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Tuesday, 17 February 2004

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

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.01 p.m.)—I inform the House that the Minister for Citizenship and Multicultural Affairs and Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs will be absent from question time today and tomorrow. The Attorney-General will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Political Parties: Donations

Mr LATHAM (2.01 p.m.)—My question is to the Prime Minister. I refer to figures from the Royal Australasian College of Surgeons showing that smoking results in an annual health care bill of $21 billion and the death of 50 Australians a day. Given that there is no such thing as responsible smoking and that both sides of politics campaign on the human and economic cost of smoking related illnesses, will the Prime Minister now join with the Labor Party in rejecting political donations from tobacco companies?

Mr HOWARD—No, I have not.

The SPEAKER—the Prime Minister does not have the call, as the House has not come to order. The Prime Minister is entitled to be heard in silence. Those behind him will exercise more restraint.

Mr HOWARD—I thank the Leader of the Opposition for that question. Let me remind him of what was said by me and others at the time this issue was raised. The party I lead took the view in relation to the source of donations that, if they were donated by corporations and individuals carrying on lawful activities, there was no reason in principle why the donation should not be accepted.

But let me take the opportunity to speculate that the amount of money the Australian Labor Party is giving up in tobacco company contributions is as a minnow to a whale in relation to the $36 million it is ripping off the Australian public for Centenary House. This is a giant piece of extortion of the Australian public. Over the 15-year life of the lease, the expected rip-off is going to be some $36 million. The Leader of the Opposition comes to this debate with very dirty hands indeed. The Leader of the Opposition has it within his capacity tonight to get in touch with the national secretary of his party and say, ‘Tim, the game is up.’

Mr Kelvin Thomson—Mr Speaker, I rise on a point of order. The Prime Minister was asked whether he would reject political donations from tobacco companies. I ask you to draw him back to the question.

The SPEAKER—I note the question. The member for Wills raised a point of order on a matter of relevance. The question did deal with funding political parties. I have allowed the Prime Minister to make that point. Has the Prime Minister concluded his answer?

Mr HOWARD—No, I have not.

The SPEAKER—I invite the Prime Minister to come back to the question of tobacco.

Mr HOWARD—I am making the point, in response to a question asked of me about political donations, that the Australian Labor Party is extorting $3 million a year out of the Australian public. The deal that was entered into more than 10 years ago by the Australian Labor Party was a shocking abuse of power by the Australian Labor Party at the time. And if the Leader of the Opposition had any credibility on the issue of sources of donations, instead of baring his chest and trumpeting his great morality in relation to a few thousand dollars from tobacco companies he would have the guts to give up the
$36 million which he is ripping off the Australian public.

**Taxation: Family Payments**

Mr **JOHNSON** (2.06 p.m.)—My question is to the Prime Minister. Is the Prime Minister aware of actions to block the passage of legislation designed to increase the assistance provided under the family tax benefits scheme?

Mr **HOWARD**—I thank the member for Ryan for his question, because it enables me to draw the attention of the House and the attention of the Australian public to the fact that right at the moment the Australian Labor Party in the Senate is blocking the passage of legislation which would enable 35,000 more Australian families to receive top-up payments in relation to their family benefits. The truth is that this government introduced top-up payments for Australian families in relation to family tax benefits. That meant that last year some 585,000 Australian families, from recollection, received top-up payments worth about $850 a family.

We wanted to go even further than that; we wanted to amend the law so that the top-ups could go back an additional year. That would benefit an additional 35,000 Australian families. I am told that the Labor Party is blocking that legislation because it wants to go—so it says—even further, although, on my advice, going back three years as it wants to do would run foul of the privacy provision under the social security legislation and the taxation legislation.

This is another example of what I described yesterday as dog in the manger politics. The Labor Party could very easily pass this legislation and, if it were to win government, it wanted to go further, it could do so. It is one thing to oppose a piece of legislation that fundamentally alters the structure of something so that a future government would find it very difficult to go back to what it really wanted; it is entirely another thing to block a piece of legislation because you do not have the opportunity, because you are not in government, of fashioning something entirely to your desire. Right at the moment there are 35,000 Australian families being denied by the Labor Party the additional benefits under this proposal. Not only did the Labor Party fail to give top-ups in government; it is now blocking the extension of the very generous top-up scheme under our family tax benefits arrangements in opposition. As I called on Labor yesterday to pass the safety net and stop playing dog in the manger politics, I call on the Labor Party today to pass this legislation and stop playing dog in the manger politics to the detriment of 35,000 Australian families.

**Political Parties: Donations**

Mr **KERR** (2.09 p.m.)—My question is to the Prime Minister. I refer the Prime Minister to the private member’s bill relating to political donations from the tobacco industry I introduced into the House yesterday with courageous bipartisan support from the member for Moore. Will the Prime Minister allow debating time for this bill during government business as he has done with other matters of conscience such as euthanasia legislation introduced as a private member’s bill in the previous parliament?

Mr **HOWARD**—The placement of private members’ bills in government legislation will be dealt with in accordance with the usual procedures.

**Trade: Free Trade Agreement**

Mr **BARRESI** (2.10 p.m.)—My question is addressed to the Minister for Trade. Would the minister inform the House how the Australia-United States free trade agreement creates opportunities for Australia’s manufacturing sector? Is the minister aware of any alternative views?
Mr VAILE—I thank the honourable member for Deakin for his question and his interest in the free trade agreement that we have negotiated with the United States. Of course, there are many sectors of the manufacturing industries in his electorate that will certainly benefit from the free trade agreement. Indeed, this historic agreement will deliver substantial wins for the Australian manufacturing sector. In fact, it removes 99 per cent of all market access impediments or tariffs on manufactured goods into that enormous market in the United States.

A number of Australian organisations have identified this already and have welcomed what has been negotiated. Interestingly, the Federal Chamber of Automotive Industries—I know that this is an industry that is near the electorate of Deakin and of interest to the member for Deakin—have said that the outcome of negotiations for a free trade agreement with the United States will yield significant opportunities for the Australian car industry to increase exports over the next few years. That is what this is all about: opportunities for Australian industry. The Australian Electrical and Electronic Manufacturers Association have said in their newsletter that the FTA deal is a dynamic agreement, that it sets in place a trading framework and that it sets up the opportunities that are needed for Australian industry.

We have been talking to other small manufacturers across Australia. The Attorney-General and member for Berowra would recognise a company by the name of Auto-Bake, from Hornsby, who are already exporting to the United States. They employ 80 people in his electorate. They say that the agreement is ‘what we’ve been waiting for to give us the edge over domestic competition’. It is all about opportunities for Australian workers in manufacturing industries across Australia. But of course there are alternative views to those of the FCAI, the AEEMA and companies like Auto-Bake. You would expect them to come from the Australian Labor Party, some of their fellow travellers and, of course, some in the union movement like the AMWU. The AMWU comments, ‘The US FTA will be bad for Australian manufacturing workers and bad for Australia overall.’ That completely contrasts with what manufacturing industries are saying. The ACTU has said:

The deal should now be referred to a Senate Inquiry for closer public scrutiny and so we can see if it can be amended and improved or just thrown out.

That was before they had even seen it. The ACTU are saying, ‘Throw it out.’ We think we are aware of the position of the Labor Party on this and the Leader of the Opposition’s continual reference to the ladder of opportunity. We believe that this free trade agreement with the United States delivers opportunities for Australian workers and Australian business, and the Leader of the Opposition should be very careful if he is going to rely on Doug Cameron and Sharan Burrow to hold up his ladder of opportunity.

Health and Ageing: Accommodation Bonds

Ms ELLIS (2.14 p.m.)—My question is directed to the Prime Minister. Will the Prime Minister rule out the extension of aged care accommodation bonds?

Mr HOWARD—I have already indicated that accommodation bonds are not part of current government policy.

Trade: Free Trade Agreement

Mr BRUCE SCOTT (2.14 p.m.)—My question is addressed to the Minister for Trade. Would the minister inform the House how Australia’s free trade agreements with New Zealand, Singapore and Thailand are delivering long-term benefits to Australian exporters? Is this further evidence that the Australia-United States free trade agreement
Mr VAILE—I thank the honourable member for Maranoa for his question. He has looked at the detail of what has been negotiated here and he recognises the significance of the opportunity that is going to be generated and delivered to a very important industry in his electorate—the beef industry. Over the transition period in this agreement, the beef industry will benefit to the tune of $3 billion. The beef industry wanted security and certainty in terms of growth in their market opportunities across the world.

That goes to the core of what the government are trying to do as far as our trade policy is concerned. As we continue to beaver away and work with our colleagues to ensure that the multilateral system keeps moving forward, we are also taking opportunities on the bilateral front to ensure that we deliver market access opportunities as Australian industry has the capacity to fulfil them. We did it with New Zealand—the CER with New Zealand was negotiated by a coalition government and signed off on by a Labor government. We did it with Singapore—what we have negotiated over the last couple of years has delivered increased market access opportunities for many of our services sectors such as the legal, financial and education sectors. The Thai free trade agreement will eliminate more than 50 per cent of all tariffs, which accounts for 78 per cent of our exports. Over $700 million worth of Australia’s current exports will benefit from those tariff cuts. And this agreement with the United States—we have sales of around $14.5 billion into this market—will remove the impediments of trading into that market. These are all part of the broader picture of building a much stronger economic relationship with our major markets of the world.

I should make the point that all those countries with whom we are negotiating bilateral agreements are just as dedicated as Australia to achieving outcomes in the multilateral system in the WTO, yet they are also anxious to move ahead more quickly where we can and deliver benefits to our exporters. With that perspective, it is interesting to note that the Australian Labor Party had no trouble supporting the negotiated outcome with Singapore and they had no trouble supporting the negotiated outcome with Thailand. All we are asking is that, in terms of the national interest, they should—

Opposition members interjecting—

Mr VAILE—The interjectors do not know that it is not the same, because they have not seen the agreement yet. When they do, the Australian people will challenge the Labor Party—

Mr Albanese interjecting—

The SPEAKER—The member for Grayndler is warned!

Mr VAILE—We have related the outcome of this in very clear terms to the Australian people. When the time comes, the Labor Party will be put on the spot to vote for their own political interests or to vote for the national interest in terms of the United States free trade agreement.

Health and Ageing: Accommodation Bonds

Ms ELLIS (2.19 p.m.)—My question is to the Prime Minister, and I refer to the answer he just gave to my previous question in which he said that the extension of aged care accommodation bonds is not part of government policy. Will the Prime Minister now rule out the extension of aged care accommodation bonds in the future?

Mr HOWARD—I have given an answer and I have nothing to add to it.
Mr Snowdon interjecting—

The SPEAKER—I warn the member for Lingiari!

Economy: Performance

Mr TICEHURST (2.19 p.m.)—My question is addressed to the Treasurer. Would the Treasurer inform the House of the results of business surveys released today by the Australian Chamber of Commerce and Industry and the National Australia Bank? What do these surveys indicate about the state of the economy, and is the Treasurer aware of any policies that would threaten the viability of Australian businesses and cost jobs?

Mr COSTELLO—I thank the honourable member for Dobell for his question and for his interest in the economy. Today we had the release of the ACCI survey of small business. I know that, as a supporter of small business, the member for Dobell will be pleased to hear that the survey showed that confidence has continued to rise in the small business sector since the beginning of last year. The index remains well above its long-term level average and marginally below the highest level recorded, back in August 1999, with sustained improvements in sales, revenue, profits and investment.

We also had released today the National Australia Bank monthly business survey, which showed that business confidence was strong. Business confidence rose by six points to an overall reading of plus 19 points in January, although that survey also showed an unexpected fall in business conditions. The National Australia Bank thought that that could have involved a seasonality factor, but it still reports that it is consistent with strong ongoing growth and broadly consistent with domestic demand of around four per cent. So we have the picture of businesses being quite confident in the current environment, which is one of a growing economy, low interest rates, contained inflation, strong employment growth and good consumer confidence generally.

I was also asked by the member for Dobell what could threaten that kind of business climate. The most threatening thing for a business climate like that would be an erratic government with an erratic economic policy which got into office and threatened all of the progress that we have been making in Australia over the last eight years. This is obviously something that is now beginning to play on the mind of small business, because, as the ACCI said today, one of the things that could send Australia backwards would be the Labor Party’s policy on industrial relations. The ACCI released a statement on 17 February 2004 that concludes:

... without major change, the Australian Labor Party’s industrial relations platform ... would adversely affect the interests of private employers, and compromise economic development.

Why would you want to compromise economic development in this country, except to appease the paymasters of the Australian Labor Party—the ACTU? The ACCI said:

The additional costs—

which Labor’s IR policy—

would impose on business through further regulation and heightened trade union activity would have significant implications for jobs and employment.

This is something that people have to recognise: Labor’s IR policy is a job destroying policy. It will condemn people to the kind of joblessness that we saw under previous Labor governments. One of great reasons why we have had progress in this country over the last eight years is not just a strong economy but that this government has been prepared to do the heavy lifting of economic reform. The ACCI called on the ALP to at least match the policy vision adopted by Prime Minister Keating. That is what it said in its statement today. A lot of people on this side
of politics do not think there was much of a policy vision by Prime Minister Keating on industrial relations. We remember the way in which the member for Kingsford Smith, as the then industrial relations spokesman, managed to stare him down after the 1993 election.

The ACCI is calling for the Australian Labor Party to at least get back to where it was nine years ago, because the policy which it has adopted is not one just for the last decade; it is one which would take Australia back decades to the period of the Leader of the Opposition’s hero—back to the bad days of one of the worst governments this country has ever seen: the Whitlam government. Australia cannot afford to go back to those days. This is the party that builds economic reform for job opportunities, and Labor ought to get out of the way.

Veterans: Clarke Review

Mr EDWARDS (2.25 p.m.)—My question is to the Minister for Veterans’ Affairs. Can the minister confirm that the ministerial statement that she was to have made today in response to the Clarke report will not be presented to the House as previously scheduled? Can the minister confirm that her proposal, which had the support of the Prime Minister, was rejected by her party room? Why has the minister’s statement been rejected; and will those veterans brought to Canberra today now be flown back to Canberra at taxpayers’ expense the next time her ministerial statement is scheduled?

Mrs VALE—I thank the honourable member for Cowan for his question. Yes, I have invited leaders of the veteran community to Canberra to discuss many issues of concern to my portfolio, as indeed it has been my practice to consult, to discuss and to listen to the leaders of our veteran community—and I will continue to do so. The member for Cowan is quite correct in saying that our response to the Clarke review was going to be one of those subjects for discussion. I will be speaking and meeting with our veteran leaders again at four o’clock this afternoon. But I think it is important for me to take this opportunity to remind members of the Clarke review. It was our election commitment and it is a fulfilment of our commitment. We did actually say—

Mr Melham—You couldn’t convince your caucus!

The SPEAKER—I couldn’t convince your caucus!

Mr Edwards—Mr Speaker, I rise on a point of order. I asked the minister to confirm that her statement will not be made today as scheduled, and I would ask the minister to confirm that.

The SPEAKER—Is the member’s point of order on a matter of relevance? The minister is entirely relevant to the question. The member for Cowan is well aware that the obligation on the chair is to ensure that there is relevance. Not in the history of the chair has there been the opportunity under the standing orders to demand specific answers.

Mrs VALE—One of the promises that we made to the veteran community was that we would not respond to the Clarke review until we heard its responses to those recommendations—and this is exactly what we have done. This government has an excellent track record of conducting reviews into the veterans’ affairs portfolio and responding in a very positive way.

Mr Swan interjecting—

The SPEAKER—The member for Lilley is warned!

Mrs VALE—I can give the example of our review into the Vietnam veterans, where we committed a further $32 million to the results of that review, and it has been very welcomed by the wider Vietnam veteran
community. This government’s commitment to the veterans is second to none and it is clear from the figures. In 1996 our commitment to veterans was $6.2 billion. In the last budget, 2003-04, our commitment was a massive $10.1 billion. This government puts its commitment to our veterans where its heart is. In response to the question by the member for Cowan: we will be responding to the Clarke review very shortly. I will be very happy to arrange a personal briefing for the member for Cowan and any other of his colleagues who may be interested.

**Defence: Policy**

Mr ANTHONY SMITH (2.29 p.m.)—My question is to the Minister for Foreign Affairs. Would the minister advise the House of the government’s response to recent revelations about the global black market for weapons of mass destruction and whether there are any alternative policies?

Mr DOWNER—First of all, I thank the honourable member for Casey for his question and for his interest in this issue. I am glad that members on this side of the House have a genuine interest in these issues and are prepared to ask questions about them so that the parliament and the public can give them consideration.

There is no doubt that the exposure of the network set up by Dr Abdul Qadeer Khan—who is the so-called father of Pakistan’s nuclear bomb—revealed a thriving global black market in nuclear technology. There had been suspicions about this for a very long time. This full exposure is something that the international community took very seriously. It showed that rogue states, middlemen, front companies and deceit were all behind the proliferation of weapons of mass destruction. These revelations simply showed that it was not as difficult as many had perhaps hoped to acquire the expertise and materials for weapons of mass destruction. I do not think people on this side of the House need reminding that the greatest of all human nightmares is the possibility of these types of weapons systems falling into the hands of terrorists. If they can be proliferated in the way that Dr Abdul Qadeer Khan had been doing, that is a matter of particular concern.

This brings me to what we are doing about it. One of many things that we are doing—and of course as a government we have been very decisive on these issues—is participating with a number of other countries, including the United States, in what is called the Proliferation Security Initiative. This is an initiative designed to find ways of intercepting and interdicting the illegal trade and trafficking in weapons of mass destruction materials. I think it is an enormously important initiative, and I am glad that it is getting so much support around the international community. It was pleasing to hear on 11 February what President Bush had to say about strengthening global counter-proliferation controls. We are taking an active role with the Proliferation Security Initiative. Indeed, we hosted a PSI meeting in Brisbane some months ago, which I attended. Australia was the first country to host a Proliferation Security Initiative exercise last year.

Are there any alternative approaches? I would have thought that something like this would obviously be a matter for bipartisanship. I would have thought that all members of the parliament would support this—but apparently not. The member for Griffith has made it clear that he does not support the Proliferation Security Initiative and the opposition does not support it. I can only assume that that is because the Americans are the leaders in the Proliferation Security Initiative—and, wherever the Americans go, the current federal opposition never dares tread. The opposition has an alternative approach, and that is to revive something called the
Canberra Commission—which, it might be recalled, was chaired by Richard Butler.

Mr Costello—His Excellency!

Government members interjecting—

The SPEAKER—Order! The Minister for Foreign Affairs has the call.

Mr DOWNER—It does not call for any further comment from me, Mr Speaker. I think we all know what we are all thinking, but all of us look to the dignity of office of Governor-General and Governor and so we say no more.

The Canberra Commission produced a report. They had a whole lot of people sitting around and they had a little chat and they produced a report. That was okay; I did not have a problem with it and we promoted the report. I hate to disappoint the opposition but, if you seriously think you are going to stop the proliferation of weapons of mass destruction by rogue regimes by getting a few academics to sit around and produce a report, I am afraid that one is not going to work. What is going to work is decisive action. The opposition’s opposition to the Proliferation Security Initiative is one of the more bizarre but yet again characteristically anti-American positions that the opposition has been taking.

Mr Edwards—Mr Speaker, I seek leave to table a paper. It is a copy of today’s draft daily program dated 17 February 2004. It states: ‘Statement by Minister for Veterans’ Affairs—

Leave granted.

Mr Edwards—Government response to—

The SPEAKER—Member for Cowan, permission is given.

Mr Edwards—Thanks very much.

The SPEAKER—No, do not thank me; it was the House that conceded that permission be given.

Taxation: Family Payments

Mr SWAN (2.34 p.m.)—My question is directed to the Prime Minister. Can the Prime Minister confirm that he sent a secret letter to the Minister for Family and Community Services in September last year admitting there were problems with the family payment system which needed urgent attention? In light of this secret letter, does the Prime Minister still stand by his comments yesterday that family payment benefits do not need an overhaul? Further, given his comments earlier in question time, can the Prime Minister confirm that the backdating provisions in the family assistance bill currently in the Senate will deny 25,000 families their rightful entitlement?

Mr HOWARD—I can certainly confirm that I wrote to the then Minister for Family and Community Services in September last year. It did not have the word ‘secret’ on it, but it was an important letter—and, may I say, it was a very good letter, too. It continued the very persistent activity of the government in addressing aspects of the family benefits scheme that certainly do need change and improvement—something we have never denied. In fact, if you look at the record of the current Minister for Family and Community Services—and I had the opportunity just before question time to flick through a few of her news releases on this subject—you find that, from the time she took over as minister, on 29 September last year, she has been very active in finding different ways of further improving the system.

I am very pleased to advise the House that preliminary figures now received for the 2002-03 financial year show that the number and size of debts—in other words, overpayments—are beginning to fall. Compared with
the same time last year, 14 per cent fewer families have incurred an overpayment.

I think we have to again—as I have invited the member for Lilley to do in the past—look at this issue in perspective. We are talking here about the payment of a benefit which is, in total value, about $11 billion; we are talking about a situation where something like 65 per cent or 66 per cent of payments do not require any refund or involve an overpayment; and we are talking about a totally legitimate mechanism of recovering overpayments.

Sometimes these overpayments are by innocent misadventure, sometimes not. Whatever the result is, no government of this country has ever in the past disavowed the notion of recovering overpayments of welfare benefits. When Labor was in office it did not disavow that. No responsible government of the future will disavow the idea of recovering overpayments. The Leader of the Opposition and those behind him can run a populist campaign on this issue if they choose, but in the end it is not in the interests of this country to have a system where an overpayment occurs and no attempt is made in a reasonable fashion to arrange for the refund of those overpayments.

As to the legislation which is in the Senate, let me remind the parliament that last year the government put up legislation to extend a top-up arrangement, under which, incidentally, families get an average top-up of $885 a year. There were no top-ups under the legislation of the former government. In 2001-02, 530,000 Australian families received top-up payments. These were families who overestimated their incomes under the family tax benefit rules and were therefore entitled, on reconciliation at the end of the year, to get some more money. Obviously, if those who have overestimated their incomes are entitled at the end of the year to get more money—who in the Labor Party would be heard to deny that proposition?—isn’t it reasonable for people who have underestimated their income at the end of the year that some reasonable arrangement be entered into so that they can make a refund?

What we did at the end of last year was to put up legislation to extend this top-up arrangement. What this bill does is extend the time limits for making past period claims from family tax benefit and child-care benefit by 12 months, giving families two years in which to make a claim for a past period. Labor Party action in the Senate is blocking this legislation.

Mr Swan interjecting—

Mr HOWARD—The member for Lilley can exercise his neck muscles, but nothing alters the fact that the Labor Party in the Senate is blocking this legislation. It is another example of dog in the manger politics. Let me be charitable to the member for Lilley. What the Labor Party is doing—

Government members interjecting—

Mr HOWARD—You don’t want me to be charitable to the member for Lilley?

Government members—No!

Mr HOWARD—Gee, you are a very hard-hearted lot, that is all I can say.

The SPEAKER—Order! The Prime Minister will address his remarks through the chair.

Mr HOWARD—The member for Lilley needs a bit of charity—he really does. He did not do too well a few months ago, so he needs a bit of charity.

Let me explain: the Labor Party are pressing for a three-year claim period—why not a five-year claim period; why not a 10-year claim period?—despite advice that, for privacy reasons, all data links between Centrelink and the ATO are severed after two years and, therefore, the data link no longer exists
for the 2001 income year. In other words, from a practical point of view it is not possible to go back. The member for Lilley knows that and the Leader of the Opposition knows that. The Labor Party are also pressing for a reconciliation between the income tax and family payment systems to be voluntary. If it is voluntary, that will compromise the integrity of both systems. Once again, you have dog in the manger politics from Labor. They are not in government, so it is, ‘I can’t do it, so I’m not going to let you do it.’ They ought to stop blocking benefits to 35,000 Australian families and should get out of the way and, just as they should pass the safety net legislation, they should pass this legislation and bring joy to 35,000 families.

Mr Swan—Mr Speaker, I request that the Prime Minister table the figures that he was quoting from, the secret letter plus the brief from which he was reading.

The SPEAKER—Was the Prime Minister quoting from a document?

Mr Howard—On this occasion, the paper I am quoting from was marked ‘confidential’.

The SPEAKER—Order! The member for Brand has been anxious in the past to ensure that I ask two questions on this matter. I hope he will be content that both questions have been answered, though not in the normal sequence.

Health Insurance

Mrs MOYLAN (2.42 p.m.)—My question is addressed to the Minister for Health and Ageing. Do recent figures show growing support for private health insurance? Would the minister inform the House how the government’s private health insurance rebate has benefited Australian families? Is the minister aware of any alternative policies?

Mr ABBOTT—I thank the member for Pearce for her question. I can inform her that the latest figures show the largest quarterly jump in private health insurance membership since the Lifetime Health Cover was first brought in by this government some years ago. That is very important for everyone, because private health insurance is an essential part of a well-functioning health care system in this country. Medicare is the foundation of our health care system, but you cannot have a good public health system without a good private health system to give it support and backup.

More than 50 per cent of elective surgery in this country now takes place in private hospitals. If there was any significant reduction in private health insurance membership, there would be a dramatic increase in public hospital waiting lists. Thanks to the policies of this government, private health insurance coverage has increased from 30 per cent to about 40 per cent of the Australian population. That is nine million Australians who enjoy the choice and the security that private health insurance brings. That is nine million Australians who are concerned, who are in a state of anxiety, about the Labor Party’s secret plan to rip the guts out of private health insurance.

The Labor Party’s health platform was 15 pages of platitudes, with not one line in support of the private health insurance rebate. If the Labor Party put a means test on the private health insurance and took it off everyone earning $50,000 a year, it would mean that 4½ million Australians would face a 42 per cent increase in their private health insurance premiums, and that would make the system unviable. If they reduced the rebate to 20 per cent, it would mean that nine million Australians would face an immediate slug of $250 a year, and that too could prejudice the viability of the system. Those nine million Australians need to know where the Labor Party stand on the private health insurance rebate, and it is high time that the
member for Werriwa, the Leader of the Opposition, who once described the private health insurance rebate as public policy madness, told us where he stands now. Nine million Australians, including 44,000 people in the electorate of Werriwa, deserve to know where Labor stand so that they can plan their health care future with confidence.

Violence Against Women

Ms ROXON (2.46 p.m.)—My question is to the Prime Minister. Why did a committee made up of the Prime Minister’s principal private secretary, Tony Nutt, the member for Casey, Senator Abetz and the member for Kooyong cancel at the last minute a national antiviolence campaign called ‘No respect, no relationship’? Isn’t it true that well over $2 million had already been spent on producing TV ads and booking media space for a Christmas 2003 campaign? Prime Minister, didn’t the research undertaken on this campaign conclude that it worked well with its target group, young men? Will the government now release the campaign material so all Australians can judge whether or not it should have gone to air?

Mr HOWARD—I thank the member for Gellibrand for presuming with that question that I carry in my mind all of the detailed deliberations of every single committee. Let me say that the structure—

A government member—What about the taxidrivers?

Mr HOWARD—They formed a large part of the focus group! There is a committee comprising those very worthy and honourable gentlemen, who have done a very good job for the government over the years.

Ms Roxon interjecting—

The SPEAKER—The member for Gellibrand has asked her question!

Mr HOWARD—I would have to get some more advice on the detailed deliberations of the committee, but my broad understanding is that there was an intervention because the campaign did not conform with the decisions of the government.

Workplace Relations: Union Movement

Mr SCHULTZ (2.47 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Is the minister aware of any policies to use taxpayers’ money to fund organisations registered under the Workplace Relations Act? What is the nature of this funding?

Mr ANDREWS—I thank the honourable member for Hume for his question and say in response to him and to members of the House that, not content with the Centenary House rip-off, which funnels $36 million of Australian taxpayers’ money to the Australian Labor Party, the Labor Party now plans to revive one of its other great rorts on the Australian public if elected. When this government was elected it abolished the Trade Union Training Authority, a mechanism by which the Labor Party channelled some $10 million a year to its union mates under the pretext of trade union representative training. We have seen a revision of this by Labor parties in Victoria and New South Wales recently.

The Labor Party in government in Victoria has provided some $3 million to the union education foundation, and a similar $3 million has been provided by the Labor Party government of Bob Carr in New South Wales. This is apparently under the guise of training union delegates to better represent the workplace, but that representation and the nature of it was let out of the bag in the ACTU executive minutes of 15 and 16 July 2003, which said in relation to this that the ACTU executive:

... authorises the development of programs for delegate and activist education in NSW and Victoria.
Here we have another example of the Australian Labor Party ripping off the Australian taxpayer. Here we have a revolving slush fund. In the last year the unions in Australia gave some $5 million to the Australian Labor Party, and here we have the Labor Party governments in New South Wales and Victoria alone returning not $5 million but $6 million for training trade union activists. It is no wonder that the member for Rankin, in his address to the national conference of the Australian Labor Party, said that the Labor Party and the unions are in partnership once again. Had he been accurate, he would have said they are in financial partnership once again.

