. It is a story which reveals their professionalism as police officers. They displayed generosity and humanity in undertaking a job which is always difficult, sometimes very dangerous and quite often under-resourced. In the case of the crime reported in the Courier Mail, it is work that would disgust us or reduce most of us to tears. The front page of the Courier Mail report tells a story that is all too familiar to our stalwart Boondall police. It details the shocking robbery of a frail 92-year-old woman who became the victim of a ruthless, cowardly thief while doing her shopping at our local shopping centre in the north-side suburb of Chermside.

The whole of this cowardly attack on this defenceless, vulnerable, frail and unsuspecting victim—a great-great-grandmother—whose very appearance would inspire tenderness and respect, even in a hardened criminal, was captured on the shop’s in-store security video camera. Still sequences of that security camera footage were run in full blood-chilling colour across the newspaper’s front page. They illustrate in gruesome detail how easy it is for a callous and depraved thief to prey on the elderly. We see the poor victim—white-haired and slowed, but not defeated, by time—who, despite her obvious frailty as she reaches shakily for a carton of milk, still exercising a sturdy independence, out and about doing her own shopping. She is still exercising that wonderful gutsy, indomitable Aussie tenacity that would not allow her age to get in the way of her freedom. And behind her, we see her predator—a woman sixty years or more her junior—
brazenly sidling up, undoing the handbag suspended from the old lady’s shoulder, removing her purse and then casually strolling away with her ill-gotten gains in her own bag. It is one of the most sickening illustrations of the real depravity of criminal behaviour you will ever see. So brazen and so hardened was this thief, no doubt from her past experience, that she took the precaution of removing her hat and shielding her face with her hand as she left the shop in the full knowledge that her crime against the old lady had been fully documented on the store’s security camera. It is difficult to see in that blurry digital imagery but not difficult to surmise that, behind that callous, camouflaging, thieving hand, her face wore an evil smile. It is the smile of someone so far beyond moral redemption that they actually enjoy the suffering they inflict on their victim.

My information from Sergeant Dave Shelley of the Boondall police this morning is encouraging. Today’s paper shows that they are very close to catching the offender and they know exactly who she is. I do not know about the other members of this House but I must confess that, if I was in the position of the Boondall police, my immediate human instinct concerning this offender would not have been so charitable or forgiving, and it would not have been terribly professional. I challenge anyone in this House, having seen that unspeakable cruelty and barbaric crime perpetrated against someone who could be their own mother or grandmother, to act with the professional restraint and level-headedness that was displayed by the Boondall police officers. I hope they bring the offender to a well-deserved justice in court.

I also want to thank the Boondall police for their wonderful efforts. Not only did they collect over and above the $400 that the thief stole—which was this poor victim’s food, mowing and carpet cleaning expenses—they put the hat around and that was wonderful to see. I also want to thank all the staff at Woolworths where she was shopping when she was robbed. They not only paid for groceries and a taxi home but were absolutely wonderful. The Boondall police and every resident of the electorate of Petrie on the north-side of Brisbane congratulate you and thank you all for that wonderful effort.

Holt Electorate: Australian Taxation Office

Mr Byrne (Holt) (4.50 p.m.)—This being the first time I have risen to speak in this House this year, it pains me to have to raise a matter that I believe to be of public concern: the treatment of non-ongoing staff by the Australian Taxation Office. That treatment—I should say maltreatment—of decent people, predominantly women, working in the Dandenong area has resulted in suicide attempts, post-traumatic stress, depression, anxiety and unemployment. One would think that the Australian Taxation Office, being a leading government agency, would actually be setting benchmark standards in the treatment of its staff. I regret to report to the House this evening that that is simply not the case.

I want to cite an example that includes seven women who will be publicly named and some who will not be who have been maligned and very shoddily treated by a leading government agency. I would like to name those seven women and describe their experiences. They are Lynne Bunning from Cranbourne, Margaret Talbot, Suzanne Pires, Jean Brohier, Chantal Felix, Julie Anderson and Ellen Meletis. These women were employed between three and five years ago by the Australian Taxation Office. They were called ‘non-ongoing staff’—a rather fascinating term. It is meant to mean staff that are operating for a limited period of time—such as three months, five months or seven
months—but these non-ongoing staff had actually been working for five and six years.

Mr Speaker, I would like you to put yourself in their particular situation. These women having worked for, say, three years-plus, had a confident expectation that they would be able to be employed full-time based on the provisions of the Public Service Act. These women were invited to reapply for these jobs that had been set up in a structure of revolving contracts. They could not buy a house, they could not pay for school fees, and they could not provide support for their partners. So these women, who were brought in predominantly to assist with the implementation of the new taxation system, have after four and five years basically been turfed out on the street without any rights.

When these women went to the Industrial Relations Commission and asked their union, the CPSU, to represent them and ask for fairness—which is actually promulgated in the Public Service Act—they were told that they were substandard. I would like to quote a comment by Assistant Commissioner General Byrne about this matter, which was raised before the Industrial Relations Commission. When talking about these women—who, you must remember, were key people in the implementation of the new taxation system—who wanted full-time work after a three-year period, he said to the Commissioner:

I do note, Commissioner, that the last time or the second last time I was before you I was in the rather embarrassing position of explaining to you how we have a significant number of people who don’t meet the standard of the job but we are still employing them ...

Mr Speaker, I wonder how you would act if you had worked for four, five or six years and had been given continuous performance appraisals and had been told by your managers that you were doing a good job, and then you heard the Assistant Commissioner of Taxation telling you that you were substandard. He goes further, saying:

In terms of the non-ongoing staff who did win a further non-ongoing position in the merit selection exercise we conducted earlier this year, yes, they did pass the test but the test was set at a level significantly below the level for that job.

So what is the Assistant Commissioner saying? Is he saying that they have reduced the benchmark and that the people who were responsible for implementing the taxation system were substandard and not up to scratch? In effect, that is what the Assistant Commissioner has said. Quite clearly, evidence would prove to the contrary—that the women who were working there were given performance assessments by their managers and other managerial staff which said that they were satisfactory.

Obviously, the crime that these women committed was that they sought permanency. They wanted to be able to buy a house; they wanted to pay for school fees; they wanted to pay for a holiday. When they took a step that you and I would take in a similar set of circumstances, they were traduced by the Assistant Commissioner of Taxation, they were humiliated, and, not only that, they were turfed out on the street—most of them in January this year—for doing a job that was required by the Australian community. I say to you, Mr Speaker, to this House and to the Australian Taxation Commission that that is an unacceptable way of treating good people who performed their tasks and were absolutely entitled to what every Australian should have: the right to perform a full-time job in this area.

Family Services: Child Support

Mr BARTLETT (Macquarie) (4.55 p.m.)—In our electorate offices, in our day-to-day dealings with our constituents, we face many difficult issues. The most distressing that I have experienced are issues relat-
ing to family law and child support. Many times mothers have come to my office who have been left with children and are bereft of any real means of support for those children—the fathers have left, with no commitment to maintenance. On the other hand, there are fathers whose wives have left them and have taken their children, and the fathers are denied access to the children they love so much—their own flesh and blood. They are furious and frustrated. They despair that they cannot see their own children and are infuriated that, in that context, they are being called upon to pay what they see as outrageous child support payments for children to whom they are denied access. There is no easy answer to these horrific and deeply distressing personal situations.

It is these issues that led the government to initiate the inquiry into child custody arrangements in the event of family separation. The report, just released, is called Every picture tells a story. I was not on the committee that produced that report, although I would like to have been, but I would like to congratulate every member of the committee on the fantastic work they did in tackling those very difficult issues head-on. With just a quick read through, and with a closer look at the recommendations, I have to say that I am impressed with the way they have tackled those very complex and difficult issues.

It seems to me that there are a handful of key issues in this whole thing. Clearly the best interests of the child have to be first. We have to look at what is best for the children in these difficult situations of family breakdown. The need is for a secure, loving and nurturing environment for the kids. The best environment is one where they have the influence of both their mother and father—the role model, the love, the care, the direction and the guidance of their mother and father. The second issue is a need for parents to have access to the children so that they can love, care for, nurture, develop and educate them—to share in the joys and the sorrows; to share in the milestones in the maturation and development of their children during their lives.

Thirdly, and closely related to that, is the need for extended family members, particularly grandparents, to have access to their grandchildren. Frequently in my office I have encountered tragic cases of family breakdown, separation and divorce, where the grandparents not only have to stand aside and watch the adversarial, vitriolic and abusive conflict between former partners and spouses, with the children suffering, but they are often totally frozen out of any access to the children who they love and with whom they have spent so much time in preceding years. That really does need to be addressed as well.

The fourth aspect that needed to be addressed is the financial arrangements relating to child support maintenance, to ensure that those payments are adequate, sustained, fair and equitable. It seems to me that one of the problems in the way the system has operated to date is that there has been a very great inequity or inconsistency. In many cases we have had a very rigorous enforcement of child support payments, through the Child Support Agency, but a not so rigorous enforcement of access arrangements. There has been a real inconsistency. The parents who are paying the maintenance payments find that they are often enforced to pay to the hilt, but their constant frustration in wanting to see the children who they love is not addressed or enforced so easily by family law. That is an issue that needs to be addressed.

I want to commend the committee for the way they have addressed these issues and for the way they have tackled the need for an assumption of shared parenting—rebuttal shared parenting—with a number of provi-
sos: that it is not there in any cases where there is a history of abuse or conflict, but that that ought to be the assumption, backed up by education and support. They have approached some recommendations to remove the adversarial nature of the whole system with the establishment of a family tribunal to lead to much more conciliation and mediation. And, thirdly, they have tackled the very contentious issue of child support. I commend the work of the committee.

The SPEAKER—Order! It being 5 p.m., the debate is interrupted.

House adjourned at 5.00 p.m.

NOTICES

The following notices were given:

Mr King to move:

That this House:

(1) calls on the Leader of the Opposition to renegotiate the lease in relation to Centenary House; and

(2) calls on the Australian Labor Party to return to the Australian people the moneys paid in respect of rent income on Centenary House over and above the market rate since 1993.

Mr Bevis to move:

That:

(1) the House, noting that all Members and Senators are required to make declarations of relevant interests and those of their spouses and dependent children, and believing that it would be in the public interest for members of the Federal Parliamentary Press Gallery (FPPG) to make similar declarations, resolves that, within 28 days of being issued with a photographic pass enabling a person to have access to Parliament House as a member of the FPPG, the person must provide to the Serjeant-at-Arms or the Usher of the Black Rod a statement of:

(i) the person’s registrable interests, and

(ii) the registrable interests of which the person is aware (a) of the person’s spouse and (b) of any children who are wholly or mainly dependent on the person for support,

in accordance with resolutions adopted by the House and the Senate and in a form determined by the Presiding Officers from time to time, and shall also notify any alteration of those interests to the Serjeant-at-Arms or the Usher of the Black Rod within 28 days of that alteration occurring.

(2) the statement of registrable interests to be provided by a person shall include the registrable interests of which the person is aware (1) of the person’s spouse and (2) of any children who are wholly or mainly dependent on the person for support, and shall cover the following matters:

(a) shareholdings in public and private companies (including holding companies) indicating the name of the company or companies

(b) family and business trusts and nominee companies—

(i) in which a beneficial interest is held, indicating the name of the trust, the nature of its operation and beneficial interest, and

(ii) in which the person, the person’s spouse, or a child who is wholly or mainly dependent on the person for support, is a trustee (but not including a trustee of an estate where no beneficial interest is held by the person, the person’s spouse or dependent children), indicating the name of the trust, the nature of its operation and the beneficiary of the trust;

(c) real estate, including the location (suburb or area only) and the purpose for which it is owned;

(d) registered directorships of companies;

(e) partnerships indicating the nature of the interests and the activities of the partnership;

(f) liabilities indicating the nature of the liability and the creditor concerned;
(g) the nature of any bonds, debentures and like investments;
(h) saving or investment accounts, indicating their nature and the name of the bank or other institutions concerned;
(i) the nature of any other assets (excluding household and personal effects) each valued at over $7500;
(j) the nature of any other substantial sources of income;
(k) gifts valued at more than $750 received from official sources, or at more than $300 where received from other than official sources provided that a gift received by the person, the person’s spouse or dependant children from family members or personal friends in a purely personal capacity need not be registered unless the person judges that an appearance of conflict of interest may be seen to exist;
(l) any sponsored travel or hospitality received where the value of the sponsored travel or hospitality exceeds $300;
(m) membership of any organisation where a conflict of interest with the person’s duties could foreseeably arise or be seen to arise; and
(n) any other interests where a conflict of interest with the person’s duties could foreseeably arise or be seen to arise.

(3) the Presiding Officers make arrangements for copies of declarations of interest made under this resolution to be made available for inspection by any interested person.

(4) a FPPG pecuniary interests committee (consisting of the Speaker or his nominee, who shall chair the committee, and one member of the House of Representatives nominated by the Chief Government Whip, and one member of the House of Representatives nominated by the Chief Opposition whip, and two members of the FPPG selected by a ballot of those members of the FPPG to whom this motion applies) may order the cancellation of the Parliament House pass of a person to whom this resolution applies if that person has:

(a) knowingly failed to provide a statement of registrable interests to the Serjeant-at-Arms by the due-date;
(b) knowingly failed to notify any alteration of those interests to the Serjeant-at-Arms within 28 days of the change occurring, or
(c) knowingly provided false or misleading information to the Serjeant-at-Arms.

Mr Hunt to move:

That this House:

(1) supports the wider spread, across every category of company and to all their employees, of substantial employee share ownership exercised through the agency of Employee Share Ownership Plans (ESOPs);
(2) notes that the existing legislative and regulatory regime inhibits the spread of employee ownership especially to unlisted and private companies chiefly on account of the failure of Corporations Law to provide a disclosure regime proper to ESOPs;
(3) notes that those employees who do benefit from ESOPs are actively discouraged from developing substantial holdings in the employers’ companies by tax provisions which favour token employee ownership (through a tax exempt share plan) over the acquisitions of larger share holding (through a tax deferred share plan);
(4) acknowledges that properly designed ESOPS provide, importantly, a mechanism by means of which employees become co-owners of the businesses for which they work and, thereby, more deeply engaged in, and committed to, the free enterprise system of wealth creation and distribution;
(5) acknowledges that ESOPs also provide an important pre-retirement savings vehicle through which families and individuals can save for obligations which arise prior to their retirement;
(6) recognises that ESOPs belong to a spectrum of pre-retirement savings vehicles so far
undeveloped in Australia yet urgently called for by national demographic and social realities;

(7) calls for targeted reforms of tax and corporate law to ensure that ESOPs can easily spread to all employees in all companies and provide these employees with a mechanism capable of delivering them substantial (rather than token) ownership of the companies in which they work;

(8) calls for the development of practical regulations to ensure adequate disclosure and investor protection measures for all ESOPs;

(9) calls for the introduction of a new pre-retirement savings vehicle modelled on the United Kingdom Individual Savings Account to provide a comparable means of making medium-term savings for those employees who cannot benefit from an ESOP. (Notice given 12 February 2004.)
Mr ORGAN (Cunningham) (9.40 a.m.)—As the federal member for Cunningham I have been speaking out against the ALP’s proposal to locate a second Sydney airport at Wilton—which is to the immediate west of my electorate—since 11 August last year when it reared its ugly head at a Young Labor state conference. I said then as I say now that all Wollongong suburbs would be adversely affected by a major airport at Wilton. My home town of Bulli would be approximately two minutes landing time from such a facility, with aircraft landing and taking off coming in low over the city and its northern suburbs. The geography of the coast and escarpment would magnify the noise. There has been talk of Wilton being a 24-hour, seven-day-a-week facility.

The Wilton proposal was basically discarded in the mid 80s, largely on environmental grounds, though the people of Wilton still have the spectre hanging over them as no final decision has been made on the second Sydney airport. Wilton is in the Sydney air drainage basin and a major airport would worsen the poor air quality which already impacts on Bulli residents. Plans for large scale residential subdivisions in the area are in train and possible impacts on expanded coal mining operations are a factor. The idea that a major airport would be sited on an underground coal mine is laughable. Wilton is close to major Sydney, Wollongong and Southern Highlands water catchments, which could well be adversely affected if a major airport were established in the vicinity.

By 24 January this year senior Labor figures were saying that Wilton was the only realistic option for a second Sydney airport after the previous opposition leader’s surprise decision to dump Badgery’s Creek. At that stage, I urged residents of my electorate to tell the ALP that they do not want an international airport at Wilton. They did this but their efforts were in vain.

On 31 January, Labor’s national conference sold out the people of Wollongong, the Illawarra and the Southern Highlands. The opposition leader did a back-flip on his stated belief that environment, air and water quality concerns raised serious doubts about the Wilton site. To add insult to injury, the member for Grayndler told us that the conference decision would result in a site that ‘makes things better for Sydney’ and that local residents’ concerns must be measured against the national interest.