Not only is the $36 million being channelled to the Australian Labor Party—the member for Hotham knows this very well; he has been fairly quiet recently, but he could have done something about this when he was the Leader of the Opposition, and we see the same silence from the new Leader of the Opposition in relation to this—to Centenary House, through a rip-off of the Australian taxpayer, but also we have this revolving slush fund of $5 million. It comes from the unions to the Labor Party and then the Labor Party in government pay it back to the unions. On top of that, $40 million over the last eight years has been channelled by the big union bosses in Australia to the Labor Party. The reality is that the Australian Labor Party—the members sitting opposite—are wholly owned by the big unions in Australia. The unions dictate the policy of the Australian Labor Party, as we saw in the answer to the question to the Treasurer on what business in Australia has said about workplace and industrial relations policy.

The Labor Party is not a party that represents workers. We saw at the Australian Labor Party national conference that 58 per cent of the members of the national conference came from unions, when just 17 per cent of Australian workers in the private sector are members of unions. The big union bosses dominate and dictate the Labor Party’s policies. It is about time that the Leader of the Opposition stood up against them and stood up for ordinary Australian workers.

**Transport: National Airspace System**

**Mr MARTIN FERGUSON** (2.52 p.m.)—I can assure you that no-one owns me; I am not sure about those on the other side of the House. My question is to the Deputy Prime Minister and Minister for Transport and Regional Services. Does the minister stand by his statement in this House of 27 November last that the National Airspace System is a 'safer, more productive and efficient system'?

**Mr ANDERSON**—I thank the honourable member for his question and trust that he is feeling better. We are in the process of reforming airspace in Australia.

**Opposition members**—Ha, ha!

**Mr ANDERSON**—As a matter of fact, we are. We are on the way to international harmonisation. There are something like 50-odd steps in that process, of which only a limited number have been completed. I stand completely by the view expressed to me by people who are expert in this area—

**Mr Martin Ferguson interjecting**—

**The SPEAKER**—The member for Batman has asked a question!

**Mr ANDERSON**—and I stand by my own conviction—

**Ms O’Byrne interjecting**—

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

**Mr ANDERSON**—that the National Airspace System will produce better safety outcomes for the travelling public in this country and will allow for a more relevant con-
centration of finite safety resources in the areas of greatest safety risk. The proposition that, somehow or other, a proven international aviation airspace management system—which is used in a country where there are four times the levels of aviation activity as there are in Australia—

Ms O’Byrne interjecting—

The SPEAKER—The member for Bass will excuse herself from the House!

The member for Bass then left the chamber.

Mr ANDERSON—where the weather is less clement than it is in Australia, and where the aviation safety record is outstanding—is somehow not safe or is less safe than what we have now is palpably nonsense. I remain absolutely consistent in my view that moving to NAS is in the interests of the travelling public of Australia.

Political Parties: Donations

Mr LLOYD (2.55 p.m.)—My question is addressed to the Minister for Health and Ageing, representing the Special Minister of State. Is the minister able to update the House on the financial position of registered organisations under the Australian Electoral Act as revealed in returns to the Australian Electoral Commission and elsewhere? How does the Australian National Audit Office’s lease of office space in Centenary House disadvantage Australian taxpayers?

Mr ABBOTT—I thank the member for Robertson for his question. The Leader of the Opposition talks about standards in public life. Let me remind the Leader of the Opposition that the Labor Party receives more money in a month, every month, from Centenary House than it has ever received in any year from the tobacco companies. The Centenary House deal is the all-time great political rip-off. Thanks to the dodgy deal negotiated between the former Labor government and the Australian Labor Party, the Leader of the Opposition and his colleagues are receiving a $36 million free gift from the Australian people. Thanks to this dodgy deal, taxpayers are forced to pay more for office space in Canberra than would be paid for prime office space in downtown Manhattan. This is a rolled gold rip-off, it is a triple-funnelled take, it is a copper-bottomed con, and it is fully supported by the Leader of the Opposition, because he has done nothing whatsoever to end the rip-off.

The Australian National Audit Office has tried to renegotiate the lease to reflect market reality, but last year the Australian Labor Party told the Audit Office that it could not afford to renegotiate the lease. Let me tell you that in 2002 John Curtin House made an operating profit of $3 million and it gave $2.4 million to the Australian Labor Party. In 2003, John Curtin House made an operating profit of $2.4 million and it gave $1.2 million to the Australian Labor Party. Why shouldn’t those profits go back to the taxpayer and not straight into the coffers of the Australian Labor Party? Not only is the Australian Labor Party ripping off the taxpayers of Australia but, on the evidence we have now, it is conning the Australian National Audit Office. There is a term for this. What the ALP is doing, with the connivance of the Leader of the Opposition, is a thinly-disguised money laundering exercise. It is laundering money from the Australian taxpayer to the Australian Labor Party and, if the Leader of the Opposition does not do something about it, he will be revealed not as a new leader but as just another old-fashioned Labor bagman.

Immigration: Border Protection

Mr STEPHEN SMITH (2.59 p.m.)—My question is to the Attorney-General, representing the Minister for Immigration and Multicultural and Indigenous Affairs. It re-
lates to the entry into Australia of Omar Abdi Mohamed five times between December 2000 and December 2003. Is the Attorney-General aware that, yesterday, the Director-General of Security confirmed to Senate estimates that ASIO has been ‘investigating the purpose and details’ of Mr Mohamed’s visits to Australia? Is it the case that the department of immigration was unable to either identify the same Omar Mohamed or confirm his entry into Australia when it received a request for information about him from the United States embassy over 12 months ago? Is it not the case that, following that failure of identification, Mr Mohamed was again granted a visa into Australia, resulting in a person who US authorities have alleged received funds—

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

Mr STEPHEN SMITH—from a listed terrorist organisation being granted entry into Australia?

Mr Albanese interjecting—

The SPEAKER—The member for Grayndler seems to have forgotten his status in the House! The Attorney-General has the call.

Mr RUDDOCK—in relation to the question asked by the member for Perth, let me say that it is obviously part of the opposition’s strategy to have questions addressed in this matter by those who purportedly were not briefed fully on the issues. In this matter the member for Barton was the subject of a full briefing by the Director-General of Security regarding—

Opposition members interjecting—

The SPEAKER—The Attorney-General has the call!

Mr RUDDOCK—he was the subject of a full—

Mr Stephen Smith interjecting—

The SPEAKER—The member for Perth! The chair allows a good deal of tolerance when it comes to interjections but the chair reasonably expects that, when it has drawn members’ attention to their obligations, they will abide by the chair’s order. Persistent interjections are a reflection on the chair.

Mr Swan—Mr Speaker, I rise on a point of order: when the minister was at the dispatch box, I believe he reflected on the member for Barton and the member for Perth.

The SPEAKER—I was listening closely to the Attorney-General’s response, and the Attorney-General was in order. If he reflected on the member for Barton, I would take action.

Mr RUDDOCK—the point I was to make was that the member for Barton had a full briefing. In fact, he received exactly the same briefing as I, as Attorney-General, did. It was written advice, and any concerns he had on the matter could have been raised with me or the Director-General of Security. Let me make the point that this is an ongoing investigation by relevant agencies, in which the opposition is fully briefed. When you seek to canvass and traverse the sorts of inquiries that are being undertaken in relation to national security issues, you are taking a highly irresponsible and dangerous course. I do not think it gives the opposition any credit whatsoever for those who are fully briefed to pass information on to those that are not.

Opposition members interjecting—

The SPEAKER—the member for Melbourne Ports is not only a persistent interjector; he is out of his normal seat. It may be that the member for Ballarat is having an adverse influence on him. I would invite him, if that is the case, to return to his seat beside the member for Prospect.

Mr Stephen Smith—Mr Speaker, I rise on a point of order: the question was about
Senate estimates today and yesterday, not briefings. The Attorney-General should answer the question.

**The SPEAKER**—I had called the member for Perth on a point of order. There is no valid point of order.

**Mr McMullan**—Mr Speaker, my point of order is further to the point of order raised by the member for Lilley. Contained within the minister’s answer is an outrageous slur on the member for Barton and, indirectly, on the member for Perth.

**The SPEAKER**—The member for Fraser is aware that there is no point of order. The member for Barton will be recognised by the chair, if he believes he has been misrepresented in some way, at the conclusion of question time, as is the normal sequence of events.

**Mr TUCKEY** (3.05 p.m.)—My question to the Minister for Small Business and Tourism is as follows: considering the ongoing importance of the small business sector for jobs and economic growth, would the minister advise the House of major challenges facing Australia’s 1.1 million small businesses? Further, is the minister aware of any alternative policies that may impact on those small businesses?

**Mr HOCKEY**—I thank the member for O’Connor for his question. I note that the Optus 2004 small business survey, released today, shows that 91 per cent of small businesses expect a better performance for the next 12 months and 51 per cent expect a much better performance for the next 12 months. More than a quarter of the respondents think that their businesses will grow with the economy, and an even larger number of small businesses believe that their performance will outstrip the economy.

We see that as a good result but there are some surveys that came out today that were not so good. In the Australian today a survey published found that 20 per cent of small operators were doing work without proper insurance coverage because premiums were too high and one in five small businesses missed out on work because they could not get insurance.

It might not be apparent to the House that last week the Labor Party voted against the interests of small business in the Senate. They voted against changes to the Trade Practices Act which would have reduced the premiums for small businesses who take out insurance. The Labor Party did this despite an agreement between the Commonwealth and the states that we would take all necessary measures to try and close down the outrageous litigation associated with public liability over the last few years. While state Labor leaders have undertaken tort law reform in their states, they relied on us to pass legislation in the Senate to provide some respite for all the small businesses, all the community groups and all the sporting groups who were the victims of unfair and malicious litigation by the plaintiff lawyers. And the Labor Party voted against it.
This is the same Labor Party whose mates in the states have the highest tax on insurance in the world. In regional Victoria, 70 per cent of an insurance premium goes in tax to the Bracks government. In New South Wales, 50 per cent of every insurance premium goes to the Carr government. And the Labor Party has the hide to vote against small business in the Senate and to vote against lower insurance premiums.

There is one more survey that came out today that has a further impact. The Bentleys MRI survey of over 1,400 small businesses found that the current unfair dismissal legislation is unfair for small business. The No. 1 issue for small businesses was that they were unable to fairly dismiss employees. The Labor Party has now voted against our changes to the unfair dismissal legislation on 39 occasions; on 39 occasions the Labor Party has voted against the interests of small business; on 39 occasions it has stopped us from changing the unfair dismissal laws, which for 1.1 million small businesses is the No. 1 issue.

They voted against it under the member for Brand’s leadership of the Labor Party; they voted against it under the member for Hotham’s leadership of the Labor Party; now they are voting against it under the member for Werriwa’s leadership of the Labor Party. That says it all. There might be a new leader of the Labor Party but it is the same old Labor Party policy.

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

QUESTIONS TO THE SPEAKER

Standing Orders

Mr TUCKEY (3.10 p.m.)—Mr Speaker, I refer you to today’s two questions to the Prime Minister from the member for Canberra and to standing order 144, which says:

Questions should not ask Ministers—

(b) to announce the Government’s policy

Can you advise the parliament in due course whether the questions referred to breach that requirement?

The SPEAKER—Let me indicate to the member for O’Connor that he has been in the House just a little longer than I have. He has in that time witnessed questions like those he referred to which have been allowed by a number of speakers. I will, however, check in my morning meeting with the Clerk tomorrow about the consistency of my ruling and report to the member if I have not been consistent with the actions taken by previous speakers. I allowed the questions to stand because I was certain that not only were they within the standing orders but also similar questions have been asked over the 21 years I have been in the parliament.

House of Representatives: Photographs of Proceedings

Mr LATHAM (3.11 p.m.)—Mr Speaker, could I ask you to review the arrangements for media photography in the chamber in light of your ruling yesterday, and to do that for both still and moving pictures. It seems to me that this is one of the most public places in the nation and that democracy should be as open and as accessible as possible. If things happen in the chamber, why haven’t the Australian people the right and freedom to know about them and to have those pictures conveyed through the media? I know that you have been keen to open up the parliament as much as possible. Surely this would be a logical step in the right direction.

Mr Hockey—Mr Keating did not want his bald spot photographed!

Mr LATHAM—The member for North Sydney mentions bald spots and the like. I know members of parliament can have vani-
ties and egos, like everyone else. But, quite frankly, politics is show biz for ugly people. If we were all oil paintings we would be in the movies and the like. We have to present the way we are; we cannot help that. Surely the Australian people have the right to see what happens in this democratic chamber in every conceivable way at every conceivable opportunity.

The SPEAKER—Let me remind the Leader of the Opposition and all members of the House that the actions that I took with regard to photography in the chamber were consistent with the actions taken by previous Speakers. The arrangements for photography in this chamber are in fact more relaxed now, thanks to Speaker Halverson, than they were before he was Speaker and more relaxed than they are in the other chamber. There is absolutely no restriction on the gallery reporting what happens in this parliament, nor will there ever be so long as I occupy the chair—and I believe that would be true for any member of the House if they were in this office. Australians have a right to know precisely what happens in the parliament.

But just as some media outlets voluntarily choose not to photograph particular incidents, such as streakers, at sporting events for the very reason that they do not wish to have that sort of activity encouraged—so I understand; I am not someone with a particularly close association with sports—so it is that the parliament, consistent with what previous Speakers have done, has discouraged photography of any activity on the floor of the House by people other than those who are elected to office. I believe that this is an entirely responsible and consistent policy and I do not intend at this stage to change it. Let me also point out—

Mr Wilkie interjecting—

The SPEAKER—Let me warn the member for Swan! Let me indicate to the Leader of the Opposition the other point that ought to be considered before any action is taken by any occupier of the chair on this matter, that, so far as I can ascertain, all other comparable parliaments have rules that are either like ours or even stricter. I know of no other parliament—I will happily stand corrected if I am wrong—that provides as ready an opportunity for photography as does the Australian parliament. In fact, as I said, thanks to Speaker Halverson, it is more open than it was under preceding Speakers. For that reason I have no intention to take action. Should it be the wish of the House that some further action be considered, I would of course consider the wishes of the House. But I believe that what has been done is not only entirely responsible but also utterly defensible.

House of Representatives: Photographs of Proceedings

Mr FITZGIBBON (3.16 p.m.)—Mr Speaker, my question to you is on the issue of cameras in the chamber. Can I put it to you that, in stark contrast to action taken with respect to the events of last week, no action has been taken on the issue of the so-called rogue camera which appeared in this chamber on the occasion of the visit by the President of the United States. I asked you last year whether you were prepared to table the report into that matter. You deemed that it would not be appropriate to do so. I was forced to come into this House and move suspension of standing orders attempting to get you to do so. On reflection and given the events of last week, I ask you whether you are prepared to review your decision not to table the report that was made to you with respect to that event.

The SPEAKER—I am outraged by the comments made by the member for Hunter. I made available to the member for Hunter the
opportunity to peruse the report to which he refers. I did it in confidence. That confidence was not respected. Furthermore, as the member for Hunter is aware, having seen the report, it was in fact a draft report and it was not my report and not my property to table.

If there were any further action I could take relative to the abuse of photographic arrangements by somebody, presumably one of the visitors, I would gladly take it if the person had been identified. All that can possibly be done has been done to try and reveal the identity of that person and the inquiries will continue. But I did not appreciate the fact that what was a report over which I have absolutely no control was in fact portrayed by the member for Hunter as something I could table.

Mr PRICE (3.18 p.m.)—Mr Speaker, in relation to the matter raised by the Leader of the Opposition and your response, if the Procedure Committee was of a mind to examine the issue of photography in the House, would you have any objection?

The SPEAKER—My door has always been open to the member for Chifley, and if it were the wish of the committee to make a recommendation to me I would of course consider it. I would expect the recommendation would come, however, from the committee chair.

Mrs BRONWYN BISHOP (3.20 p.m.)—Mr Speaker, I refer to the question put to you by the member for Chifley. I find that question is really out of order—

Mr Wilkie interjecting—

The SPEAKER—I warn the member for Swan!

Mrs BRONWYN BISHOP—I would not like it to become a precedent. If there are matters that the Procedure Committee wishes to discuss—and I am a member of the committee—then it is a matter for that committee to initiate that discussion within itself and not to have a proposition aired in this chamber in the way it was previously. I would not want this to be in any way seen as a precedent that the committee—

Mr Leo McLeay—Mr Speaker—

The SPEAKER—The member for Watson will resume his seat.

Mr Leo McLeay—I have a point of order—

The SPEAKER—The member for Watson will resume his seat or I will deal with him. If the member for Watson wants to raise his point of order, he will have the opportu-
nity at the conclusion of the member for Mackellar’s remarks or he will find himself outside the chamber.

Mr Leo McLeay—Mr Speaker, you can raise a point of order at any time—

The SPEAKER—I warn the member for Watson!

Mrs BRONWYN BISHOP—I think it would be most unfortunate if a precedent were established—

Mr Edwards—What is the question? This is an abuse of the process.

The SPEAKER—The member for Cowan!

Mrs BRONWYN BISHOP—that the committee was anything but in charge of its own business.

Mr Leo McLeay—On a point of order, Mr Speaker—

The SPEAKER—I am hearing the member for Mackellar and I will take no interruption.

Mr Leo McLeay—I have a point of order—

The SPEAKER—The member for Watson will resume his seat or I will deal with him and he will have no opportunity to raise the point of order.

Mrs BRONWYN BISHOP—What I am saying is that I would not want the way in which that question was dealt with by you to in any way set a precedent that meant that the Procedure Committee was not in charge of its own business and had to seek an imprimatur from you in the chamber in the way the question was put. So I would like confirmation that that—

The SPEAKER—If the member for Mackellar checks the Hansard record, she will find that neither the question from the member for Chifley nor the response from the Speaker in any way implied that the matter would be raised by the Procedure Committee. I merely indicated to the member for Chifley that, as the occupier of the chair, I would of course consider a report at any time from any committee and that I would expect it to be raised, as I clearly said and as the Hansard record will show, by the chair of the committee.

PERSONAL EXPLANATIONS

Mr FITZGIBBON (Hunter) (3.23 p.m.)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr FITZGIBBON—I am happy to seek indulgence if you would prefer.

The SPEAKER—It may be much safer. The member for Hunter has indulgence.

Mr FITZGIBBON—Thank you, Mr Speaker. With the greatest respect, I am concerned that you have suggested that I broke faith with your invitation to allow me to view that document. I have not done such a thing. I have never disclosed the information in that document publicly, or even privately for that matter. That is why I thought it was in the interests of all members of the House and the community that the document be tabled—because I am unable to disclose its contents and, of course, I have not done so. I do regret you making that suggestion. I have never repeated what I learned from that document to any member of this House or to any member of the community.

The SPEAKER—I accept the member for Hunter’s explanation, but I point out to him, as he must be well aware, that what he witnessed was a draft document and not a document of the Speaker’s office.

Mr McCLELLAND (Barton) (3.24 p.m.)—Mr Speaker, I wish to make a personal explanation.
The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr MCCLELLAND—Yes, I do.

The SPEAKER—Please proceed.

Mr MCCLELLAND—The Attorney-General stated earlier, and indeed imputed, that I had leaked the contents of a confidential briefing to the member for Perth. I have not leaked the contents of any such briefing to the member for Perth or any person. I refer the Attorney-General to evidence given by immigration officials in Senate estimates today. I indicate for the record, with indulgence, that I found the imputation to be extremely offensive.

Mr STEPHEN SMITH (Perth) (3.25 p.m.)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr STEPHEN SMITH—I do.

The SPEAKER—Please proceed.

Mr STEPHEN SMITH—I was misrepresented in question time on the same point as the member for Barton, by implication by the Attorney-General and the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs. My question was based on—

Mr Abbott—Mr Speaker, I raise a point of order.

Mrs Crosio interjecting—

The SPEAKER—Does the member for Prospect wish to remain in the chamber?

Mrs Crosio—Yes.

Mr Abbott—My point of order is that the member for Perth has either been misrepresented or he has not, but he cannot be misrepresented by implication. He is in fact misusing a form of the House to make an allegation against—

The SPEAKER—The Leader of the House will resume his seat. The member for Perth has the call.

Mr STEPHEN SMITH—My question in question time today was based on information I gleaned from transcripts of additional estimates in the Senate Legal and Constitutional Legislation Committee on Monday, 16 February, from listening to the session with the immigration portfolio in the Senate Legal and Constitutional Legislation Committee additional estimates today, Tuesday, 17 February, and from a press release issued by the United States Attorney’s Office, Southern District of California in San Diego, California, dated 22 January 2004, which is referred to in the transcript I have referred to and relied upon.

Mr RUDDOCK (Berowra—Attorney-General) (3.27 p.m.)—I do not ever intend to impute improper motives.

The SPEAKER—The Attorney-General cannot simply make an explanation. He needs to comply with the standing orders. He needs to either claim to have been misrepresented or for some reason seek the call of the chair.

Mr RUDDOCK—I seek your indulgence, Mr Speaker.

The SPEAKER—Indulgence was granted to the member for Hunter as I recall. I extend indulgence to the Attorney-General.

Mr RUDDOCK—I do not deliberately seek to impute improper motives to anybody, and I will check the transcript and make an assessment.

Mr Crean—Good on you!

Mr RUDDOCK—Yes, as I have done before. That is as I have done before. The government offers an indulgence to the opposition for briefing in relation to matters where national security is involved—

Ms Macklin—You are doing it again!
The SPEAKER—I am listening closely to the Attorney-General. I am not being assisted by the member for Jagajaga.

Mr Kerr interjecting—

The SPEAKER—I warn the member for Denison!

Mr RUDDOCK—and that is intended to ensure that the opposition is properly briefed. It is certainly not to facilitate tactical questioning.

The SPEAKER—This matter has been well and truly aired. I have extended a good deal of tolerance to people on—

Ms Roxon—You have just made it worse!

The SPEAKER—I warn the member for Gellibrand, who must know that that sort of interjection is totally out of order. I have not concluded my comment. This matter has been well and truly aired. I have exercised more tolerance than the standing orders allow to members on both sides of the chamber. Unless there is a matter of particular concern to the member for Barton I do not intend to have the matter further addressed. The member for Barton initially raised the concern, and I will recognise him.

Mr McCLELLAND (Barton) (3.30 p.m.)—Mr Speaker, I feel compelled to seek to make a personal explanation on the basis of the Attorney-General’s last comment.

The SPEAKER—Let me point out to the member for Barton that I did listen closely to what the Attorney was saying. I will allow him on indulgence to make a comment, but I do not believe there is any matter of misrepresentation, because I listened closely to the Attorney’s remarks and I did not believe that in his remarks he in any way imputed improper motives to the member for Barton. In accommodation of the member for Barton, whose adherence to the standing orders is an example all could follow, I will grant him indulgence.

Mr McCLELLAND—Thank you, Mr Speaker. On indulgence, I construed the Attorney’s statement as imputing that I used the contents of the briefing for the purpose of formulating questions. I can assure the Attorney-General that I did no such thing and, again, I regard that imputation as offensive.

The SPEAKER—I reassure the member for Barton that I did listen closely to the Attorney’s comments and I did not believe that a personal explanation was justified.

Mr Abbott—Papers are tabled—

Mr Tanner—Sit down, Tony! Wait your turn.

The SPEAKER—I warn the member for Melbourne!

Mr Abbott—Papers are tabled in accordance with—

Opposition members interjecting—

The SPEAKER—The Leader of the House will resume his seat. Papers are not tabled. I had recognised the Leader of the House, as I have recognised other members, on the presumption that he was dealing with the matter before the chair. I will recognise the tabling of papers at an appropriate time.

Mr Stephen Smith—Mr Speaker, I rise on a point of order. It is on the same matter.

The SPEAKER—The member for Perth must be aware that by any measure the chair has been exceedingly tolerant—

Mr Stephen Smith—It is a point of order!

The SPEAKER—I have to invite the member for Perth to indicate which standing order has been affronted or to seek some other way of getting the call.

Mr Stephen Smith—My point of order is in respect of the practice of the House whereby, if a member says he is offended by
a remark, the person who made the offending remark ought to withdraw it. The Attorney-General said he made the remark, and he denied that his imputation was deliberate. My point of order is this: whether the imputation made by the Attorney-General was innocent, negligent or fraudulent, it was offensive and he should withdraw it.

The SPEAKER—The member for Perth ought to be aware that not only when the question was asked but also during the Attorney-General’s reply I wondered whether there was an imputation in it—I even consulted the Clerk about the matter—and I believe that the matter has been well and truly aired and dealt with.

QUESTIONS TO THE SPEAKER
Standing Orders

Mr TANNER (3.33 p.m.)—Mr Speaker, I wonder if you could explain to the House the basis of your refusal to allow the member for Watson to raise a point of order while the member for Mackellar was speaking before, given that standing order 98 makes it clear that any member can raise a point of order at any time, and given in particular that the member for Mackellar’s contribution was not on indulgence and was neither a question nor a point of order and therefore clearly outside the standing orders.

The SPEAKER—The right to recognise members from the chair is entirely at the chair’s discretion.

PERSONAL EXPLANATIONS

Mr PRICE (Chifley) (3.34 p.m.)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr PRICE—I do—

The SPEAKER—Please proceed.

Mr PRICE—by the honourable member for Mackellar. She may not have heard how I prefaced my question to you, but I did say, ‘If the Procedure Committee was of a mind.’

The SPEAKER—I think the member for Chifley will recognise that the chair in fact made that point in dealing with the member for Mackellar’s point of order.

QUESTIONS TO THE SPEAKER
Standing Orders

Mr LEO McLEAY (3.34 p.m.)—Mr Speaker, further to the question asked by the member for Melbourne, as no doubt you will recall, standing orders 98 and 99 provide a mechanism for members to interrupt debate to take a point of order. While you might say that it is at the chair’s discretion to recognise people whenever they like, you had called me, so you had recognised me when I took my point of order, and you then refused to hear my point of order. Could you advise the House—after recognising a member and exercising your right to recognise a member or not, which you did—of the basis for failing to allow me to take a point of order under standing order 98?

The SPEAKER—I will consult the record and respond to the member for Watson later.

Standing Orders

Mr TANNER—I have a further question to you, Mr Speaker. Standing order 61, which is entitled ‘Speaker calls upon Member to speak’, states:

When two or more Members rise together to speak the Speaker shall call upon the Member who, in the Speaker’s opinion, first rose in his or her place …

I would ask you to respond to the question: on what basis does that give you absolute discretion to refuse to even respond to a member rising in their place?
Tuesday, 17 February 2004

The SPEAKER—I point out to the member for Melbourne that at no time during his time in this House and my occupancy of the chair has his effort to get the attention of the chair ever been denied—that is, on every occasion where I have failed to recognise him, as I did this afternoon because someone on my right had risen, I have returned to him in order to give him the opportunity to be heard. I call for papers to be tabled.

PAPERS

Mr Abbott (Warringah—Leader of the House) (3.37 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

Health and Ageing: Aged Care

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

The Government’s failure to address the crisis in Australia’s aged care sector, including its refusal to release the Hogan Pricing Review.

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

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

Ms Ellis (Canberra) (3.38 p.m.)—What a sorry state of affairs we find ourselves in when I need to bring before the House this matter of public importance:

The Government’s failure to address the crisis in Australia’s aged care sector, including its refusal to release the Hogan Pricing Review.

The Howard government has failed our elderly Australians and the aged care sector. The aged care sector is in crisis in two fundamental ways: financially and in the quality of care it is able to guarantee—not at all the situation that was predicted in 1997, when the aged care bill was presented to this House. We need to remind ourselves of how we got to the point where we now find ourselves. In 1997, this government made radical reforms to the sector under the guidance of then Minister Moylan. In her second reading speech of 26 March 1997 she said:

I am delighted now to introduce the Aged Care Bill 1997—a major piece of legislation that will guarantee positive outcomes for older Australians...

... It is essential we undertake reform now, to meet the challenges of our ageing population ...

While this reform is urgently needed, the government acknowledges it would be irresponsible to allow the system to develop unchecked after the passage of the bill.