Last Sunday I attended a meeting of more than 100 Southern Highlands and Illawarra residents at Moss Vale, in company with my parliamentary colleagues the members for Gilmore and Hume. No ALP representative bothered to attend. That meeting unanimously supported my motion rejecting the ALP conference decision on potential sites for Sydney’s second airport and calling for its immediate recision. The impact of the decision is very real. Southern Highland residents are already being told their property values have dropped because of Labour’s ill thought out idea. It will not be long until Illawarra residents start being given the same message.

Exporting Sydney’s airport noise problems to Wollongong and the Southern Highlands in the vain hope of protecting the ALP’s inner city seats is just another example of the contempt
in which the party holds the electors of Cunningham. An airport anywhere in the Wilton-
Berrima corridor is simply not an option. If the ALP had any sense, they would drop the idea
right away.

**Family and Community Affairs Committee**

**Mr HAASE (Kalgoorlie) (9.43 a.m.)**—I rise this day to congratulate Kay Hull and her
team, the Standing Committee on Family and Community Affairs, for their report, *Every pic-
ture tells a story*. The whole report is something that is long overdue. My concern at this stage
is what happens to the report and how far will we go to implement some of the fine recom-
mendations?

I have two major areas of concern. One is this issue of denial of contact and the fact that
there is no nexus at this stage between a ruling by the Family Law Court regards access to
children and the requirement to pay non-parenting payments. So often in my electorate I am
confronted with stories from men who have a right at law to have access to their children—
perhaps once a month; perhaps once a fortnight. They also have a commitment at law to pay
the custodial parent to look after their child. As there is no nexus between the two at this
stage, we sometimes see a malicious use of power by the custodial parent, denying opportu-
nity for the non-custodial parent to access the child.

It is inhuman. The frustration it causes often pushes men to the brink of suicide. It is not
acceptable that we as a government allow such situations to occur. All it needs is for us to put
in place at law a direct nexus between access to children as permitted by the law and the pay-
ment of non-custodial payments. If we were to put in place legislation that created such a
nexus so that, if access were denied for some unreasonable motive, payments would also be
denied immediately. It may shake up the system in the short term but it would teach all part-
ners involved in the negotiations that they had to honour their commitments.

The second thing that is primarily required in any shake-up of custodial laws and the opera-
tion of the CSA is an arbiter who can sort out the most obnoxious conflicts between parents
over access to children, financial support of children et cetera. I urge all involved in the con-
templation of legislation in this regard to seriously consider those two aspects: create a nexus
between access to children and the payment of non-parenting payments and make sure that
there is an arbiter to sort out the most anomalous of these relationships so that people stop
being hurt.

**Australia Day Awards**

**Mr SWAN (Lilley) (9.46 a.m.)**—In Australia we have a lot to be proud of. Our volunteers
capture the spirit of Australia. Without them, many of the things that we take for granted
about the Australian lifestyle would not be possible. In our local community, for the 10th year
running, a full house again gathered at the Kedron Wavell Services Club to honour the 52
very special volunteers at our annual Lilley Australia Day awards. On Australia Day we hon-
our the national symbols that unite us, like our flag and our national anthem, which was sung
so proudly by the 500 local residents at Keith Gardner’s Toombul Bowls Club Australia Day
breakfast. The Lilley Australia Day awards honour the citizenship of our local volunteers: the
unpaid quiet achievers working in the community so that the rest of us can have better lives.
The funny thing is that when many of these volunteers find out that they have been success-
fully nominated they tell me flat out, ‘Wayne, I don’t want this award.’ They do not expect or
ask for any acknowledgement or reward other than the sheer pleasure of helping and giving their time for others. To them I say, ‘Please accept this award because, in giving this award, we honour all those who have worked with you.’

One award winner was Arthur Rosbrook, an accomplished and published local poet whose royalties are donated to charity and who brightens the day of the sick and the elderly at Yal-lambee Lodge, Aspley Respite Care Centre, Ashworth House, Syme’s Grove, Jacaranda Village and Blue Care. In typical fashion, Arthur has penned a few lines of verse which capture the spirit of volunteering in his poem *The Joy of Love*. I would like to share with the House a stanza from that work. It reads:

I’m but one of a multitude, who walk this journey too,
All with self-same attitude—doing what we’re called to do.
God has given strength to each, sufficient for the day,
So we may all with love outreach as He directs our way.

These 52 volunteers provide leadership to our community. They make our community stronger and they make it a better community. By their personal example lives the common-sense idea that we all have responsibilities to each other, not just to ourselves. Our common interests are just as important as our self-interest.

My congratulations go to all the awardees as well as those who were awarded official honours. You have given our community a special gift but you are doing something more: you are making Australia a far better country. Some of those who received awards were Keith Aylward, Joanne Barclay, Kathleen Batibasaga, Joan Bell, Maureen Brown, Denis Cleary, Francis Conroy, Boyd Dunstan, Judith Foot, Brian French, Norman Gilbert, Jenny Hallgath, Denise Herbert, Michael Hopgood, George Hurlstone, Margaret Hurlstone, Pauline Hutchison, Sybil Jennings, Patricia Johnson, Hazel Kerwin, Dulcie King, Ernest Ladlay, Joan McKean, Leslie McKenzie, Athol McLennan, Maureen Mc Knight, Janella Maginley, Clive Margetts, Claire Merritt, Malcolm Milliken, James Moloney, William O’Brien, Joan Peters, Br Chris Pritchard, Bernard Quinn, Robert Rockett, Dr Peter Rossberg, Arthur Rossbrook, Sr Maureen Skippington, Colin Smith, Sandra Spadotto, Paul Thompson, Howard Hoa Tran, Shirley Treacy, Suzan Tremain, Peter Vanden Berg, Errol Watkins, James Webber, Norman Weston, James Whalan, David White and Joan Woods. Thank you for your service to our community.

(Time expired)

Fisher Electorate: Australia Day

Mr SLIPPER (Fisher—Parliamentary Secretary to the Minister for Finance and Administration) (9.49 a.m.)—Australia Day is an opportunity we all have around the country to celebrate what brings us together, where we have come since the first settlement, what we have achieved as a nation and also to reflect on how fortunate we are as a country. Around the Sunshine Coast many communities celebrate Australia Day in their own way. I was particularly pleased to be able to welcome His Excellency the Governor-General, Major General Michael Jeffery, who chose the city of Caloundra as the place to be for Australia Day 2004.

The celebrations in Caloundra were fantastic, as were the other six community celebration functions I attended on Australia Day around the electorate of Fisher. At Palmwood, I conducted a citizenship ceremony in front of a community full of spirit. Seven local residents became full members of our Australian community. Throughout Fisher more than 200 Sunshine Coast residents became Australian citizens on Australia Day. The Buderim celebrations
were first rate as well and included a parade, a cricket match and a bush ballad and poetry concert.

Australia Day this year was also an opportunity for me to host the Fisher Community Australia Day Awards, which I first established in 2000 to recognise the invaluable contributions of the many community volunteers without whom our communities could not operate. More than 300 people attended this year’s awards to pay tribute to people who volunteer their time and skills without any expectation of return or recognition. The 25 individual winners came from a wide variety of areas, including business, sport, surf lifesaving, medical science, teaching and the church and from volunteers working with children, people with disabilities and seniors. The winners were Chris Davis, Benjamin Day, Dr James Dick, Dr Jeff Tarr, Father Joe Duffy, Robert Hall, Sally Henderson, Chris Pelly, John Joseph, Terry Moonie, Max Percival, Benny Pike, Pastor Artie Shepherd, Cherie Brazier, Mike and Frances Burgess, Colin Cowlin, Frank Gower, Marlene and William Hankinson, Ruth and Gordon Jones, Jean McGrath, Ronald Shoemark and Philomena Woods.

Two community organisations serving the community of the Sunshine Coast were also recognised, jointly winning the Des Scanlan Memorial Shield for community services. I established the Des Scanlan Memorial Shield in 2002, in memory of the Sunshine Coast stalwart who gave so much to the community through the Sunshine Coast Helicopter Rescue Service, to recognise groups doing valuable work in the community of the Fisher electorate. Lifeline Community Care Sunshine Coast and the Sunshine Coast Commonwealth Carer Respite Centre were the two organisations doing wonderful work in different ways which were recognised with the Des Scanlan Memorial Shield. The Lifeline organisation has a big community based event on Father’s Day called ‘Doing Dads Proud’. This attracts more than 10,000 people to celebrate the role of fathers in our community. The respite centre does wonderful work in assisting carers to look after family members or friends who may be frail or aged or have a disability or terminal condition and choose to be at home. I am very proud of these organisations and also of the citizens we recognised. (Time expired)

Burke Electorate

Mr BRENDAN O’CONNOR (Burke) (9.53 a.m.)—I rise to make some comments on some of the changes to electoral boundaries in Victoria. As those in Victoria would know, the Electoral Commission changed some of the boundaries quite fundamentally. As the current member for Burke I have been affected in that regard by the soon to be abolition of the electorate of Burke. That is a disappointment to me in many respects. I currently represent, and will represent until election day, all those constituents in my predominantly rural but partly urban electorate. I will miss representing those people and will miss the diverse group of constituents that I am lucky to have.

There are changes, and unfortunately Robert O’Hara Burke somehow slipped off the radar in terms of being kept as a name for a federal electoral division. But John Grey Gorton managed to fill his place. He was probably a luckier bloke than Robert O’Hara Burke, who was two hours from being saved under a tree. I think John Grey Gorton survived at least two plane crashes, so I suppose Wills would have been safer had he been with John Grey Gorton rather than Robert O’Hara Burke. Nonetheless, I think it is disappointing that we will now have Gorton and Wills in Victoria; we will not have Burke and Wills any more. And it is a little ironic, I suppose, that I will be the Labor candidate for a seat named Gorton. But I have been
reading up on John Grey Gorton and I am finding him to be quite an interesting character, one of the better ones on the other side. I am happy not to be the future member for McMahon—I have to say that. Having read what Paul Hasluck said about McMahon, I cannot believe what was thought of him. But John Grey Gorton was an interesting character, and I am certainly happy to be a candidate in the next election for the seat of Gorton.

Last Sunday I had the great fortune of going to Sunshine, a great suburb of Melbourne, to celebrate Harmony Day at a match between Sunshine Heights Cricket Club and Coburg Cricket Club. Of course I wanted Sunshine Heights to win, but they were there to celebrate cricket, which is a great sport in this country, and also to celebrate the fact that there were representatives of 17 ethnicities playing cricket that day. I thought: ‘What a fantastic thing! What a fantastic place to represent!’ I look forward to more matches in the future.

Barnes, Mrs Myrtle

Mr JOHN COBB (Parkes) (9.55 a.m.)—Today I have great pleasure in wishing a constituent of mine, Mrs Myrtle Barnes, a happy birthday. This is not just any birthday, because on Saturday, 14 February 2004 Myrtle will be celebrating her 105th birthday. It would be true to say that all people live unique lives, but Myrtle’s story is quite exceptional. She was born on 14 February 1899 near Bourke, New South Wales, where she lived all her life except for the last 10 years or so, since she has been a resident at the Lillian Brady Village Nursing Home in Cobar.

Myrtle was sold into wedlock in 1913, at the age of 13, at Nyngan railway station to an Afghan cameleer named Morbeen Khan Perooz, who was about 15 years older that she was. A year later, at the age of 14, she gave birth to their first and only child, a son named Jumah Kahn Perooz. Morbeen took their son to the Afghan mosque at three days of age. Even then Myrtle displayed her strength of character and strong will when she subsequently took her son to the local church and had him christened Jumah Percy Perooz. Jumah went by the name of James for most of his life.

Life was pretty tough in the outback Australian town of Bourke for a child bride of an Afghan cameleer in those days. We are talking of the year 1914 and onwards. Myrtle did, however, manage to make a home and bring up her son in those conditions, providing a remarkable education for their son Jumah, or James.

Morbeen was a cameleer who had a strong belief in education. He ensured that their son read a lot, in order to receive an education. This strong belief in education paid dividends, with James Perooz becoming the first Bourke man to be certified as a pilot in the 1930s and the first Bourke man to be granted an amateur radio licence, which subsequently became the first amateur radio station in Bourke. James was the first Bourke resident to be called up for service at the outbreak of World War II, when he flew as a fighter pilot in No. 3 Squadron for the duration of the war.

Myrtle and Morbeen built the first Afghan mosque in Bourke—one of the first in Australia—and, when the era of camel trains had passed, started an orchard and a sheep station. They also later ran a general store in Bourke, called Perooz Corner, for over 20 years.

Myrtle’s husband, Morbeen, died in about 1964, after over 50 years of marriage. Around 1980, Myrtle married her second husband, a man she had known for some time, as he worked in and around their shop as well as driving delivery trucks. ‘Barnesy’, as he was known, was a
local Bourke man. Myrtle and Barnesy were married for only a few years before he died. Myrtle, 105 on Saturday, may have lived what can be described as a hard life, but the years must have been good to her. According to the staff at the nursing home, Myrtle may be virtually deaf and blind but she is still totally conscious of her surroundings and aware of those who are with her.

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! In accordance with standing order 275A the time for members’ statements has concluded.

CONDOLENCES

Gerick, Ms Jane Frances
Pearsall, Mr Thomas Gordon
Harding, Mr Ernest William

The DEPUTY SPEAKER (Hon. I.R. Causley)—I inform members that, in accordance with the practice of the House, the clock will not be used in respect of references to these former members. It will be a matter for each member to judge the length of his or her contribution.

Mr LATHAM (Werriwa) (9.59 a.m.)—This is a very sad occasion for the parliament. We all have very fond memories of and great affection for Jane Gerick. A gutsy and determined woman, she was a fine public representative in the House of Representatives. On behalf of the Labor Party I convey my condolences to the Gerick family. For them, this is the greatest loss of all—the loss of a loved one, a fine daughter, a loving sister, someone who cared for her family in a very special way.

We can do many things in this world but few things matter more than looking after your mum, and Jane Gerick looked after hers. To others, Jane was a loyal friend and companion. As one of my colleagues said to me shortly after Jane passed away on Christmas Day, she was the ultimate team player. For the people of Canning, Jane was a public servant in the finest sense of the term. She believed very much in public life and public duty. She dedicated large parts of her life to the service of her constituents, to the service of her electorate. I have always thought that the best life is one lived in the service of others. That is the way in which Jane lived her life—always wanting to help others, always answering invitations and attending functions around her constituency, always there when people needed her. She was the best kind of local member—someone who knew the seat inside out; they knew her and she knew the seat of Canning inside out. All of us—friends, colleagues and constituents in Canning—have much to be thankful for in the life of Jane Gerick. In this debate we pay our last respects, but we do so with lasting memories.

Since Jane’s passing, I have spoken to many of her parliamentary colleagues and they have all said the same thing: she was a woman of politics. She loved political life—not just as a job but as a vocation. She was interested in the issues, fascinated by the personalities and very much absorbed by the power plays. For Jane it was never enough to practise politics, she lived it throughout her life—through her experience as a young girl in Wiluna and Geraldton in Western Australia, through her time as a teacher and then owner of the City Business College, and through her membership of the Armadale branch of the Australian Labor Party. Her mentor in the party, Bob Pearce, conveyed these words to me prior to Jane’s funeral on New Year’s Eve:
Jane didn’t just join things, she worked for them, she organized for them, and in time she became a leader. She wasn’t one of those who just turned up and expected an easy ride into Parliament. She worked long and hard for the party in the Armadale Branch and the Canning Electorate Council, and by 1997 had so established herself that, when the party was looking for a good local candidate to contest Canning, Jane was the natural choice. She still had to fight a spirited preselection battle.

No-one gets a seat easily in the Labor Party—that is one of our traditions.

Jane won that contest and then mounted an effective campaign against the sitting Liberal member.

That is how Bob Pearce describes her contribution in the Armadale branch of our party in the Canning electorate as a first-time candidate. When I first met Jane, I was the shadow minister for education visiting schools in the Maddington district. She had a strong personal commitment to learning, particularly vocational education. She knew that the best thing we could do as parliamentarians—indeed, our greatest service to the nation—is to leave something better for the next generation, especially through the power of a good education. That is why Jane dedicated herself to the education committees of our caucus and the parliament. As a policymaker, she was an educationalist first and foremost.

Jane loved being a member of the Australian parliament. She was well liked and well regarded, especially for her independent views within the Labor Party and her wicked sense of humour. The member for Port Adelaide tells me that he was always ribbing her for being a vegetarian, especially about her preferred breakfast menu—a finger bun and a diet Coke. Jane also broke into one of the last all-male bastions of the parliament: a walking group that included the member for Port Adelaide, the member for Watson, the member for Maribyrnong and the member for Franklin. It is just as well that Jane was a vegetarian, walking around Canberra with those political sharks! She needed to be on her toes. I am sure she learned a bit of machine politics and organisation skills as the walk embarked around the boroughs and streets of the national capital.

Jane worked exceptionally hard for the Labor Party and our movement. She was a member of the WA branch’s peak committee, the Administrative Committee, and was a delegate to the state executive and the state and national conferences. She was not just there for the high-profile events; more likely, she was working with the rank and file, running campaigns, knocking on doors, organising functions and, in that time honoured Labor ritual, selling raffle tickets.

Most of us in this place expected Jane to be a long-term member for Canning, such was her quality in the constituency and the parliament. But then the tide of public life turned against her, and her hard-won gains in the 1998 election were lost through an unfavourable redistribution, making Canning the most marginal seat in Australia. She took this setback in her stride. Jane did not seek the safest seat created in the redistribution but put all of her effort into holding Canning, to keep the faith with the party and the people who had entrusted her to be their member of parliament.

Then came the greatest battle of all: in March 2001, she was diagnosed with acute leukaemia and spent several months in Royal Perth Hospital. Those colleagues who visited Jane will remember her hospital room overflowing with cards, gifts and what seemed like hundreds of teddy bears sent to her by family, friends, grateful constituents and parliamentary colleagues from all parties and all parts of Australia.
A lesser person at this stage might have given up on Canning. Indeed, one commentator said that Labor would lose the seat by a country mile. But Jane Gerick did not see it that way. From her hospital bed, she marshalled her troops and organised her campaign, finally emerging from hospital to hit the hustings as if nothing had happened. In a difficult election for Labor, Jane lost narrowly, by just a couple of hundred votes, in 2001—quite an amazing result in all the circumstances of that campaign and election. Even then, she did not give up. As a private citizen she went on working with the community groups she had been involved with as a parliamentarian, and then she regained preselection for Canning and started to organise another campaign. With this kind of determination, we all felt sure that we would be welcoming her back here to the House of Representatives in the near future, where she would continue her work. But it was not to be.

I believe we can all learn something from Jane Gerick—from her commitment to public life, her public service and, very much, her bravery under pressure. She was an amazingly resilient and determined representative of the people and an amazingly resilient and determined person in all her qualities. Unfortunately, these days politics is not necessarily seen as the honoured profession it was perceived to be, say, 20 or 30 years ago. The level of public distrust and disengagement from politics is somewhat higher. But it does not have to be this way. The life of Jane Gerick and her service in this place reminds us of the things that are good and decent about public life, the things that are good and decent about politicians.

As a woman of politics, Jane knew both victory and defeat. She knew both the moments of triumph and the moments of tragedy and despair. She fought all of the big fights, the political and the personal, but through it all she kept her convictions and she kept her courage—‘grace under pressure’, as Hemingway called it. For me and, I am sure, all the colleagues that is a pretty good way of remembering and describing Jane Gerick—grace under pressure always.

But now she has left us, way too young. Hers was a life of achievement but also a life that would have achieved so much more for her constituents and for her country. On behalf of the Australian Labor Party, I offer my condolences to Mrs Gerick and to Jane’s family and friends. I trust and hope that this debate will give some comfort, particularly to Jane’s mum. May Jane now find for herself the care and contentment that she gave so many others. May she rest in peace.

Mrs GASH (Gilmore) (10.08 a.m.)—I would like to put my condolences forward for the family, friends and colleagues of Jane Frances Gerick. I did not know her terribly well, but I had the privilege of working with her on a number of committees. She was a quiet and courteous lady and a fighter for her electorate. That is very true. Her death is a sadness that will be shared by many of us. Her vitality was infectious, particularly to me in the committees. No one would have realised just how sick she was. To her family and friends: she was well respected on both sides of politics, and you have every reason to be very proud of her and of her many achievements throughout her term here in parliament. I will always remember Jane as a quiet achiever. May she rest in peace.

Ms MACKLIN (Jagajaga) (10.09 a.m.)—Cancer touches so many people in our country and so many families have had to confront the pain and the sadness that this brings. Jane Gerick confronted her leukaemia with a courage that she was so renowned for. I have an extraordinary story to tell which has not been told to date. I think that it is something that Jane would smile about wherever she is right now. When Jane was very sick in hospital, we were
developing our cancer policy and discussing it with various cancer specialists in different parts of Australia. One of these people had decided to fax back to me the penultimate draft of our cancer policy with his changes marked on it. Unfortunately, this person got the fax number wrong. I have never told Kim Beazley this story because I was too afraid that I might have got the sack if the cancer policy had gone to the wrong fax number. As it turned out, the fax number that this person had used was that of Jane Gerick.

Jane was very sick in Royal Perth Hospital at that time, and of course the attendant would not let me into her office without her approval. So Jane had to be rung up very early Perth time and had to get out of bed to give approval for me to get this lost fax off her fax machine. She was so thrilled that we were developing a plan to make sure that people with cancer got much better treatment in our hospitals right around this country. She was a great help to me from her enormously personal experience in showing how the policy could be an improvement for people who confronted this terrible illness.

On another personal note, after Jane felt that she had recovered, my sister-in-law came down with exactly the same leukaemia. Jane was an enormous support to me at that time. I also remember campaigning with Jane in the lead-up to the last election. As Mark Latham said, she was completely unphased—she was going out there to do everything she possibly could to win the seat of Canning. She campaigned from her hospital bed but, when she came out of hospital, she had the side effects of her leukaemia. She had lost her hair and was wearing a wig—and we were in the local community together campaigning. Even though she was so thin and had been through so much, she was still prepared to do what she had to do to win that seat and to hold that seat for Labor.

Jane Gerick will be remembered, as someone put it to me, as a very gentle and generous person. What a lovely way to be remembered! As someone said to me, Jane would never turn away from her electorate office someone who was in absolute dire need. Any pensioner who was really down on their luck or anyone who did not know where their next meal was coming from knew that they could go to Jane and they would never be turned away. That generosity of spirit is something that all of us will remember as summing up this lovely young woman. Also, as Mark said, she was a great advocate for education. That was something that we talked about a lot. She was very proud of the business that she had run, training people and helping people get back to work, particularly mature age people—people who had lost hope of ever finding their way in the world again. Once again, that sums up the sort of person that Jane was. She was someone who understood people’s struggles at a very personal level—and, of course, she had to confront the greatest struggle of all.

Jane’s brother Alan said that Jane realised that parliament was the place where decisions came from. That is why she wanted to be here. She knew that she could make a difference for her local people here in this parliament. She was a person who was driven by great enthusiasm and commitment to making the lives of the people in her community so much better. I think that is the sort of person that all of us in this parliament would like to be. That extraordinary enthusiasm and energy have been lost as a result of Jane’s death.

It was just extraordinary that after everything Jane had been through—after losing the election and the terrible disappointment that comes with that—she did not decide to give it away or to go off and do something else; she wanted to be back here and to again make that contribution for her community. We take our hats off to her because, after what she had been
through, it was extraordinary to see that fighting spirit come through to want to be the candidate for Canning again.

All of us will remember that, when she was very sick in hospital, she was given a teddy bear by the caucus. I gather that it was quite a sight when big Kim was walking down the corridor of Royal Perth Hospital with this little teddy bear tucked under his arm. I think it summarises the sort of person that she was that we knew that that is what she would like to comfort her in a very difficult time. I do hope that the things that all of us are saying today will provide some comfort to her mother Mary and her brother Alan. We remember Jane as a very gentle and generous person. She did so much for so many people. That is what will remain in so many people’s hearts—of course none more so than her mother Mary’s and her brother Alan’s, and our heartfelt thoughts are with them today.

Mr RANDALL (Canning) (10.16 a.m.)—I would like to pay a respectful tribute to Jane Gerick. Jane was a very decent person and a very hard worker. As I have said, as much as Jane and I were opponents and competitors publicly, she was a very principled person. On occasions Jane and I campaigned in the same places at the same time. We had a very civil relationship, which I think is a tribute to her; it was her style.

I first met Jane at a local radio station, the Heritage FM radio station, where she had quite an involvement. At that time I was campaigning, and the first thing she did was to come up to me, stick her hand out in a very friendly manner and say, ‘I’m Jane Gerick.’ I had never met Jane before, but that was the sort of person she was. She was very friendly and forthcoming. During our campaigning we had several face-to-face debates, but they were always very civil and very decent. They were always on the issues; personalities were kept out. That is one thing I would like to mention in paying tribute to her here today.

It is no secret that Jane had been very unwell. I admired her tenacity for fighting on throughout her sickness in the way that she did. That she would not allow something like the debilitating disease of leukaemia to stop her from getting out and doing what she thought was right and fighting for her party showed the strength of her person, and I commend her for that.

With the opening of the Beddingfield extensions in Pinjarra, I had the opportunity to recognise and acknowledge Jane’s lobbying and hard work. I believe she had attracted over $738,000 in capital grants to the aged care facility while she was the member for Canning. As patron of the local FM radio station, which had shifted in the last few years, Jane did not give up her community work, as the member for Jagajaga said.

She then became the chairman of the board of the FM radio station, which gave a lot back to the community because it is a community based radio station. Until her demise she worked very hard on behalf of that radio station. I had the honour of opening the Jane Gerick studio in that radio station recently. As Sharryn—the member for Hasluck—will know, it was a bit difficult because I knew far less about Jane than for example someone like Sharryn. It would probably have been more appropriate for Sharryn to have said the words on that day because she knew a lot more about Jane. But I was there because I am the patron of that radio station; it comes with the territory of being the member for Canning. Naming that studio after Jane was an honour and something important. I think it is a great reminder to the people in that region.
Finally, when Jane was last out campaigning I expected a very tough fight, as you do in marginal seats. I knew it was going to be a very tough fight because Jane had started campaigning quite strongly. The last time I saw Jane was at the Armadale High School graduation night. She came up and said hi in a very friendly way and we got along very well. I would like to pay a tribute to Jane for her decency, her honesty, her hard work and her bravery. I would like to leave that as my tribute in this House.

Mr BEAZLEY (Brand) (10.21 a.m.)—I express my deepest condolences to Jane’s mother Mary and brother Alan. They cherished her and she cherished them. Whatever loss any of us feel around here—and that loss is deeply felt by many of us—it is as nothing compared in particular to the loss they feel. They were a very close family and in such cases those relationships with brothers and mothers are always important: in her case, as she was a single lady, doubly so. They obviously are devastated by her death because—apart from anything else—they, and we all, had hopes that the recovery had been complete. Clearly it was not.

I also reflect on the fact that if the electoral commissioners had done the right thing at the last distribution and Halls Head had been left in my constituency, as it could have been, what we would have been conducting here today would have been a condolence motion for one of our number, instead of one for an ex-member and a candidate. She only just lost the last election, from memory by some 600 votes, and the area in south Mandurah that came out of my electorate and went into hers—which could easily have been left, on the numbers, in mine—provided the Liberals with a net total to their advantage of about 800 votes. So she would have been with us but for that shift.

There are many memories of Jane but my memory of her is propped up in bed in Royal Perth Hospital receiving the caucus teddy and, I might say, a very nice card that was attached to it. She was in a room full of flowers and other stuffed animals and she had an utter determination that she would get back in the business again. She was there, driven to recover by the thought that she had a great task in life that would be fulfilled by her getting back on the job as a member of parliament.

We members of the Labor Party in Western Australia were determined that she should have that opportunity, too. I was enormously grateful then as party leader by the way in which all my fellow colleagues—and I did my turn as well—in Western Australia were prepared to step in for the official engagements and in some cases the basic electoral work that would normally have been done by Jane, who was a most diligent local member. We did the work in that time while she was away so that in terms of political representation the seat of Canning would want for nothing. Jane had that sort of effect on you: you basically wanted to help her. The personality she had was an unusual personality for a politician: she was genuinely nice all round and lacked most of our manipulative characteristics. She thereby basically inspired in us a desire to assist her in whatever way we could.

Looking back, you would have to say that, despite what seemed such a soft, kindly personality, she was an extraordinary risk-taker. She had been a teacher. She abandoned the security of a reasonably remunerated position in life to chance her arm at small business at the very young age of 25. She acquired an employment training operation, the title of which she changed to the City Business College. She was the owner of that college pretty well until she was elected to parliament, or maybe a bit afterwards. She believed that her experience with the City Business College was a terrific background for the political issues in which she had
to engage. She believed that as a small business person she had an intimate understanding of the likely impact of the goods and services tax on the operations of an agency such as hers. As a person who was entering an area to represent where unemployment issues were rife, her confidence that nobody was unemployable and that everybody with the right skills could find a place in the workforce came from the business she had run. It informed the views that she expressed in her campaigning in her area.

As someone who loved her mother, family and community, she had a great belief in community institutions. On the cultural side, she had a desire to establish where in Canning were genuine heritage areas and where they ought to be protected—the radio station was alluded to by the previous speaker—but she was also concerned about community services. The southern suburbs of Perth, like many outer metropolitan areas around the country, are quite bereft of the social infrastructure that they need to support the sorts of communities that are burgeoning there. She represented a fast-growth area, which is why the boundaries of her constituency changed so much.

But, above all, Jane was a fighter. In my heart at the time I wanted to give Jane the advice that I think I should have given her. The advice that I should have given her was that the superannuation arrangements that we have in place recognise that from time to time some of us are going to attract an illness that means that we cannot serve. Whether or not we have served the full period of qualification to access that package, we are entitled to approach the tribunal and leave the parliament. I had a feeling that I should have advised her that way—that that is what she should do. She was so sick—that is the truth of the matter. She was courageous in the way in which she stood up to it but she was very ill. I should have advised her as such but she would have not have heeded me. She was desperate to get back to the job and desperate to get back to the task of representation, and she was humble and courageous about it.

In the same way as she chanced her arm in relation to small business at the age of 25, she chanced her arm in relation to her constituency. On the redistribution which created an extra seat in Western Australia, she had a claim over the seat of Hasluck. She never for one minute, even though it looked as though it had the makings of a very good Labor seat, contemplated that she would run for that constituency; she continued her run for the constituency called Canning. Canning was going to be a difficult prospect in any set of circumstances but she had that sense of obligation—that, even if the task were harder, she should not take an easy way out—and, I suppose, an attachment to the name of the constituency that set her down that course.

All of us thought and assumed that she had fully recovered. That turned out not to be the case. Jane’s demise is a tragedy for all of us. It is a terrible tragedy for her mother and her brother, who were so proud of her and so proud of her achievements, and rightly so. It is also a tragedy for the constituents of the seat of Canning, who would have had at the next election a genuine choice and an opportunity to restore to representation a person who deeply loved them and had made them her family—not having, apart from her brother and mother, a direct family of her own. She very much regarded the constituents of Canning as her family. They had an opportunity to make a choice to return to that representation. That will be denied them now, and the parliament will be denied the opportunity to again see a great fighter for a local community in our ranks here in federal politics.
I know that every party member in Western Australia bears her affectionate memory, and I know that all of us from Western Australia who will speak here will do so with the strength of conviction of all those in the political party we represent. I say again: my deepest condolences go to Jane’s mother, Mary, and her brother, Alan.

Mr EDWARDS (Cowan) (10.31 a.m.)—It is a sad occasion to be here today talking about a friend and colleague who has passed away. Jane Gerick won her preselection on the same night that I won mine. She had to battle to win the endorsement, but Jane was a battler and a fighter. Jane and I also shared a similar background in that we spent our early years in small, remote goldmining towns. These places are the ideal environment to learn about the character of Australia and what it takes to become a fighter. Jane certainly learned that. She fought a hard but successful campaign in the 1998 election; and, in accord with Jane’s generous attitude to life, she gave credit for that win to her hardworking campaign committee and friends who supported her.

Jane was a successful businesswoman in her own right. She was also a successful, determined and caring member of parliament. In the lead-up to the 2001 election, she was forced to contest much of the campaign from her bed at Royal Perth Hospital. Jane may have been diagnosed with acute leukaemia, but she was determined to take the fight up to her opponent—and she did. What many thought would be a clear victory for the Liberal Party turned into a narrow squeak home. Jane may have lost her seat, but she was prepared to go out and fight to win it back for her great love in life, the Labor Party. Knowing her tenacity, perhaps she would have. Fate, however, did not give her that chance, and we were all devastated to learn that, after being rediagnosed with acute adult-onset leukaemia, Jane passed away on Christmas Day.

Jane left a great legacy of commitment to the Australian Labor Party and to her electorate. She was an example of how a person can come into the rough-and-tumble, cut-and-thrust of politics but leave it with a pleasant, caring and sweet nature—untouched and unsullied by the grubby side of our profession. Jane was a decent, caring person, who lived her life fuelled by Coca-Cola, Mars bars and a driving passion to make this a better life for those she represented. My condolences to her mum, her brother and other family members.

In conclusion, I want to say that I know that Jane’s family was greatly comforted by the fact that our leader, Mark Latham, was able to get to Perth to speak, with great passion and great commitment, about Jane at her funeral, and I know that it was greatly appreciated by her other colleagues who were there on what was indeed a very sad day.

Mr QUICK (Franklin) (10.34 a.m.)—It is very sad to speak on a condolence motion in this place for someone who was a very dear friend. It is hard to put into words the thoughts that you have. I was at the MCG on Boxing Day, on my annual trek over there to watch the test match, when I got a phone call from Rod Sawford. He said, ‘I’ve got some very bad news,’ and he told me of the passing of Jane.