I could not agree more. The government introduced radical reforms without the necessary supports, which created financial pressures on the aged care sector. The problem is that the government did not, I believe, keep an adequate watching brief on those reforms following 1997. This lack of management occurred under the guidance of the government’s aged care minister No. 2, then Minister Smith. Let us look for a moment at the government’s accreditation agency. Last year the Australian National Audit Office—the ANAO—report on the accreditation agency concluded:

... there is no way of knowing whether or not the accreditation system actually improves the quality of care for residents because the Government had not undertaken an evaluation program to determine this vital information.

The government basically pushed this new system onto the sector and then turned its back on a watching brief. The accreditation system costs the government millions of dollars—about $11.5 million year—and service providers are charged a fee for each accreditation review. Considering what I believe to be the government’s appalling lack of man-

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agement, why were we then surprised about the shocking kerosene bath scandal, which as we all remember occurred in 2000 under the Howard government’s minister for aged care No. 3, the Hon. Bronwyn Bishop? In response to a question in parliament on 8 March 2000, then Minister Bishop said:

The first thing I would like to say is that there is no crisis in aged care in general.

The Howard government’s aged care minister No. 3 said there was no crisis in the year 2000. But there must have been some recognition of the looming crisis, because during the 2001 election campaign the Prime Minister, Mr Howard, made an election promise—and it is in the document the government issued—to commission a pricing review into aged care. It is a pity, given that there was a need to do that, that it took the government a year or more to start that going.

Then we had aged care minister No. 4, the Hon. Kevin Andrews. The appointment of Kevin Andrews as Minister for Ageing in 2001 for some reason gave the sector and the Australian public some hope that the government would take real action to protect the frail and elderly residents of nursing homes. But it was not to be. For example, last year we saw four Marnotta owned facilities go into receivership, we heard numerous horrifying stories of facilities failing accreditation and we heard of abuse of residents. The response from Minister Andrews was, as usual, nothing—silence; not a word. In fact, the sector eventually lost faith. In its newsletter of April 2003, under the heading ‘This is the minister for inactivity’, ANHECA, which represents the for-profit aged care sector, said:

When it comes to really doing something for the sector the Minister has failed ... The aged care sector has been very trusting of this Minister and has extended a very long honeymoon period in the belief that he would deliver ... the honeymoon is well and truly over.

I now come to the Howard government’s aged care minister No. 5, the Hon. Julie Bishop—the minister at the table—and our situation today. I repeat: the government has had five ministers for aged care in six years. It raises some questions, doesn’t it? I believe strongly that the government has basically turned its back on this sector and we are now seeing the results. People in the sector and we in the ALP have been attempting to get the government to understand the degree of crisis facing the sector. When I do that the government calls me a scaremonger. I do not know how it labels the people in the sector when they deliver the same message.

To my great disappointment, predictably and very sadly, last Wednesday the Salvation Army Australia Southern Territory announced that it is going to sell 15 of its 19 aged care facilities throughout Victoria, Tasmania, South Australia, Western Australia and the Northern Territory. This involves 2,390 elderly Australians who live in those facilities. We are talking not just about the sale of beds but about the sale of places where people live. Salvation Army Australia Southern Territory has admitted that increasing financial pressures in aged care were a significant reason behind its decision to sell these facilities. Its document entitled Frequently asked questions, which is about the divestment of the process, says:

The matter of ongoing financial viability was also a significant factor, as was the imperative to find capital well in excess of $100m to upgrade facilities before 2008 ... The Aged Care network has been recording significant consolidated losses in the last three years.

That is a pretty clear statement as far as I can read it. I believe very strongly that this government should be ashamed and condemned for allowing the situation to reach this point.

The sector is in financial crisis. I am appalled by the response of the minister, who last week in this parliament said, ‘The sector
is robust.’ It is astounding that the minister can make such a ridiculous and, I believe, ill-informed statement. The Salvation Army’s facilities have made a loss for three years, and the minister says the sector is robust! The minister obviously has not heard the desperate pleas of aged care providers and really does not understand the problems facing the sector. What other conclusion can one draw?

As a result of these financial hardships, the Salvation Army homes are now up for grabs. I am pretty sure that the Salvation Army would like to sell these facilities to a like-minded organisation, but there is absolutely no guarantee of this happening. The Salvation Army has stated that it wants the new owners to agree to current residents’ contracts and to ‘maximise the retention of staff’. Of course, there is no guarantee about the latter. It is highly likely that the new owners will need to cut costs to keep the facilities viable, given that the Salvation Army is getting rid of them because it cannot keep them viable. They may do this by reducing staff levels or even by reducing services.

Another concern which we have not yet had an answer to—and I would welcome the answer today—is that the inner urban facilities could be closed down by new owners who want to make a profit on the land and move the residential places to outer urban or regional areas where land is cheaper. That has been happening with other providers over recent times. Inner city closures have occurred due, we are told, to the financial non-viability of the particular facility, and with departmental or government approval the beds can be moved to another region. But the question is: what happens to the neighbourhood where that facility once was? I would like to quote again from the Salvation Army’s Frequently asked questions document. It states:

Question: Will the properties remain aged care facilities after being sold?
Answer: The Salvation Army intends to sell the aged care business on an ‘as is, where is’ basis—that is, as a continuing aged care business. Preference will be given to offers for the entire business, followed by offers for selected parts of the business.

Clearly the Salvation Army would like the facilities to remain, but there is no guarantee. This whole scenario is a clear sign that the government’s policies have failed and that the aged care sector is under pressure and in the crisis that it has been claiming to be in.

And what about the wage difference between nurses in aged care compared with nurses in hospitals? The government gave some funding to the sector, which it earmarked, trumpeted, headlined and press-released as a fix for this problem. But the difference in wages, the disparity, is even greater now than it was before that announcement was made. Aged care nurses are leaving the sector because they are not being paid enough. The ones who stay are there because they love their work and are determined to do the right thing in what I think are unacceptable conditions of work. I have heard of a situation where one staff member is on duty alone overnight in a facility of 60 people. Mr Deputy Speaker, I do not know about you, but I find that pretty unacceptable. It is not safe, on OH&S principles, for the staff member and it is far from acceptable for the wellbeing of the residents in the facility.

So what are the government and the minister doing about this crisis? I do not think they are doing anything other than, maybe, the Hogan review. The government has the Hogan review but no-one can see it. The review cost taxpayers $7.2 million. It was a 2001 election promise and we are still waiting. The aged care sector needs it desperately, yet the government will not release it.
However, it seems that every journalist and every person and their dog in this country has a view and knows what is in the Hogan review, except the Prime Minister and the Minister for Ageing.

The media has been full of stories about the recommendations that Professor Hogan has apparently made in the review. For example, we have heard, ‘Sweeping deregulation of the aged care sector; nursing homes would be able to offer different levels of accommodation—rather like star-rated hotels—at varying prices and charge new residents cash deposits,’ or, ‘More user-pays focused system for nursing homes,’ or, ‘Warren Hogan would recommend nursing-home operators be given unprecedented freedom to set their own prices,’ or, ‘Nursing home beds would be auctioned, while residents and their families could use vouchers to choose their levels of care.’ For heaven’s sake! What is really happening here? When is the government going to stop fiddling around with this report and get out and deny or confirm these reports?

The headline today in Melbourne’s Herald Sun is ‘PM rules out up-front nursing-home bonds’. But has he really? We gave him two opportunities in question time today and he avoided answering that question directly on both occasions. Will the minister rule out that extension of bonds, or is it a non-core promise? We have heard many promises from the Prime Minister over the years, but I am with the public here: I have little faith in accepting any longer the word of this Prime Minister on anything. It has been proven so many times. The aged care sector needs a minister and a Prime Minister who will look at the sector as a whole and take action to ensure that our elderly and frail Australians are being looked after. Prime Minister, stop playing with our old people; they are out there and they are very worried.

This government has turned its back on what I believe should be fundamental honesty with old people, their families, the communities and the aged care sector in this country. It is just not good enough. This government has all the resources of government. It has a large bureaucracy and a large ministerial staff attached to the minister’s office. It has every ability to permit the issuing of good, timely policy, and it has every ability, as a government, to issue that Hogan report quickly and succinctly. Get it out there! The government, with that load of resources, also has responsibility. The responsibility is to be honest with the public, stop playing around with these issues, put all of these concerns to bed once and for all and come out cleanly and say exactly what the plans are so that we all know what is going on as well as those people in our nursing homes.

Ms JULIE BISHOP (Curtin—Minister for Ageing) (3.52 p.m.)—Australia has an ageing population. We like to think of ourselves as a young country but, in fact, we have an ageing population. Both numerically and structurally we are facing a profound demographic shift in the over-65 age cohort: numerically because of our increased life expectancy, and structurally because of the decreasing birth rate in this country. So the proportion of the population over 65 is on the increase compared to the rest of the population. What that means is that we will have far more older people—people over the age of 65—seeking aged care services in the years and decades to come. This is why I call upon the Labor Party to show some bipartisan support for what the government has done in the past and for what the government is currently doing to address the issue of the supply of aged care services in Australia.

When we came to office in 1996 we recognised that, after 13 years of neglect, the aged care industry was in need of wide-ranging and sweeping reforms. The aged
care industry—not all of it, but some of it—had to be brought into the 20th century—let alone the 21st century—which is where it had been allowed to lapse way back in the 1990s under Labor. It was tragic, but this government took up the challenge and the opportunities that an ageing population presents. We proceeded on the basis of four policy imperatives. First there was quality: there was no national quality assurance program of any sort available to the aged care providers or the consumers of aged care services across Australia, so we introduced an accreditation program. That program set a national standard of quality care for residents in aged care facilities subsidised by the federal government. It was not in place. Every other industry was working toward quality standards, but Labor had ignored the aged care industry—so we introduced accreditation.

We have worked in partnership with the aged care sector, which has responded magnificently to the challenges of accreditation. Now that we have been through the second round of accreditation, I am very proud to confirm that 94 per cent of all aged care facilities across Australia subsidised by the federal government have reached the maximum accreditation of three years. So we have lifted standards, and the industry—consumers, the families and carers—pay credit to the government for taking that bold move.

We have introduced certification standards to ensure that the physical environment in which our residents live—for these are their homes—are much higher, and the industry has been given a long transition period to ensure that by 2008 every aged care resident lives in a home that is appropriate and suitable for their needs. But we did not just stop with quality; we looked at equity. We have ensured that, whatever your background or economic circumstances or wherever you live, you have the right to receive care if you need care.

We have looked at the issue of sustainability. We know that the Labor Party when in government seriously underfunded aged care, because we have had to increase funding in aged care by some 100 per cent just over the last seven years. We now spend $6 billion of the federal budget on aged care. That is a record high. Labor cannot stand here and say that the federal government is not spending enough on aged care when their record shows that they underfunded aged care.

We have not just looked at residential care; there has also been an 80 per cent increase in residential care subsidies so that the 145,000 Australians who are in residential care facilities subsidised by the federal government are receiving a substantial amount of funding. We have also looked at community care. The government recognises the aspiration of older Australians to stay at home for as long as they can—to age at home and in their community. If they have to go into residential care, at least they will have spent the time that they wanted to remain independent at home with their family, friends and community. So we have increased community care funding by some 823 per cent.

The Labor Party when in government spent a paltry $30 million on community care; it was paltry. Today we spend $308 million on community care to allow these people to age at home and in the community. In the case of HACC, the Home and Community Care program, which is a joint venture with the state governments—where the federal government contributes 60 per cent and the states 40 per cent—our contribution has increased by 70 per cent. This is the delivery of such things as Meals on Wheels and personal services in the home—gardening...
and the like. The Australian government’s contribution to Home and Community Care now exceeds $700 million, delivering home and community care services to 700,000 Australians across the country.

Our fourth policy imperative was accessibility. We wanted to ensure that the 10,000-place shortfall left by Labor would be eradicated as soon as possible—that we would make up that 10,000-bed shortfall left by the Labor government when it was shuffling out of office in 1996. That was not our figure; that was the figure arrived at by the Auditor-General in an independent assessment of the availability of aged care places under a Labor government. What did he find? The system was 10,000 places short. This government has made up for that shortfall. We have introduced new places in aged care to the tune of 55,000 places since we have been in government. Those new places would be the equivalent of the entire Docklands Stadium or the entire Subiaco Oval; that is how many people have been able to receive an allocation of a place under this government.

The member opposite, the member for Canberra, talked about the government’s record. The government’s record in terms of allocations as compared with that of Labor’s is there for everyone to see. Under the aged care round in 2003, this government allocated some 8,666 places across the country. The feedback that I have had from the industry has been overwhelmingly positive: that we have allocated places in areas of need, taking into account veterans’ needs, respite needs, non-English-speaking background needs, and also timeliness—that is, the beds, the places, can be operational as soon as possible. We have also looked at capital funding. Last year we provided some $40 million to rural and regional Australia to assist rural, regional and remote homes to upgrade or renovate their facilities—and the industry has responded magnificently.

I was criticised a moment ago for supporting the industry and saying that the industry is robust, which is the response I have had from the industry. I have been informed by the industry that, under the Australian aged care system, we have allowed providers to access significant amounts of capital funding for building upgrades and improvements and that this system has enabled a great deal of capital work to go on. An estimated $820 million of new building, refurbishment and upgrading work was completed by the industry in 2002-03—$820 million of new work—and a further $940 million of work in progress existed as at 30 June 2003. So the industry itself, by its own deeds, is showing that it is robust.

We appreciate the cost pressures that this industry faces—nurses’ wages, workers compensation costs, insurance premiums and the like—so at the election in 2001 we said that we would commission a detailed inquiry into pricing arrangements in the aged care industry. We said that we would look into the financial status of the industry and find a way forward to look at the long-term financial viability of this industry. That is precisely what we have done. We have conducted a review. It has been a properly resourced review. It was conducted by an eminent Australian, Professor Warren Hogan. He was assisted by an industry liaison group and a technical advisory group, and he consulted across the country. I have visited every state and territory, except the Northern Territory—but I am getting there—and spoken to providers and people in the industry, and I have not yet met someone who has not met Professor Hogan. He has consulted widely.

But we have not just concerned ourselves with the aged care providers; we have also looked at the position of carers. Through the Department of Health and Ageing, the government has provided a range of assistance to carers of frail older Australians and also of
younger people with disabilities who are at home. That has been done at an estimated cost of some $386 million. Support for carers is an essential component of the government’s Staying at Home policy, which gives people the choice of remaining at home for as long as possible. We have undertaken many initiatives—the Pathways Home program, the innovative pool and the like.

But we cannot deal with an MPI without looking at what Labor’s record is and what Labor’s approach is. They are holding themselves out to be an alternative government. They have had eight years in opposition—eight sorry years in opposition—to develop an aged care policy. They had a national conference recently, and there was a huge build-up about the roll-out of policy on the part of the ALP—raising expectations. Surely, you could expect them to roll out an aged care policy at the 2004 national conference. But, in another example of how shallow Labor are, they delivered nothing. Talk about a triumph of marketing over product fulfilment. They must be a huge disappointment to their supporters, let alone the industry—no policy, no direction and no vision; just a grab bag of stale old Labor ideas. There might be a new Labor leader—an obvious contestant for TV’s Extreme Makeover—but, make no mistake, this is old Labor to the core.

But at least the member opposite realises Labor’s shortcomings and was decent enough to acknowledge them on Townsville radio yesterday. When referring to the viability of a certain sector of the aged care industry, she said:

I have to be very honest and say that I don’t have the solution right here to give you now, but I can assure you that I am extremely conscious of this. It is one of my major concerns in the formulation of an aged care policy for the future.

Where is the aged care policy? I will refer to what industry is expecting of Labor. The Victorian Association of Health and Extended Care said it:

… described the aged care policy announced at Labor’s national conference as typical political rhetoric—long on promises but short on dollars.

That is what the industry said about Labor. They also said:

… the aged care sector is outraged that the ALP’s official conference platform for aged care did not commit a single dollar to implementing its lists of promises for older Australians.

And they went on:

Unfunded promises aren’t worth the paper they’re written on …

They further said:

The conference policy pledged the development of high quality standards for aged care providers. But these are already in place through the government’s accreditation process …

Finally—a different statement—Aged and Community Services of Western Australia said:

The ALP’s official conference platform did not commit a single dollar towards implementing its list of promises for older Australians.

In relation to the Hogan review, we made a promise that we would have a review, and it has been conducted in the most thorough way possible. There were 912 submissions received in relation to the financials. At last we will be able to see the true financial position of the aged care industry and develop policy accordingly.

The member opposite said that the government has all the resources of government at its fingertips in order to deal with aged care. There is one way the opposition can assist the aged care industry and assist residents, carers and families to the tune of some 6,800 new aged care places or, say, 3,600 new aged care nursing scholarships: they can give back the $36 million ripped off the taxpayers out of Centenary House. They could cancel the Centenary House contract. Then
perhaps the member opposite could assist taxpayers to recoup the loss. Member for Canberra, $36 million could pay for 175,000 extra nights of respite care.  \(\text{Time expired}\)

\textbf{Mr JENKINS (Scullin) (4.07 p.m.)}—I was interested that the Minister for Ageing in her contribution quoted the Victorian Association of Health and Extended Care and referred to comments that were made post the ALP national conference. I note that she did not quote from a press release earlier this month from the same association. Under its banner line ‘Make aged care a key election issue, says industry’, it stated:

Australia’s aged care system is facing imminent collapse due to inadequate funding and years of government inaction ...

That puts in context what we are seeing here today—a proper attempt to a debate an important part of public policy. It happens at a time when in the popular press we see headlines like the one earlier this week in the Financial Review: ‘Aged care faces overhaul’. If it is a sector in which everything is going smoothly, why do we see headlines like that?

Why do we see headlines such as ‘Report to urge nursing home bonds’ in the Age today, or the headline referred to by the shadow minister, the member for Canberra, in the Herald Sun today: ‘PM rules out up-front nursing home bonds’?

As the member for Canberra said, we listened to the Prime Minister today in question time say that accommodation bonds are ‘not part of current policy’—they were the exact words used by the Prime Minister. In the next answer on the same subject he said, ‘I have given an answer and I have nothing to add to it.’ The power of words is very interesting. We can look back and weigh those words and decide whether we believe them. The past track record of this government when developing public policy has been appalling in that words have been used to give a different impression or to encourage a different response.

I have spoken about this matter on other occasions. The real regret with things like weapons of mass destruction and the statements that were made about the children overboard affair is that every time somebody comes into this place to speak about an important base for the development of public policy, one has to ask, ‘Can they be believed?’ To the extent that the Prime Minister has pushed this envelope to the limit, that is the question people have to ask: can he be believed?

It is in this context that there has been this much heralded Hogan review. In September 2002, a $7.2 million pricing review of the residential aged care sector was announced. Despite everything that is speculated about this report, it does exist and it is in the hands of government, but it is not being divulged. There is a great deal of interest in it. This report has been value for money. It holds the key of information on which good public policy can be made. As the minister indicated earlier, I have no doubt that Professor Hogan has consulted widely, but I have doubts about the speculation on the conclusions—whether they are really acceptable. These are the important things that we must discuss in the context of developing that policy. There has been speculation in the article in the Financial Review—there was also speculation last year—about Professor Hogan recommending that the sector be put out to auction. It may be that licences for aged care facilities are to be auctioned in the same way as FM radio stations or taxi licences. In December 2003, Catholic Health Australia said that they did not think that that was too flash. I do not think many people would see that that sort of market model is in any way going to ease any of the problems that confront those trying to get into nursing homes.
or those responsible for operating nursing homes.

One of the great things about the aged care sector is that it truly is a sector in which there is a partnership of government, community agencies and the residents of these facilities. There is a shared responsibility—we cannot run away from that. One of the criticisms of government is that, with the release of the Hogan report, it sees the opportunity to ease its way out of the type of effort that it should be putting into the sector. That is not good enough.

It might be the case that the aged care sector is not in imminent collapse, as some might say. However, if you asked people who interface with the residential aged care sector whether this is the case, they would say that there are great problems. There are still people waiting for places. There is still the problem of people in our public hospital system who could be more appropriately placed in aged residential care. We know that, in the public policy arena, we do not just look at residential aged care in isolation. If alternatives and flexibility are given to individuals it could mean that they do not have to go into residential aged care. I applaud the efforts made by all sectors of government and by community agencies to develop those models, but, inevitably, there are cases where people have to choose residential aged care.

Regrettably, my family has been through that decision making process. Mention has been made of the importance of carers. That came home to our family when, as a result of the declining health of the prime carer, an individual of the family had to go into residential aged care. This brought home the way in which families grapple with the decisions that are made. Might I add—although this is not central to what we are discussing today—that one of the problems is the mishmash of information that is made available. We do not demystify what can in fact be a very complex question to answer at a time in life when people are perhaps not able to make decisions as clearly as they would like. I do not care which government has control; that is an area that we really must understand and look at to make sure that those people who are contemplating decisions on aged care can do so with the best information. These are difficult decisions, and some effort should be made to ensure that they can be made with the best information possible.

When he was elected Leader of the Opposition, the honourable member for Werriwa said:

The measure of a civilised society is ... the way in which we treat our elderly... We cannot aspire to be a decent, civilised society until we end this scandal.

I was heartened by those sentiments. There is a lot of work to be done to make sure that we pull together a set of policies that mean we can stand by those comments. But to have a leader of a political party in this place acknowledge that that is an important tenet and value we need to have when we go forward is, I think, a great step.

One of the things that would advantage us in making these decisions is the release of this $7.2 million report. If you have spent that much money, it must give some basic information that is important and that would assist us. And, like last week when the Leader of the Opposition was able to show leadership on an important part of public policy, if the government were to give us access to the Hogan report, we might be able to do the job for them. One thing is for sure: what we see now is a strategy by the government that this is about the short-term fix. Unless this report is put out in the marketplace now, in the run-up to a May election,
we are not going to have the proper discussion of the information that is involved in the report; we will not see a proper discussion that will lead to decisions that are not only viable but sustainable.

If there is one thing about this area of public policy we need to see, it is that we do not need a short-term fix; we need the long-term policy settings that mean that people will not be put in the place of fearing the unknown when they have to tackle the aged care sector. That is why I call upon the government to make sure that there is a full discussion of the Hogan report and that the report is released immediately to allow those who were interested in its conduct to enter into the proper development of policies arising from the information in it. (Time expired)

Mr LLOYD (Robertson) (4.17 p.m.)—This afternoon the Labor opposition had a perfect opportunity to put forward their policies and plans for aged care. But what did we hear? We heard no concrete plans, no policies; all we heard was more rhetoric and, worse than that, innuendo and scaremongering. The shadow minister, the member for Canberra, said that there are aged people in Australia who are scared and worried. The reason that many of them are scared and worried is that the Labor opposition want to make a political issue out of this very important sector of our community. They sit there with smirks on their faces and think: ‘Here we go. We can score a few political points off this by running a scaremongering line.’

I want to read a section of my maiden speech made back in 1996, almost eight years ago. I said then:

Affordable nursing home accommodation is at crisis point in the peninsula area. Time and time again, I am approached by distraught family members or carers seeking my assistance when no place can be found on the Central Coast to accommodate an elderly family member. Can you imagine the trauma when a couple have been married for 50 or 60 years and one partner has to be taken away to be cared for in a nursing home, sometimes as far away as Sydney or Newcastle, because affordable care is just not available in the local area? This situation must not be allowed to continue.

That is what I said about the Labor government back in 1996. That is what they had left us to repair. They had a disgraceful situation of being 10,000 aged care places short. This was exposed in the Auditor-General’s 1998 report, The planning of aged care, which revealed that Labor’s failure in aged care had left a shortage of, as I said, 10,000 aged care places.

I am very pleased to be here to support the federal Minister for Ageing, the member for Curtin, who last Friday visited my electorate of Robertson and the adjoining electorate of Dobell. At that time, she continued the policy of this government by announcing an additional 22 aged care places in Robertson, costing more than $300,000. Those 22 places will enable the establishment of a new nursing home in the Gosford area—Narara Gardens, to be run by Presbyterian Aged Care. This is another example of what this government is doing to ensure that our elderly residents are cared for in a way and manner that we would expect them to be.

Towards the conclusion of his speech the member for Scullin quoted some comments from the new Leader of the Opposition, the member for Werriwa. He quoted comments about a decent society wanting to be able to care for aged people in a manner that is fit—a manner that they would expect to be cared for in—as though the member for Werriwa was the only leader who had ever said that. That is wrong. The coalition, headed by the Prime Minister, have over the last eight years poured a huge amount of money into aged care to remedy some of the inadequacies left behind by the Labor government. I can speak from personal experience in my own elector-
ate. We have a number of new aged care fac-

cilities that have been constructed recently. The

Hammond Care Group have constructed a
dementia-specific facility at Erina, and I
know they also have a facility under con-
struction at Woy Woy in the peninsula area,
which is still an area where we need to en-
sure that we have additional aged care
places. And I have already mentioned the
Narara Gardens facility being constructed by
Presbyterian Aged Care.

One of the things I want to mention on
this issue today is a media report that I have
in front of me from the local Central Coast
media. It quotes the Labor candidate for Do-
bell as saying that aged care is still in crisis
and that there is still a shortage of aged care
on the Central Coast. To make matters
worse, the candidate says that there were 901
‘phantom beds’ in June 2003. This is a com-
ment that is often made by Labor opponents.
What are ‘phantom beds’? They are beds that
have not come on line—beds that cannot be
used at the moment. Why can’t they be used?
Some of these aged care places are not avail-
able in my own area—even though the fed-
geral government has granted them and
funded them—because of local government
regulations, the failure of local governments
to approve these facilities, or because local
governments have delayed approval of the
facilities. I suggest to the Labor candidate
and to other Labor candidates who are run-
ning around with this line about ‘phantom
beds’, that they have a look at the reasons
why some of these beds are not on line.
Maybe they would like to talk to some of
their Labor-controlled councils and some of
their Labor councillors to ensure that, when
these beds are approved, they are put for-
ward and made available to the community
as quickly as possible, because this is what is
important to our communities.

In the 2003 aged care approval rounds, the
Australian government has released 8,666
new aged care places across Australia. That
is worth more than $186 million in recurrent
funding for the allocation of 2003-04. Since
we came to government, the number of aged
care places has increased by more than
55,000. The 2003 release included 5,889
residential aged care places; 911 community
aged care packages; 469 Extended Aged
Care at Home packages; and 702 places for
national priority, including restructuring, to
be allocated through the 2003 aged care ap-
proval round. The Minister for Ageing men-
tioned earlier that the federal government is
now spending a record $6 billion on aged
care—that is $6,000 million on aged care—
looking after our frail and elderly residents.
There are 145,000 Australians in residential
aged care facilities.

One of the important aspects of the gov-
ernment’s policy has been the increase in
community care. If you speak to any person
who is growing older, they will tell you that
they do not want to leave their home and go
into a nursing home or an aged care facility.
The way to assist them to stay in their own
home for as long as possible is with an in-
crease in facilities in Community Aged Care
packages and Home and Community Care
packages. Community care funding by the
Howard government has increased by 823
per cent. Labor in government had no inter-
est in ensuring that our elderly people were
able to stay in their own homes. The Howard
government now funds Community Aged
Care packages to the tune of $308 million,
compared with Labor’s $33 million in their
last year of government. The federal contri-
bution for the Home and Community Care
packages, which are a combination of federal
and state government funds, is over $700
million. That will assist some 700,000 Aus-
tralians. Often, a very small amount of assis-
tance can ensure that a person does not have
to leave their own home. That assistance
could be constructing a wheelchair ramp,
remodelling a bathroom, putting in additional handrails, putting in phone systems or ensuring that people have access to cleaning services, meals and help. Those things can often make the difference so that people can age with dignity in their homes and in their own environment.

I am very pleased to support Minister Julie Bishop in the work that she is doing as part of Howard government. We are determined to continue our policies. We do have plans and funding in place—unlike the Labor Party, who do not have plans. All they have is rhetoric. They talk about these things but they want to scare the community and criticise the Howard government—you only have to look at our record. Mr Deputy Speaker, you ought to look at what Labor do, not what they say. They are very good on rhetoric but very bad on detail. Look at the record: they want to rewrite history; they do not want us to remember the mess that they left when they were in government for 13 years. I, for one, would not want to see us return to a Labor government, because it would not be in the best interests of our elderly people.

Mr WINDSOR (New England) (4.27 p.m.)—I will speak briefly to the matter of public importance. Aged care is obviously, as a number of members have said, a judgment of our community because it shows the way in which we do care for our aged. Like many members, I am eagerly awaiting the release of the Hogan report; but, unlike some opposition members who have spoken, I would tend to compliment the government on a number of the initiatives that they have put in place in relation to aged care. I think we all recognise that, with various budgetary constraints, all governments are going to experience difficulty from time to time. I do not think anybody would suggest that we are doing as much as we could but, being one amongst many other members in this parliament who called for a review of the aged care system, I am eagerly awaiting the report. I hope that the report does address some of the issues that have been raised in the past, particularly the runaway expenditure in administration costs. I am told by various aged care operators in my electorate of New England that administration costs are running at something like 30 per cent of total operating costs. I think that is something that should be looked at very closely, and hopefully in the report it will be.