I first met Jane at an ALP national conference in Hobart, sometime in the nineties—I cannot remember exactly when it was—and I remember spending a lot of time down at the boardwalk drinking numerous cups of coffee and assisting her in the planning of strategies to join the elite group in this place of people like you, Mr Deputy Speaker Adams, me and others who have won seats from the Liberals. Winning a marginal seat is a hard task—and it is even harder to retain one—but Jane was determined to win a seat for the Labor Party, an additional
seat in WA, to enable us, and Kim Beazley, to get over the line and form a government. As a member of the independent group, I saw at first hand Jane’s determination. She was a fierce competitor. She was an absolutely beautiful lady, but inside was a dynamo that did not stop. She was determined, she was well organised and she was well planned. She had it all worked out. It was great to see her come here in 1998 to join the small band of us who were here in 1996. She was so proud of being a member of the House of Representatives; it was one of the highlights of her life.

As I said, Jane was a member of our independent group. I got to know her really well as a personal friend. It was devastating when we discovered she had cancer. She had everything going for her. She had youth and determination. She had a tough marginal seat, but she knew what she wanted to do and she had the capacity to retain it. Then, out of left field, came the cancer. But her attitude to that was like it was to everything else in life: another struggle and another thing to overcome. She used to delight us here about her experiences with chemo. I have seen friends of mine go through it, and God forbid that I should ever have to go through it. She used to tell a wonderful story that when they trotted in with the chemo she would whack her arm out and say: ‘Give it to me. It’ll keep me alive.’ When she lost her hair and wore a wig she would joke about that. That was great. We got to the stage where we could not tell whether it was a wig or her hair.

Our little walking group of Jane; Leo McLeay, the honourable member for Watson; Rod Sawford, the member for Port Adelaide; Bob Sercombe, the member for Maribyrnong; and me used to wander up and down the red path. We used those walks as an opportunity to talk about issues and strategies, and to develop friendships. It was a great walking group. We admired Jane’s tenacity. When the issue of redistribution came up, as the member for Brand said, she had the choice of going to Hasluck or sticking with Canning. Typical Jane, she said: ‘No, Canning’s my seat. I’m going to retain it.’ She knew it was hard—but she was determined to come back here. She was an absolutely beautiful lady. Her attitude to life was something all of us admired.

I could not get across to her funeral, but I thought, ‘What could I do to remember Jane, apart from scan through my memory bank about all the wonderful experiences I have had with her?’ I have a native garden at my place, so I went down to the local nursery and got a lovely Western Australian native. With the three inches of rain we had last week, and with the heat, the new shoots are there. So every time I get back home from this place, I wander down and look at the WA native in my native garden and think of Jane and her impact on me and our little group in parliament, on the party in general and on the people of Canning. I say to her mum and her brother: we will never forget her. I offer my condolences to her family and friends in WA.

Mr LEO McLEAY (Watson) (10.39 a.m.)—I would like to join in the condolence today to a good friend, Jane Gerick. When I was Chief Opposition Whip I had the opportunity to get to know Jane very well. As a new member in 1998 she quickly made herself known to my office, to me and my staff, and she would often call in to talk about this issue or that issue. Jane was very keen to learn the role of a member of parliament and would always come in and talk about how she could do some extra little thing for her constituents. She would often come and say how she would really like to ask for leave to go back to some function in the electorate but she knew she probably should not. You got the impression that one day you would like to
say, ‘Of course you can.’ But she would always let you know that she wanted to go and do it but she knew that the rules were that we had a role here as well.

She also used to take advantage of that great time difference between Western Australia and Canberra. She would get on the phone, ringing people after dinner. If you lived in Sydney or elsewhere on the eastern seaboard and you rang someone up after dinner they might abuse you, but she would be ringing them up and it would be only five o’clock on daylight saving days. She used to get back to her electorate in that way while she was still here in parliament.

As has been mentioned earlier, Jane used to go walking with a group of us. I remember that Rod Sawford, the member for Port Adelaide, and I would often slacken off a bit and, when we would be less enthusiastic, Jane would always appear in the office not quite harassing you but in a gentle, friendly, non-aggressive way telling you she was there to make you go out and walk. She would tell Rod and me that we were not really overweight but that we could do with a bit of exercise. When you would go out walking with her, often you would vent your frustrations about the day with someone while walking around. Usually it would be Sawford venting his frustrations with me or vice versa, and Jane would be telling us that we should be kind to each other. She was a very decent, restful person. You could not get angry with Jane Gerick and I think she lowered the temperature on a lot of occasions in places where she was.

I remember her love of chocolate, Coca-Cola, teddy bears and the colour pink, and her loyalty to her friends, family and colleagues. She was a lovely quiet achiever. She was content to do her job as a member of parliament and in her understated way was always very conscious of her constituents and the honour that she had in representing them.

It is rather ironic and is quite appropriate that we are paying tribute to Jane today here in the Main Committee, because one of the jobs that the member for Port Adelaide and I roped her into was to be a whip here when I was chief whip and the member for Port Adelaide was one of the whips. She showed her ability here. Some of the people that you would have come up here to do the whip’s job would get here late or they would not ring you up and tell you when something funny was occurring. In the early days of the Main Committee, it was often quite a problem for the whips’ offices to coordinate the functions of the place. But Jane was always willing to take her turn and she was always willing to make sure that she kept the whip’s office downstairs apprised of what was happening. She was always very active in the role of the Main Committee. So I could not think of a more appropriate place for us to be remembering Jane Gerick than here.

I was very pleased, as were all her friends, when Jane seemed to win her first bout against cancer and she was back on the road to good health, it would appear. But unfortunately that insidious disease sometimes comes back and catches up with you.

Shortly before her death Jane was very happy that she had again obtained preselection for the seat of Canning. As my colleague said, she had a battle to get it the first time and she thought that she was going to have a battle to get it the second time. That caused her a little bit of concern but she was successfully preselected and she was looking forward to the fight, and we were looking forward to having Jane back here with us. But that was not to be, and that is a terribly sad thing.

It is a sad thing when you speak in a condolence debate about someone you have served with who is older than you—or, at the age I am getting to, probably your own age—but when
you have to recall the life of someone who was a lot younger than you and who had a lot to live for it is an even sadder thing. We will all be a little poorer for Jane not being with us. I was very sorry that I was unable to go to her funeral because of the fact that she died so suddenly and the difficulties in getting plane connections from where I was on holiday in northern New South Wales to Perth. It was just not possible. On the afternoon of the funeral I sat down and thought about her for a while. I recalled then how a very nice, pleasant young woman can have such a soothing effect on your life. It is probably a very good thing for parliament—it certainly was for Rod and me—that Jane Gerick was here and calmed us down from time to time. I have to say that it was probably very good for our colleagues that she was, because a few people who were going to get rockets never got them because Jane told Rod and me that we were being a little unkind.

My sympathy goes out to Jane’s mother and brother and to all her friends. As I said, it is very appropriate that we remember Jane here in the Main Committee, and it is very appropriate that we remember what a very decent, kind, gentle person she was and how she worked so hard for her electorate.

Ms JACKSON (Hasluck) (10.47 a.m.)—I too wish to pay tribute to Jane Gerick. As a fellow Western Australian, on occasions I had the pleasure and the honour to be a representative with Jane on the state executive committee of the Western Australian Labor Party and on the administrative committee. As other speakers have referred to, I am one of the beneficiaries of the redistribution that occurred in Western Australia to create our 15th seat, the new seat of Hasluck. In the creation of Hasluck I got some of the member for Swan’s seat, some of the member for Perth’s seat and some of the member for Canning’s seat. Indeed, part of the southern area of my electorate—that is, the area of Gosnells, Maddington and Kenwick in particular—for several years was fortunate to be represented by Jane Gerick as the member for Canning. I certainly recall what it was like campaigning with her in 2001.

A division having been called in the House of Representatives—

Sitting suspended from 10.48 a.m. to 11.00 a.m.

Ms JACKSON—Prior to attending the division in the House, I was saying that during the election campaign I worked closely with Jane, as the colleague running in the seat next to mine. I know how hard she worked, in a very difficult situation. As other speakers have indicated, after the 2001 election Jane did not, by any means, cease her involvement with the people of Canning. A number of organisations in the southern end of my electorate maintained very close relationships with Jane, and she continued to work very hard on their behalf. Many calls were received in my electorate offices in Gosnells and Maddington from Jane as she nudged me along into one project after another, never forgetting the groups she had worked with and supported during her time in parliament.

Jane was a terrific grassroots worker who was concerned about ordinary people. I have attended commemorations at places like Heritage FM—the community radio station where they recently named a studio after Jane—the Women’s Lifestyle Centre group, which we continue to have some involvement with, the local councils in the area and many of the aged care facilities, particularly Amaroo. I think I can speak on behalf of many others in my electorate to convey respect for Jane and to extend our condolences to her family.
It is sad that I remember celebrating with Jane, only a year or so ago, the end of her chemotherapy treatment. We were looking forward to good, strong, campaigns in Canning and Hasluck for the upcoming federal election. Jane wanted, almost more than anything, to be a member of parliament—she understood the honour of that—and she had a passionate desire to continue to represent people. I am extremely glad she had the opportunity in her lifetime to take up her seat in parliament.

From personal experience, I know the tragedy of the loss of a family member. There can be nothing worse for parents than to outlive their children. To her mother, her brother and the rest of her family: I trust you have many fond memories of Jane that will sustain you during your time of grief.

Ms ELLIS (Canberra) (11.02 a.m.)—I too would like to put on the Hansard record my thoughts and condolences to Jane Gerick’s family and endorse all of the comments made by colleagues from both sides of the chamber. To say that it was a shock to hear of Jane’s death would be an understatement because I, too, was under the impression that she was in remission, going well and that her health was fine under the circumstances. I was very shocked to learn that not only had she been ill again but she had died suddenly.

There were almost 60 death notices for Jane in the West Australian on 27 December. To see almost 60 notices in recognition of someone in those circumstances testifies to me of the esteem in which Jane was held within the Western Australian community and, in particular, within the community of the electorate of Canning.

I had the privilege of coming into this place in 1996. At that time there were only four females on our side of the chamber in the House of Representatives. Whilst I enjoyed the company of all of the male members, I must say it was a bit lonely. Jane Gerick was one of those very welcoming female faces who joined us in 1998. With her face also came her absolute pride and enjoyment in having been elected to this place and her joy in being able to work for the electorate of Canning.

I had the opportunity to visit her electorate with a couple of colleagues and to do some electorate work and campaign work with Jane. I have to say that when we visit electorates other than our own, no matter which side of politics we come from, we are always impressed one way or the other by the relationship between the member we are visiting and their community. In Jane’s case it was such a joy to see her. She showed us around her electorate with enormous pride and she displayed a great deal of knowledge, a very broad understanding of the people who lived in the electorate of Canning and her absolute dedication to them. It did not matter where we went, whom we met or what we discussed, Jane knew exactly at that moment where the issue was and what her concerns needed to be. I will always remember that very fondly.

Yes, she was struck down with acute leukaemia—a terrible thing to happen—but at the same time she was back in this place but still continuing treatment, if I recall. A lot of other members and I, through Jane’s encouragement, became the proud owners of quite a number of little Leuks, the leukaemia bears, because they were part of a fundraising campaign that the Leukaemia Foundation was running. Jane ensured that many of us became the custodians of many Leuks to help to raise money for the Leukaemia Foundation. There was no way that you could have looked Jane in the face and not happily bought more than one Leuk bear. To do that while you are undergoing treatment and hoping to come through an illness as severe as
acute leukaemia is not an easy thing to do. It is pretty much facing up to your circumstances in a very honest way, but Jane was able to do that.

I send my very deep sympathy to her mother, Mary, and to her brother, Alan, and to all her extended family and friends both within the Labor movement and more broadly within the electorate of Canning. They have lost a wonderful member of their community. The Labor movement has lost a wonderful participant and a proud person from the Labor family—we call it a Labor family; Jane was a very strong member of that family. I particularly hope that the words that are spoken in this place today will in some way help to soften the blow that I am sure Mary and Alan and all the others who have been mentioned are feeling right now and, I am sure, will feel in months to come.

Mr WILKIE (Swan) (11.07 a.m.)—Jane Gerick was more than just a member of this parliament to me; Jane Gerick was a great friend. I came to know Jane in about 1994, when we were both members of the Centre faction in Western Australia. Jane always wanted to be in parliament. She fought for the right to represent people, particularly in Canning, and, unlike many people who want to be in state parliament or in other places, she always wanted to be here. It was the driving passion that she had. At every meeting that we attended we both talked about how we wanted to be here, because this is where the big decisions are made that affect all Australians. Jane was passionate about Canning. She did not want any other seat; all she wanted to do was to represent those people. It was fabulous that she got that opportunity. Graham Edwards talked about how he was preselected at the same time as Jane. We both went through that process together, both within the faction—I listened to all her speeches, trying to get into this place—and within the state executive and I followed her career here. I was very disappointed that she lost in 1998. Had circumstances been different, she would certainly have still been here, as the member for Brand has already said.

Jane was a great friend. We could all tell stories about Jane. We all like to talk on planes—but you could never really talk to Jane on a plane. We would sit down together and before the plane got to the end of the runway Jane would be asleep, so we would cover her with a blanket and she would wake up as the plane landed in Perth, Sydney or Melbourne—wherever we were going.

Jane also had a number of other passions, apart from representing Canning. People have talked about teddy bears. I have one of those bears on my mantelpiece in my office. But Jane had another passion: chocolate—Mars bars in particular. People have talked about Coca Cola. Specifically, it was always Diet Coke. If you ever went to Jane’s office she always opened the fridge and there it was, full of Diet Coke.

She had a business and she was a strong local small businessperson. I was running the YMCA SkillShare program when Jane was running her training business in Perth, and we had a lot of discussions about where training should go and what we should be doing to help people get further ahead. Her business did really well.

I was shocked. I thought Jane was over her illness. I remember celebrating with her when she had gone through and been given the all clear. I was on Rottnest Island when I got the call from Graham Edwards to say that Jane has passed away. I did not know that she had even been sick again so it was very sad. My condolences go out to her family. She loved her family very much. I am sure that they will be grieving. My condolences also to everyone who knew her. Everyone who knew Jane would have fond memories of her and great respect for her.
Mr LLOYD (Robertson) (11.11 a.m.)—I would like to place on the Hansard record on behalf of myself and also, as chief government whip, on behalf of the government members my condolences to Jane Gerick's family—to her mother, Mary, and to her brother, Alan—and to make a few comments about Jane as a member of parliament.

She was a quiet person but that does not mean that she was not an effective member. There are members who come to this place who are loud and aggressive and robust. There are other members who are quieter but who are hardworking and dedicated. Jane was one of these people. She cared passionately about her electorate. That is hopefully why all of us get elected to this place. She was a fine example of what a good local member should be. She was a member of many of the parliamentary committees, and that is one of the very effective ways that backbenchers can get their messages across and secure the things that are needed for their own electorates.

An example of what a great person she was is the way that she dealt with her illness and the way that she never took her eye off the ball regarding her job and her constituents. As someone who has been diagnosed with cancer I know it is very easy to drop the ball and think of yourself and your family and not of other people or of your community. But Jane never once did that. Many of us, particularly on the government side, were unaware of her illness for some time because she never complained. She never made an issue of it. She stuck to the job that she was elected to do. I know that I believed that she had made a full recovery and was in full remission from her leukaemia. Like most members, I was absolutely shocked and devastated to learn that she had died suddenly late last year.

I wanted to have the opportunity just to place on the record those few comments about a wonderful person, somebody who will be sadly missed not only by her family and friends but by the electorate and I know by the Labor Party. The fact that there are so many of her colleagues from the Labor Party here today to place on record their thoughts and their condolences is an indication of just how well respected and well liked Jane Gerick was in this parliament.

Mr SAWFORD (Port Adelaide) (11.13 a.m.)—Jane Gerick was a good friend, personally, politically and professionally. She was elected to the federal parliament, as people have said, in 1998 as the member for Canning in Western Australia. It was a marginal seat that required a great deal of servicing and Jane and her staff and her supporters applied themselves extremely diligently in the years that led up to 2001. She had wide interests and had a very no-nonsense approach to life.

She was born in Meekatharra in Western Australia on 23 April 1963. She was educated at Curtin University, where she gained a Bachelor of Education prior to working as a teacher from 1984 to 1990. At about this time—1990-91—she was appointed a director of a business college in Perth. But at that same time she began to take a high profile in local Labor politics. She was secretary of the ALP Armadale sub-branch from 1991 to 1998, as well as fulfilling other duties within the Canning federal electorate council and the Western Australian ALP.

When she came to Canberra, she joined our walking group. Mark Latham referred to this group as the ‘sharks’, but we called it the ‘Whips’ walking, dining and movie club’. It was pretty well established by this time, with Leo McLeay, Bob Sercombe, Harry Quick and me as the core members. As I said before, Jane had a very no-nonsense, pragmatic approach to political life. She had a mischievous sense of humour and was enigmatic in many ways, but she
was damn good company. The odd bit of gossip certainly was passed, but it was never really nasty. I remember asking her to join the infamous whips’ walking group—the sharks—and she did. She hated exercise. Exercise was not quite her deal, but the verbal jousting, joshing and gossip were too attractive and she limited her whingeing about exercise to a minimum. As Leo said, she provided a soothing approach to the four of us. We would sometimes get a bit angry about having to deal with some of our colleagues and she played a very positive role in that.