Another issue that I have raised from time to time, particularly in terms of country towns and the way in which we can care for our aged, is the criteria which determine the allocation of aged care beds. Even though there are some minor differences between the criteria in the city compared with the country, I am hopeful that the Hogan report includes some weighting towards country communities where it can be shown that distance, remoteness and smallness have an impact.

I give credit to the former Minister for Ageing, and to the current Minister for Ageing, for the way in which they have attempted to embrace the problem of aged care in smaller communities. I also give credit to a former member for New England, Ian Sinclair, who was involved with the state government, when Craig Knowles was the state Minister for Health, in devising the multipurpose service criteria. That was a combination of the state government providing the acute care, or health care, and the Commonwealth government providing the aged care services—that could apply to those smaller communities. Obviously, under the old models, the smaller towns were just going to miss out. Because of economies of scale, they were going to be assessed as unviable in relation to their ability to provide the services within specific aged care facilities.
The MPS model has been a boon for a lot of country towns, and this is happening right across Australia. I compliment Ian Sinclair for the work that he put in; Craig Knowles, the state minister at the time; and the former and current ministers for ageing for the way in which they have applied the MPS model. It is making a very real difference to those small communities. It does overcome the impact of distance and smallness; it really does create a different perception within country towns. If we do not allow our aged to feel that they can age in their own communities—whether that be in place or in an aged care facility—and provide the facilities for them to do so, they are going to make certain decisions when they are much younger and leave those smaller country towns. So I do compliment the minister on those issues.

I remember that, when the former minister visited the electorate, I made a point about the formula of allocation of the number of beds equating to the people over 70 per thousand head of population. I remember the former minister suggesting that the review may, in fact, look at revisiting the age of 70 as being the criterion for the determination of where the beds go. Hopefully, there might be some examination of that within the Hogan report. I remember saying to the former minister, when he visited my electorate, that his seat was of a certain size—I think it was about 100 square kilometres—and that the seat of New England was 500 times bigger but in terms of aged care allocations had essentially the same formula, with some variations.

However, as I have said, the MPS models have started to address some of those distance and remoteness issues. The adjoining electorate of Gwydir is something like 1,600 times bigger than many of the urban electorates. So obviously the capacity and the ability of people to visit relatives, or of aged people to go to various facilities, becomes much more demanding once you are in a country electorate. If you are in a major city like Melbourne or Sydney, for instance, there is a whole range of facilities and there is public transport to get to them. Even though they might be at the other end of the city, it might be only 20 or 30 kilometres away.

There are a number of facilities in the electorate of New England that I would like to mention which I believe have been positive in the last year or so and some that are still in the planning phase. Guyra is to have an MPS, as are Barraba and Bingara. Planning is under way and has been approved for the Walcha MPS. There are two that I am very pleased about personally, which both the former minister and the current minister have had something to do with. The small community of Bundarra is developing an 11-bed aged care facility, in conjunction with a neighbouring bigger centre. There are economies of scale and benefits in the administration of those sorts of things. This model which has been developed by the community is not an MPS model but is essentially similar.

I compliment the Uralla Shire Council—that is one that the Carr Labor government in New South Wales is currently trying to abolish—for taking the lead and putting money into an aged care facility. I also compliment the Commonwealth government and state governments for coming along with additional funds to make this a viable operation. The last one I would mention that the current minister has had significant input into is the Tingha MPS, which embraces a fairly large Aboriginal community. They are people who do not tend to travel. If you shift their elderly—their elders—100 kilometres away, their capacity to visit is diminished. So I am very pleased that there will be a health facility at Tingha and an aged care facility as well. Only last week there were places an-
nounced for communities in the electorate of New England, at Ashford, Tenterfield and Armidale. They are very welcome.

I was also very pleased to see, in the neighbouring electorate of Gwydir in the town of Quirindi, the Quirindi aged care facility receive $2 million and a capital grant. Quirindi is next door to my electorate—I am closer to Quirindi than to Tamworth—and the people of Werris Creek, which is in my electorate, use the Quirindi facility. They are, again, embracing some change in that community. I think there is a model developing there that is well worth keeping an eye on. I compliment the government and my good friend the member for Gwydir for his involvement in that.

Obviously, we can always do more. I do not think anybody would say that we have totally got the problem fixed, but I think that too often we do not recognise where progress has been made. We can all throw figures around this place, but it is fairly obvious to me that there has been progress in relation to the dollars, the numbers of beds et cetera over recent years. It is particularly pleasing to me to see that there has been some recognition and that smaller towns just do not miss out—that the feedlot mentality does not apply—when we look at aged care facilities, that we do not just expel our older people from our smaller towns and make them go to the coast, to Sydney or somewhere else. That is a very positive initiative.

I encourage the minister, who is present today, to release the Hogan report as soon as it is available, if it can be released. This is a very important area that needs to have full parliamentary debate in a positive sense and not just in a partisan political sense.

**COMMITTEES**

**Selection Committee**

**Report**

Mr CAUSLEY (Page) (4.37 p.m.)—I present the report of the Selection Committee relating to the consideration of committee and delegation reports and private members’ business on Monday, 1 March 2004. The report will be printed in today’s Hansard and the items accorded priority for debate will be published in the Notice Paper for the next sitting.

*The report read as follows—*

**Report relating to the consideration of committee and delegation reports and private Members’ business on Monday, 1 March 2004**

Pursuant to standing order 331, the Selection Committee has determined the order of precedence and times to be allotted for consideration of committee and delegation reports and private Members’ business on Monday, 1 March 2004. The order of precedence and the allotments of time determined by the Committee are as follows:

**COMMITTEE AND DELEGATION REPORTS**

**Presentation and statements**

1 ASIO, ASIS and DSD—Parliamentary Joint Committee: Intelligence on Iraq’s Weapons of Mass Destruction.

The Committee determined that statements on the report may be made—all statements to conclude by 1 p.m.

**Speech time limits—**

First 2 Members speaking—10 minutes.

Other Members—5 minutes each.

[Proposed Members speaking = 2 x 10 mins, 2 x 5 mins]

**PRIVATE MEMBERS’ BUSINESS**

**Order of precedence**

**Notices**

(1) 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.)

Time allotted—remaining private Members’ business time prior to 1.45 p.m.
Speech time limits—
Mover of motion—10 minutes.
First Opposition Member speaking—5 minutes.
Other Members—5 minutes each.

[Proposed Members speaking = 1 x 10 mins, 7 x 5 mins]
The Committee determined that consideration of this matter should continue on a future day.

2 Mr P. E. 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. (Notice given 12 February 2004.)

Time allotted—30 minutes.
Speech time limits—
Mover of motion—5 minutes.
First Opposition Member speaking—5 minutes.
Other Members—5 minutes each.

[Proposed Members speaking = 6 x 5 mins]
The Committee determined that consideration of this matter should continue on a future day.

3 Mr Mossfield to move:
That this House:

(1) notes that on 5 March 1804 the Battle of Vinegar Hill took place at what is today known as Rouse Hill, New South Wales;

(2) notes that some 200 mainly Irish convicts, led by Phillip Cunningham, took part in Australia’s first known armed rebellion against authorities, largely over the treatment of Irish convicts in both Britain and the colonies;

(3) notes that next year marks the 200th anniversary of this battle;
notes that a steering committee of 5 Western Sydney Councils has been formed to stage a re-enactment and associated celebrations;

recognises that this Battle is a significant chapter in Australia’s early convict history;

recognises that the Battle and its outcome helped shape the Australian character; and therefore:

urges the Government to provide whatever additional assistance is necessary to ensure a successful re-enactment of this historic battle; and

calls on the Government to commemorate this significant event by issuing a commemorative coin and stamp. (Notice given 26 November 2003.)

Time allotted—remaining private Members’ business time.

Speech time limits—

Mover of motion—5 minutes.

First Government Member speaking—5 minutes.

Other Members—5 minutes each.

[Proposed Members speaking = 6 x 5 mins]

The Committee determined that consideration of this matter should continue on a future day.

WORKPLACE RELATIONS AMENDMENT (BETTER BARGAINING) BILL 2003

Second Reading

Debate resumed from 16 February, on motion by Mr Andrews:

That this bill be now read a second time.

Mr GAVAN O’CONNOR (Corio) (4.38 p.m.)—The Workplace Relations Amendment (Better Bargaining) Bill 2003 is yet another bill from the Howard government aimed at stripping away the fundamental rights of workers in Geelong and around the nation. It is important for every worker in the community sector in Geelong—every nurse, child-care worker, teacher, university academic, hospital worker and aged care worker—to understand that their fundamental democratic right to withdraw their labour is being seriously compromised, and indeed attacked, in what the shadow minister has described quite rightly as ‘a vicious piece of legislation; a vicious bill’.

Just how cynical and deceptive the Howard government is in these matters can be gauged from the title of this bill. The government calls it a better bargaining bill and yet it seeks to strip away the rights of those who work in the caring professions. The Minister for Employment and Workplace Relations thinks that these workers are all stupid and that they do not understand that when you strip away their right to take industrial action in defence of their pay and working conditions you do not put them in a better bargaining position—that goes without saying. When you compromise their capacity to take industrial action you put them in a worse bargaining situation, not a better one. The arrogance of the minister and the government in the titling of this bill is quite staggering.

Stripping away the government’s rhetoric, this bill aims to do three basic things. Firstly, it gives third parties who might be affected—and ‘might be affected’ is the operative phrase—by industrial action unprecedented power to apply to the commission to end that action. This means that third parties, including businesses or individuals such as patients, students, clients or customers, could intervene in the industrial relations process as a third party to end protected industrial action.

Secondly, the bill does not allow any industrial action during the life of an agreement or where the subject matter of the dispute is not covered by the agreement. This is designed, I am advised, to override Federal Court decisions which do allow such protected industrial action. Thirdly, the bill introduces cooling off periods: that is, it gives the Industrial Relations Commission new
powers to suspend bargaining periods in a wide range of circumstances. Once again the obvious tactic of the government—and it has pursued this from day one, since it first came to office—is there for all Geelong workers to see.

The capacity of care workers to take industrial action in their interests is compromised and attacked by this legislation. There is an implicit assumption behind this legislation and it goes to the heart of how the Howard government really views workers in the caring professions. Everybody in this House knows in their heart of hearts that industrial action by those who work in those areas is, in the main, only ever taken as a last resort response to a difficult situation that has emerged in their workplace. Never is industrial action taken over frivolous matters and, when it is taken, it usually occurs with a provision made to cushion any prolonged impact on clients. So one has to question not only the government’s real intent but also the very necessity for this piece of legislation.

A reasonable question for me to ask in the context of the debate on this bill on behalf of those workers in the caring professions in Geelong is: what exactly does this minister and the Howard government he represents have against nurses, teachers, aged care workers and others in the caring professions? Every day in my electorate—which is based in the Geelong region—these wonderful people go about their work in a conscientious and professional manner. They care for the sick, they teach our children and young adults, they look after our elderly and they tend to the needs of our preschoolers. What has the government got against them? Why is it attempting yet again to drive its industrial relations jackboot into the caring professions in my electorate and around Australia?

The Geelong community is entitled to know which narrow prejudice has given birth to this vicious piece of legislation. We know what the Prime Minister thinks of public schools and the teachers who work in them. In reality, he has a low opinion of them. He implied it in the comments he made about political correctness and values in these schools when he attacked them recently.

I invite the Prime Minister to come on down to Geelong, to Corio Bay Secondary College, and have a look at the great work being done to encourage single mothers to re-enter education and training to enable them to climb up a rung or two on the ladder of opportunity. Are these the people that the Prime Minister is so intent on damaging in this piece of legislation? Perhaps he might like to visit Rosewall Primary and look at the programs being instituted there to assist children with severe disadvantages. Perhaps he might like to come on down to visit Newcombe Secondary College and examine the innovative school programs provided by that school designed to give the sons and daughters of working people a shot at the title.

I have always operated on one simple philosophy: nothing is too good for the sons and daughters of working people. That has been the basis on which I entered public life and on which I debate the issues of the day in this parliament. And I will not have ministers or governments putting up pieces of legislation, year after year that they are in office, designed to compromise the fundamental working rights of care professionals in these areas. In every public school in Geelong the story of dedication and excellence is repeated, day in and day out, by teachers who are committed to their students. That process occurs in private schools, where the story is repeated: dedication, teaching excellence, and personal and professional commitment to students. Then why is this rubber dummy, the one that gets knocked down and bounces back up, continually coming into this parliament? I refer not only to the Minister for
Employment and Workplace Relations, who is at the table, but also to his predecessors coming to this parliament with these pernicious and vicious little pieces of industrial legislation that pander to their own prejudice. Why don’t you do something in the national interest? Why don’t ministers in this government do something in the interests of care professionals in this country? This government has brought into the parliament a piece of legislation which is an insult to every teacher in Geelong.

But it does not end there. The government is attempting to drive its industrial relations jackboot into the nurses in Geelong and across Australia as well. We really do know what this government thinks of nurses. In 2003 the then minister for industrial relations came up with the brilliant suggestion that regional and rural based nurses should be paid less than city nurses. What a spectacular step into the idiotic that is. Is the former industrial relations minister going to say that he is entitled to a full parliamentary salary but his colleague the member for Hume, or the member for Parkes, a member of The Nationals, or the member for New England, an Independent, ought to get less? What an idiotic principle that is to even articulate in any public place in this country, yet here we have a coalition minister—not some dumb backbencher in this parliament but a minister of the Crown—suggesting that nurses in rural and regional areas be paid less than city nurses. This is a principle he is prepared to foist on them but not to countenance for himself.

The nurses of Australia might have a view about what I would call city based lawyers in the Liberal Party who now occupy ministerial positions. They might have the view that these people are not worth a pinch of salt and ought to be paid less than some honourable members of the coalition backbench, who I know in their heart of hearts really object to the intent of this particular piece of legislation. Make no mistake, members opposite would be the first to get in line with the flowers and the congratulations for the nurses if those members were forced to go to hospital with a serious illness and were taken care of in our great public and private hospitals. They would be the first there with the flowers and the congratulatory cards saying what a wonderful job the nurses had done caring for them. Why don’t they just tack on the bottom: ‘By the way, my government is sponsoring a piece of legislation that wants to drive the boot into your rights as a caring professional in the workplace to take protected industrial action under the laws of the land.’ But it does not stop there. It affects the aged-care workers, child-care workers and academics—people who work in the community sector in this country are all targets of this nasty piece of legislation.

How would the legislation work in practice? The bill substantially extends the powers of the commission to suspend a bargaining period by allowing anyone directly affected by an action to apply for such a suspension. This would take away the capacity of employees to take protected industrial action under the law, which is their right. The current provisions allow for such a suspension of the bargaining period in limited circumstances, and reasonably so. But this legislation seeks to extend that dramatically. The process of resolving disputes when they occur under this legislation shows an obvious bias against the rights of the workers to initiate protected industrial action. You want a simple model for resolving industrial disputation in workplaces and workplaces that involve caring professionals, why do you not adopt two proposals that the Labor Party has put into the public arena? The first is to require parties to industrial disputes to bargain in good faith. That is not a very difficult proposition for even some of
the members opposite to countenance. There is no big deal in requiring parties in a bargaining period to bargain in good faith—that is both parties, not just one. That is not an unreasonable proposition. The second very simple thing that the current government could do is to give the commission greater powers to resolve intractable industrial disputes. That would seem to me to be a very sensible position for any government to hold.

But what we have here is a government that is driven by prejudice. I have said before in debates on workplace relations and industrial relations matters that what we are seeing time and time again in these bills is what the Prime Minister really wanted to do in the early years of his prime ministership. I mean this tired, old Liberal warrior who cannot even control his backbench and caucus on issues like superannuation. We all know what happened: you went out there and leaked like a sieve over superannuation. A poor, old, tired Prime Minister got up and tried to pull the wool over the eyes of those in the Liberal caucus—and he did, until they found out, of course, exactly what the Prime Minister had in mind and the backflip that he had done. Then they went out and leaked to the press. There we had the Treasurer, sulking on the sidelines yet again—the Prince Charles of Australian politics, who has supported, I might add, every piece of industrial legislation that has been brought into this chamber by the government, prejudice and all. There was the Deputy Prime Minister and the leader of The Nationals—

**Mr Tuckey**—Mr Deputy Speaker, I rise on a point of order. Considering the importance that the member for Corio seems to attach to this legislation, it would not be a bad idea if he stuck with the specifics and did not run off, as he is now, on personal attacks on individual members of this House.

**Mr Zahra**—He might have sounded like was talking about you, Wilson, but he wasn’t.

**The DEPUTY SPEAKER (Mr Jenkins)**—The honourable member for McMillan is not assisting the chair. The honourable member for Corio will be relevant to the question before the chair and address his remarks through the chair.

**Mr GAVAN O’CONNOR**—I certainly will. In deference to the member for O’Connor, who in this place has never run off on a tangent in any debate that we have had, I will certainly focus my concluding remarks on the Prime Minister’s industrial relations agenda. We know that this great mind—the Prime Minister—who runs the country really has only had a few items on his personal prejudice agenda. One was to privatise Telstra. Of course, he has only got half of that up. Another was to introduce a GST, and we all know that he got that up. Another was to introduce these pernicious pieces of legislation in the industrial relations area—the ones that we are debating here today. Of course, he has not been able to get many of those up at all because of the actions that are taken in the other place.

So the sum total of this great Prime Minister’s political work is probably about 1.2 or 1.3 out of three, and that is an appalling record. And when we get to industrial relations and this particular piece of legislation, we find that the Howard government is at it again. But this time it has picked on the workers in our community who are the most caring and responsible and who are the least deserving of being the brunt of this vicious piece of legislation that we are debating here today. I will certainly be going to all the workplaces where the caring professions are in my electorate, and I will explain to them exactly what this government is intending to do in this legislation. No amount of weasel
words or slippery words by the honourable member for O'Connor, who may well be following me in this debate, will obviate this fact: that in this piece of legislation there is an attack on the most caring workers in this country, and the government ought to be condemned for it.

Mr TUCKEY (O'Connor) (4.58 p.m.) — It is interesting that I felt compelled to come down here, having heard the weasel words of the member for Corio, because I came down with one thing in my mind—that is, the protection of rent seekers. Throughout the presentation of the member for Corio, he waxed lyrical with crocodile tears about various segments of the work force, but his opposition to the Workplace Relations Amendment (Better Bargaining) Bill 2003 has nothing to do with the rights or needs of Australian workers. It in fact has everything to do with recreating the industrial relations system of 15 years ago and the entrenched power of trade union heavies. It is about the rent seekers—those in the trade union movement who wish to have their privileged positions protected and who always go out, as we see frequently in the rent seeker situation, saying, ‘Protect me, because in that process you will be protecting workers and others.’

Let us now look at the rights and ambitions of workers. I sat in this House throughout the Hawke and Keating governments and watched the introduction of the accord. I sat here throughout that period and watched the introduction of unfair dismissal legislation. Over that period I also saw a massive episode of workers deserting the trade union movement, particularly in the private sector, which in itself raises some interesting points. It appears that nurses and others who became the subject of the member for Corio’s remarks still need the protection of a union so they can deal with ex-union heavies who now take up ministerial positions in most state governments, be they their employer or their representative. If we think those are weasel words, we only have to read the press of recent times in New South Wales, where poor old train drivers have been getting boxed around the ears by an ex-train driver or ex-traineer train driver—I forget which. And of course we see the circumstances of nurses—who are generally, in the public sector, employees of state governments—and the battles they have had. In Western Australia, as the member for Hasluck will fail to point out, their battle was with the Gallop government, and they were treated very brutally by that government.

It appears today that the only people who have any consistent commitment to the trade union movement are government workers. The bulk of them—by any measure—deal with state Labor governments. So who are we talking about when the member for Corio gets up here and cries crocodile tears about workers? I mentioned the accord. The effect of the accord, which was boasted about by industrial relations ministers in successive Hawke and Keating Labor governments, was that every year it proceeded in lowering the disposable income of workers. Their real wages declined, and ministers stood up and said, ‘Aren’t we good! Our deal with Bill Kelty has achieved a lower disposable income for workers.’

The Howard government comes to office and fortunately produces some reform of the industrial relations laws of Australia, and what has been the result of that? Disposable income—the ability of Mrs Worker Wife or her family to buy things—has increased every year. It is called an increase in real wages. It is an amazing thing that we saw a period in history where unions walked out of the Industrial Relations Commission with one wage increase and commenced preparing a request for the next. And what did the worker get out of it? It is a statistical fact that
they got less, one of the reasons being that they increased the employers’ costs by an additional 30 or 40 per cent, which translated into the price that Mrs Worker had to pay down at the supermarket. But did Mr Worker take home his full $10 or $15 increase? No, he had to pay tax—and, as history has proved, more and more of those workers have been pushed into the higher brackets of taxation as a consequence. They were losing, and it is the Howard government’s policies that have given them job security, jobs that had never before existed and more money to spend.

The rent seekers are terrified. Their membership—of those who have a brain to think—has dropped to 17 per cent. So they have called in the troops—mostly, of course, members of their own organisations, whom they fund, as we have heard, with $40 million—and said, ‘Put us back in power. We want everybody to kowtow to us. No ticket, no start.’ If the workers wanted that, why are they not there now? Why have they deserted and why are they feeling so good—so much so that every consumer confidence survey says that Australian people are feeling pretty good; that they want to spend their money and create more jobs? When we look at this and at the crocodile tears of the member for Corio, we get an interesting point. He has been—and I have seen him personally—railing against the FTA out there at a doorstep. I have had a look at the map and, as I see it, the electorate of Corio typically covers Geelong. And what are Geelong and Broadmeadows—the adjoining area, which might be outside his electorate—

Mr Zahra—Mr Deputy Speaker, I raise a point of order on relevance. It is a bit rich for the member for O’Connor to lecture the member for Corio about being relevant and then to start going on about the free trade agreement in a debate about industrial relations.

The DEPUTY SPEAKER (Mr Jenkins)—The honourable member for O’Connor will remember that he has to be relevant to the question before the chair.

Mr TUCKEY—The point I wish to make about the member for Corio’s impassioned plea for workers is that I thought his workers were in the car industry. From an industrial relations perspective and in terms of the 80,000 or so voters in the Corio electorate—whether or not they are directly involved with the industry, they are likely to own a car—we all know that increased production runs in the automobile industry mean lower costs of production, which of course improve the workers’ job security and might even lower the cost of vehicles. How will that be achieved? By exporting cars, in this case into the American market. If we think the American workers are not frightened of us, why have they demanded, as things are, that there be a quota of 18,000, I think, on the export of Monaros? We have this vision painted that the Yank industry is going to flood our own, when in fact American workers are scared stiff of us. So there is an opportunity that one would think would be paramount in the mind of the member for Corio, yet he is carrying on about sugar when he does not even put it in his own cup of tea.

The facts of life are that he also called for—and I wrote it down—bargaining in good faith. I am not sure that we have much opposition to that, but I have been around the parliament for a long time—I made my first speech in this place on industrial relations—and I cannot remember a trade union heavy bargaining in good faith in the history of industrial relations in this country. It has always been, ‘We’ll shut you down.’ In fact, when I lived in the North-West I would see iron ore workers travelling south in their cars because a strike had commenced and they expected it to go on for six weeks. What was it about? It was about fitting two people in
the cabin of an excavator. There is only one seat, but you had to have two in there. Those issues are behind us and there is great prosperity throughout Australia as a response.

He talks about bargaining in good faith! Then of course he goes on about increasing the powers of the Industrial Relations Commission. Let me provide an example from Western Australia that I am sure the member for Hasluck can tell us all about. The Industrial Relations Commission in Western Australia, which has already been substantially empowered, gave an instruction to the train drivers to go back to work so the people of Western Australia could have the transport for which they pay their taxes. Those people of Western Australia are going to have to pay a huge tax burden with the new railway line, costing more than the Alice Springs-Darwin railway line—and the evidence is that they will probably never get to ride on it because the drivers will go on strike when they like. But what did the train drivers do? They were instructed by the Industrial Relations Commission to go back to work and they virtually refused to do that—a very small number turned up. What did their union representatives say? They said, ‘I think they’ve gone fishing.’ They knew they were not going to turn up for the weekend. In other words, it was: ‘Up you, Mr Industrial Relations Commission’—a body which has been greatly extended and empowered by the Gallop government.

So what are they talking about? They are talking about the definition of impossibility, they are talking about protecting rent seekers and they are carrying on about the rights of workers. What about the worker in the building and construction industry who does not want to be in the union and wants his union fees to buy shoes and schoolbooks for his kids? What are his rights when Tom Domican or someone comes around? He has none, because the rent seeker wants to protect their position. I am very reluctant to finish my comments at this point because I think they are highly relevant. However, I did promise to speak for only 10 minutes, so I will conclude my remarks.

Ms JACKSON (Hasluck) (5.10 p.m.)—The member for O’Connor is quite an act to follow in this place. I appreciate that he has been here for some considerable time and that may be why he has lost touch with what is happening at a practical level out in the real world of industrial relations. In fact, I think the Workplace Relations Amendment (Better Bargaining) Bill 2003 demonstrates, well and truly, that this government has no concrete third term agenda. It is simply putting up ridiculous and ideologically-driven pieces of legislation that offer practically no real benefit to anyone, least of all any who have to operate in industrial relations, human resources or workplace relations—however you wish to describe it. Indeed, the example provided by the member for O’Connor about the trains in Western Australia is, I think, a very good example. Simply trying to increase the powers of the Industrial Relations Commission will do nothing to settle and resolve industrial disputes.

I recall, with some great measure of pride, the reforms that were introduced by the Labor government in 1993, which attempted to introduce, for the first time, a comprehensive framework of industrial relations that allowed for people to take protected industrial action, in certain circumstances, that fostered and encouraged bargaining in good faith. Again, I appreciate that those on the other side may not actually understand what is meant by bargaining in good faith, but they were the provisions that were introduced back in 1993.

This is the second workplace relations bill I have spoken on during this fortnight. I am again going to quote from a former conserva-
tive leader in this House, when he introduced the Conciliation and Arbitration Act 1904. It is a shame that the honourable member for O’Connor did not stay in the chamber, because he may have known him personally. He said:

This bill starts with a confession that it is based on a humanitarian interpretation of the principles and obligations which form the very basis of civilised society. It leaves to its opponents the creed whose God is greed, whose devil is need, and whose paradise lies in the cheapest market.

It is interesting to me that that legislation was introduced, as I say, by a former conservative leader in this place and how far the conservatives have removed themselves from that ideology. Indeed, when the member for Kingsford Smith was the Minister for Industrial Relations and introduced the Industrial Relations Reform Bill in 1993, he made the following observation:

While Labor, through this legislation, may be about to change the methodology of industrial relations, it will remain true to the principles of fairness that have underpinned a century of conciliation and arbitration. Our opponents remain true only to their latter-day ideology, to the ideology of minimum standards, of individual contracts, of $3 an hour youth wages.

That is the kind of ideology behind this Workplace Relations Amendment (Better Bargaining) Bill.

I want to talk a little about the assumptions that must underpin this bill. When you look through its provisions it seems to me that the minister’s approach is that there is no circumstance at all where industrial action, be it protected or otherwise, is justified or somehow appropriate. It seems that the government’s assumption is that all industrial action, no matter where or how it comes, is unjustified and wrong; therefore, they need to try and intervene to prevent that. I do not know what, if any, workplace relations experience the minister has in this area. Prior to taking up my place in this House I spent many years in the industrial relations sphere, and it seems to me that the minister has no idea of the current provisions of the Workplace Relations Act. I would like to take him to a couple of those.

First, of course, there is section 127, involving the orders to stop or prevent industrial action. The minister may or may not be aware that applications made under section 127 are not only made by those who may be party to an industrial dispute but also made by those persons who are directly affected or likely to be directly affected by the industrial action. The Industrial Relations Commission have specific powers conferred on them under section 127 to issue orders which are not in derogation of their general powers under the Workplace Relations Act—and that is just with respect to stopping or preventing industrial action.

When you come to the specifics of the commission’s powers with respect to suspending or terminating bargaining periods—and these can be found, for the minister’s reference, under section 170MW of the current Workplace Relations Act—they set out an incredible number of circumstances whereby the commission may, by order, suspend or terminate the bargaining period, subject of course to providing the negotiating parties with an opportunity to be heard. Those circumstances are set out in some considerable detail in subsections 170MW(2) and 170MW(3) of the legislation.