At times the mischievous humour turned quite wicked, but she shared her comedic views of some others with only a few. I am going to write some of those views down as I remember them, but I will not embarrass people on our side or the other side by referring to them at the moment. What was noteworthy about those comedic views was that there was a complete absence of malice or nastiness. Come to think of it, that is not quite true, but the real barbs were only directed at a small but essentially deserving group.

She was a member of the whips’ movie and dining club; however, she seldom appreciated our choice of movie. On some occasions that vote of no confidence was well deserved. She was very finicky about food, and there has been mention of that this morning. She was a very nonconformist practitioner of being a vegetarian. Her diet was appalling really. Diet cokes, Mars Bars and finger buns appeared to dominate the culinary experience, but there were exceptions. She particularly enjoyed the Greek, family style home cooking of Dorelle and Paul at the Greek Symposium Restaurant in Manuka. They too would like their names recorded in sympathy to Jane and her family. When zucchini fritters were ordered—as they always were without words even being exchanged when Jane was present—it was just a given that Jane would have them before anybody else touched that plate.

Education helps people to help themselves. It was the basis of her political activity, which was wide ranging across a number of portfolios. She was secretary of the Labor caucus sub-committee, and a member of the House of Representatives Standing Committee on Environment and Heritage and the Standing Committee on Procedure. As a marginal seat holder, she relished the challenge of meeting the needs of her constituents and being effective as a parliamentarian in the House. As the member for Swan has said, she loved being a federal parliamentarian and regarded it as a great honour. She was a team player—a point made by the chief whip, the member for Robertson, Jim Lloyd—and those who worked with her always appreciated her cooperation and contribution. Her policy interests, not surprisingly, revolved around education at all levels. Jane was very much an independent person. She was extremely close to her mother, Mary, and brother, Alan, having lost her father when she was quite young.

She was a devoutly religious person, but her belief was personal and she was contemptuous of others who used religion as a means to influence people in life or politics. She had similar views about gender politics and rejected it completely. She refused to allow her actions to be influenced by religion, gender, race, sexuality or any other attribute that divided people from one another. She believed and practised inclusivity and rejected those who did not.

One walking club morning in Canberra, Jane rang me and said she did not feel up to going for a walk. She had self-diagnosed herself as coming down with a severe bout of influenza. She was extremely ill and weak, but none of us was prepared for the later diagnosis of leukaemia, long hospitalisation and fight back. I visited her in the Royal Perth Hospital with a teddy bear and Belgian chocolates—she did not take the diet coke I slipped her—that were
her comfort items. She was determined to beat leukaemia. She was driven by hopes for the forthcoming tough battle for the 2001 election in Canning. Her close friends—Bob Pearce, Lois Anderson and her staff, led by Frances Cain—were equally determined that ‘Gerick for Canning’ would not be diminished.

Alas, Jane Gerick narrowly lost the 2001 election, but she seemed to be winning her battle against leukaemia. We kept in contact on a nearly weekly basis until her death. Visits to Western Australia always allowed dinners, coffee and activities involving Jane. She was delighted to gain preselection again for Labor in Canning, and in September 2003 she rang a few of us to tell us that she was officially in remission and it was all forward effort to an expected election in October 2004. We discussed some non-conventional tactics to use—had a few laughs as well—and she was genuinely excited about taking a more risky and creative approach to the forthcoming Canning campaign.

In December last year she rang me from Melbourne—she was on a shopping holiday, she said, but it was also a chance to catch up with friends personal and political in Melbourne. She was waiting for Bob Sercombe and looking forward to catching up with him again. We agreed to talk more when she arrived back in Western Australia. Political intrigues were happening in WA, and she was extremely worried about one of our colleagues. Her concerns proved, unfortunately, to be accurate. We planned to meet in the parliamentary break in April. In Christmas week, I rang her to wish her well for Christmas and New Year. Unbeknown to me, she was desperately ill in hospital. Nevertheless, she sent a text message to my mobile phone: ‘Hi Rod, have gastro, will call u later. Jane’. Initially she did think that was what was going wrong. That was our last contact.

I learned of her death from Leo, who rang me in shock. We were both in shock. He had heard it from a Senate colleague, Steve Hutchins, who heard it on ABC country radio. We could not believe it. When you hear that news, that horrible feeling envelops your body and it is like fear. The pain comes in the back of the spine, and it just goes around the back of the kidneys and back to the shoulders. We were both silent on the phone for what seemed a long time but perhaps it was only a few seconds. We desperately wanted it to be untrue. We desperately wanted this not to be the case—for a mistake to have been made. I rang Harry, Bob, Kay Denman, Peter and Barbara Cook and others, and organised for other friends to let other friends know the tragic news. Bob Pearce and Adele Farina from WA kept us informed as to possible funeral arrangements, and we all thank them very much for that.

Many of Jane’s non-Western Australian colleagues, other than Bob Sercombe, could not attend her funeral on New Year’s Eve in Perth. I particularly regretted not being able to attend, but Jane would have understood. We were there in spirit, and for Jane that was all that really counted. Like Leo, I took the opportunity at the time of the funeral to go outside, and I just sat—a few tears, quiet, choked—and those couple of hours just went. Mark Latham, the Labor leader, was holidaying in Western Australia at that time. He delayed his departure to New South Wales to give the eulogy at Jane’s funeral. That would have really tickled Jane’s fancy, as she was a very strong Simon Crean and Mark Latham supporter, and she sent messages of encouragement to both in those leadership challenges and during some of the to-and-fro of political debate in the country.
Jane Gerick was held in the highest esteem by her friends in the federal parliament. She is sorely missed, and will be missed, but she will not be forgotten. Our deepest sympathy goes to her mother, Mary; her brother, Alan; and her many friends in Western Australia. Vale, Jane.

Ms CORCORAN (Isaacs) (11.24 a.m.)—I too rise to record my sorrow and shock over the death of Jane Gerick. I came into this parliament 3½ years ago. I came in after the sudden and unexpected death of my predecessor. I had no warning of my change of job and my lifestyle. As a result of that, my memories of my first few days and weeks here are pretty blurry. Everybody was busy getting on with their work here and in their electorates and we had an election coming up, but a number of people took the time to help me, and Jane was one of those people.

The first impression I had of Jane was of a young woman of enormous talent but with a quiet and efficient manner—the one who remembered to care about those around her. She was unswervingly generous. My first impression of Jane did not change much over the time that I knew Jane, except I also learnt that she had a fierce determination.

The timing of my first speech here and Jane’s preselection coincided, and Jane was facing what I gather was a reasonably tough challenge. Jane flew home to Perth to deal with that challenge, which she did successfully. But in the middle of her own crisis, she remembered that I was speaking here and she managed to find the time to send me some flowers. That unexpected and generous action summed up for me what Jane was all about.

After the 2001 elections when Jane lost her seat, I rang her a few times to see how she was going. Within a few days, in the midst of her natural upset, she was already taking the action she needed to get back into her business and her life—not outside politics but certainly for the moment outside parliament. Some time later when I was in Perth we met for a cup of coffee. Jane was full of plans for the next election. She talked about the challenges ahead of her and plans to overcome them. Jane was absolutely determined to get back to Canberra. Again, I was impressed by her determination despite her lack of time for the things that she could not change.

I would like to offer my condolences to Jane’s mother and to the other members of her family. Many people here in Canberra, including me, will continue to miss Jane.

Dr LA WRENCE (Fremantle) (11.26 a.m.)—I want to briefly place my comments on the record and to offer my condolences to Jane’s mother, Mary, and her brother, Alan. As Western Australians together, obviously I spent more time with Jane than some other members of the parliament. But I have to say that I did not know Jane very well, so I will not try to pretend that I had a closeness that I did not. But, as someone who has been operative in the party for many years, I have been impressed over those years by the contribution that Jane made. She was always diligent and worked extremely hard, both as a representative and as a party member, and was always clear about her values. She was not one of those politicians who would always have an eye to the main charts; she actually believed strongly in the importance of education and training, for instance, and in improving the lot of her less well-off fellow citizens, and she was always prepared to argue that in whatever circumstance she found herself.

Many people closer to Jane have commented on things that we all noticed—for example, her self-deprecation. She was never one to blow her own trumpet; she was always keen to get on with the job and, if people admired what she did, she was willing to accept that admiration.
but she certainly did not put herself forward. That was to her disadvantage. She may have been better known to some of her colleagues had she been more prepared to put herself forward. I think that modesty is something that we can all recognise and admire in politics, if only because we do not see it very often.

Jane also had, as some people have suggested, not only a mischievous but also a wicked sense of humour. I heard her tell some extraordinarily funny jokes—but, being the sort of person who forgets punchlines, I will not try to repeat them. Jane was always looking a little sideways at the world around her. She was not in any way predictable in the way she looked at people and events—but always did so, as has been said, with good humour. Even during her illness, she would put herself down and make it seem as if her illness was not particularly important, whereas we knew that she was confronting her own death. She never made a great deal of that and, in a sense, allowed those of us around her to perhaps underestimate just how seriously ill she was until it became quite critical.

We have also heard about Jane’s rather bizarre tastes in food and the sort of expression of that in the apparent diet that she survived on. I always wondered how on earth she got through a day, but I think there was a lot of game playing in that. I am sure she lived on more than Diet Coke and Mars Bars. I certainly hope she did.

Jane was pretty tough, and that was shown in the way that she responded to her illness—and the second time around, when nobody was aware of her illness. I was really shocked when I heard of her death. I was away on leave, and I did not hear about her death until the day of her funeral. I was very sad not to have been able to attend her funeral. Had I known, I would have been there. As it was, I was taking a break on the South Coast and I heard it on the radio on the day of her funeral. So I am very sorry, and I express my apologies to her mother, Mary, in particular, that I was not able to be at the funeral—being some five hours away by the time I realised that it was on.

I think all of us will remember Jane, whether we were very close to her or simply observed her with admiration. I know that I speak for a great many Western Australians when I say she is the kind of person we were pleased and proud to have represent us in the Labor Party. I know I speak for my colleagues in the parliamentary party and the wider party in saying that we are very sorry indeed that she has left us.

Ms HALL (Shortland) (11.30 a.m.)—I was elected to parliament at the same time as Jane Gerick, and you form a strong bond with the people who are elected at the same time as you. The thing that impressed me most about Jane was her quiet determination. She was softly spoken and had a soft presence about her, but she was certainly no pushover. She had great strength and was a person who was committed to her philosophy and ideals and to the people that she represented in this parliament. She was a very fine person.

Another aspect of Jane’s character or personality was the fact that she never complained. She was a very sick woman, yet at no time did she complain or say, ‘Why me?’ She was one of those people who looked upon illness as a further opportunity, and she fought really strongly against the leukaemia and for other people with leukaemia. One of the last speeches that Jane made in this parliament was in Leukaemia Week. She spoke about Leuk the leukaemia bear, and I am sure there are a number of us here who bought Leuk the leukaemia bear, because Jane was very persuasive. We all felt that this was something that we could not possibly walk away from.

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In the speech that Jane made in Leukaemia Week, she at no time mentioned herself. At no time did she seek pity from anyone. She was strong, and she was fighting for a cause, something she believed in. She was, as I have already stated, a very strong woman, one who loved her community. She enjoyed being here and worked hard here in this parliament. For her, being a member of parliament was the ultimate goal, and she achieved that. I think it is very sad that she was not re-elected, but that is the way things are in this parliament. We are all very vulnerable to things such as boundary changes, and as such Jane was not returned. But I am sure she would have been returned at the next election.

Jane worked hard in her community. She worked to build and strengthen her community, and it is interesting that you have heard the previous speaker, the member for Fremantle, say that she continued to work in her community. That shows a strong commitment. She really believed in and loved community; she was passionate about it and about the people she represented in this parliament. I send my condolences to her mother and her brother. They can remember with great pride Jane’s contribution to her community, to her electorate and to Australia. She made a difference, and to make a difference is something very special. Each and every person that is elected to this place is very privileged. Jane recognised that privilege, and she always represented her community and the people of Australia with great honour.

Mr SERCOMBE (Maribyrnong) (11.34 a.m.)—I join with colleagues in extending condolences to Jane Gerick’s family—her mother, Mary, and her brother, Alan. I had the sad opportunity to attend Jane’s funeral in Perth on New Year’s Eve. It was a very moving and dignified service indeed, where Jane’s very deep faith and very strong values were spoken of extensively and certainly very much evidenced by the sad service. Her courage and dedication were clearly the hallmarks of her far too short life.

The service was particularly moving for me because only 10 days prior to her passing I had lunch with Jane in Lygon Street in Melbourne, and at that time she seemed to me to be her usual vibrant self. So the tragic circumstances and her rapid deterioration in health struck me very strongly indeed.

My leader was kind enough to identify me—along with a few other colleagues—as one of the ‘sharks’ who accompanied Jane on expeditions to films and restaurants in Canberra and even in our vain attempts to keep fit by walking around the place. Jane was certainly a very gentle person, but I can assure you that she well and truly had the sharks deterred; there was an extraordinary strength of character in her—great bravery and determination—and she certainly had the capacity to keep the sharks well and truly at bay and make sure they behaved themselves. She was a very strong and determined person, and that presented an interesting balance to her great gentleness of character on the exterior. She was certainly a gentle person, but one of the strongest and most determined people I have had the opportunity to know.

Whilst we have all referred to the people with the greatest loss associated with Jane’s passing, Mary and Alan, there are a number of other people who are very close colleagues of Jane’s in Western Australia to whom I briefly wish to refer and include in my condolences. Adele Farina, whom Rod Sawford referred to, was a great personal friend of Jane’s—a great support for Jane through her difficulties—and I know that Adele in particular has experienced a great personal loss as well. Bob Pearce, Lois Anderson, Kay Hallahan and the West Australian Minister for Planning and Infrastructure, Alannah MacTiernan, are people who would...
deeply feel the loss. They were close colleagues of Jane’s in the context of Western Australian public and political life and I add them to the list of people to whom I extend my condolences.

Mr STEPHEN SMITH (Perth) (11.37 a.m.)—I want to associate myself with the remarks of my colleagues and extend my sympathy to Jane’s mother and brother. It was not the first time I met Jane, but the first time I had a substantive conversation with her was at the Western Australian launch of the 1988 federal election campaign. In the outlying states it is always a tradition that the leader has a national campaign launch and then there is a state launch. On that occasion, of course, Mr Beazley, the member for Brand, was Leader of the Opposition, so we had the formal launch of the West Australian campaign in Perth, and Jane and I were seated together. I was the member for Perth, seeking re-election, and it was her first time as a candidate. We had a conversation about the things that she was doing and how she was trying to win. A number of things struck me about her: firstly, her absolute determination; secondly, her dedication to the task; and, thirdly, her resilience—whatever setback she might have had on the campaign trail was always momentary and she would then move full steam ahead to the next issue or the next battle. In my view, these were the attributes and characteristics that she displayed in the course of her time here, in the course of her efforts to get back here and in the course of her struggle against her illness.

I think Jane is fondly remembered for a couple of things: firstly, her obsession with Diet Coke, which always escaped me; and, secondly, her affection for teddy bears—she had a lot of them, but she used to sell a few as well. When she initially recovered from leukaemia, one of the leukaemia research fundraising efforts was to sell teddy bears, whose name, not surprisingly, was Leuk. My daughter is the proud owner of a Leuk. For a period of time it was my daughter’s favourite teddy bear, but I have to attest that that is no longer the case. Jane not only stored and loved her own teddy bears but proselytised for them throughout various communities.

Her passing was a great tragedy—a young life taken too soon, before she had completely fulfilled what she regarded as her life’s work and life’s aspirations. She got a terrific send-off in Perth. The previous speaker, the member for Maribyrnong, travelled from Melbourne to represent eastern states colleagues. The Leader of the Opposition, Mr Latham, delayed his return from Western Australia to the eastern states to be able to make a formal contribution on behalf of the parliamentary party. Jane was at the end surrounded by very many of her friends and colleagues from the west—her political colleagues but also colleagues from the education profession. She was well regarded and well respected, and I join with my colleagues in extending my deepest sympathy to her mother, her brother, her family and her friends.

Mrs CROSIO (Prospect) (11.40 a.m.)—I too would like to join my colleagues and express my sympathy to the family, Mary and Alan, the mother and the brother, and the friends of Jane Gerick. Other speakers have said she was too young to go. She really was—40 years is just too young for life to disappear from one’s screen. I was looking the other day at a quote from Oliver Goldsmith where he said:

You can preach a better sermon with your life than with your lips.