Again, I would like to point out to the minister the circumstances where the commission may intervene and suspend or terminate the bargaining period. They include where industrial action is threatening:

(a) to endanger the life, the personal safety or health, or the welfare, of the population or of part of it; or
(b) to cause significant damage to the Australian economy or an important part of it.

Any traversing of the commission authorities and precedent with respect to these matters would show that the commission, in the exercise of its jurisdiction, has had regard not only for those principles of fairness and for some acceptance and acknowledgment of the importance of good faith bargaining and goodwill between negotiating parties but also—something which is, far and above, of greater importance—for the public interest.

So, Minister, my simple and humble submission to you would be that the kinds of powers that you think are appropriate and necessary, according to what you say in your second reading speech, already exist within the provisions of the Workplace Relations Act. I encourage you to examine them, because this legislation is completely and absolutely unnecessary.

What causes me significant concern is that the practical impact of this so-called better bargaining bill will be to effectively remove from a significant number of people in the work force the right to take protected industrial action. The minister himself, in his second reading speech and in his material about the legislation, has specifically referred to the caring professions. I did a little bit of research before coming in here, because I thought that if I was going to have a look at the current provisions of the act I ought to have a look at where section 127 orders have been sought and also where we have had terminations of bargaining periods. I can tell the minister that the overview of the work of the commission in the Annual report of the President of the Australian Industrial Relations Commission and annual report of the Australian Industrial Registry, 1 July 2002 to 30 June 2003 indicates:

Applications for orders relating to industrial action were also fairly stable. Of the 451 applications of that kind, half were made in three industries: building and civil construction, metal and coal.

There was almost no appearance of the kind of industries that the minister calls the caring professions. I will come back to that, because there is a good reason for that.

Equally, with respect to applications sought by employers or any of the negotiating parties for the termination of a bargaining period, last year we had the extraordinarily large total of 58. That follows 54 applications made in the previous year. We can see that this is not an issue where employers, unions and employees are begging the government to take the lead and make some amendments. If you take a completely different area such as the family tax benefit and look at the fact that the government has taken nearly three years to do very little, it seems to me that this is an extraordinary step. It is because it is about industrial relations and ideology. This legislation is quite duplicitous in the fact that it effectively intends to remove from the caring professions that right to take industrial action.

People before me have spoken about nurses, child-care workers and carers, particularly in the areas of aged care and disability services. I know those workers very well, and anybody who has had any contact with them knows that not only is the contemplation of industrial action the very last resort; it is a decision that often causes them great distress and trauma. But when no-one is listening, Minister, you do not have many options.

I will give you one example from my own state of Western Australia. It concerns a recent industrial campaign that I have observed and have had some direct involvement in, I guess, through workers visiting me in my office and from talking to employers in the aged care sector. Those forming the backbone of the caring work force in Western
Australia—carers in aged care—earn the princely sum of $13.47 an hour. That is $526 a week. In case you did not know, Minister—because I suspect you do not—that is only $50-odd more than the minimum wage. In the MPI I heard member after member saying that we have a responsibility to care for the aged in our community. This is how you judge how good we are as a society, and yet it is all right to pay those workers $13.47 an hour.

Those workers have commenced a campaign in Western Australia, one that has run now for a considerable period of time in many aged care workplaces, to increase their pay by a dollar an hour. It is not a huge sum—we are talking about a dollar an hour, taking them to $14.47 an hour, a mighty $566 a week for a full-time employee. Interestingly enough, the workers have coined a slogan for their campaign: ‘Who gives a buck for aged care.’ They have been very frustrated in their negotiations, and that is because most of their employers—indeed, all of them—are substantially dependent on the Commonwealth government for the funding of their industry. Naturally, we know that the most substantial costs for employers in the industry—other than the red tape and administration, which are running at something like 30 per cent of funding—are labour costs.

What this legislation will do—assuming that their negotiations break down and they ultimately have to take industrial action or determine to do so in pursuit of their claims, which is a right that has been bestowed on the Australian work force since November 1993—is allow any person to make an application to the commission to terminate their bargaining period and their rights to take industrial action. It could be a resident or a resident’s cousin—it could be any number of people who are not directly affected by the industrial action. It also ensures the right of the employer—who, frankly, has the power in most of these workplaces—to determine the outcome of genuine industrial claims. All an employer would have to do under this legislation is make an application to the commission to terminate the bargaining period. The people who are taking industrial action care for people, and they would lose their right to take industrial action. That is hardly fair, particularly when we prevail upon these people and continue to rely on their goodwill so that they will provide first-class services to our aged care community for $13.47 an hour. It seems to me that they have a right to improve their conditions and wages.

It also illustrates an example of where multiple employer negotiations are appropriate. I can think of two industries largely dependent on Commonwealth government funding that make that so. Aged care and child care are classic examples of where it may well be in the interests of the industry and, indeed, in the public interest if we were able to have sensible negotiations including the funding authorities to ensure that proper and meaningful, as well as fair, rates of pay apply in these industries. If the minister were genuinely concerned to ensure that there was better bargaining—as his bill is called, although I am used to the Orwellian titles of industrial relations legislation in this place—he would, with our support, amend the legislation to include provisions that require bargaining in good faith, which is consistent with our international obligations. I urge the minister to reconsider this legislation.

The only reason he put forward for this bill in his second reading speech was: This bill will ensure that the bargaining process continues to benefit workplaces by ensuring this process is as user friendly as possible. I do not think that is the view of the caring professions.
Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (5.25 p.m.)—The Workplace Relations Amendment (Better Bargaining) Bill 2003 proposes further improvements to the agreement making provisions in the Workplace Relations Act. The agreement making system provided by the act has proven to be highly effective as a framework which provides flexible and fair workplace arrangements. It has benefited the whole community by contributing to improved productivity and employment. This is consistent with the principal object of the Workplace Relations Act, which is to provide a framework for cooperative relations that promotes the economic prosperity and welfare of the Australian people.

The amendments proposed in this bill would build on this highly successful system. They refine and extend agreement making provisions to ensure that our user-friendly bargaining processes continue to benefit workplaces and the community. The bill would allow cooling-off periods during bargaining negotiations. This would assist negotiating parties to step back from industrial conflict and refocus on reaching a solution which works for the business and the employees in question. This would help negotiating parties to successfully progress new certified agreements rather than getting bogged down in the process.

The bill would allow the suspension of a bargaining period to protect vulnerable third parties affected by industrial action. These third parties are not directly involved in the dispute but it may cause them significant harm because of their vulnerability—for example, clients of health, community services and the education system. The bill would ensure that the rights of negotiating parties to take industrial action are appropriately balanced with the broader welfare of the community. The bill would reverse the effects of legal decisions which have given rise to emerging uncertainties about the circumstances in which protected industrial action can be taken. It would ensure that parties negotiating agreements do not inappropriately take advantage of the privilege of protected action.

The members for Rankin, Grayndler and Hasluck have all said that the bill allows a third party who might be affected by industrial action to apply to stop industrial action. I point out that the bill does not provide for the suspension of a bargaining period on the application of a third party who might be affected by industrial action. The bill actually requires the application to be made by a third party who is directly affected by industrial action. I take the honourable member opposite to the actual provisions of the bill.

Proposed section 170MWC(1) says:

The Commission may, by order, suspend a bargaining period for a period specified in the order if:

(b) an application for the period to be suspended under this section is made to the Commission by or on behalf of:

(i) an organisation, person or body directly affected by the action (other than a negotiating party) ...

As well as that, the commission, in considering an application from a third party, has to consider whether the industrial action is threatening to cause significant harm. The bill states:

(c) the Commission considers that the action is threatening to cause significant harm to any person (other than a negotiating party) ...

I suggest to those opposite that they look clearly at what the wording of the bill says rather than what they think the application is.
Secondly, the member for Rankin criticised the bill for not giving the commission more power to resolve disputes. The bill does give the commission more power to resolve disputes. Any decision to suspend the bargaining period would be for the commission and for the commission alone. The honourable member also accused the government of targeting workers in the health, education and community sectors. I note the member for Corio, and I think the member for Hasluck, made remarks to a similar effect.

The third party provisions of the bill are intended to ensure a better balance between the rights of negotiating parties to take protected action and the welfare of the community. The bill is not specifically directed at any particular type of worker and will apply to all employees and employers covered by the Workplace Relations Act. Allowing third parties to apply for the suspension of a bargaining period would provide an avenue for those not directly involved in industrial disputes to seek respite from industrial action that is causing them significant harm.

Contrary to the assertions of the members opposite, the government does value the contributions of employees of the health, education and community sectors. This bill is designed to protect the most vulnerable members of the community, but the bill will apply equally to other sectors. Workers and employers will have a right to be heard prior to any decision by the Australian Industrial Relations Commission to suspend a bargaining period. The commission will still retain full discretion as to whether to suspend a bargaining period and it will be given guidance in the exercise of this discretion by the bill. The commission's decision will be guided by a range of factors including whether the suspension would be contrary to the public interest or inconsistent with the objects of the Workplace Relations Act.

In reaching a fair balance between the rights of bargaining parties and third parties affected by industrial action, it is appropriate for the commission to consider the impact of industrial action on third parties. A number of members opposite have referred to the caring professions, for example. It is quite appropriate in the government's view that, in considering these matters and reaching a balanced decision, the commission, in its discretion, can consider also the impact of any industrial action, for example, on the residents of an aged care home. The government does value the caring professions. It also values the clients of those professions.

Much has been made about aged care and the caring professions. There are also the interests of clients of those professions which are to be taken into account through the balancing of these considerations by the Australian Industrial Relations Commission. Members opposite seem to suggest that the interests of patients, students, residents of institutions and the like should not be taken into account. They can be very seriously inconvenienced, disadvantaged and even harmed by industrial action.

The member for Rankin also said that the bill makes it impossible to take protected industrial action and that this bill takes away the ability of employees to withdraw their labour in response to workplace disputes. The bill does not deprive employees of their right to take protected industrial action when negotiating an agreement, but there should be no reason to go on strike once there is an agreement made under the bargaining framework established in the Workplace Relations Act. Certified agreements all contain dispute resolution clauses. Differences that arise during the life of a certified agreement should be dealt with in accordance with the dispute resolution clause. It is irresponsible to take industrial action during the life of a certified agreement.
The member for Burke suggested that the bill does not accord with Australia’s international obligations. The government believes that it meets its international obligations. These mechanisms are specifically tailored to the unique needs and circumstances of Australian industry. It should be emphasised that suspension of any bargaining period does not happen just because a negotiating party or a third party applies for it. The commission will decide if industrial action should be interrupted. The members opposite should trust the ability and judgment of the commission.

The members opposite see the commission’s role solely in terms of arbitrating disputes. It is better for negotiating parties to reach agreement themselves and not to have a solution imposed upon them. The bill will allow the commission to suspend industrial action to allow the negotiating parties to work towards their own solutions. There has been much rhetoric excited by this bill from members opposite. Some of the speeches were full of what I would describe as irrationality and, in some cases, personal abuse. We believe that this is a balanced piece of legislation and for that reason I commend the bill to the House.

Question put:
That this bill be now read a second time.

The House divided. [5.37 p.m.]
(The Deputy Speaker—Mr Barresi)

Ayes.......... 78
Noes.......... 65
Majority....... 13

AYES
Abbott, A.J.
Andrews, K.J.
Bailey, P.E.
Baldwin, R.C.
Billson, B.F.
Bishop, J.I.
Cadman, A.G.
Causley, I.R.
Ciobo, S.M.
Costello, P.H.
Draper, P.
Elson, K.S.
Farmer, P.F.
Gallus, C.A.
Gash, J.
Haase, B.W.
Hawker, D.P.M.
Hull, K.E.
Johnson, M.A.
Kelly, D.M.
Kemp, D.A.
Ley, S.P.
Lloyd, J.E.
May, M.A.
McGauran, P.J.
Nairn, G.R.
Neville, P.C.
Pearce, C.J.
Pyne, C.
Ruddock, P.M.
Scott, B.C.
Slipper, P.N.
Somlyay, A.M.
Stone, S.N.
Tricehurst, K.V.
Truss, W.E.
Vale, D.S.
Washer, M.J.
Windsor, A.H.C.

NOES
Adams, D.G.H.
Andren, P.J.
Bevis, A.R.
Burke, A.E.
Corcoran, A.K.
Crean, S.F.
Danby, M. *
Ellis, A.L.
Evans, M.J.
Ferguson, M.J.
George, J.
Gillard, J.E.
Griffin, A.P.
Hatton, M.J.
Irwin, J.
Jenkins, H.A.
Kerr, D.J.C.

Cameron, R.A.
Charles, R.E.
Cobb, J.K.
Downer, A.J.G.
Dutton, P.C.
Entsch, W.G.
Forrest, J.A.
Gambaro, T.
Georgiou, P.
Hartsuyker, L.
Hockey, J.B.
Hunt, G.A.
Jull, D.F.
Kelly, J.M.
King, P.E.
Lindsay, P.J.
Macfarlane, I.E.
McArthur, S.
Moylan, J.E.
Nelson, B.J.
Panopoulos, S.
Prosser, G.D.
Randall, D.J.
Schultz, A.
Secker, P.D.
Smith, A.D.H.
Southcott, A.J.
Thompson, C.P.
Tellner, D.W.
Tuckey, C.W.
Wakelin, B.H.
Williams, D.R.
Worth, P.M.

Albanese, A.N.
Beazley, K.C.
Brereton, L.J.
Byrne, A.M.
Cox, D.A.
Crosio, J.A.
Edwards, G.J.
Emerson, C.A.
Ferguson, L.D.T.
Fitzgibbon, J.A.
Gibbons, S.W.
Grierson, S.J.
Hall, J.G.
Hoare, K.J.
Jackson, S.M.
Katter, R.C.
King, C.F.
Lawrence, C.M. Livermore, K.F.  
Macklin, J.L. McClelland, R.B.  
McFarlane, J.S. McLey, L.B.  
McMullan, R.F. Melham, D.  
Mossfield, F.W. Murphy, J. P.  
O’Byrne, M.A. O’Connor, B.P.  
O’Connor, G.M. Organ, M.  
Plibersek, T. Price, L.R.S.  
Quick, H.V. * Ripoll, B.F.  
Roxon, N.L. Rudd, K.M.  
Sawford, R.W. Sciacca, C.A.  
Sercombe, R.C.G. Sidebottom, P.S.  
Smith, S.F. Snowdon, W.E.  
Swan, W.M. Tanner, L.  
Vamvakou, M. Wilkie, K.  
Zahra, C.J.  

* denotes teller

Question agreed to.
Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Dr EMERSON (Rankin) (5.42 p.m.)—I wish to raise a number of matters on the specifics of this legislation, having already spoken at length on the totality of the Workplace Relations Amendment (Better Bargaining) Bill 2003. The first matter is in relation to a comment that the minister made in summing up when he said that Labor was wrong to suggest that this legislation would apply in cases where a third party might be affected. We stand by that claim. Subsection 1(c) of proposed section 170MWC of the bill states:

(1) The Commission may, by order, suspend a bargaining period for a period specified in the order if:

(c) the Commission considers that the action is threatening to cause significant harm to any person (other than a negotiating party) ...

That threat is a situation that we described in our speeches—that is, if the action might have an impact on the third party, that application can be made by the third party. So we consider that the minister is in error in saying that this does not relate to a situation where a third party might be affected. The very reference ‘threatening to cause significant harm’ is a prospective reference to the future and therefore one where a third party might be affected.

The second point I raise is that section 170MW(3)(a) of the Workplace Relations Act 1996 already allows the suspension of a bargaining period if industrial action threatens:

... to endanger the life, the personal safety or health, or the welfare, of the population or of part of it ...

This provision covers the stated concern of the minister in bringing this legislation into the parliament in the first place. The member for Hasluck, amongst others, has drawn attention to that fact—that is, that there are already adequate safeguards. In these circumstances, how can the minister justify further provisions, other than to admit that the minister simply wants to, as an objective, weaken the bargaining power of employees?

The next point is that in schedule 1 of the bill the new wording in section 170MN precludes any form of industrial action during the term of an agreement. The minister will be aware that many enterprise agreements are not comprehensive; many parties choose to leave some issues unresolved at the time of the initial negotiations, to be revisited during the life of the agreement. As the Federal Court found in the Emwest decision, it is appropriate for such further negotiations during the life of an agreement to take place in the usual context of a bargaining period, with the option of legally protected industrial action.

So I ask the minister: why does he want to remove this choice for employers and employees—that is, where they agree that the agreement they reach would not be comprehensive and that some matters could be left
for another time? We think that that is a matter of choice. We hear from the government all the time that it promotes choice, but why in these particular provisions is this government seeking to remove or reduce choice?

Furthermore, in schedule 2 of the bill, the new sections 170MWB and 170MWC give the Australian Industrial Relations Commission greater power to suspend a bargaining period. I ask the minister: how do the parties then resolve the issue in dispute, given that the commission is given no new powers to resolve disputes during the suspension of the bargaining period?

Finally, the minister’s second reading speech states that this bill specifically targets workplaces in health, community services and education, and I seek a proper explanation as to why the minister wants to limit the bargaining rights of our caring professionals. Why target some of the most respected professionals in this country—nurses, teachers, academics, child-care workers and aged-care workers?

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (5.47 p.m.)—The member for Rankin has raised five matters which I will reply to seriatim. Firstly, can I say to the member for Rankin, with respect, that he misdirects himself in a matter of statutory interpretation as to—

Mr Tanner—are you a judge?

Mr ANDREWS—I am simply trying to indicate to him that his interpretation of proposed section 170MWC(1) is incorrect. It is for this reason that the component parts of section 170MWC(1)—namely, paragraphs (a), (b), (c) and (d)—are all linked by the word ‘and’. Consequently, each of those things must be established for the commission to make an order. The honourable member says the commission can consider that the action threatens to cause significant harm and therefore can simply base an order on that, but it cannot do so. The commission must also be satisfied of paragraphs (b) and (c). The bill states:

(b) an application for the period to be suspended under this section is made to the Commission by or on behalf of:

(i) an organisation, person or body directly affected by the action …

(ii) … and

(c) the Commission considers that the action is threatening to cause significant harm …

That is why it is our assertion that both of those things apply as a matter of normal statutory interpretation.

Secondly, the member for Rankin asked about the effect of section 170MW(3)(a) of the Workplace Relations Act, which allows the suspension of a bargaining period if industrial action threatens ‘to endanger the life, the personal safety or health, or the welfare, of the population or of part of it’ and, if I can paraphrase his question, in effect said, ‘Isn’t that sufficient?’ We do not believe so, because section 170MW(8) restricts that application to circumstances where one or the other of the negotiating parties makes an application, or an application is made to the commission by the minister at the time. It does not allow an application to be made by an affected third party, and that is what this proposed amendment seeks to allow.

Thirdly, the member for Rankin referred to schedule 1 of the bill and the decision of the Federal Court in Emwest in relation to further negotiations, and asked why the government wanted to remove choice for employers and employees in further negotiations. Essentially, the parties can continue to negotiate; what this precludes them from doing is taking industrial action. We proposed this section in order to provide cer-
tainty. We say that what the honourable member opposite proposes would add further uncertainty about industrial action. Further, proposed section 170MW(6) provides:

(6) If the Commission makes an order ... the Commission must inform the negotiating parties that they may voluntarily submit the matters at issue:

(a) to an agreed mediator for the purposes of mediation; or

(b) to the Commission for the purposes of conciliation.

So both mediation and conciliation remain, and the commission must draw that to the attention of the parties.

Fourthly, the honourable member referred to the Industrial Relations Commission being given greater power to suspend a bargaining period and said that no new powers were raised for this. I believe I answered that in my earlier remarks and, in the interests of time, I will not repeat that. Finally, the member for Rankin asked why we wanted to limit the bargaining rights of caring professionals. Again, as I indicated earlier, what this does is give the commission discretion to take into account any broader issues that it sees as relevant in terms of the impact on others in the community. For example, the residents of an aged care home could be quite seriously affected by industrial action.

Dr Emerson (Rankin) (5.52 p.m.)—I will respond to the statements that the minister has just made. The existing provision, section 170MW(3)(a)—as the minister has just noted—already allows an employer, in circumstances where the industrial action threatens to endanger the life, the personal safety or the health or welfare of the population or a part of it, to go to the commission. It also allows employees and, importantly in this case, the minister, to go to the commission. The minister, presumably, would consider himself or any other minister in the coalition, who are bringing this legislation into the parliament, to be the custodian of the public interest. So why do you then need a third party? If the minister were genuinely concerned about an actual or threatened industrial action, why wouldn’t the minister then take action under the existing provisions rather than introduce this nasty, punitive new piece of legislation?

I do not accept the explanation that the minister has provided in relation to proposed section 170MWC of the bill. The minister says that they are all linked by the word 'and'. It still remains the case, in my strongly held view, that this legislation would apply where a party might be affected by virtue of paragraph (c): ‘that the action is threatening to cause significant harm to any person’. If that is unnecessary or redundant, take it out. But a far better recommendation from Labor is to take the whole thing out—to junk this bill—because it is completely unnecessary. As we have said time and again in this debate, there are already very strong powers. If the minister does consider that he is the custodian of the public interest, he could use the existing legislation.

The truth of the matter is that the government is targeting our nurses, our teachers, aged-care workers, child-care workers and academics. It said so in the second reading speech and it has said so time and again in this debate. There is no reason for this legislation to go through this parliament, other than the fact that the government seems to have some grievance against our caring professions. We do not, of course, have the numbers to prevent this legislation from being passed by the House. In fact, the second reading speech has already occurred and the third reading, I suspect, is imminent. But in the Senate Labor will use all the persuasive powers that we have to ensure this legislation does not pass, because it is unnecessary. It is simply an unwarranted, unjustified, un-
Australian and unfair attack on our caring professions.

The caring professions of this country, when they fully appreciate the dimensions of what this minister and this government are seeking to do to them, will be very upset indeed. I know that many already are. They can be assured that Labor will stick by them and we will defend their right to take industrial action where a dispute has arisen and where the parties cannot reach an agreement. If that right to take industrial action is removed then, of course, there goes the bargaining power of those professions. That is ultimately what this legislation is about—weakening, if not completely removing, the bargaining power of those in our caring professions and other working Australians. That is why I say it is unfair and un-Australian, and that is why Labor will strenuously oppose it.

Mr ANDREWS (Menzies—Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service) (5.56 p.m.)—I will briefly reply to the honourable member in relation to proposed section 170MW(3). I will indicate two things to him by way of response. Firstly, the current provisions relate only to parties to a negotiation or the minister. It is not the case that the minister—whoever that might be—can be aware of every industrial action which occurs in the country. So that does not necessarily give any protection to those who could be adversely affected by industrial action. Secondly, proposed provision 170MWC(2) sets out a number of matters in relation to the impact that that industrial action might have—for example, damage to the ongoing viability of a business, disruption to the supply of goods or services to a business, the reduction of a person’s capacity to fulfil a contractual obligation or other economic loss of a person, none of which are covered by existing section 170MW(3). For that reason, we believe that the provisions in this bill are appropriate.

I would like to repeat once again that one can imagine circumstances where industrial action in an aged care home—to take the example of the caring professions—could have a serious adverse effect on the health and wellbeing of its residents. All we are saying in this legislation is that the residents or the families of residents of the home have the right to go to the Australian Industrial Relations Commission and raise that matter with the commission. The commission in its discretion would then decide whether or not, in balancing the interests of all the parties, it could make use of this legislation. We think this is an entirely reasonable proposition.

Dr EMERSON (Rankin) (5.58 p.m.)—I would like to prolong this debate indefinitely, but I realise that we do not have the numbers to prevent this bill from being read a third time. The minister just admitted the deficiencies and the unnecessary nature of this legislation by saying that the new provisions cover the situation of someone who is in a nursing home, for example, or an aged care facility, whose health or welfare is affected. That is exactly the provision now in the existing legislation. That third party could ring up the minister’s office and ask the minister, as custodian of the public interest, to intervene in the dispute, prevent it from occurring, or, if it is occurring, apply to suspend the bargaining period. The minister is saying that he would be too busy or not fully aware of disputes that are going on in the country. There is a way of making him aware, and that is to ring him up. The minister would have the capacity under the existing legislation then to do what he wants to do under this legislation.

But the fact is that the minister wants to go further under this legislation. It is not just about health and welfare; it is about eco-
nomic loss and just about anything the minis-
ter can think of and stick in this legislation to
allow a third party to come along and ensure
that the bargaining period is suspended and,
therefore, the industrial action is illegal. The
government does not agree with the idea of
working Australians being able to withdraw
their labour. In this respect, this government
differs from all governments around the
Western world, and that is why we consider
it such a regressive government. It is anti-
worker in its behaviour, and that is exempli-
ﬁed here today. It is a very sad day for the
working men and women of Australia that
this legislation will now pass through the
House of Representatives, but they can rest
assured that Labor will do everything in its
power to persuade the Senate to prevent this
legislation from ever coming into force.

The DEPUTY SPEAKER (Mr Bar-
resi)—The question is that the bill be agreed
to.

Question agreed to.

Third Reading

Mr ANDREWS (Menzies—Minister for
Employment and Workplace Relations and
Minister Assisting the Prime Minister for the
Public Service) (6.01 p.m.)—by leave—I
move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

BILLS REFERRED TO MAIN
COMMITTEE

Mr LLOYD (Robertson) (6.02 p.m.)—by
leave—I move:

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

Postal Services Legislation Amendment Bill
2003

Question agreed to.

APPROPRIATION BILL (No. 3) 2003-
2004

Cognate bills:

APPROPRIATION BILL (No. 4) 2003-
2004

APPROPRIATION (PARLIAMENTARY
DEPARTMENTS) BILL (No. 2) 2003-2004

Second Reading

Debate resumed from 11 February, on mo-
tion by Mr Slipper:

That this bill be now read a second time.

Mr McMULLAN (Fraser) (6.03 p.m.)—

Today we are debating the additional esti-
mates for 2003-04 through Appropriation
Bill (No. 3) 2003-2004, Appropriation Bill
(No. 4) 2003-2004, and Appropriation (Par-
liamentary Departments) Bill (No. 2) 2003-
2004 These are relatively straightforward
bills which, as supply bills, we all know will
pass without opposition, however much
many members and senators may oppose the
policies which these bills reﬂect. But it is the
policy of all the non-government parties,
with one minor exception, that we do not
block supply bills. In addressing these bills
in 2004 it is easy to forget the history. Just 30
years ago the equivalent bills were at the
centre of great political controversy. The
circumstances were reported in a politically
neutral way, as you would expect, in House
of Representatives Practice at page 452,
which states:

… Appropriation Bill (No 4) 1973-74—
that is, the counterpart bill of 30 years ago—
was introduced into the Senate on 10 April and
debate on the second reading adjourned. A motion
was then moved ‘That the resumption of the de-
bate be an order of the day for a later hour of the
day’—
as you would expect—
to which the Leader of the Opposition in the Sen-
ate (Senator Withers) moved an amendment to
add the following words to the motion:
... but not before the Government agrees to submit itself to the judgment of the people at the same time as the forthcoming Senate election...

That is, a proposal to block supply unless an election was called. It goes on to state:

The debate was interrupted to enable the Leader of the Government in the Senate (Senator Murphy) to announce that Prime Minister Whitlam had advised the Governor-General to grant a simultaneous dissolution of both Houses and that the Governor-General had agreed to do so ... Senator Withers thereupon, withdrew his amendment, and Appropriation Bill (No 4) bill was passed...

This precipitated the election of 1974. That bit of history is interesting. It was 30 years ago. But of course what makes it contemporary is that it was at that election in 1974 that Mr John Howard was first elected as the member for Bennelong. It marked the ultimate in ‘whatever it takes’ politics, which was repeated 18 months later in the constitutional crisis of 1975. I think those days are gone. Only three relics of that era remain: the Prime Minister, the Attorney-General and the member for Mitchell. So is it any wonder that the Australian people are looking forward to the opportunity to move on.

These bills confirm many things about the current government’s priorities and highlight the clear difference that is emerging between the government and the opposition. This difference is finally presenting itself as a real choice for Australians, and more and more Australians are showing how much they welcome the opportunity of that choice. They are being offered a choice between a government which spends and taxes at record levels while essential services run down and an alternative government which can restore services and ease the strain that working families are currently facing without raising taxes or debt. Let us make no mistake: it is also a choice between fundamental differences in values and philosophy.