That was Jane. She was no hypocrite. She did preach a better sermon with her life than with her lips. In the short time I knew her, which was only the three years she was here in the parliament, I do not think I heard her make a bad comment or say a bad word about anyone.
Interestingly enough, when you touch on the Coke and the finger buns, the argument I would continually have with Jane was how she could possibly eat a finger bun and stay as slim as she was, when I would look at the icing and put on another half a stone. Then she would say, ‘I make it up with the Coke.’ So it was quite an extraordinary lifestyle she had.

People have referred to the bears. I always remember them as the Care Bears. She used to be there selling them or trying to get us to buy them. She loved the job she was doing here. She really lived for her constituency, and I think it was a shame that she never had the opportunity to see what was going to happen in the future.

I also think it is a mark of respect that this debate is occurring in this chamber for her. I know people will say it has not often happened before when a person has died in office and when we have a condolence debate, but I thank the government for allowing us and also government speakers who came forward to show respect for Jane by having this Main Committee debate. I think each one of us in our own way wanted to have an opportunity to express what we felt, but each one of us wanted to let her family know that we too join with them in their sorrow. Jane, you were too young to go, but without goodbye you went to sleep and your loving memories are ours to keep.

Ms O’BYRNE (Bass) (11.43 a.m.)—I join with my colleagues to make a few comments about Jane Gerick. I would like to associate myself with the remarks made by the opposition whip, the member for Prospect, who I think has summed up a lot of Jane’s love for this job and a lot of her devotion and engagement in this job. I was a member of the class of ’98 with Jane. We were a pretty big class and there were also a lot of young women. I think we as a group found a very special friendship because we had so much in common: we were all brand new in parliament and we were facing all those issues that women in a male dominated area start to address and grow with. Jane was always pretty good fun with that. You would normally have a conversation with Jane while she was drinking Diet Coke. It is one of the things you remember about her.

I want to particularly pass my sympathies on to Jane’s mum and the family and friends who are obviously suffering a lot from the loss of Jane. She was probably one of the gutsiest people I knew. Given how ill Jane was, she could have decided not to do this anymore. She could have stayed home and spent her time doing fun and enjoyable things. Whilst there is a lot of enjoyment to be gained from representing your electorate, there is also a lot of hard work and a great commitment, and Jane made that commitment really strongly and fought to be able to make it again. I think she would have been an amazing member to have welcomed back to this House and we had full hopes that she would have done so.

The thing that I remember most about Jane is that when she came back from being so ill, apart from being ribbed about her fabulous hairstyle, she immediately went into fundraising for the Leukaemia Foundation. Both my children now go to bed with Jane’s Leukaemia bear that she sold to raise money and the profile of the foundation. Some people wondered why there was a teddy bear sitting on Jane’s desk at her first question time when she came back, but that is pretty much because that is the sort of person Jane was. She was not going to make a big song and dance about the fact that she had been ill or that she had engaged with a commitment to that cause, but she was there doing that. So I hope Jane’s mum realises that when I tuck my kids into bed I will think of Jane.
Ms HOARE (Charlton) (11.45 a.m.)—I also wish to include my name in this record of condolence to Jane’s mum, Mary, and her brother, Alan. Like the member for Bass, I was then one of those young women elected in the class of ’98 and quite a special bond formed between all of us. Also I sat with or near Jane in that first parliament.

I must say that Jane was difficult to get to know at first, she was a very generous person but a quiet person. It took me some time to get to know her, even though I sat near her and we were elected in the same year and also sat in the same group within the Labor Party in the parliament. But once you got to know her, you appreciated her generosity, her strong belief in her values and also her wicked sense of humour.

I never joined with the Sharks. I had heard of them and knew about them. I was invited on their walks and to the movies and dinners; I think I went once. I said earlier to Bob Sercombe that I think one of the last movies they went to see was *Nurse Betty*. The member for Port Adelaide has referred to the fact that Jane was not really fond of the group’s choice of movies, and I think *Nurse Betty* would have been one of those.

We kept in touch spasmodically after her defeat in 2001; it was not Jane’s defeat, it was the Labor Party’s defeat. She worked damned hard. I can remember her saying to Rod that she had the flu and Rod saying to her, ‘Look, go home; go and see a doctor,’ and that was when she was first diagnosed with leukaemia. We were all very buoyed by her determination to beat it; we thought she had beaten it. She was with us during that time here in the parliament and never took a day to feel sorry for herself. She was going to do what she could for the party and for the people of Canning and her wider community.

Madam Deputy Speaker Corcorcan, it was you who told me about Jane’s passing when you first heard of it. You called me on Boxing Day. It came as a shock to you and to me. Although you and I could not attend her funeral, we were very pleased that our leader and the member for Maribyrnong represented us there. My deepest sympathy goes to Jane’s mum, her brother, her family and her very close friends. She will be missed by us all.

The DEPUTY SPEAKER—I think it is appropriate at this point that I ask all members to rise in their places as a mark of respect to the memory of Jane Gerick.

*Honourable members having stood in their places—*

Debate (on motion by Mr Georgiou) adjourned.

COMMITTEES

**Family and Community Affairs Committee**

Report

Debate resumed from 11 February, on motion by Mrs Hull:

That the House take note of the report.

Mr CAMERON THOMPSON (Blair) (11.49 a.m.)—It is a real pleasure to speak on the report of the Standing Committee on Family and Community Affairs. I regard this report with a great sense of achievement, having been involved in it. I was also with the same committee in its earlier inquiry into drug issues. That was very difficult but, I tell you what, it did not have a patch on this inquiry. Yes, drugs are a very serious issue and there are some deep, fundamental questions that are touched on but, if it is possible, this subject is even more fundamental. I believe that the outcome that we have produced in this report, which is titled *Every*
picture tells a story, is really good stuff and I commend it to every member of the House and
to the government when considering just what to do on this very touchy issue.

As I have said, the report is called Every picture tells a story. I am not one who really holds
with that as a title, because I think that the real title is the matter we were investigating and
the name of the inquiry—the report on the inquiry into child custody arrangements in the
event of family separation. But I think that the illustrations on the cover of the report really go
to show just how fundamental are the issues we are talking about. Those are drawings done by
a young boy named Jack—pictures of how he lives, moving between his mum’s place and his
dad’s place, and how he feels when his mum and his dad are fighting. The issues that are en-
capsulated in those very simple pictures were brought home to us again and again during the
committee inquiry. While I do not hold with the title, and prefer the name of the inquiry, I
think the title Every picture tells a story should adorn every one of those pictures, because
they show that for every child caught up in this bind it is a very serious business.

One of the reasons why I am so proud of the work of this committee is that it was accom-
plished in such a short time frame. We went all around Australia and we had meetings with
hundreds of people. We had to arrange processes whereby people could just get up and make
short statements to the committee. If we had not done that it would have been impossible for
those people to have had their voices heard. There was a stack of submissions which you
could not jump over—they are still crowding out my office. Fortunately, they will be taken
away and destroyed. Much purely personal and traumatic material was covered and canvassed
by people in their submissions. They were desperately seeking from the parliament and the
government answers to things that are really tearing up their lives.

This report is a very positive one. I thank the secretariat for the work that they did. But,
more than that, I want to thank the other members of the committee because they approached
our task in such a cooperative and effective manner. There was a lot of willingness among
people to focus on the issue. There was no political gamesmanship in it. It was a very good
process, so that is why I am very pleased with the outcome.

As I have said, this is a very sensitive issue. I believe that if we are able to effectively deal
with the problem of child custody arrangements—people object to the word ‘custody’, which
is a problem in itself—we must deal with the basic issue of how to continue a family when the
relationship on which it is founded is completely torn apart. That is the core question that af-
fects many people in our community. If we can get a greater grip on the matter, give people
greater certainty, take some of the emotion and even violent aspects out of it, and provide a
more secure footing and a foundation on which at least the children can feel more secure, we
will provide a huge benefit to our community. There is not only a huge emotional benefit but
also a huge economic cost in the absolute devastation that is brought down on people’s lives
and the impact that it has on the community. Our community is suffering big time because we
really have not got this right. It has been like this for a long time now—probably forever—but
we have to keep on and work at it. We have to keep on trying to make it better. This commit-
tee’s report represents a quantum leap towards improving things in this regard.

One of things I think we should be doing is looking at the economic cost. Often in the
community the only thing we ever think about is money. But if we are not thinking about the
economic cost that family breakdown is bringing on our community then often I do not think
it even gets a run. I think that is a very sad state of affairs. People do not recognise that when

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people’s lives are being destroyed by interfamily disputes they are hardly able to function and in many cases they wind up going from being very good, strong, productive members of our community to shells of their former selves. That is something we should monitor. We should look at what the cost is to our community. Even police having to attend disputes and things like that is a cost. I will not dwell on that, because I think it really devalues the issue, but I think there are many minds in the bureaucracy that would not even count it as an issue—and that is a sad state of affairs.

The findings of this report will not please everyone, but I think they address the problems of the vast majority of people who are caught up in this very difficult situation. There are complaints about the findings we have produced, but I believe they are complaints at the periphery. By and large, I think many of these complaints are coming from lobby groups—groups, often, who have a chip on their shoulder or have a particular point to prove and want to make that point at the cost of everything else. I think that in this we have to go to what the silent majority say, and I tell you that the silent majority, when looking at the issues that are raised in this report, would agree overwhelmingly with the recommendations that have been brought forward. The report is excellent.

The current system is based around adversarial courtroom battles that go on and on. There have been many myths grow up around this adversarial system. The way the system works spawns systematic behaviour among people which is often a very poor reflection on our society. People think that they can dodge their responsibility for their children. That is a common belief. The fact that 40 per cent of people who are paying child support in this country are paying no more than the minimum $5 a week shows just how prepared people are to completely duck their responsibilities to their own children. And that is a belief among many people.

There is also a myth that you can use your children as weapons to get at your ex-partner. That is something I have harped on about during the inquiry. The other myth is that you can get a lawyer and take the other partner for every cent that they have. At the moment, I have a case in my electorate of a lady caught up in a dispute. It turns out that this dispute, over the couple splitting up, was 10 years in the planning. The person who left had spent 10 years on it. The file was actually dated 1993, and they spent 10 years planning their separation. It was an ambush when it was dropped on the other person and you can imagine, in the adversarial courtroom system, the person who did the ambushing had the other one absolutely cold. This is what goes on within the adversarial system we have today. It is not based on people solving their disputes in an adult manner; it is based on the fact that if you have a better lawyer and a better bunch of facts you are going to come out on top. And I think that is also a very sad state of affairs.

There are several issues I would like to raise in relation to the decisions the court makes about people, relationships and how access to children is to be apporitioned. It is wrong for those decisions to be set in stone, because the relationships between the adults, and the children and the adults, change over time. So it is wrong for a courtroom decision to take a snapshot and say, ‘Righto, we’re going to try to freeze that in time.’ Something more flexible is needed. Court decisions which may be correct today may be wrong just down the track. We need to create a system in which ex-partners are encouraged to communicate and to act like adults towards each other. We have too many people in our community acting like children,
and they are the fathers and mothers of children. This childlike behaviour from them is poisoning the attitudes of our next generation, and unless we are able to address this the problems will go on.

The proposal that has been put forward by our committee, which is really the core of the solution to this thing, is that we take the whole thing—or as much of it as possible—away from the courts and establish a tribunal. We have had the Conciliation and Arbitration Commission and those kinds of tribunals set up to do those kinds of jobs. They have been solving industrial disputes in our community for years and years very successfully. Industrial disputes can be very emotional and there can be strongly entrenched views. These disputes can be long running and can also change with time. The tribunal system is able to effectively deal with those disputes.

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The same sorts of heavy issues apply—much heavier on some occasions—in the types of relationships that are dealt with in this report. To take it out of the courts and use the people who have a background in family relationships to try to solve these problems, rather than purely take some kind of a legalistic position—a snapshot and freeze it in time—would be a far more fundamentally fair and appropriate way in which to behave. It will then rely on the mettle of the partners to put their case and to not only properly establish whatever grievances they have but also set out an arrangement for the future for themselves and their children.

At the moment, children are often an add-on in what is really a dispute about money. It is about who has the money, who has the power, who has the house, who has the car—and ‘What about this child? Oh, well, we’ll add that in somewhere down the bottom.’ That is the entirely wrong way for people to go about it. We have a system under this proposal put forward by the committee where the children must come first and warring parties are required to address that first. It is something that they should have done long ago as parents, in many cases, but people just do not do that. This is a situation where that can be done.

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I would like to go to much greater length about all this. The tribunal is the main issue, but there are many other things. There is the idea, for example, that we should resource this properly by establishing an investigative arm to support that tribunal to look at issues like child abuse and situations where there may have been violence. It is important that this be re-sourced. One of the problems with the existing system in terms of legal aid and the courtroom capabilities is that the resources have always fallen way short of what is needed, particularly when you have so many lawyers involved—and obviously these things can go on and on and gobble up resources. Having proper investigatory processes would also support that.

There is a proposal to double the minimum Child Support Agency payments from the totally woefully inadequate figure of $5 a week. We are proposing to double it to $10 a week but, frankly, I think it should be much more. No matter what you do, no matter who you are, no matter what your status in life, if you have a child, they should be number one. And a figure like $5 is put on them—and even now, we are saying $10! I do not think that is enough. As I said, 40 per cent of child support payers are paying that $5. Where is their priority for their children? We have to bump that up the list no matter who they are and no matter what their circumstances.

I strongly commend the outcome of this inquiry, the report that has been produced. I sincerely hope that the government is going to put a big effort into analysing every one of the possibilities it covers. Not only do I think the tribunal proposal is a more effective measure; I

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think it will be a more economic one. The reams of paperwork that can be entered into by
lawyers when they are trying to prove a case are nothing when it comes down to the basic
dispute between two human beings who no longer can stand each other’s company at all.
They have to act like adults. We have to have a better system. (Time expired)

Mr MOSSFIELD (Greenway) (12.04 p.m.)—The report on the inquiry into child custody
arrangements in the event of family separation addresses one of the most serious issues facing
our society. Unfortunately, with around 50,000 divorces each year and over 50 per cent of
those involving children under the age of 18, an increasing number of children find them-

selves in a shared arrangement situation. That is why this is a very important report; it is an
excellent report, and I support what has already been said about it and the short time that it
took to bring it together.

I believe that it is only right and proper that each parent has an equal and shared responsi-
bility in all matters relating to the raising of their children. The committee’s recommendation
9 is that the Family Law Act be amended to require separating parents to undertake mediation
or other forms of dispute resolution before they are able to make an application to a court or a
tribunal for a parenting order. I think that is a very important point. This enables the parents to
cool off a bit—if that is an appropriate term to use—and hopefully sit down and give a lot of
consideration to their children’s future. It is quite possible that the first thought in the minds
of a divorcing couple is not necessarily the children; there may be other considerations. But
no doubt, after they have sat down and cooled off, they will give a lot of consideration to their
children’s futures.

No doubt there is a range of emotional feelings involved in family breakdown, and few of
them are very positive, so wherever possible mediation is preferable to the combative nature
of a courtroom situation. There are, of course, some separations that are achieved without ran-
cour. We all know of separations where the parents have remarried and the two families have
remained good friends, resulting in the raising of well-adjusted children. On the other side of
the coin, though, federal members are frequently visited by constituents who are very dis-
tressed by the outcome of their separations. I am sure that the committee heard many exam-

ples of this.

One of the major areas of concern for the non-custodial parent is their financial ability to
g et on with their new life, which may include remarrying and starting a new family. Many
men, and often their new partners, are very critical of the child support legislation on this is-

sue. Recommendation 25 seeks to address this issue, particularly at the fourth dot point,
which states:

Amending the way the payer’s child support income is determined by halving the formula percentage
applying to income earned from overtime and second jobs worked above a set working week of 38
hours. In the event of a person working more than one job, either part time or casual, only the first 38
hours can be combined to achieve the 38 hour limit.

There is always a question, of course, of whether these things can be implemented in practice.
It is good that the committee has seen the problem in this area, but there is also the question of
whether the proposed solution is practical, and that can only be tested. On the other side of the
coin, recommendation 25 also seeks to strengthen the power of the Child Support Agency in
collection of child support, which is a major concern expressed by the custodial parents. Most
members would have heard one parent saying, ‘I’m paying too much’ and the other parent

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saying, ‘You’re not paying enough’. If all the recommendations of this report were adopted, there would still be a number of people who were unhappy with the system on this issue—probably more than any other. You will never satisfy everybody. This is not to play down the recommendations in the report. They are very important and, if adopted, will work towards finding the right balance that is needed to produce a better society and better financial outcomes for separated parents and better outcomes for the welfare of the children.

I was pleased that the committee was able to visit my electorate of Greenway in western Sydney—I thank them very much for doing that—on 1 September last year. I attended the hearing as an observer and was very interested in what was being said by many of the witnesses. I would like to highlight some of the submissions presented to the committee on that day by individuals and by organisations involved in caring for children from broken marriages. Many of the recommendations contained in the report supported the submissions made in my electorate, although some of the submissions raised issues that may not have been dealt with in the report.

One organisation with considerable experience in the field of assisting children from broken homes is Uniting Care Burnside, which spoke against the concept of an automatic fifty-fifty sharing of parenting arrangements. I note that a recommendation in the final report favours an equal shared parent responsibility—and I think the important words are ‘equal responsibility’. The Burnside submission instead highlights the need for children to have the opportunity to express their views. It believes that a fifty-fifty arrangement for the parents leaves nothing for the children. In part, the Burnside submission states:

In a situation where a fifty-fifty parenting arrangement is automatic, it is highly unlikely that the opinions of the children involved will be sought, especially when the environment is highly charged and emotional.

More effort needs to be taken to include the voice of children who are affected by their parents separating. If this does not occur, the proposed framework is in danger of being in conflict with other legislative frameworks that strive for the best interests of the child.

It further states:

Burnside’s recommendations for this inquiry are that any changes to the legislation should, firstly, put in place systems where the opinions of the children involved are actively sought; secondly, ensure that children and young people are genuinely included in decision making in these matters; and, thirdly, be changes that are grounded in research evidence about the best interests of the child and about children’s health and wellbeing.

I am pleased to say that recommendation 13 does cover that point. It states:

The committee recommends that all processes, services and decision making agencies in the system have as a priority built in opportunities for appropriate inclusion of children in the decisions that affect them.

I will continue to draw this committee’s attention to a number of other submissions that were given to that committee on that particular day. These particular presentations show the wide range of views that were presented just on one particular day, and no doubt the committee has had a similar wide range of concerns presented in the many submissions it took and the many hearings it conducted right throughout Australia. One I find to be of particular interest because of the group of people that she represents. She is identified in Hansard as Ms Mazzone.

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She represents the Immigrant Women’s Speakout Association of New South Wales, which is the peak migrant and refugee association of New South Wales. Ms Mazzone represents a unique group of people, and I do not think we can ignore the situation that they could find themselves in if they were to become involved in separation or divorce from their husbands. Again I will quote—because I think it is fairly important—from this submission. It states:

This is a concern especially for women from a non-English-speaking background who find it very hard to access the legal system because they are not familiar with the Australian system because of lack of easy access to information, particularly in community languages, and difficulty in accessing interpreters. Some have a fear of courts and authorities, especially if they come from a refugee background. There is a lack of cross-cultural awareness in court staff and there are financial issues.

The submission continues:

This is made worse by cuts to Legal Aid—which I have found to be a very serious issue in my electorate—and difficulties in obtaining it for family law cases. Lack of English proficiency would be an especially hard barrier for women self-representing in court. Women might therefore consent to orders they do not think are in the best interests of the child, or they think are actually putting the child at risk, because of barriers in rebutting the presumption. Domestic violence workers have grave concerns in relation to how this presumption will affect children who are experiencing abuse and separating families who are experiencing domestic violence.

In that short presentation, you can see a number of issues coming forward. There was a lot more detail than I have given this morning, expanding on the problems that migrant ladies might have in situations that we are referring to. I move on to another witness, who has been identified as ‘witness 2’. This witness emphasises the need for mediation, which has also come out very strongly in the report and in what has been said in the debate on this report. I will read out a short quote from witness 2, who says:

The reason I am here today is basically because I believe that mediation is one of the biggest overlooked tools that we have. I would like to see more funds going towards mediation. I think the courts should appoint mediators for every case, to protect the children and also to protect the interest financially of both parties. Often there are other parties involved, depending on the income, circumstances of employment, property and so forth ...

That witness emphasised very strongly that particular point. Another witness, who has been identified as ‘witness 3’, made a very strong statement relating to fathering. We cannot over-emphasise the role of fathers in family situations, and particularly in the area of family break-up. Sometimes fathers may feel, because they are not necessarily the custodian of the children, that they are being overlooked. I think it is very important that the report highlights this.

This is one comment made by witness 3, who says:

The experience of fathering for me has been very powerful in my life. If I had been deprived of that experience it would have been a terrible loss. I only know about it because I have been through it. I would never have known about it otherwise.

Another witness I want to refer to is possibly the most unique witness that appeared before the committee on that particular day. I am rather aware of the circumstances here, because this witness is a constituent of mine who had previously come to see me about the particular problem that they had. His concern is, and I read again from this submission:

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My daughter was abducted to the United States of America on the 15 May 2001. My daughter was 3½ months when abducted by her mother. I was the primary carer. I have slept little since my daughter’s abduction. I have not been to bed since, waiting every night for the phone to ring. I do not know anything about my daughter. I do not know whether she is well. I do not even know what she looks like.

This is a very complicated situation, and we have taken up this matter with the legal authorities in both Australia and the United States. One of the queries this witness raised on this occasion was how the mother was able to get the child out of Australia. He questioned whether children of such a young age should be issued with a passport, as this could lead to such a situation. This could be a major problem, bearing in mind our large migrant population, where, unfortunately this sort of thing could happen.

In the time allowed to me, can I say that I am very impressed with the report. I congratulate the Standing Committee on Family and Community Affairs and the committee’s support start for the excellent support. I would also like to put in a plug for the Child Support Agency, who I believe do an excellent job. They get criticised for the legislation that we pass in this House, but all they can do, of course, is what is in the legislation before them. I think they do an excellent job. They have organised a number of seminars in my electorate, which have been well attended. The people who have attended those seminars have been very appreciative. (Time expired)

Mr NEVILLE (Hinkler) (12.19 p.m.)—*Every picture tells a story* is a most apt title for this report. Up to 50 per cent of the people whom I see in my electorate office come to me with some aspect of the breakdown of a marriage: divorce, separation, property settlement, the injustice of child contact and access, the inability to obtain legal aid or the inability to pay or to be paid child support. In some weeks such issues certainly take up 50 per cent of my contact time with constituents—not that I begrudge that, but it seems to me that the whole system is wrong. As many members have identified that is because, by its very nature, the system is adversarial. If something is adversarial, you are going to have an atmosphere in which one side must win. Far from parents focusing on the children and the quality of their lifestyle post separation, we often see children being used as bargaining chips by separated parents who are having a go at each other. In fact, in some instances it becomes incredibly vicious and vindictive when one parent who feels deprived spends their whole time making contact with the other parent or matters to do with child support as difficult as possible.

I have seen a case in which, if the non-custodial parent was five minutes late, the custodial parent had the police waiting for him. In the same case, the children spilt ice cream, for instance, on the T-shirt that they wore to the contact with their father. Two weeks later, when the father picked up the children for their contact period with him, the clothes were unwashed and had exactly the same stains on them. You might say that that is a fiddling little detail but it is indicative of the viciousness that the adversarial system has spawned. I believe for lots of reasons that the principle of equality before the law does not exist in the Family Court. This report goes a long way to addressing such issues. The very first recommendation sets the high point, if you like, when it states:

*The committee recommends that Part VII of the* Family Law Act 1975 *be amended to create a clear presumption, that can be rebutted, in favour of equal shared parental responsibility, as the first tier in post separation decision making.*
If that could be achieved, it would be marvellous, but for practical reasons sometimes it cannot be achieved. You cannot have kids going from one parent to the other in the one town unless there is some sort of orderly method to it or you will end up with kids who are even more mixed up than they were before. But if parents can be civilised and if the children spend so many weeks or months a year with one parent and so many with the other, that’s great, and that should be the objective.

The next matter is parenting agreements. The recommendation relating to a tribunal goes a long way towards achieving them. Recommendation 12 states:

The Tribunal should first attempt to conciliate the dispute.

If parents can be sat down in a tribunal or with counsellors appointed by the tribunal to set up a parenting plan, it will go a long way towards achieving a much more civilised relationship between the children and the parents and between the ex-partners.

The third level is making some orders, and the tribunal will have that power but, as I said, in a less adversarial way than was formerly the case. The fourth tier is where the Family Court will take over. The Family Court will operate in three areas. The first is where there are cases of entrenched conflict, where there is violence, substance abuse, sexual abuse and the like. It will exist to enforce the orders of the family tribunal. I think that is very important. It will review decisions of the tribunal on the grounds of denial of natural justice or where the tribunal exercises power outside its jurisdiction. So, if you like, it is there both as an enforcer and as an interpreter to make sure that the processes of the tribunal have been fully followed.

It would be no secret to members that I am no fan of the Family Court. My view is that the Family Court should be dissolved. I think that if this system goes through with tribunals then, with a judicious amount of increase in the district courts or Supreme Courts, these matters could be handled by the normal judiciary, and I suspect they would be handled better. The three things that are left are only cases of entrenched family conflict, enforcement of the orders of the family tribunal and the review of decisions of the tribunal, which could be well and truly handled by the district courts and Supreme Courts. That is my personal view; it is not the view of the government and it is not the view of the committee. I think the Family Court has done nothing to improve separation and child support in this country.

I would add a few things to this report, and that is not said with any criticism of it. The report says that in the event of someone not carrying out the orders of the court, especially in relation to contact with children, a cumulative list of consequences for breaches should be taken into account. It says that there should be a reasonable but minimal financial penalty for the first breach and a subsequent breach, and the third breach within a pattern of deliberate defiance should see a consideration of the parenting order being made in favour of the other parent. The final step would be to retain the ultimate sanction of imprisonment.

I go along with all those, but I think there could be another step in there. Before getting to the point of transferring the children from one parent to the other, I would put in a rule that, where the custodial parent denied the orders of the family tribunal, for the period of that defiance Child Support Agency payments should be suspended. I have found that vindictive and manipulative custodial parents have always skated through on the presumption that they can have it both ways: they can make life a misery for the non-custodial parent but they know the non-custodial parent is going to have to pay anyhow. If, for example, that non-custodial parent
was paying $150 a week and was denied access to his or her children for, say, four weeks of the Christmas holidays, the penalty to the custodial parent would not only be the four areas mentioned but there would be a penalty of $600. Having dealt with these cases, my gut feeling is that, once you remove that ability to have it both ways, a lot of the manipulative custodial parents would come into line. But if they did not then you could move on to the next sanction, that the parenting order could be changed in favour of the non-custodial parent. That would be good in some instances but, of course, if the non-custodial parent lived 1,000 or 2,000 kilometres away and could not make the contact anyhow, it would be meaningless. That is why I think the financial penalty of the Child Support Agency might be a better mechanism.

Finally, retaining the ultimate sanction of imprisonment is always going to be difficult. What happens in these cases at present is that, when a manipulative custodial parent denies contact to the non-custodial parent, by the time the processes are put in place to get it corrected, to sometimes seek legal aid, to get it before the courts and to get a ruling, anything between nine, 12 or 15 months has elapsed. When you do get the manipulative custodial parent into court, what happens? The judge is reluctant to fine them heavily, because that impacts on the kids. The judge can hardly, say, put a mother on a work release program, because she should be at home looking after those children. Or, finally, if they are put in prison, that creates a whole raft of problems in getting the kids to the non-custodial parent or into foster care. So what happens in the end is that the person gets a slap on the wrist and is sent home. They know they can get away with it, and they do it over and again. That is why I think recommendation 21, as good as it is, should have that extra sanction added to it.

The other thing is that, although under this formula the tribunal will certainly be less adversarial and less expensive, we should make sure that, in referring matters to the courts, we have a good team of federal magistrates so that, again, these things can be heard quickly and less expensively.

Mr Danby—I wish we had more of them.

Mr NEVILLE—Yes.

Mr Danby—Speak to your Attorney.

Mr NEVILLE—Yes. I am a great supporter of it. And they are very good magistrates; that is my experience of them. I will give you an example. When we talk about family matters, I think legal aid should be divided into two buckets: one for normal actions—civil and criminal actions—and another for the Family Court. Also, I think an extra rule should be added to Family Court access, and it should be this: the guidelines should be that both parents receive legal aid or neither does, and not this business of equal means or near equal means. Both should receive legal aid or neither of them should. That way, they would appear before the court on equal terms.

I recognise that, if we put a tribunal in place, appearances before the court in these entrenched conflicts will be fewer than at present. Nevertheless, I think that principle is very important. I will give you an example. I had a constituent who lived at Gin Gin, just west of Bundaberg. He had a manipulative ex-wife. She would drag him down to the Family Court, which at that time met, I think, in Parramatta. He would hitchhike down on semitrailers and stay in a dosshouse—a boarding house. He would then turn up to the Family Court where, because of the conflict in this case, the court had appointed barristers to represent the children
and the ex-wife had legal aid to pay for her legal representation. Here was a guy who had hitchhiked 1,500 kilometres and had no finances, and he was appearing in the Family Court up against four barristers—senior and junior counsel. That is not equality before the law. That is outrageous. That is offensive. That gives somebody no opportunity at all to argue their case.

I would like to commend the committee on this report. I think it is an outstanding effort. I commend the member for Riverina on her outstanding leadership. When you look at the number of submissions—there were 1,715 submissions and 186 exhibits—and the number of hearings and the number of people that attended them, it is a remarkable effort. I do not think any committee that I can remember—in the House of Representatives anyhow—has dealt with such a heavy workload in such a short time. I earnestly recommend to the various agencies of the government that they do everything possible to implement the recommendations of this excellent report. (Time expired)

Debate interrupted.

ADJOURNMENT

Mr NEVILLE (Hinkler) (12.35 p.m.)—I move:
That the Main Committee do now adjourn.

Environment: Water

Mr DANBY (Melbourne Ports) (12.35 p.m.)—Melbourne Ports does not contain many dams or reservoirs or catchment areas, but it does contain 100,000 people who consume water and many manufacturing industries which likewise consume water. Like all Australians, we are concerned about the future of our unique way of life and the future we face with an increasing shortage of water.

On this side of the House we have been aware of Australia’s looming water crisis for more than a decade. In 1994 the Keating Labor government set up a water reform process which, had it been followed through, would have restored environmental flows to our rivers. Instead, the Howard government has pursued a policy of drift and inaction and the 1994 initiative has been lost. This government is laying the grounds for a water crisis which the next generation of Australians will have to grapple with.

The CSIRO predicts that greenhouse gas induced climate change will cause more frequent and more severe droughts in the years ahead. This will have a major impact on the way of life of urban Australians as well as farmers and others who live in regional areas. Australia should be doing everything it can to strengthen, rather than undermine, international collective efforts to tackle climate change. My view and the opposition’s view is that the Howard government is afraid to ratify Kyoto because it fears some short-term economic and political cost. But what will be the long-term costs for Australia if our cities and our countryside continue to face crippling and permanent water shortages and our vital export industries are ruined by semi-permanent drought?

Mr Hunt interjecting—

Mr DANBY—Australia currently wastes over 90 per cent of urban city run-off water and nearly 90 per cent of effluent water. Instead of urban waste water being seen as a problem to be treated, often at great expense, or dumped into the ocean, it should be seen as a resource to be used. The largest component of sewage effluent, for instance, is fresh water—and its dis-
posal into oceans is wasteful. Other countries are years ahead of us in this respect. In the city of Tel Aviv, 100 per cent of its effluent water is recycled. Melbourne recycles less than 10 per cent. I am pleased to see that the Victorian environment minister and my local member of parliament, John Thwaites, is tackling this issue with his usual enthusiasm.

Mr Hunt interjecting—

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member for Flinders will be removed if he does not remain silent.

Mr DANBY—He is obviously very agitated about this, Mr Deputy Speaker, as the environment is a great sore point for the current government and Australian voters. Perhaps they will have a chance at the next election to reflect on the current government with respect to this issue.

Our greatest water crisis area, the Murray-Darling Basin, covers four states. With four Labor governments in those states a great deal of cooperation is possible, but I believe it requires more of a national lead from this government. The environment ministry in coalition governments has, in my view, always been seen as a punishment post—a place for ministers the Prime Minister thinks are duds or ministers he wants to keep out of important portfolios. By contrast, Labor regards environment as one of the key portfolios—as the member for Maribyrnong would know—and has as shadow minister the honourable member for Wills, who is bursting with new ideas. The honourable member for Wills actually asked for the environmental portfolio, as the member for Maribyrnong, I am sure, will confirm. The member for Wills already has a comprehensive plan for saving the Murray-Darling river system which, if implemented, will go a long way towards safeguarding our future water supplies.

The neglect of urban water issues by this government is less noticed than its refusal to ratify Kyoto, but its long-term consequences will be just as serious. The urban water research program of 1993-96 recommended three priority areas for research: urban development, environment and water resources, and the performance of water authorities. This recommendation was taken up by the Keating government but, under the Howard government, research in this area has largely dried up, like the rest of Australia. Labor will re-establish a national program of research into water reuse.

As a city member representing urban water consumers, I want to stress that water conservation is an issue for all Australians, not just farmers. State and local governments, as well as household and corporate water users, all have a role to play in improving Australia’s water situation. I am very pleased with the initiative of some of my locals. The Port Melbourne Bowling Club, in installing Tift Dwarf river grass in its bowling green, has set a precedent for all bowling clubs throughout Melbourne and has been able to cut its water consumption bill from $2,000 to $900 a year. The importance of the bowling club using Tift Dwarf Murray River grass is that the experts said it could never be done, and now it can be installed on greens all over Melbourne. The cut in water usage would have a small but important effect.