The government knows the strain that families are under. We have recently seen the evidence of this—a study was commissioned by the Prime Minister to investigate where families are hurting and how their pain could be eased. But the fact is that this study was commissioned two years ago. For two years the government has been working on what the Prime Minister called his ‘barbecue stopper’. All we can say after this period is that we hope people like their steak very well done, because it has been two years and it is still proceeding. There is still no sign of the government responding to a problem it has known about for years. The reason it has not addressed this issue is a question of choices and priorities. The policy information exists—we know that from the documents that have been released. The resources exist—we know that from the flow of revenue into government coffers. The government just had other and higher priorities.

This illustrates the choice Australians now have. Quite simply it is a choice between action and inaction: a choice between the restoration of services such as health and education or a continuation of plummeting levels of bulk-billing and increasingly inaccessible higher education and training. Let us not forget that this running down of services comes at a time when Australians are being taxed at record levels without having the benefits that taxation brings to a society. We have record taxes without an easing of the financial squeeze facing families. We have record taxes without an easing of the financial squeeze on hardworking Australians. We have record taxes without the provision of affordable access to bulk-billing services.

What this record revenue flow tells us is that the government’s failure to act on vital issues like health, education, work and family, and dental services is not caused by a lack of funds. It is waste, it is mismanagement and it is wrong priorities. After all, the
now Prime Minister, John Howard, spends four per cent more of GDP than former Prime Minister Gough Whitlam did during his period of innovative and big spending government. Four per cent of GDP is about $30 billion. With all this record amount of spending, bulk-billing is still collapsing. With all this record amount of taxing, education is becoming less affordable for families. That is why I will take the opportunity to move at the end of this speech an amendment which recognises the wrong priorities of this government and, furthermore, the wasteful spending and mismanagement in the budget.

Recently, in addressing the ALP national conference, I dealt with issues about the financing of government and discussed the very important issues of the 'why' and the 'how' of finance in government. This is an important point but it is sometimes overlooked—I think because it is just so simple; it is almost too obvious to be commented on. Governments do not collect taxes to create surpluses for the sake of surpluses and, generally speaking, they do not make decisions to contain spending because they are mean-spirited. Some might argue about that in current circumstances, but I think it is a correct statement of the general principle.

Choices do need to be made by all governments about the scarce resources that governments have to manage, and decisions have to be made about the impact of these choices on the broader economy and macro-economic policy. It is important that we finance the activities of the federal government prudently and fairly, but it is also important that we finance them adequately. High-quality, accessible public services are an essential feature of a civilised society, and the purpose of sound financial management is to enable a government to meet its economic and social objectives. The Australian people expect governments to be prudent and rigorous in taking care of their money, but they also expect value for money in the financing of government so that their hard-earned money is used not for profligacy or waste but to build a better future for them and for their children.

Based on current forecasts there are ample resources in terms of the massive flow of revenue—a record high flow of revenue—and expenditure levels four per cent of GDP higher than the Whitlam government’s expenditure levels, but there is also a high level of waste, mismanagement and wrong priorities in this government’s budget. These factors combine to say that there are ample resources to implement an ambitious program of social reform without needing to increase taxes, run the budget into deficit or increase public sector debt by $1. The government and people who speak for it and purport to be their economic managers, particularly the Treasurer and the Minister for Finance and Administration, would have Australians believe that sound economic management is their stamp—their badge—and that, first of all, they are good at it and that, secondly, they are the only ones who are.

I would like to discuss a recent example in which the Treasurer and the minister for finance have both sought to create an absolutely false impression about the opposition’s expenditure and savings announcements. They desperately need to do that because they are aware that the rigour that is being applied to making savings and to ensuring that policies are fully costed and funded is undermining their capacity to argue that one cannot have social reforms and fiscal rigour.

So let us set aside all the rhetoric of the government and the smoke and mirrors and consider the facts. The Labor opposition has already announced a reallocation of more than $5 billion of government spending proposals to fund our priorities. Our major
Medicare and higher education packages were fully costed and fully funded, as were the recently announced plans to address dental waiting lists—a crying need that all of us surely must see in our electorate offices. I certainly do and other members on the Labor side do, and I am sure it must happen at government members’ offices too, but they seem to be unconcerned about it. We have also developed a very practical set of proposals to deal with key issues in early childhood learning.

Those two announcements, made by the Leader of the Opposition during the party’s national conference, are fully funded by savings already announced. Labor has consistently been identifying savings—around $6 billion of savings so far—that can be made in the budget because of the wrong priorities of the Howard government. Rather than identifying a hole in these numbers, the Treasurer has accepted $2.4 billion of Labor’s identified savings, proving our point. It is another example of the Labor opposition leading and the Howard government following. I will return to that point later.

We have a well-established and detailed framework—well-publicised and put out there for public discussion—for our expenditure commitments, which are of a limited nature. We have made it clear, just prior to and since the national conference, that there is a limited list of commitments to which we are committed. We have announced how they will all be funded and there are detailed propositions about savings to cover those, with some room for funding subsequently announced programs.

There has also been controversy in the costings area about circumstances with regard to Telstra. The difference between the Treasurer and the Minister for Finance and Administration is that the finance minister at least seems to indicate that he understands what the issues in discussion are; the Treasurer seems to show no such indication. Recently we had the Treasurer saying that we could not effectively draw attention to the savings that would be made because, in not selling Telstra, we would not have to pay consultants the more than $600 million that the government is proposing to pay to them and therefore we would be losing the public debt interest saving—as if the Treasurer is entirely unaware that there is a third element, which is the loss of the dividend stream. If an opposition person had said that they would have been vilified but, when the Treasurer says it, it seems to go uncommented upon, even though it is absolute economic nonsense.

The Treasurer was able to talk barefaced about the relationship between those two elements of the impact of the sale of Telstra on the budget, totally ignoring the biggest and third element. He was absolutely wrong. At least in the process he did confirm that the government is absolutely committed to selling Telstra. There are no more of those queasy qualifications about ‘maybe’, or ‘in these circumstances’, or ‘only after’. The budget numbers are absolutely predicated on the government selling Telstra. The government has also admitted that it will pay lawyers and merchant bankers somewhere north of $500 million—more likely somewhere between $600 million and $750 million—in commission fees to sell Telstra. The opposition have put our costings out there for all to see and judge. We have been explicit about the underlying assumptions. I challenge the government, through the Treasurer or the finance minister, to do the same.

This debate about the impact of the sale of Telstra on the budget needs to be conducted on an informed basis. As a matter of public finance, the government having revealed its inflated expected sale price of $5.25 a share, the issues are not complex. All my subse-
quent comments will be based on the assumption that that $5.25 a share will be achieved. In fact, if the price is to be anything like the current price—which, when I checked before I left my office to come down here, was $4.72—the budget outcome of the sale of Telstra will be even worse. But let us for the moment not go to that point; let us assume that the $5.25 is achieved, which it may be. If the government is going to sell it, I hope it is achieved; I hope it gets the maximum price.

So what do we need to know? We know at $5.25 a share how much revenue will come to the government for selling Telstra. That is a given. We need to know what the cost of selling Telstra will be, what the public debt interest gain to the budget will be and how much the Commonwealth will lose in forgone dividends. These are the moving parts in this discussion—there are no others; that is it. These elements are all pretty well known.

The history of past sales and the explanatory memorandum of the Telstra sale bill tell us that lawyers and merchant bankers will get more than $500 million—and indications are more than $600 million—to manage the sale. Why is this the case? There is an established market for Telstra shares. It is not like T1, where we had to create a market; people buy and sell Telstra shares every day. The management of this sale should be much simpler than it was with previous sales. Why are we paying more than $600 million for the privilege of selling something most Australians want to keep? That is the first factor in the equation. If you sell it, you will have to spend $600-plus million for the benefit of doing so; if you do not, of course you do not have to spend that money.

The interest benefit is also clear. The government has announced its intention to retain the bond market and place the money from sales of assets such as this, which would previously have been used to pay off debt, on deposit at the Reserve Bank. In keeping with the Howard government’s almost obsessive secrecy, we do not know exactly what rate of interest the Reserve Bank pays on these deposits, but obviously it could not be more than the bond rate. So we can be conservative and assume that deposits earn the bond rate—although I expect it will actually be slightly less.

The third factor, the consequence for the dividend stream coming into the budget from retaining ownership of Telstra but that which you would lose if you sold it, is not so clear. But Australians make judgments every day about buying shares based on professional advice about dividend expectations on companies like Telstra. The basic issue is clear: for the Commonwealth budget to be worse off as a result of deciding not to sell Telstra, one would have to assume that the Telstra dividend would deliver a return to investors substantially below the bond rate. If that is the government’s opinion, if that is its expectation, it should say so—but it is not what logic or the best independent advice suggests.

The opposition has had access to the views of two reputable major stockbroking firms. It is not secret access; these are the public views of these firms—their views reported to their clients and others. For an abundance of caution, we chose the lower of the two forecasts. Bringing those elements together—the cost of selling Telstra, the budget interest impact and the forgone dividends—makes it clear that over the forward estimates period the budget will be better off retaining Telstra. In July last year, we assessed—and we published the figures and the assumptions—the net benefit at approximately $1.7 billion. That figure would have to be modified slightly to reflect interest rate changes since that time, but the basic arithmetic is unchanged. That conclusion is not
surprising; otherwise, why would anyone ever withdraw money from the bank or borrow money to buy Telstra shares? On the government’s logic, every Australian who did that would lose money. It would not make sense. If you are better off with money in the bank than owning Telstra shares, why would anybody buy them? Why would anyone buy them if that were true?

Of course, the budget impact would be even greater, would be even worse, if some of the sale proceeds were diverted for The Nationals’ pork-barrelling—which is certainly what they have in mind—or to buy the votes of Independent senators. The logic of that is clear: every time you spend money that has come from the Telstra sale, that money is not available to be put on deposit to gain interest—and you still lose the dividend. So the budget implications get worse and worse.

Some ministers have articulated arguments for the sale of Telstra other than budgetary. That is a legitimate matter of public debate. I do not share their view, but I understand that argument. It is a legitimate point of view to say that the public should not own these shares for other ideological reasons. But let us not have any more of this nonsense about the benefits to the budget of selling Telstra—that is, that suddenly you will get this pot of money that you can spend. When you sell a revenue earning asset, you lose the revenue and almost tautologically, almost self-evidently, axiomatically, the revenue from a profitable asset like Telstra will be greater than the interest benefit—and the government is proposing to spend $600-plus million on its friends in the stockbroking professions to bring about this sale. On that logic, it cannot be good for the budget. So let us get that to one side.

I will now turn back to some of the other budgetary issues that need to be addressed in this debate about fiscal rigour. The Labor opposition has indicated that it will reallocate some of the $2.4 billion from the government’s still flawed ‘MedicareMinus’ package to Labor’s priorities to save Medicare and restore bulk-billing for Australian families. We have shown how we can reallocate that money, which will be budget neutral, and set ourselves the target of getting bulk-billing back to 80 per cent. In my electorate bulk-billing continues to fall—it is below 40 per cent; the third lowest in Australia—and this is having very serious consequences for low-income constituents.

Another area where the debate has been distorted by disingenuous, incorrect or misleading propositions from the Treasurer is in the area of superannuation. At the time of the last budget, the Labor opposition identified the wrong priorities of the Howard government in offering a superannuation tax cut to only the top four per cent of income earners. We showed how the money that was being proposed to be spent overall on superannuation by the government could have been used to fund a smaller but still significant superannuation tax cut for all Australians. Labor’s proposal to fund a tax cut for all Australians with superannuation, which is virtually every working family in Australia, was lost because of a deal between the Liberals and the Democrats. We cannot fund that proposition in that manner, so that proposal has been lost. It is still a priority of ours to cut the tax on superannuation if we can, and we will look for new ways to fund it, but it is blatantly mischievous for the Treasurer to claim this as a Labor black hole. If that is all he can find, he is really only proving that there is no problem with our costing.

The Treasurer has also falsely claimed a costing problem for Labor on the Student Financial Support Scheme because the government has abolished the scheme. He seems to overlook the fact that the Deputy Leader
of the Opposition has committed an incoming Labor government to reversing the government’s decision to abolish this scheme. He either knew that this was true and stated it in direct contradiction of what he knew to be the facts or he failed to do his homework.

Other interesting issues have emerged over the recent months from the savings announced by the opposition. Many of them have been adopted by the government. Once again, they are following the opposition lead. All the policy initiative in the current public policy debate is coming from the opposition side. For example, we campaigned strongly on the wrong priorities of the Howard government in proposing to give a $160 million tax break to foreign executives. The government attacked us for not supporting this measure, then they adopted our proposal and dropped the measure. One day it was our policy and the government were attacking it and the next day it was adopted. It sounds a bit like other superannuation policy propositions of recent times. We welcomed this.

Labor also proposed that the Fuel Sales Grant Scheme should be abolished, and the government attacked us. They said that this was shocking policy and that we were attacking country people. Four months after that attack, the government adopted our proposal and abolished the Fuel Sales Grant Scheme—barefaced. They were caught out absolutely telling untruths in October or doing a mind-boggling backflip in February. This was a Labor initiative and the government adopted our policy.

We have several other savings, but one saving that we have that the government has not yet adopted is our proposal to scrap the baby bonus. Everybody knows that the baby bonus is dud policy. It was poorly thought out before the election—a rush, bungled job. It delivers the biggest benefits to people with the highest incomes but does not deliver benefit to people when they need it most and does not deliver any benefit for second and subsequent children when it is most needed. It is a scandalously bad policy and costs hundreds of millions of dollars.

The Treasurer has been keen to criticise the opposition for its decision to scrap this dud scheme and reallocate the money to more efficient ways to help families. Let me make this prediction: by the time of the next budget the government will have again followed our lead and scrapped this measure as well. In response to the Treasurer’s bogus claims about $8 billion of Labor spending commitments, let me make it clear that Labor’s current spending commitments are less than our already publicised savings and both figures are much less than $8 billion.

The process we have been going through of identifying waste in the budget and reprioritising government spending priorities is a continuous process. Unlike the government, the opposition faces the task of continuously reassessing these as the government changes its mind, repackages money and, on what appears to be a pattern of behaviour, adopts some of our savings! The forward estimates suggest that for the next four years the federal budget should see record high revenue flows and substantial and accumulating budget surpluses. There is no doubt that this, together with the waste, mismanagement and wrong priorities reflected in the current budget, will enable us to fund ambitious social and infrastructure programs from within existing resources. The government needs to divert attention from this because we are getting an accumulating list of big spending, wasteful spending, wrong priorities and mismanagement. Let me give a few examples. I have only a couple minutes left so I will not go into detail, but I could go on for ages. Many more issues are emerging as the estimates committee hearings proceed—issues such as the Prime Minister’s indul-
gence in having two taxpayer funded houses and the increased cost of maintaining them both and shuttling him between them. It is a monumental, unjustified indulgence and symbolises the waste and mismanagement of this government.

Since the last budget, the government has announced new spending measures of more than $4.5 billion over the next four years, without any compensating savings being announced at all until it finally adopted ours about the Fuel Sales Grants Scheme. I used to say, until yesterday, that the government has spent in excess of $665 million advertising itself. That figure is no longer accurate. As a result of the estimates committees, I can now say the government has spent $693 million advertising itself. Every Australian listening to this and every Australian who is aware of that fact can think of many better ways to spend $693 million of taxpayers’ money. That is the figure established as a result of the estimates committee. The interesting thing is that, in each pre-election year, advertising spending jumps between 30 and 50 per cent. We are about to see it happen again. My colleague and irresistible estimates committee questioner extraordinaire Senator Faulkner has established that, once again, we have a plan for a massive increase in advertising spending by the government in the lead-up to the election. That is money we can and will reallocate.

Spending on consultancies has increased by $2 billion over the last seven years. In the Department of Defence the use of consultancies has more than doubled in the last year. Ironically, the blow-outs included $89,000 to the Keystone corporation—perhaps some modern day version of the Keystone Cops—to create ‘Brand Navy’ in the defence department. When are we going to stop all this extravagance and waste? The Auditor-General has found that the defence department, by virtue of its failure to pursue debts owing to it properly, wrote off $100 million in 2003 alone. It wrote off bad debts, not properly pursued, of $100 million in 2003. It is not hard to see how we can reallocate this spending, cut out this waste and mismanagement, get the priorities right and fund an ambitious social program without raising taxes or raising public spending.

The opposition will not, of course, oppose these supply bills, even though aspects of them may fund the government’s flawed Medicare package. There are more appropriate forums for expressing our opposition to that policy, rather than punishing the economy at large or blocking supply—which, on principle, we will not do. I therefore take this opportunity to move the amendment distributed in my name to reflect the waste, mismanagement and wrong priorities of this government. I move:

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

“whilst not declining to give the Bill a second reading, the House condemns the Government for its budget waste and mismanagement, and wrong priorities which have resulted in:

(1) a costly Medicare ‘safety net’ which does not protect families from increasing health costs and declining levels of bulk billing;

(2) inadequate funding and higher fees for students seeking access to higher education;

(3) a growing number of families who are financially squeezed and trying to balance work and family; and

(4) 500,000 Australians waiting up to five years to get their teeth fixed”

The DEPUTY SPEAKER (Mr Wilkie)—Is the amendment seconded?

Mr Gavan O’Connor—I second the amendment and reserve my right to speak.

Mr Lloyd (Robertson) (6.33 p.m.)—I am pleased to have this opportunity to rise and speak on the Appropriation Bill (No. 3)
2003-2004, the Appropriation Bill (No. 4) 2003-2004 and the Appropriation (Parliamento Departments) Bill (No. 2) 2003-2004. Financial management of the country is the cornerstone of our economy and our community. Had you sat in the chamber for the last 30 minutes and listened to the member for Fraser, you would have thought that the Labor Party were the pillar of economic management. I would like to take a little time this evening to remind the Australian community of the Labor Party’s record in government.

Mr Gavan O’Connor—What, breaking the back of inflation?

Mr Lloyd—At least when I was sitting in the chamber listening to the member for Fraser I had the decency to listen to him in silence—

Mr Gavan O’Connor—Tell the whole truth!

Mr Lloyd—and he was not interrupted. I am certainly very pleased to tell the whole truth and to remind the Australian public that, after the Labor Party were in government from 1983 to 1996, their final deficit was $10.3 billion.

Mr Gavan O’Connor interjecting—

The Deputy Speaker (Mr Wilkie)—Order! The member for Corio!

Mrs Vale—Mr Deputy Speaker, I rise on a point of order. The honourable member for Robertson should be able to be heard in silence, as the courtesy was extended to the member for Fraser.

The Deputy Speaker—I point out to the member for Corio that he was interjecting inappropriately.

Mr Lloyd—Thank you, Mr Deputy Speaker. I know that the Labor Party do not like to be reminded of the truth. I remember that in the 1996 election campaign the Labor government claimed that the budget was in surplus. I will not use the word that I would probably use outside this chamber, but it was an absolute untruth to say to the Australian people that the budget was in surplus. It certainly was not. The Labor Party left office with a government debt of $96 billion. The member for Fraser talked about waste and mismanagement. There can be no greater waste or mismanagement from a government than allowing a huge deficit of $96 billion to be run up.

To service that debt of $96 billion costs the government and the Australian taxpayer approximately $8 billion a year. Just think how many extra hospitals that could fund, how many extra roads that could fund, how many extra schools that could fund. What a tremendous benefit it would be to the community. We all know that if we run up a debt on our credit card we have to pay back the interest and that that is dead money. And that is exactly what the Labor Party did.

Another negative about running up such a deficit is that the government goes out into the economy and borrows that money, and the price of money is interest. When there is a demand for money, interest rates increase. I do not want to let the Australian public forget the home loan interest rates of 17 per cent. I went through that era, as did most Australians of my age, and I saw many families shunted out of their homes. They lost their homes and lost their businesses in the recession that the Keating government said we had to have. I do not want the Australian people to forget that, because I will not forget it.

The rhetoric that we hear these days is that suddenly the Labor Party are ‘born again’—that they are sound economic managers. But they are not. Under Labor, unemployment peaked at 10.9 per cent and averaged 8.5 per cent. Now, under the Howard government, unemployment is under six per cent. Labor
had a consistent record of broken tax promises and tax increases. We get criticised as a government for the size of our tax decreases and tax rebates: we are told they are not big enough. What about the tax hikes that Labor governments always seem to introduce? Have a look at what Labor do instead of listening to what Labor say. Have a look at all the Labor state governments around Australia, every single one of them. What are they doing each budget? They increase taxes in one form or another, budget after budget. In New South Wales with the last budget there was a huge number of tax increases, whilst the coalition government are trying to cut taxes.

Look at some of the achievements of the Howard government since 1996. We have created more than 1,300,000 jobs. What is the greatest thing you can give a person for their self-esteem and to give them an opportunity in life? A job. As I mentioned earlier, unemployment is currently less than six per cent—certainly well below the 10.9 per cent peak that it reached under Labor. Home mortgage rates are still less than half of Labor’s record 17 per cent. Small business overdraft rates are also less than half of Labor’s 20 per cent, and we have managed to pay back more than $60 billion of the Labor government’s $96 billion debt. That reduces our interest bill. We are saving something like $4,000 million every year in interest. That is money that is going back to the community—into projects such as the Roads to Recovery program, where we are putting $2 billion back into local regional roads. That is money that the Labor Party were wasting in interest payments.

We have introduced waterfront reform. Before the reforms came into place, the waterfront was the joke of the modern world. The crane rates on the waterfront and the disruptions that we had on the waterfront were an absolute disgrace. How often did we go to a supplier back in the 1990s to try to purchase some good, and the standard line was, ‘I’m sorry; we’ve ordered it but it is held up on the waterfront’? The strikes and delays on the waterfront were crippling our exporters and many businesses. The waterfront reforms that the Labor Party opposed tooth and nail were successful, and now we have crane rates that are equal to or better than the best practices anywhere in the world. We have created many international trade deals which have substantially boosted our economy and created more Australian jobs. We have cracked down on welfare cheats—people who should not have been getting government benefits—and that has saved a huge amount of money that can be used for those people in the community who do need government support.

The workplace relations reforms have certainly led to more jobs and better pay, despite the opposition of the Labor Party in the Senate. I remember when we were campaigning back in 1996 and there were all these scare tactics running around in the election campaign, saying that, if the Liberal government got in and John Howard became Prime Minister, industrial relations would be a battlefield and there would be more strikes than there have ever been. Under the Howard government, we have the lowest level of strikes since 1913. And the government is absolutely resolute in its efforts to exempt small business from the unfair dismissal laws, because we want to create jobs. We want to allow small business to employ more people, but whilst ever these unfair dismissal laws continue in place we will not be able to free small business from the shackles that restrict their opportunities to employ more people.

In looking at some of the achievements of the Howard government over the past eight years, the one that I am most proud of is that we have been able to make Australia a
stronger country—a country that is, in many ways, the envy of other countries in the world. It has not been an easy task. We have had to reform the tax system and we have had to spend a huge amount of money on our defence forces. We have acted in the national interest—which is something the Labor Party do not seem to be able to do—not in the interests of the Liberal Party and not for political expediency. Certainly in areas such as East Timor, Afghanistan, Iraq and the Solomon Islands we have acted in the national interest.

We have introduced new counter-terrorism measures, and we have protected our borders. Not that long ago, our borders were being infiltrated by many illegal arrivals; in fact, in the year to July 2001, 4,100 people arrived as illegal boat arrivals. In recent times, only two boats have come close to the Australian mainland. This is important for a number of reasons. It is not that Australia is not welcoming to refugees, it is not that Australia is not a welcoming country for people from all over the rest of the world. We are. We are a multicultural country and we are probably one of the best examples of a country where people have been able to come and live in peace and harmony. But what was happening with the illegal boat arrivals was that they were basically queuejumpers. They were people who were not prepared to wait, and unfortunately they were the victims of the illegal and evil trade of people-smuggling. I am pleased that, through the legislative process and through a very strong stance by the Howard government, we have been able to stem the number of illegal immigrants that are coming to this country by boat. Again, we were restricted in our efforts by the Labor Party. The Labor Party opposed, at every step, our efforts to try to exercise the islands north of Australia from the migration zone. In doing that, they sent a message to those people who would be involved in illegal people-smuggling, and that was that the Labor Party, if they were ever to be elected to government again in this country, would be soft on illegal immigrants and on people smugglers. That is a message that we certainly do not want to send to the people who would be involved in such a trade.

I have a document here which goes through some of the rhetoric that the new Leader of the Opposition has been putting out over the last month. The new Leader of the Opposition is very strong on rhetoric. He is very strong on populism. When you actually come down to the facts you find that they do not seem to stack up. I have some quotes here that the Labor leader made at the ALP conference on 29 January. He said:

Surely in a prosperous country we shouldn’t have 370,000 Australians long-term unemployed.

That is simply not true. The official statistics collected by the ABS records show that long-term unemployment for December 2003 was 17,200. This, of course, is too many but it is the lowest level since 1990, remembering that when Labor were in government long-term unemployment peaked at 330,000 people in May 1993, according to the ABS. The Labor leader went on to say:

It’s wasting our prosperity instead of turning it into opportunity …

Household wealth has risen by 76 per cent since March 1996, in just eight years; 1.3 million new jobs have been created; and real wages for Australian workers have risen by 13.1 per cent. I remember that Mr Keating, when he was Prime Minister, would come into this chamber and boast that wages had gone down, that the Labor government had cut wages. Under the Howard government, wages have risen by 13.1 per cent. With pensions linked to male average earnings, others in the community have shared in our prosperity. I remember the Leader of the Opposition talking about the ‘rungs of opportunity’
and claiming that the Howard government was taking out the rungs. Nothing could be further from the truth. Last year the coalition was spending $31 billion on health, compared to $16 billion when Labor was last in office.

New apprenticeships have trebled since 1995. That is very important because not everyone has the opportunity to go to university. We needed to ensure that our young people had opportunities to go not only into universities but also into TAFEs and into apprenticeships. Whilst mentioning TAFE, I think it is an absolute disgrace that the New South Wales government increased TAFE fees. In their budget of 24 June 2003 they increased the cost of TAFE courses in New South Wales. A graduate diploma has gone from $710 to $1,650, an increase of 132 per cent; a graduate certificate has gone from $260 to $850, an increase of 227 per cent; a diploma has gone from $710 to $1,000, an increase of 41 per cent—and so it goes on.

There is no HECS for TAFE, there are no student loans for TAFE, and there is no apology from the Carr government for the students who want to go to TAFE and take up the apprenticeship places that the Howard government has made available for them. This is another example of what Labor does in government. Look at what Labor does; do not listen to what Labor says. Another example was what the Leader of the Opposition said on the safety net:

But, you don’t need a safety net unless you’re turning Medicare into a highwire act …

This is a good example of what Labor are all about. They want to restrict the Medicare safety net. They are opposing legislation that will provide further assistance for Australian families, and yet they come out and try to accuse the Howard government of not supporting Medicare.

The government’s MedicarePlus safety net offers additional help for people facing high specialist costs where bulk-billing rates have always been low. I cannot see the common-sense of opposing something that will help Australian families. If the Labor Party think they can do it differently, or if they think it is not enough, they can argue that. They can argue whether the safety net should be higher or whether it could be done in a different way. But, for goodness sake, they should not just oppose it because they think there is some political mileage in it. They should at least pass this legislation and allow the families that could benefit from it to receive those benefits. The Labor Party should not just oppose things for the sake of opposing them.

We talk about financial management. The Leader of the Opposition is a former mayor of Liverpool council. I understand that, while he was mayor, the deficit of Liverpool council blew out to such an extent that the rate-payers were slugged with an additional levy just to cover it. If that is the financial record of the Leader of the Opposition, I would certainly be concerned if he ever became Prime Minister of this country.

We as a government were criticised for taking the strong stand, in the national interest, of introducing a new tax system. That new tax system is a tax system that the state governments wanted to sign up to very quickly, and the reason is very obvious. It is because every dollar of revenue from the GST goes directly to the states. It is about time the Labor opposition started to call on their colleagues in the state Labor governments to spend the money in a sensible and resourceful way on their hospitals, schools and roads, instead of, every time there is a problem, throwing their hands up and saying, ‘It’s the problem of the federal government; it’s the problem of the Howard government.’ That is not the case. They have responsibilities to fund state schools and state hospitals.
It is estimated that, under the GST revenue for 2002-03, New South Wales will get $9,080 million—that is $9 billion—in revenue. That will increase next year to an estimated $9,234 million, and that is just in New South Wales, my home state. And every other state will see increasing levels of revenue from this. This is coupled with the many other achievements that the Howard government has put in place over the past eight years, despite the continued political opportunism from the Labor opposition. They oppose things for opposition’s sake. At least the Howard government if it sees a good idea will support it if it is in the national interest, unlike this negative, carping Labor opposition, which just oppose things if they see that there might be one or two political points in it in the short term. The Howard government is here for the long term. We are here to make the hard decisions that are in the interests of Australians and in the interests of the Australian community. I am very proud to be part of the Howard government.