This is a national issue which requires vigorous national leadership. Instead, we have a government which is a prisoner of the energy, forestry and irrigation lobbies. It is time Australia had a government willing to show leadership. (Time expired)
Mr LINDSAY (Herbert) (12.40 p.m.)—I am pleased to advise the member for Melbourne Ports that my city, Townsville, will be the first city in Australia to recycle 100 per cent of its effluent water and reuse that water.

The state election in Queensland has come and gone; there have been some winners and there have been some losers. The election has federal implications because there has been a six per cent swing to the Liberal Party in my area—which is terrific. However, it is sad to see the member for Burdekin, Steve Rodgers, lose his seat. I considered Steve to be a good friend and a decent fellow, but I congratulate Rosemary Menkens of the National Party on taking that seat. Rosemary too will be a fine member for the Burdekin. In relation to the seats of Townsville and Mundingburra, the sitting Labor members were returned, albeit with a much reduced majority. In the seat of Thuringowa, Craig Wallace for the Labor Party is a new member; I wish Craig well and I look forward to working with Craig for the good of Townsville and Thuringowa over the coming parliamentary term.

I was disappointed, however, with the Beattie government, because the two key issues for Townsville—the issues that our city looks forward to in order to build the future of our city—were unfortunately not addressed. The first of those issues is the ocean terminal—the city gateway. The Beattie government studiously avoided any commitment to that ocean terminal, which will open up Townsville to the tourist industry. It will also help visiting Navy ships, and there will be huge economic benefits for the city of Townsville to have passengers coming in on a regular basis. What was particularly disappointing is that this was a no-cost project to the state government. Although it was backed strongly by State Development, for some reason or other it got stopped in the mechanism of government. It is such a pity to see important projects like this stalled. They should not be stalled; they should get on with it. The port authority, Townsville Enterprise, Townsville City Council and all of the community leaders want to see this happen. It is a no-cost option for the government, and I am just puzzled to know why they have not proceeded.

It is the same with the port access road, which will bring untold new opportunities for the city in industrial development and jobs. For some reason or other, the Beattie government decided that they would not proceed with the first stage, which is the cross-river connection, the opening up of the port across the river to the Bruce Highway. That is unacceptable. We are a community that considers itself to be proactive—a community that looks ahead and looks for opportunities. Townsville and Thuringowa is a community where all of the community leaders work together, no matter what their political badges might be. We always have something on the horizon. We do not just complete a project and then say, ‘What are we going to do next?’ We have got this port access road which will bring significant new industrial development to the city, which will underline the importance of Townsville as Australia’s largest tropical city, and yet the Beattie government simply say, ‘It’s not on our agenda’. It is such a shame, because it can go on the agenda as a road of national importance, immediately attracting 50 per cent federal government assistance. We have had the port access roads done in Cairns, in Gladstone and in Brisbane, but we do not seem to be able to get the Beattie government to put it on the agenda for Townsville. I wonder why that is.

I call on the Beattie government, now that they have been re-elected, to immediately revisit that project, to put it to the Commonwealth and ask that it be declared a road of national im-
portance. It meets the criteria, it will be declared a road of national importance, and we can get on with establishing that far-sighted, visionary project and bring those opportunities to Townsville. Similarly, I call on the Beattie government to revisit the proposed port facility. It can be done as a public-private partnership. The port authority is very supportive, our community is very supportive. We can get that project up and running quickly, but it needs the leadership of the Beattie government to make that happen. I am not going to sit by and let the Beattie government off the hook. I want to see it happen for Townsville. It is very important for our community.

Foreign Affairs: Tonga

Mr SERCOMBE (Maribyrnong) (12.45 p.m.)—Shortly before Christmas I had the opportunity to join several other parliamentary colleagues in accompanying the foreign minister, Mr Downer, on a visit to Tonga. The new focus that the Australian government is giving to Pacific Island matters and the emphasis on good governance as a major priority of the Australian approach in the Pacific Islands community is very welcome. I will develop these themes somewhat later, when I have got more time. However, there was one particular aspect of the visit that I wanted to draw to the attention of the House, which relates to a letter that was presented to the foreign minister, signed by Prince Tu’ipelehake, who is a member of the Tongan parliament. I will read sections of the letter:

I have the honour to seek Your Excellency’s assistance in advocating the Tongan people’s political plight to the leaders of the Tongan Government of whom you are scheduled to meet while you are visiting the country. We want a more democratic system within the current constitutional monarchy, whereby the monarchy is governed by the Constitution and the people have more say in their government. Basically, we want balanced representation in Parliament.

Further on, the letter says:

Unfortunately, Government is continuing to disregard the people’s will, particularly the need for transparency, accountability and good governance. The recent amendment of Article 7 and the introduction of the Media Operators and Newspaper Acts are seen by most Tongans as an obstacle to their liberty; their right to write, speak and express themselves. In short, there is great sadness in the hearts of most Tongans, not only because the economy is deteriorating; their basic rights has been restricted but, also, the realisation that their government does not respect their will and aspirations.

The letter concludes:

Your Excellency, I am seeking your assistance in bringing up the need for political reforms to be addressed now, as the only platform for us to bring this matter to the fore is through Parliament. This however, is ineffective due to the imbalance in representation. I am certain that with encouragement from the Australian Government (and indeed Governments in the Commonwealth), through our Parliament the Tongan government may be persuaded to begin meaningful dialogue as a prologue to implementing the necessary political reforms.

One of the things that is very significant about that letter to the foreign minister is that it is signed by the nephew of the king. This is a letter signed by Prince Tu’ipelehake. In the Age the following day Mark Forbes reported the response of significant figures in Tonga to the declining by the foreign minister to meet members of the Tongan parliament. The article says:

Foreign Minister Alexander Downer has been attacked for refusing to meet Tonga’s most popular politician and leader of its democratic movement while paying court to a king who is censoring free speech and refusing to hand over power.
Australia was being hypocritical by demanding good governance in Papua New Guinea and the Solomon Islands, while refusing to intervene on behalf of democracy in Tonga, according to democracy leaders.

Opposition Leader Akilisi Pohiva commands 70 per cent of the popular support and would be prime minister in a conventional democracy.

Mr Pohiva said Mr Downer was arrogant in refusing requests to meet popularly elected MPs during a two-day visit to Tonga.

That is a view that I must echo. What is particularly alarming, however, in these circumstances is that, following the publicity that attached itself to the letter written by a member of the Tongan royal family to Mr Downer and Mr Downer’s refusal to meet these gentlemen, ABC Radio Australia news on 13 January carried the following story, titled ‘Tongan prince warned of treason charge’:

A member of the royal house of Tonga has been told he could be charged with treason, for pressing for democratic reform in the country.

Prince Uluvalu Tu’ipelehake, a member of the Tongan parliament and nephew of Tonga’s King, could face the charge over a letter he wrote to Australia’s Foreign Minister, Alexander Downer—and I read sections of that letter—

The Prince wrote asking for Australian help...

The following day ABC Radio Australia news carried story titled ‘Tongan prince “unlikely” to face treason charges’. It said:

Speculation that Tongan Prince Uluvalu Tu’ipelehake could be arrested for treason has been downplayed by the Human Rights Democracy Movement.

The Prince has been told that he could be charged with treason and slander after writing a letter to Australian Foreign Affairs Minister Alexander Downer, asking for help to bring more democracy to Tonga.

Treason is a crime that brings a punishment of death by hanging in Tonga.

These are indeed matters for concern. As I indicated, the broader engagement of Australia in the Pacific region is welcomed across the board in this parliament. The intervention in the Solomon Islands is supported across the board, as is the increasing attention to other countries; yet here we have a neighbour—Tonga—where there are clearly a number of important governance issues. New Zealand is in the process of having a parliamentary inquiry into its constitutional structures so that it can play a role in political development and political evolution in Tonga. However, our foreign minister turns his back on this. This is a matter of great regret. (Time expired)

**Flinders Electorate: Warley Hospital, Phillip Island**

Mr HUNT (Flinders) (12.50 p.m.)—I rise to speak both in praise of and in defence of the magnificent staff, executive and volunteers of Warley Hospital at Cowes on Phillip Island within my electorate of Flinders. Warley Hospital was established over 80 years ago as a bush nursing hospital through community contributions, through the work of volunteers and through the actions of a dedicated Phillip Island community. That community has worked hand in hand with the hospital for over 80 years in creating and developing this magnificent non-profit community resource.
Warley Hospital undertakes three operations. Firstly, it provides an accident and emergency service, and it is this accident and emergency service which is now, sadly, under threat for the first time in its existence. Over 80 per cent of the patients seen at the accident and emergency service are from off the island, so they are people who are visiting the island. Secondly, it provides an aged care facility—what you might think of as the traditional function of a hospital. Thirdly, it provides an aged care facility. That aged care facility currently has 30 beds, and ongoing funding for an additional 40 beds has been promised by the Commonwealth. The Commonwealth contribution to the running of Warley Hospital’s activities is currently approximately $1.3 million per year, and this will rise by approximately $1.5 million to $2.8 million, so over a 10-year period you are looking at between $28 million and $30 million worth of Commonwealth contribution. It is a significant, real contribution to the work of Warley Hospital.

However, there is a threat, as I mentioned earlier, to the accident and emergency service. The accident and emergency service of this community bush nursing hospital loses approximately $100,000 to $120,000 per year. In that situation the members of the board, the staff and the local residents, supporters and volunteers on Phillip Island have all called on the state government, and particularly the Premier, to guarantee that the state will make up that $100,000 gap. At present, as I say, the Commonwealth provides $1.3 million and an additional $1.5 million per annum will come on line to make a total of $2.8 million. By comparison, in this community non-profit bush nursing hospital the Victorian government provides less than $50,000 per year. It is being asked to provide an additional $100,000 to $120,000 per year to ensure that the accident and emergency service, which serves thousands of people from off the island every year, is allowed to stay open.

The cost in human health and economics is enormously clear. If the accident and emergency service were closed, lives would be put at risk. In addition to that, the cost to the state of providing an alternative service would be significantly higher than is currently the case at Warley Hospital. In that situation it was extraordinarily insulting to hear the Premier dismiss Warley Hospital as a private hospital and therefore not his responsibility. There are private hospitals, and I accept that they are primarily not the responsibility of the state. But bush nursing hospitals, community owned and non-profit in nature, are fundamentally something with which the Victorian state government should be concerned.

Interestingly, the previous government made significant contributions to all of the bush nursing hospitals. The Commonwealth, in addition to the aged care contribution, has recently provided $276,000 to Warley Hospital to update its surgical unit, which is a fundamental part of accident and emergency. So there is, contribution from the community and there is, over a 10-year period, a near $30 million contribution from the Commonwealth, but there is a contribution of barely $50,000 from the state. For that institution run by the people to be described by the Premier as a private institution and just dismissed is not good enough. That comment should be withdrawn and, above all else, the state should contribute the balance of the funding to help keep Warley open. (Time expired)

McNaughtan, Dr Andrew

Mr ANDREN (Calare) (12.55 p.m.)—On Christmas Eve last, one of this country’s unsung activists and humanitarians, Dr Andrew McNaughtan, passed away in his home at Mosman in
Sydney’s north, aged just 50. I am indebted to John Macgregor for much of the background for this tribute, from his article entitled ‘Heroic champion of the persecuted’ of 12 January.

Andrew grew up in Sydney and, after school, did a trades course in welding and became a successful motorbike racer, a danger-defying hobby that perhaps foreshadowed his later activism. He studied medicine at the University of New South Wales but soon became involved in human rights issues that were to lead him first to Nicaragua and then, in the 1990s, to East Timor. In between he found time to travel to Washington to lobby a congressional committee and to expose the FBI frame-up of reformist Florida politician Joe Gersten, who had fled to Australia and befriended McNaughtan.

It was in the East Timor struggle, however, that I came to know Andrew through his role as advocate for the East Timorese freedom movement and his involvement with the Parliamentarians for East Timor support group in this House. By his quiet and faultless research and advocacy throughout the 1990s he maintained a constant expose of the hypocrisy of the Western world, including Australia, around East Timor—a sad legacy of silence and appeasement of the Suharto regime that went back to the invasion of 1975. In more recent times, even after the bitterly won East Timor independence, Andrew maintained his tireless advocacy—this time exposing the neocolonial oil deals that the Australian government was trying to strike with East Timor over the Timor Sea reserves.

It was Andrew McNaughtan who in late 1998 facilitated a meeting in Jakarta between a then imprisoned Xanana Gusmao and a senior BHP executive over the future of East Timor’s oil and gas deposits—a meeting well before the then President Habibie offered independence as an option in the disputed Indonesian province. It was Andrew McNaughtan who smuggled out of East Timor in October 1998 Indonesian military files which exposed to the world the fiction of Indonesia’s troop withdrawal and the direct link between the military and the murderous militias. As with the oil meeting between East Timor’s jailed president-in-waiting and the oilman, McNaughtan’s handiwork increased the pressure on Habibie to offer the independence referendum.

Jose Ramos Horta, a close friend of Andrew, says that McNaughtan took immense risks in travelling to and from East Timor delivering support, and in particular cameras, to the resistance. He realised the crucial need for pictures to highlight the urgency of the East Timorese situation. Noam Chomsky says of McNaughtan:

The work he did in East Timor ... was truly inspiring. It was a major contribution to the health and spirits of people suffering terribly, and to informing the rest of us on the realities of those awful events ... he was a person of great courage, honour and dedication.

I last saw Andrew McNaughtan in November, when I spoke at a function in Sydney, and he later joined my group for dinner. We discussed his ongoing commitment to achieving a just and fair oil and gas deal in the Timor Gap for the infant independent East Timor—something for which he had lobbied hard late last year in the corridors of this parliament. Andrew funded his own work. He was as generous with his money and resources as he was in spirit.

On 30 December a memorial for Andrew was held in Dili. It began at Santa Cruz cemetery and proceeded to Vila Harmonia, once the centre of the resistance. General Taur Matan Ruak, chief of staff of East Timor’s defence forces, told the mourners:

No East Timorese leader can deny Andrew’s invaluable contribution to the liberation of East Timor.
The ones who didn’t have the honour of meeting Andrew lost a great opportunity to hear and see one of the finest souls in the history of liberation of this country.

One prays that an East Timor prospering through a just access to its own resources and spared the agony of further spilt blood will be Andrew McNaughtan’s legacy. He deserves no less.

**Education: University of Newcastle**

Mr TICEHURST (Dobell) (1.00 p.m.)—The opposition leader and the Labor candidate for Dobell paraded around my electorate of Dobell recently, attempting to score cheap political points by falsely asserting that the Central Coast campus of the University of Newcastle is worse off under the Howard government. Their main argument was the fact that the Central Coast campus did not qualify for regional status under the new arrangements.

The Central Coast campus is a growing campus situated in a fast-growing region. The campus is an excellent example of a modern university that provides excellence in teaching and learning and offers various pathways to its students. The campus contains a university, a TAFE and a community college, as well as several businesses, the area consultative committee, Business Central Coast, Business Incubator and Business Mentors.

The Howard government is committed to expanding educational opportunities so that our work force will have school leavers who are ready for duties. In fact, the late John Pearce often used to say that the function of education was to teach students so that they could become practical members of the work force on leaving their education facility. The University of Newcastle as a whole will receive an additional $26½ million in core funding under Minister Nelson’s university reform package. The university is also set to benefit from an additional 3,292 places allocated to New South Wales in 2005.

I am working with the federal member for Robertson to secure 365 of these places for the Central Coast campus. The deputy vice-chancellor of the University of Newcastle, Professor Brian English, has publicly said that receiving the extra 365 places for the Central Coast campus is far more important than receiving regional status and the one per cent loading which translated to about $1 million annually. Professor English was quoted as saying in the *Central Coast Express Advocate* on Thursday, 29 January:

We were talking about 365 additional places funded at about $11,000 to $12,000 a place. Clearly we have a situation where ALP politicians are merely creating a scare campaign on regional funding to score cheap political points. States are currently preparing submissions regarding the allocation of new university places. Why isn’t the opposition leader pressuring his state Labor colleagues to ensure that the Central Coast campus gets its fair share of these additional places?

I am very concerned that under a Latham Labor government our Central Coast campus would suffer adversely. Central Coast students are currently being hit hard by Mr Latham’s state Labor colleagues in Macquarie Street. Students enrolling in most Hunter Institute of TAFE courses in Ourimbah, Wyong and Gosford campuses are facing fee increases of between $169 and $1,000 a year. There is no HECS and no student loans but up-front payment for these courses.

This is a big concern when one considers the fact that around 70 per cent of students choose TAFE over university. Why isn’t the opposition leader spending his energies fixing this problem that is hitting many young people in my region who need education the most?
Quite clearly the opposition leader needs to reassess his priorities for the Central Coast. The opposition leader needs to start pressuring his state Labor colleagues to support the allocation of university places to the Central Coast campus and to review the TAFE system charges funding. Diverting funding from TAFE to patch holes in public education is not the way to go. He should look at his own education policy which would leave Newcastle university about $6 million worse off.

Main Committee adjourned at 1.04 p.m.