Mr BRENDAN O’CONNOR (Burke) (6.53 p.m.)—I want to respond very quickly to the Chief Government Whip’s view about whether or not the Prime Minister is an oppositionist. As the member for Fraser indicated not half-an-hour ago, it was this Prime Minister who was involved, as part of an opposition, in opposing the budget bills of 1974 and of 1975. It is this Prime Minister, the member for Bennelong, who opposed the introduction of Medibank and Medicare and who also opposed in the parliament in the eighties the introduction of superannuation for all by the then Hawke and later Keating governments. This Prime Minister has always opposed things for ordinary Australian citizens for their retirement and health care.

I do not think the Chief Government Whip is being at all accurate when he suggests that we oppose for opposing sake. Indeed, it is fairer to say that the member for Bennelong over 30 years—certainly while in opposition—has shown an inclination to oppose very important bills—bills that were about looking after the welfare of the majority of Australian people. That is on the record; it is irrefutable.

I rise this evening to support not only Appropriation Bill (No. 3) 2003-2004, Appropriation Bill (No. 4) 2003-2004 and Appropriation (Parliamentary Departments) Bill (No. 2) 2003-2004 but also the second reading amendment moved by the member for Fraser, which quite rightly condemns the level of government waste and mismanagement and the wrong priorities of this government. The assertion that this government is the highest taxing government in Australia’s history is axiomatic. That should not be forgotten. I suppose one could temper criticism of that record if one could say that the services that it has provided to the Australian community have been decent and have rectified deficiencies in the system. However, what we have here is a government that takes and taxes heavily, both through a consumption tax and indeed a PAYE tax, and yet at the same time does not provide the where-withal to the community for them to have a decent quality of life.

Every member of this place knows, from speaking to constituents in their own electorate, about the difficulties confronting ordinary families that are working hard to make ends meet. They witness these difficulties in families placed under enormous economic pressure as a result of the family tax benefit scheme and the way in which the government seeks recovery for any alleged or real overpayment.

They see this also in the ongoing reduction of access to a bulk-billing doctor. Those families that are in need of a doctor who will consider them or their children regardless of whether they can pay an up-front fee know
now that since this government has been in office—and not only since the start of this term but since 1996—there has been a gradual decline in access to doctors who bulk-bill. That is a problem that we are seeking to rectify but we are being stymied. I would encourage the Prime Minister and the Minister for Health and Ageing to embrace the Labor proposal to look to restore bulk-billing. Then we will see a turnaround.

There is no doubt that it is Labor that has always proposed and supported Medicare and has always been an advocate for a universal health system. Quite to the contrary, the Prime Minister has always been against Medicare. He is on the record as saying he wanted to stab it in the stomach. He said even more outrageous things about our public health system. In his actions he has gone about trying to kill Medicare slowly, hoping that people will not notice. People are noticing. They are noticing in the electorate of Burke and I know they are noticing in electorates across the country.

In rising today on these bills, which are about the way in which the government expends the community’s money—the income of Australian citizens—it is important that I bring to the attention of this place, and through this House to the community at large, the real failings of this government in relation to those areas. But not only those areas: we are also aware that there is a major problem with the education policy introduced by this government. The proposal, if it were to be enacted, would mean increasingly greater impositions on students to pay up-front fees to enter into university.

I know there are many students and families who are very anxious about the degree to which this government will succeed in making higher education an education system for the better off in society. It is fair to say that the areas of Sunbury, Melton and Caroline Springs and the regional communities I represent in Woodend, Gisborne, Romsey, Lancefield and Riddells Creek are very concerned because there are not too many educational institutions that are close to them. Many families are not in a position to be able to provide further moneys to ensure that their children have the same opportunity as those from wealthier backgrounds.

There are suburbs in western Melbourne—Taylors Lakes, Sydenham, Delahey, Hillside and parts of Keilor, St Albans, Ardeer and Sunshine North—which, if I am elected at the next election, I will represent as the member for Gorton, as I am now the Labor candidate for that newly constituted seat. Those communities contain decent working families who seek to get equal access to educational institutions, and I think they will be looking very closely at the difference between Labor’s policies, which afford people the opportunity to have greater access, and the government’s policies in this area.

If one were to compare and contrast policies on the major issues on the domestic front and the initiatives that have been proposed by Labor and those that are being put forward by this government, Labor compares very favourably in very many of those areas. I think it is important that the community understand that, and obviously one of my roles will be to advance those arguments throughout my electorate and in those areas which I hope to represent if I am fortunate enough to have the constituents vote for me at the next election.

These appropriation bills are about the major issues, the bread-and-butter issues that concern people at their kitchen tables. However, there are issues which go beyond economics and go beyond matters that affect the family budget, or indeed the national budget. It is important to touch upon some of those
issues as well. I am mindful of the fact that those matters that I have raised and other matters in the domestic realm are the ones most focusing the minds of constituents in my electorate, and in the end they should be the priority of any federal government of this country. But it is important to ensure that as a national government we lead the way on very important principles such as the right to natural justice and the human rights that should be applied to people—the rights we would want applied to us if we found ourselves in the same position as others less fortunate.

As the Leader of the Opposition said recently, it is about time we realised that this country is big enough to defend its borders but take children out from behind razor wire. I think it is about time we were also able to argue that we are big enough to accept that Australian citizens who are detained indefinitely, and arguably unlawfully, in another place should be given the right to natural justice. This country is big enough to consider the plight of Hicks and Habib, two detainees who until now have not had any basic rights afforded to them. The great thing about this country and its history, its involvement in the formation of the United Nations and the way in which it has defended basic democratic principles both at home and abroad, is that we have concerned ourselves with the principles of democracy because we know that, once we accede to those who choose not to support those principles, we have already lost the war. There is no point removing democratic principles in order to fight terrorism or protect one’s borders, because we are already losing the war against terrorists who have no regard for humankind and no regard for those principles.

It is therefore very unfortunate that we have a government which has been fundamentally silent on the issues relating to those two detainees and all detainees who have been unlawfully kept at Guantanamo Bay. I am somewhat ashamed that it has taken a military lawyer appointed by the US military to represent David Hicks to point out that there are fundamental deficiencies in the way he has been treated since his capture two years ago. I came across an interview that was held on that left-wing television channel, Fox News, where the guest host and interviewer was Judge Andrew Napolitano, who questioned Major Michael Mori, the military defence counsel for David Hicks, on 26 January, about three weeks ago. In doing so he sought information on David Hicks’s circumstances. He first asked Major Michael Mori whether in fact David Hicks could get a fair trial. Major Michael Mori responded by saying:

David Hicks cannot get a fair trial under the commission rules and procedures that have been established currently to try the detainees down in Guantanamo Bay.

The interviewer asked:

Why not? What’s wrong with the procedures that have been established?

The response was:

What’s wrong with the procedures is basically the procedures have gutted the recognised criminal justice system either in the civilian process or under the uniform code of military justice.

The interviewer went on:

Well, let’s start with the judges. Are the judges independent, or do they work for Donald Rumsfeld?

The reply was:

Sir, there is no judge. The judge — independent judge has been removed from the system and been placed in the role of what they call the presiding officer on the actual jury panel themselves, so there is no independent judge to rule on issues, to control the process, to be an unbiased controller of the process to see that both sides get a fair access and fair presentation of the evidence without biasing the jury.
The further question was asked:

Well, who or what is the jury? What makes up the jury? Are they military officers? Are they civilians? Are they the same people that work for the prosecutor?

The reply came:

Sir, the actual members will come from the U.S. armed forces officers that are out there serving today, and that is the one hope and shining light ...

That was perhaps the only potential—

Mr Gavan O’Connor—The land of the free.

Mr BRENDAN O’CONNOR—That is right, as the member for Corio points out. If that is the only silver lining to this very dark cloud for these Australian citizens, then we should be very concerned about that. It is important to note that this is not a matter of determining the innocence or otherwise of David Hicks and Mr Habib. It is not about Messrs Hicks and Habib’s guilt or innocence. That is something to be tried. However, it is clear that they are not being fairly dealt with under international law. Arguably, the United States is in breach of international law.

I recall late last year comments and criticisms by the usually very silent—so they can get access to people—Red Cross, which came out and raised concerns about the way in which these detainees were being dealt with. I also recall US POWs raising concerns about the precedent this is setting. You have here former American military who have served in action opposing the establishment of Guantanamo Bay because they realise that, if this precedent is established, in the future it could be argued that military personnel of the United States, or indeed Australia, in other conflicts are not military personnel but are something else. If there is some effort to define them somewhere between the domestic laws of the sovereign state in which they have allegedly breached a law and the laws of their home state, they could find themselves in a limbo land—a middle ground where they have no recourse to the basic rights of human justice under either system. So it is interesting that some of the calls to fix this have come from former US POWs who are concerned about the way in which these detainees have been treated.

As I say, if international judges can make comments about the unlawfulness of this behaviour by the United States, if the American Democratic Party—the largest opposition party—can raise concerns about the behaviour of the US administration regarding these detainees and if former POWs can raise these things, then how can our government contend that it is anti-American to criticise the action of the US administration in not providing any rights to these two Australian citizens? If we have a government that indeed has a strong relationship with the United States, then why is it that it cannot successfully raise these concerns and ensure that Australian citizens are dealt with fairly?

Mr Gavan O’Connor—Too weak!

Mr BRENDAN O’CONNOR—As the member for Corio says—quite rightly I think—this government is too weak to put a proposition that everybody inside and outside America is putting about these detainees. The government blinked when it came to the free trade agreement—that was about affecting conditions domestically—and it blinked when it came to looking after the basic human rights of two people who have yet to be charged, let alone tried, for any conduct that may be in breach of international or domestic law. I started this contribution to the debate today by saying that there were some major problems with this Prime Minister and his government in economic matters. I finish by saying there are also some other issues. It should be the case that this country is big enough to look after its citizens economically, but this country
should also be big enough to defend its citizens, whether they are here or outside this country—even if it means talking to good friends and saying, ‘What you are doing is wrong.’ If this government is not able to do that, then it is not fit to govern this country, and it is certainly not fit to govern the Australian people I know.

Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (7.13 p.m.)—I welcome the appropriation debate and note that Appropriation Bill (No. 3) 2003-2004, Appropriation Bill (No. 4) 2003-2004 and Appropriation (Parliamentary Departments) Bill (No. 2) 2003-2004 provide funding for some important initiatives, including additional funding for the drought assistance package for exceptional circumstances; more money to enable payments to states and territories for drug diversion activities as part of the Australian government’s Tough on Drugs initiative; and more money for the Australian Federal Police in relation to the Papua New Guinea deployment, the Solomon Islands operations and people trafficking.

As Parliamentary Secretary to the Minister for Health and Ageing, I would like to highlight some of the important work being done within the health portfolio before moving on to some of the vital issues being tackled by this government, despite the negativity which we have just experienced coming from the opposition benches. This government has a proven track record in improving important areas of the health system. Private health insurance membership is up, child immunisation levels are up, funding for hospitals has increased, the number of aged care places is up and smoking rates are down.

From my perspective, I was delighted that my request to include mental health and suicide prevention, as well as blood and organ donation, in my areas of responsibility was agreed to last year by the Prime Minister and the Minister for Health and Ageing. There are important links between mental health and suicide prevention and my other areas of responsibility, which include illicit drugs, alcohol and even tobacco control. For example, recent research demonstrated that over 30 per cent of patient encounters with GPs involved adults considered to be drinking at risky levels. Other work on mental health and wellbeing reported that 75 per cent of people who sought assistance for a mental health problem did so in the first instance from a general practitioner. I am determined that all of these areas be addressed in a coordinated and comprehensive way so that best practice can be achieved.

In mental health this government has shown its capacity to take on the difficult issues, in contrast to state governments around Australia. I received a copy of a letter from Dr Grace Groom, Chief Executive Officer of the Mental Health Council of Australia, in which she describes the crisis facing the system of mental health care, largely because the state governments have abdicated their responsibility to deliver timely, effective and accessible mental health care. In the same letter Dr Groom congratulated the Prime Minister on the work and leadership demonstrated by this government. In another recent letter from Dr Groom, she states:

It is fair to say that the Australian Government is the only government committed to mental health reform. The blame for the current crisis in mental health lies squarely with our State Governments.

The Australian government will maintain its commitment to mental health and, as I have already indicated, improve links with other areas such as drug and alcohol use.

Another area where this government has a strong commitment is our Tough on Drugs strategy, and I would like to congratulate the Prime Minister on his continued leadership.
in this area. Earlier this month the Prime Minister announced the latest funding for 89 community based organisations as part of the National Illicit Drugs Strategy Community Partnerships Initiative. These grants build on the 134 projects already funded under the Community Partnerships Initiative to date. Many of these projects have been completed and have made a positive contribution to the communities’ efforts to address the drug problem using locally developed strategies.

There has been considerable community interest in the initiative, with a large number of applications received from across Australia. I would like to recognise the excellent work by the expert advisory group, including representatives from the Australian National Council on Drugs, the Alcohol and Other Drugs Council of Australia, the Intergovernmental Committee on Drugs, and experts on drug and alcohol issues who oversaw the extensive assessment process. This initiative provides so many communities with the opportunity to develop local responses to address illicit drug problems. Governments alone cannot tackle the drug problem, and it is only with the support and commitment of communities that we will be able to make a real difference.

This government has also been acknowledged for its efforts to reduce the incidence of smoking in Australia. Two weeks ago I announced the government’s intention to introduce larger health warnings with graphic images of diseases caused by smoking, from the middle of next year. It is fair to say that existing warnings on tobacco products, introduced in 1995, have lost their visual impact and need to be changed. The new warnings being considered highlight more strongly the fact that tobacco is a lethal consumer product. Tobacco smoking is the single largest preventable cause of death and disability in Australia. It kills more than 19,000 people per year, is responsible for 80 per cent of drug related deaths and costs the Australian community around $21 billion in social costs per year.

There is evidence that packet warnings can have an impact on the smoker at the point of consumption. Graphic health warnings similar to those being planned for Australia were introduced in Canada, resulting in a three per cent reduction in smoking. The government has now released a regulatory impact statement—or RIS, as we know it—which outlines the steps that need to be taken to change the health warnings. Members of the public, as well as stakeholders, can look at the regulatory impact statement and submit their views on the new warnings. The RIS also proposes a new information statement to replace the current misleading listings of tar, nicotine and carbon monoxide on the side of cigarette packs.

This government also remains committed to educating people, particularly young people, to act in a responsible manner when drinking alcohol. Community concern has been expressed about how alcohol is promoted to young people. A large part of this responsibility lies with the alcohol industry. While most of the industry do the right thing, the government has moved to ensure that some parts of the industry do not target under-age drinkers, who are at particular risk of alcohol related harm.

Together with state and territory governments, at a meeting with industry representatives the Australian government last year introduced rigorous new requirements for alcohol advertising. On behalf of the Ministerial Council on Drug Strategy, New South Wales Special Minister of State John Della Bosca and I presented recommendations from the findings of a national alcohol advertising review. Recommendations included extending the definition of advertising to include the Internet, more transparent report-
ing to government on alcohol advertising, faster adjudication of complaints and inclusion of public health experts on adjudication panels, more proactive signing up of alcohol beverage manufacturers to the industry’s advertising code, and setting protocols on the promotion of alcohol beverages at events targeting young people. Any failure by the alcohol beverage manufacturers to comply with these recommendations will lead the ministerial council to consider regulation of the industry’s alcohol advertising.

The area of therapeutic goods has of course been in the headlines following the suspension of Pan Pharmaceuticals’ licence in April last year. In October last year the government released a high-level review of herbal and other complementary medicines in Australia which called for extensive reforms to restore confidence in the alternative medicine sector and protect consumers from potentially unsafe products. The review was conducted by a specially convened Expert Committee on Complementary Medicines in the Health System and was chaired by Dr Michael Bollen AM, a former member of the National Health and Medical Research Council and the Australian Pharmaceutical Advisory Council.

The deadline for submissions in response to this review has passed; however, several players in the industry sought an extension of time to allow them to complete their submissions, and I have agreed to extend the deadline to 1 March. While any delay is unfortunate, it is important that everyone is given adequate time to thoroughly consider the report’s recommendations. It requires deep and serious consideration by all players—including industry, researchers, academics, professionals and consumers—to inform government thinking on these recommendations. The responses that have been received so far have generally been very supportive of the expert committee’s recommendations, and I am confident that the government will be in a position to respond in a timely fashion.

One of this government’s significant achievements in health has been the increase in the levels of private health insurance membership. Yesterday, the Minister for Health and Ageing announced that almost 25,000 people took out new private health insurance membership during the December 2003 quarter. That is the biggest jump in two years. The latest figures show that 43.4 per cent of the population, or 8.7 million Australians, have private health cover—2.7 million more than four years ago. More young people are taking out private health insurance, with the largest increase in the December figures coming from people aged 20 to 29. Government policies such as Lifetime Health Cover and the 30 per cent private health insurance rebate make private health insurance more affordable. The rebate alone is worth about $750 a year for a typical family. Without the rebate and the Lifetime Health Cover, many Australians could not afford private health insurance.

I will turn to some issues of particular importance in my electorate. A number of my constituents have asked me what has changed with the dumping of Simon Crean as Labor leader and the elevation of Mark Latham to opposition leader. The short answer is: not much. While there have been a number of grand statements from the new Labor leader, many of them are directly at odds with his past views on the same subjects. He has also made a number of false accusations while casting negative comments about the strong track record of this government.

For example, the opposition leader previously wrote in a Sydney newspaper that the Adelaide to Darwin rail link was ‘shonky’ and ‘a white elephant waiting to happen’, yet
he now claims to support it. A search of parliamentary records shows that in 10 years as a member of parliament he has only ever mentioned the River Murray once, but now he wants to save it. He previously said car tariffs should be cut, but now says they should be frozen. He previously supported a capital gains tax on the family home, but now he does not. Only last year he proposed that negative gearing should be abolished but then changed his mind. The opposition leader has tried to discredit the Howard government by making wildly inaccurate and negative claims, even claiming the government has been neglecting the home front at a time when the Prime Minister has been showing strong leadership on national security.

The problem facing the residents of Adelaide is trying to work out which opposition leader will appear on the ballot paper at election time. Should he win the election, will he keep the promises that he is making now or will he revert to his old ways? I found a very interesting article in the most recent *Weekend Australian* in which Peter Botsman questions the leadership style of the opposition leader. Mr Botsman counts himself as a supporter of the opposition leader, and even co-edited a book on social enterprises with him. However, in the *Weekend Australian*, Mr Botsman writes:

Since then I have seen the great flaw in Latham. In his quick rise through university, local government, Gough Whitlam's office, Bob Carr's office and federal parliament he has never really had a bad job or taken a knock or had to work with people. Life is a big PR campaign. I can tell the opposition leader, from my years of experience working in the health sector, in this federal parliament and in my electorate, that life is not one big PR campaign. It is about getting things done and talking to people about what matters to them. The opposition leader said he believed in ethics in government and would not be negative, but he has been off to a very bad start.

The recently announced free trade agreement with the US will provide South Australian businesses with significant new export opportunities. Virtually all of Australia's exports to the United States, worth $5.84 billion in 2003, will be duty-free from day one of the agreement. The big winners in South Australia include the car, wine and aquaculture industries. For example, South Australia's car manufacturers will be able to export light commercial vehicles—or utes, as we know them—to the United States once the high 25 per cent duty has gone. Our canned tuna industry will be able to export to the $650 million US import market following the removal of the prohibitive 35 per cent tariff.

The wine industry has already endorsed the agreement, which will see US wine tariffs eliminated after 11 years. I note that the peak industry body, the Winemakers Federation of Australia, has already come out in support of the free trade deal. Its media release of 10 February indicates:

The US is our largest and fastest growing market, with exports running at almost $870 million in the last 12 months ... The full benefit of the tariff reductions in 11 years will represent cost savings of around $30 million per annum to the Australian industry.

Despite these gains, the opposition leader and the Labor Party are threatening to block legislation that would allow the free trade agreement to proceed, despite the fact that they have previously supported similar agreements with our Asian trading partners. Labor's anti-American stance cannot be allowed to stop our export industries accessing the biggest and most lucrative market in the world.

The opposition leader's obstruction of business does not stop with trying to stop
increased export opportunities to one of our major trading partners. His whole agenda is anti business. Well respected financial commentator Robert Gottliebsen wrote in the *Weekend Australian* on 14 February that the opposition leader will be like Gough Whitlam. Many of us still remember the damage inflicted on business in the early seventies by the combination of Gough Whitlam as Prime Minister and the late Jim Cairns as Treasurer. In fact, it was that which led me on a trail to this parliament. We do not want any more policies like those.

As Mr Gottliebsen points out, the opposition leader’s anti business agenda already includes opposition to the free trade agreement; a potentially massive attack on contracting with particular emphasis on the housing industry, which could lift the cost of a house by 20 per cent; the withdrawal of the rights of companies to put employees on individual contracts; the abolition of the textile and clothing tariff reforms; much tougher rules on corporate governance; a possible higher corporate tax rate; the return of the Industrial Relations Commission to the status of an all-powerful super body; and opposition to the sale of Telstra. It is the opposition leader’s stance on the US free trade agreement that has Mr Gottliebsen particularly worried. He writes:

He—

the opposition leader—

staggered the business community when, without any study of the detail, he opposed the US free trade agreement, as distinct from scoring points on sugar. The agreement will be of enormous help to sectors like wine, automotive, tuna and government procurement. The downsides look minimal.

In the brief time I have left available to me, I would like to take the opportunity to recognise some of the wonderful people in my electorate who are doing so much to help within their own local communities. On Australia Day I was fortunate enough to attend a number of the citizenship ceremonies being held in my electorate. As well as an opportunity to welcome many Australians, these events are an opportunity to recognise the work of citizens living in and around Adelaide who may otherwise not be acknowledged for their wonderful achievements.

I would like to personally acknowledge the people who were named citizen of the year in each of the local government regions within the electorate of Adelaide. In the City of Prospect, the citizen of the year was Mr Ray Haynes. Mr Haynes was cited as ‘the epitome of a gentleman, encompassing and practising the true spirit of community’. In the City of Burnside, the citizen of the year was Mr Duncan MacKenzie. His main contributions to the community have been made through Kiwanis Club of Burnside and through his voluntary work with Birds Australia Gluepot Reserve, the largest privately owned reserve of its type in Australia.

In the City of Port Adelaide Enfield, Tony Elmers was recognised for his support for Housing Trust tenants and for founding the Housing Trust Tenants Association. He is also a foundation member of Adelaide Community Legal Services. In the City of Norwood Payneham St Peters, Mrs Meg Siostram and Mr Bruce Raymond were recognised for their outstanding achievements. Mrs Siostram is an active member of the Norwood Christmas pageant, the RSL pageant committee, home support volunteers and the Norwood community bus service. Mr Raymond is a music director who has served the Kensington and Norwood City Band since 1984. I might add that he is also a former Sturt football player.

In the City of Walkerville, Mrs Ruth Coon was recognised for her outstanding years of service at the Walkerville RSL. In the City of Unley, the citizen of the year was Mr Geo-
freys Taylor. He was recognised for community services and for his hobby of maintaining links by amateur radio with people around the world at times of crisis. In the City of Charles Sturt, Mrs Barbara Stankovic was recognised for services to the community, particularly as a member of the Woodville over-50s club and the Arndale Salvation Army. To all these people I say: congratulations, you, along with many others, are the backbone of our local communities and you are deserving of this recognition.

Ms HALL (Shortland) (7.33 p.m.)—The Howard government continues to fail Australia and the Australian people. It is a government for big business—a government that protects and looks after its mates while ignoring the interests of the majority of Australians. It is a government of ideologues, of zealots, pursuing their philosophical commitment to big business and the private sector at the expense of all Australians—Australian families, older Australians and younger Australians—who are struggling to survive under this mean-spirited government. It is a government that thrives on division and insecurity. It does that to compensate for its failure in delivering policies to the wider Australian community.

We on this side of parliament realise that many Australians are finding it hard to make ends meet. Like many members in this House, I have constituents who visit on a regular basis. By talking to constituents and listening to their problems, we know just how difficult it is for them. It is because of this that we have developed policies that will create opportunities for all Australians—policies to restore Medicare to its former strength, policies that will ensure there is adequate child care for all Australian families, policies that will fix up the shambles that has been created by this government in the area of aged care, and policies to ensure that all young Australians can access quality education not according to their ability to pay but according to their ability.

The ALP recognises that government is about people and the communities in which they live. We need a strong economy to support those communities, but this government is about protecting the economy for the economy’s sake and it forgets about the people that are there to benefit from the economy. I think that whenever a government goes down the track of forgetting what it is there for, which is providing good government for the people, a nation has problems.

I will now turn to Medicare, which is very dear to the people in my electorate and something about which a great deal of concern has been expressed. It is unfortunate for the people of Australia that this government is driven by a hatred of Medicare. Leading the hatred and failure to make a commitment to Medicare is the Prime Minister. On many occasions the Prime Minister has expressed his hatred and dislike of Medicare. When he was opposition leader in the 1980s he said that Medicare was miserable, a cruel fraud, a scandal, a total and complete failure, a quagmire, a total disaster, a financial monster and a human nightmare. And he has threatened to pull Medicare right apart and get rid of bulk-billing.

Many of us on this side of the House would argue that that is what has been happening under the Howard government. The people I represent in this parliament would be hard pressed to disagree with that, because in the Shortland electorate only 51.3 per cent of all services are bulk-billed. That is not 51.3 per cent of all visits to the doctor; that is 51.3 per cent of all services. This is abysmal. Shortland is an older electorate. It is an area with a high level of social disadvantage, and people are being forced into a situation where medical treatment is outside their ability to afford.
The current Prime Minister said in 1987 that bulk-billing would not be permitted for anyone except pensioners and the disadvantaged, and doctors could charge what fees they liked. I would argue that that is exactly what the government’s proposal is all about. The current MedicarePlus—or, as we like to call it on this side of the House, ‘Medicare-Minus’—will ensure that we have a two-tiered system where only those people with the greatest degree of disadvantage are able to access Medicare. Five dollars extra is to be paid for pensioners and health care card holders. In effect, this is means testing Medicare.

I have to give a word of caution to the parliament, the Prime Minister and members on the other side of this House that, even with that extra $5, I do not believe most doctors in my electorate will bulk-bill. Ron and Cathy Green, who are both pensioners living at Lake Munmorah on the Central Coast in the Shortland electorate, went to a local Medicare centre and discussed the government’s package with their doctor. He currently charges $12 in out-of-pocket expenses. When they asked whether he would resume bulk-billing if the government paid an extra $5, he laughed. He thinks it is absolutely ridiculous that the government is putting forward this proposal and it will in no way influence him to bulk-bill. When you look at the safety net, pensioners will have to attend a doctor a significant number of times before the safety net will kick in. For them it is not really a safety net. Their doctor is not going to bulk-bill. It will do nothing to improve their situation.

For the Howard government it is about the destruction of Medicare, and I feel very sad about that because it will disadvantage people I represent in this parliament. The government needs to remember what I said at the beginning of my speech: it is there to govern for all Australians and not just a select few. It is similar to the pensioner who pays his doctor $45.70 at every visit. He has to visit the doctor 25 times to qualify for the safety net. Then there is the young boy who goes to the doctor who, once again, does not bulk-bill. The doctor charges $50 a visit. This young man, who is an apprentice, will probably only go to the doctor two or three times a year, but having to pay up-front creates significant hardship for him.

As I mentioned, the bulk-billing rate in the Shortland electorate has fallen to 51.3 per cent; in the last 12 months it has come down from 56.5 per cent. It is similar to what has been happening in all the electorates surrounding Shortland during that period. In Charlton, which is on the other side of Lake Macquarie, the bulk-billing rate has come down from 61.3 to 56 per cent. In Dobell, to the south of my electorate, it has come down from 63.6 to 57.8 per cent. With Dobell—it is interesting to note that, in the time the current member has held that seat, it has come down by around 30 per cent—hardly benefiting the people of Dobell. I do not hear him in this House arguing to improve the situation for the people that he represents.

It is interesting to note that the minister now refuses to provide quarterly figures on bulk-billing in electorates. It is very interesting that there has been this rapid decline in bulk-billing and the minister is now trying to prevent the people of Australia from knowing the quarterly rates of decline. It is also interesting that the next lot of figures he proposes to release will be in February 2005, after the next election.

I have with me a letter from a lady who lives in my electorate. She writes about her mother, who is 90 years old and blind, whose doctor no longer bulk-bills her. This lady took her mother for a CT scan at Hunter Imaging, which is a radiography provider with virtually 100 per cent of the market in the
Hunter. The mother was told that she had to pay $450 up-front before she could have the X-ray. The daughter became very upset by this and went to the bank and withdrew the money. This is a 90-year-old lady walking around with $450 in her hand! The next day when the mother had the scan she was told that it was actually $516, and the daughter had to go back and get more money out.

There is a problem with Medicare offices in the area. This government closed the Medicare office at Belmont in the Shortland electorate. Belmont was a very busy Medicare office that was operating under an arrangement with the centre it was in whereby the government was not paying rent. It had to buy out the lease, which created extreme inconvenience for people who lived in the electorate and had to travel, in some cases, a three-hour round trip to be able to collect their money. This is not a government that is receptive to the people of Australia; this is a government that is overseeing people who are suffering. It is a government that in the area of health has really let people down.

I would like to turn now to aged care. The Shortland electorate, as I have said, is the 10th oldest electorate in Australia. We have a chronic shortage of both high-care and low-care beds. People are waiting an inordinate amount of time to find a place. We have a situation where there are a number of phantom beds. The government still has not addressed or resolved the problem that surrounds the phantom bed issue—approved on paper but then not built. There are some actions that the government could take by linking the planning process and the approval process, but unfortunately it has turned a blind eye to it.

There is also an extraordinary shortage of community aged care packages within the electorate. We all wait with bated breath for the Hogan report to be brought down. I read in the Financial Review yesterday that, in this report that the government is getting, they are even flagging replacing the system of the allocation of bed licences by a Commonwealth official with an auction system—an auction system for beds for all those elderly people who are waiting in hospitals because this government cannot deliver on aged care beds! There are elderly people living at home in situations where they are at risk. There are hospital beds filled with people who should be in much more suitable situations—for example, a residential home. It is an absolute disgrace.

I will now turn to child care. In my electorate and other electorates throughout Australia, there are long waiting lists for child care and the cost of child care is exorbitant. Coupled with this, the government’s cutbacks have affected many older retired people who are saddled with the responsibility of caring for grandchildren because of the scarcity and expense of child care—which I meant to deal with first. That is a repercussion of the government’s cuts to child-care budgets. When you couple that with the dismal lack of community aged care packages and affordable aged care facilities, you are left with a situation where people who are retired, who should be enjoying that stage of their lives, are shouldering the responsibility for caring for the very young and for the very old. This is a direct result of the Howard government’s program. On Monday in this House I made a speech in which I highlighted that Australia is falling into the trap of becoming a country with low skills and low wages, caused by the implementation of casual work. Under this government, there has been a 30 per cent growth in casual employment compared with a 10 per cent growth in full-time employment. Coupled with the growth of casual employment and lack of full-time employment that is avail-
able, this is creating enormous hardship for people.

My office, like many other offices within Australia, has been inundated with people who have had Centrelink debts raised against them. One lady in my electorate who was born in 1935 had been working to try to support herself, but now she is in receipt of a pension and rent assistance. She has received a Centrelink account payable for $3,888 because the correct amount of earnings was not taken into account in the payments that were made to her. She supplied the details but Centrelink got it wrong. Now she has a $3,888 debt. This government has overseen a system that has allowed this to occur. Another lady in my electorate who lives alone needs special care, which is being provided by her family. She has restricted mobility, is visually impaired and is about to have further surgery this month. Her financial position is such that a reduction in her pension will cause her real hardship. She recently received a bill for $862.80. This relates once again to problems that she has encountered in her dealings with Centrelink.

Another lady, who lives at Belmont, applied for an advance on her family allowance. She was told that she could not get the advance due to her having a debt of $60. She was prepared to pay the $60, but Centrelink would not even think about allowing her to get the loan that she needed to have her car registered. Another lady in my electorate who receives a parenting payment did not receive that payment for approximately six weeks. During that time, her case being deemed complex because her husband had a business from which he gained earnings, the family had no money to live on. Numerous instances of this kind of thing are happening under this government’s system—a system that is flawed; a system that I think the Prime Minister was referring to in the letter that has been leaked; a system where there are constant overpayments and debts in not only family tax benefits but also all forms of Centrelink payments. Why? It is because it is a system that does not work.

This flows across into other areas as well. We have had examples of the government’s cutbacks in the area of veterans’ affairs. There is a lady who lives at Whitebridge who has a veterans gold card and is a member of the Australian defence forces. She is on a TPI, she has two children and she is quite ill. She was getting two hours a week assistance through the Veterans’ Home Care Program. That has now been cut back to two hours a fortnight, and she is struggling and having difficulty coping. This government has failed to deliver on a promise that she would get the care and assistance that she needs at home. A gentleman who lives at Belmont North has had his Veterans’ Home Care cut back from two hours to an hour and a half. I could go on and on, because we have numerous examples of this.

This government’s record in the area of education has been to put money into the elite private schools and to introduce paid places in university. A situation has developed where many young Australians who should be going to university and should be undertaking further education have been denied the opportunity. I received a letter from a gentleman in the electorate whose daughter received a UAI of 72—excellent. She wanted to be a speech therapist, but she realised that she would need a higher UAI than that. She was happy to do a Bachelor of Arts degree at Newcastle. With the four points that were added to the 72—the four points being the local bonus—she still did not have enough. She is absolutely devastated and the plans for her life have been put on hold.

Australia has become a nation of haves and have-nots. People who have a job and a quality education can afford quality health
care and a good quality of life, but people who do not have such things have to struggle in all these areas. In Australia there is a great divide: the divide between those who enjoy wealth and privilege and who are friends of the government—and others. *(Time expired)*

Mr RANDALL (Canning) *(7.53 p.m.)*—I would like to raise an issue this evening that continues to consume the time and resources of my parliamentary office. I know that most of my fellow parliamentarians share my experience of having angry and distraught constituents come to them asking for assistance in dealing with the Australian Taxation Office. Many of us have experienced the frustration of writing letters to the Commissioner of Taxation on behalf of these constituents and either not receiving a response or waiting months for a reply. In the past, people have been able to distinguish between the government and the Australian Taxation Office as an independent authority. However, it has come to my attention that the ATO letterhead declares itself as the Australian government. This letterhead confirms in the minds of the public that actions of the ATO are the actions of the Australian government and that, as the government, we must be responsible for the conduct of the ATO and its commissioner, Mr Michael Carmody.

I continually receive complaints relating to the ATO’s actions on mass marketed schemes, employee benefit arrangements and other arrangements. The question that arises is: why are these matters still a problem? The commissioner reassures the government that the mass marketed scheme debacle has been resolved. The commissioner says that 90 per cent of investors have settled, thereby creating the illusion that the matter has been put to rest. What the commissioner has not explained is that, even though 90 per cent of the investors have signed these agreements, signing is only the first step in the settlement process.

Each of those who have settled must then enter into a payment agreement that may continue over two years, interest-free, or longer, with interest being applied at a compounding rate for the period over two years. In other words, when the commissioner says that they have settled, he does not mean that the tax has been collected, that the matter has been finally resolved or even that all the tax will be collected. In the commissioner’s context, settlement means that the ATO are still extracting payments or entering into payment agreements with these investors. So, in fact, the matter is not resolved and the commissioner’s assurances are wrong.

The problem is the process that the commissioner initiated in resolving this matter. Investors are required to sign settlement agreements without knowing what the final settlement figure will be. A significant percentage of investors who have entered into these payment agreements are finding that they can only afford to make minimal repayments. These payments will only repay a part of the amount owing during the two-year, interest-free period. Once this period is over, investors must either pay the outstanding balance or interest on the balance will begin to compound daily on the balance at 4.72 per cent—this is when the matter will explode again as an electoral issue. I have been told that most investors in this situation do not have the capacity to repay the outstanding balance in a lump sum. For those who continue with the current level of instalment payments, the payments will sometimes not cover the accumulating interest. Investors who realise that they will be repaying this debt over the next 20 or 30 years, or forever, will once again flood our constituent offices with requests for assistance.

Another subset is the investors who have now received notification of the settled tax debt and cannot even make the repayments. A case in point involves a 60-year-old inves-
tor in my electorate of Canning. The investor has undergone a recent major neurological operation—he has severe hypertension, lung disease and degenerative back disease. The settlement amount has been determined by the ATO to be $60,500. The investor and his wife both receive a disability pension of $690 a fortnight. The total expenses per fortnight are $569 without taking into account any unforeseen medical expenses, property repairs or other similar, variable living expenses. The commissioner has determined that the investor must pay $121 per fortnight, being the total amount of the excess towards repayment of the $60,500. The investor has one year interest-free remaining and then, as I said, the interest will begin to compound daily on the outstanding balance at 4.72 per cent.

The investor made an application for relief under the hardship provisions but was rejected by the commissioner. The tax office staff admit that the investor can never repay the debt on his current income but will not waive or reduce the debt because the investor and his wife jointly own a house valued at around $285,000. The Australian Taxation Office recommended that the investor obtain a mortgage on the property. This recommendation solution fails to consider the fact that a lender will only provide a loan if there is an ability to repay. As the investor has no ability to repay, a mortgage is impossible. In these circumstances, the investor must either sell the property to repay the debt and become further reliant on social security and be forced into public housing, or just maintain the dispute.

I am told that ATO employees admit that the policy for relief and the responsibility for these decisions have not been reviewed since the recent handover from the relief board to the Commissioner of Taxation. The current ATO policies are recognised as being extremely strict and inflexible. The general consensus is that the family home should not be a factor in the decision. However, it is apparent that the actual decision makers feel bound by ATO policy to include both the family home and any income derived by a spouse. In this case, the pension of the investor’s spouse has been taken into account in calculating the $690 total and the $121 excess. Excluding the spouse’s income would leave $60 excess per fortnight, or $30 a week. Clearly this is a negligible amount and the investor should qualify for a waiver on the grounds of hardship alone. Therefore, there are compelling reasons for reviewing the commissioner’s hardship policy. A relaxation of policy will result in more settlements being fully resolved.

Another factor is the exclusion of some investors from the full terms of settlement. In recently proposed legislation, the government has made it clear that financial planners and others who give advice reliant upon information provided to them would not be held responsible as promoters. Despite this clear distinction by the government, the Commissioner of Taxation continues to treat these advisers as promoters and as an excluded category.

Take the example of an investor who is a financial planner who has been excluded from the full terms of settlement. The investor owns a home valued at only $160,000 jointly with his spouse. The investor has no other significant assets. The tax debt has been raised by the commissioner and it exceeds $220,000—on a $160,000 house. If the investor accepts settlement on the commissioner’s terms of partial eligibility, the tax debt will be reduced to around $152,000. Payment must be immediate, or interest will compound at 12.31 per cent on any balance. If the investor is treated as eligible for the full settlement, the tax bill will be approximately $45,000 and there will be two years to repay before interest begins to compound.
at 4.72 per cent. Therefore, the difference between the settlement amounts, time to pay and ongoing interest accumulation is quite significant, particularly for this constituent.

The investor does not have the ability to pay the $152,000 amount, and if the ATO pursue collection he will be forced into bankruptcy. However, the investor wants to repay the $45,000 amount within the time available. If the investor is bankrupted, it is likely that legal fees will consume the investor’s minimal assets and the interest in the family home, and the ATO will get nothing. If they pursue him, his assets will get gobbled up in legal fees and the ATO, rather than settling, will get nothing. However, they have done this before. Allowing the investor access to the full terms of the settlement will ensure that at least some of the revenue is collected and another dispute is resolved. The Australian Taxation Office representatives agree that access to the full settlement terms cannot happen without a change in the commissioner’s policy.

I will briefly turn to the commissioner’s actions on employee benefit arrangements. This is a matter that affects about 7,000 small business entities across Australia. These entities provide employment for thousands, and the continued viability of these businesses is therefore under threat. The commissioner has conducted a blanket campaign against these businesses without any individual examination. As part of the blanket approach, the commissioner has issued three different assessments for the same original amount. The reason the commissioner gives for issuing three different assessments is that he is not sure which one, if any, is correct. The impact on the taxpayer of the commissioner’s lack of certainty is horrific. How is it that the commissioner, who drafted the relevant legislation, does not know the answer but expects the taxpayers to get it right? Is this because the commissioner has failed to individually examine each case? Is this because the commissioner has failed to consider all of the facts? Or is it because he just does not give a damn or is just plain arrogant?

These business entities cannot continue to trade effectively. In an example calculation that has been provided to me, a business that obtained a tax benefit of $36,000 receives assessments totalling over $400,000 because of the commissioner’s triple dipping. This is an imposition of over 11 times the original benefit. What is the effect of such exorbitant tax bills? As we have seen, for mass marketed arrangements the commissioner issues tax bills of, for example, $220,000 that eligible investors can settle for $45,000. The difference, of course, is the inappropriate imposition of penalties and the imposition of general interest charges.

I have been told of one case in which a seven-months pregnant wife opened an exorbitant tax bill. Her husband found her lying on the floor when he returned home that evening. They lost the baby the following day. In another case, a couple received an amended assessment for their investment in November 2000. The wife had been diagnosed with cancer in 1997 but after treatment had gone into full remission. The amended assessment affected her very deeply when she received it suddenly, causing her great distress and trauma, and in December 2000 she was diagnosed with a recurrence of her cancer. She died four months later. I understand that her husband, Mr Drenth of Miranda in the electorate of Cook in New South Wales, is happy to go on the record. He has this week received a demand for payment and settlement for his wife’s investment, even though she has passed away. He had not previously been advised of the settlement amount for his wife. The Australian Taxation Office have advised him that he is personally liable for the debt because, as
executor of her estate, he should have taken this debt into account when distributing her assets.

Numerous investors have lost their homes as a consequence of such a matter. We the government cannot continue to stand by and watch as the commissioner savages our constituents, sends them broke, traumatises them and even hastens death. This has been borne out in surveys conducted around Kalgoorlie by Effie Harris. These surveys were funded by the Australian Attorney-General and provided evidence of suicides occurring as a result of debts being pursued by the Australian Taxation Office. To me, that has a certain credibility to it.

The Minister for Revenue has been slow and very reluctant to recognise that there are difficulties with the administration of this and the general interest charge by the commissioner. The minister has referred this matter to the Inspector-General of Taxation for review, after much pressure. But the Inspector-General of Taxation has already indicated his critical position of the ATO’s handling of these cases and issues publicly in the Australian Financial Review, so giving him terms of reference when he has already stated his position is obviously rather awkward for those who have given him the terms of reference.

The Inspector-General of Taxation has made it clear that any recommendations will be prospective; they will not alter what has gone on before. That, in my view, cannot be an appropriate result. If something is wrong for the future then it is logical that it is wrong for the past. These problems have arisen out of the commissioner’s retrospective actions. Having caused the problems by retrospective action, it would seem that corrective retrospective action is required. The commissioner created the problems; he should tidy them up. Some of these cases have gone back more than six years retrospectively after investors were told that their investments were correct or allowed to continue. The commissioner’s policies and practices must be reviewed. The settlement process that the commissioner initiated has not resolved the matter, and we continue to receive many complaints. A review of the settlement policies, the hardship policies and the correctness of the commissioner’s retrospective actions in circumstances where he gave positive advice, such as with EBAs, will go far towards resolving these outstanding issues.

The commissioner has demonstrated that he is either unwilling or unable to resolve the matters fairly and equitably. It therefore falls upon us as a government to take the matter up and resolve it before more damage is done to the community and to the individuals being persecuted under this draconian regime administered by the Commissioner of Taxation.

I want to give a tick to some members of the Australian Taxation Office. Last week, I was approached by two constituents, Mr and Mrs D’Rozario from Armadale in my electorate. This is a very sad case. They had come to me more than 12 months ago because they had invested, on the advice of their accountant, in a half unit of Buckland and a half unit of lemon myrtle. Mr D’Rozario is a school gardener on a very low salary and his wife is a cleaner. As a result of a small investment of $3,500—they borrowed the money for the investment—they now owe the ATO $1,051.65.

This case was terrible. The D’Rozarios realised that they could not pay the debt, so they wrote to the Australian Taxation Office and asked that they be excluded under the hardship clause. I assisted them with that matter. That was in May of last year. They did not receive a response from the Austra-
lian Taxation Office, and the Taxation Office then withheld the D’Rozarios’ tax refund cheque and took out $906.70 for the 2002-03 financial year. The effect was this: if the D’Rozarios had been able to pay up-front for their children’s school tuition with the money from their taxation return they would have saved $200; not being able to do that has cost them more than $200, which has caused them financial difficulty.

This is where I want to give the tax office a tick. When the D’Rozarios came into my office last Friday, I thought that their matter had been fixed. I could not believe that it had not, so I took their correspondence and rang the direct number on the ATO letterhead. I spoke to Ann Grandover from the Australian Taxation Office and let her know exactly what I thought about the problem that they had caused for this very low income family. She took a fair bit of my venom and, to her credit, she then passed the matter on to Paul King, who phoned me back that day—which was fantastic. He said that the Taxation Office had made a mistake—that they should have dealt with the D’Rozarios’ case, that they should not have waited so long, and that the D’Rozarios did qualify under the hardship provisions. He said that the D’Rozarios would be reimbursed the $900-odd and the debt would be waived in this case. That is good, and that is the sort of thing we can do as members. But why should we have to do it on an individual basis when the ATO could get in and settle these cases themselves—particularly with low-income earners? It is an absolute disgrace that people are allowed to fall through the cracks. The ATO cannot say that they do not have the resources—they are a large organisation and seem to be totally autonomous; they should be in there providing more resources to clear the backlog of people being caught up.

As an interesting aside, when the D’Rozarios were asked if they would like the money lodged electronically or if they would like to receive a cheque they said they would prefer a cheque. They did not trust the money to come through electronically to their bank. There are some good people in the Australian Taxation Office, but I am told that people at the highest level in the executive part of the Australian Taxation Office would die in a ditch over these issues of mass marketed schemes and EBAs. If they are going to die in a ditch, they are going to take others with them. It is unfair. The tax office should be looking at these cases on an individual basis. These poor people have been taken in, quite often with the best form of advice, and the tax office should relieve the pressure and pain that they are going through. I ask that the Commissioner of Taxation show some heart in these issues. As a member of this government, I intend to pursue all of the individual cases that I can for people who have been caught up in this disgraceful performance by the Australian Taxation Office.

Ms JACKSON (Hasluck) (8.13 p.m.)—I rise to speak on the appropriation bills this evening. In particular, I want to speak in support of the second reading amendment moved by the member for Fraser. In commencing, I point out that we do not need a government that has no third term agenda—a government that refuses to accept its responsibility and does not care about those in our society who need its support and assistance the most. We need a government that has a plan and a strategic response to the range of issues confronting us in areas like aged care, disability services, family payments, health and education. Those are the issues I want to concentrate on this evening.

The government continue to weave and dodge on many issues facing the aged care sector. There exists a number of concerns for constituents in my electorate when it comes to accessing aged care services. Using the
government’s own aged care planning ratio—which, by their own admission, is not much more than a ratio and is not based on actual needs within the community—and based on the 2001 census figures, a shortage of aged care places existed in Hasluck as at 30 June 2003. At that date, only 314 high-care places existed. The government’s ratio target for the time was 343. Similarly, only 60 CACP places existed, when the corresponding ratio target for my electorate was 86. By my calculations, this is a deficit of 29 and 26 places respectively, or a shortage, on the government’s own planning instrument, of 55 aged care places in the electorate of Hasluck. As I say, this is only on their planning figures; it does not reflect the situation in real life. There are many more people looking for aged care services and aged care places who are unable to access them under the current funding model used by the government. What are the government doing about this? To me it seems that they are doing very little.

If I may, I will share with you my frustration with one recent example of the government’s do-nothingness in this particular area. In June 2003 the government told us that it had no intention of reviewing the ratio formula that I have just talked about. However in August 2003, only a month later, the then Minister for Ageing told us that his department was looking at the formula by which the distribution is made. In other words, it was being reviewed. Then, in November 2003, we were told by the department that no separate review of the planning ratios was taking place at all. So it is curious to me exactly what, if anything, is happening with this particular planning ratio. I guess we will just have to await the outcome of the $7.2 million Hogan aged care funding review, if it ever makes it off the minister’s desk, to see if any genuine reforms of the current ratio system—or, indeed, changes to the funding formula—take place.

Since 1997 the Howard government has allocated 20,464 aged care beds in Australia. Of these, 13,300 are not operational and 3,000 of those have been outstanding for over two years. In my electorate of Hasluck most aged care facilities have openly acknowledged an extensive waiting list of potential residents. Whilst this government is happy to fund the licensing of these phantom beds, it is failing to provide a sufficient capital grants program and an efficient funding formula to see those beds become operational.

A report published in October 2003 by the National Aged Care Alliance demonstrated that, although there had been increases in total funding for residential aged care subsidies, current indexation arrangements were not adequately adjusted for the increasing cost pressures on aged care providers. To attract and retain carers in particular, employers must be able to pay competitive and fair rates that recognise skill and commitment, yet residential aged care nurses, as an example, are paid on average 12 per cent less than their counterparts in the public hospitals. Community care workers remain low paid—many receive less than $13 an hour—and undervalued, as funding is not provided to increase their salaries.

The additional $211 million over four years to increase the residential aged care subsidy per resident, which was allocated in the 2002-03 budget, was frankly a drop in the ocean compared to what is really needed. The funding was intended to allow aged care facilities to pay nursing staff a similar wage to their public hospital counterparts and also help attract staff to the industry. However, in real terms, this equated to less than $1 per resident per day and was simply not enough to address the wages disparity at all.
only is the gap between provider costs and residential aged care subsidies exacerbating the phantom bed situation; it is also putting pressure on the ability of the sector to maintain the quality of care provided to residents of aged care facilities.

For the 2003-04 year this government increased funding by an average of 2.2 per cent for Western Australian aged care facilities. Over the same period the CPI rose by 3.4 per cent. This is hardly an equitable funding indexation process. It is very clear from the government’s continued failure to address the issues in aged care that it is delivering on its stated intentions in its 1997 reforms—that is, it wanted to decrease the level of Commonwealth funding to aged care and hence increase the proportion of funding for residential aged care provided by the residents themselves, shifting costs to those who, in many cases, can least afford it. Accommodation bonds? Watch this space.

Not only am I concerned about the underfunding to aged care services in my electorate; I am also concerned about the question of access to education. Countless studies have shown that a person’s life chances are vastly improved by education. That is why it is so important for people in my electorate to improve their access to education services locally.

I have spoken about the development of an education precinct in the northern end of my electorate. The region has experienced population increases twice those of metropolitan Perth. The WA Planning Commission predicts that this trend will persist and that, by 2021, the Swan region will be one of the top four most highly populated areas in Western Australia. Perhaps more telling is the number of young people who live in the area. Thirteen per cent of the 250,000 people who reside in the region fall within the 15- to 19-year-old cohort. This is five per cent above the state average. When these figures are considered with the levels of youth employment in the area, the necessity for an education and training precinct becomes all too apparent.

ABS figures show that the unemployment rate for 15- to 19-year-olds throughout my electorate of Hasluck is 16 per cent. However, the unemployment rate increases dramatically to a massive 38.5 per cent in the suburb of Midland, the same area where we are seeking to have an education precinct. When we look at young males in the 15- to 19-year-old group in that area, we see that unemployment figure climb to a massive 41.7 per cent. The picture does not get much better when we look at the 20- to 24-year-old cohort. The rate of unemployment for this age group across my electorate is 12.1 per cent. However, when we compare this to the unemployment rate in Midland, we see it rise to 23.3 per cent.

The Midland community has developed a comprehensive plan to address the community’s education needs. There is a well-developed proposal for the co-location of university, TAFE and upper secondary schooling places. The old Midland railway workshops is the proposed site for the Midland education precinct. The former Liberal state government closed the workshops in 1994, which up until then had had a long history of providing education and employment in the area. We need a commitment from this federal government that additional university and TAFE places will be allocated to this project. Without that commitment the project will not be able to get off the ground.

Western Australia has already seen some 7,214 of its tertiary students miss out on a university place because of inadequate funding by the Howard government. Funds are being sought now to assist the finalisation of a community model for the education pre-
cinct and I take this opportunity to urge the
government to support it. The federal gov-
ernment should get behind community
driven projects like this. As I have said be-
fore, there are only three universities in
Perth, with only one of the 11 campuses in
Perth operating east of Victoria Park, an in-
ner city suburb. This inequity simply cannot
be allowed to continue.

Another area I want to touch on—and it is
fortuitous that we have the Minister for Chil-
dren and Youth Affairs at the table—is the
area of family tax debts. I know, as do the
Prime Minister and the minister, that family
tax benefit debts are hurting ordinary Aus-
tralian families. It is becoming increasingly
clear that the government knew about the
problems with this system but resisted action
to resolve them. It is also clear that family
tax benefit debts are the fastest growing Cen-
trelink debts in my home state of Western
Australia. In response to a question on no-
tice, the then Minister for Family and Com-
munity Services confirmed this fact.

Figures the minister gave show that prior
to the introduction of the family tax benefit
system in 2000 approximately 30 per cent of
all debts raised by Centrelink were for New-
start allowance payments. In the first year
that the FTB was introduced you would re-
call that the government offered a $1,000
debt waiver per family. But in the 2000-01
financial year family tax benefit debts still
accounted for 10.6 per cent of all debts
raised, second only to Newstart debts and
parenting payments. By the second year of
the family tax benefit system the $1,000
waiver was gone and the true impact of this
debt trap was revealed. FTB debts in 2001-
02 accounted for the highest proportion of
Centrelink debts, at 36.8 per cent.

Clearly the Prime Minister has no idea
about the stress and anguish that the inevita-
bility of these debts causes struggling fami-
lies in my electorate. If he did he would have
acted by now. I have spoken many times in
this House about the impact of these debts
but clearly the message has still not yet got
through. Part of the problem appears to be
that the government cannot or will not accept
that its family payments system is failing. It
needs to take into account the fact that many
families do not live in a situation where they
have a predictable income each financial
year. They have changing family circum-
stances.

For example, where is the flexibility in the
system for the single mother in Forrestfield
who is unable to predict her shared care ar-
rangement with her ex-partner a year in ad-

dvance as he undertakes unpredictable shift
work in a fly-in fly-out job? Where is it for
the Midland family in which both parents
work in casual jobs and are unable to predict
their income? Where is it for the single
mother in Gosnells who is unable to deter-
mine whether or not her ex-partner will pay
regular child maintenance repayments? Does
she continue to forfeit her FTB payments
when she needs them in case her ex-partner
again decides to back pay three years of
child support in one financial year?

The only advice that these families get
from the government is, ‘Forfeit your bene-
fit, overestimate your income and wait until
the end of the financial year before you get
your just entitlements.’ Going without pay-
ments seems to be the government’s solution
to the problem, without recognising that
many families rely on their family tax benefit
entitlement to live from week to week. The
Minister for Family and Community Ser-
vices prides herself on the so-called top-ups
that some families receive, without appreci-
ating that, far from being a generous gift
from government, top ups represent families
who have struggled without their due enti-
tlements for the course of the year for fear of
receiving yet another family tax benefit debt.

CHAMBER
Even those families who have a steady income and predictable circumstances are still getting caught out. Of most concern are families with school children who enter the work force instead of continuing their studies. Many students, let alone their parents, do not know a year in advance if they are going to enter the work force or undertake further study. But in order to avoid a debt they need to make this decision before they finish their final year. The parents of a child who legitimately received family tax benefit from June to December will be forced to pay that entire amount back if their child gains full time employment in the following year from January to June. The Family Assistance Office booklet, *Estimating your income for family tax benefit and child care benefit*, verifies this point by stating:

You might have a child who does part-time work or who leaves school to take up work at the end of the school year. If your child earns $8,614 or more you will be overpaid the entire amount of FTB received for your child for the year.

Is it the government’s position that families should forfeit their entitlement to family payments for their school aged children to avoid a future debt if their child starts work? Surely there has to be a better way for families than this highwire balancing act of living from week to week with self-imposed reduced benefits.

This is obviously an issue that the government is not prepared to tackle. In fact, what frightens me is that it intends to duplicate the existing problems and complexities of this system with its safety net proposal for Medicare. It is estimated that only two per cent of families will actually spend enough money on out-of-pocket health costs to be eligible for the safety net. And those families who are eligible, already wary about getting a family tax debt, will have to continue the highwire act to work their way through the complexities of the safety net system.

Your family’s entitlement for the safety net can decrease overnight as your child turns 16 and becomes eligible for youth allowances. Families earning less than $45,000 with one child will have to increase their out-of-pocket medical expenses from $500 to $1,500 before being eligible for the safety net purely and simply because a child turns 16 during the year. Those families who are desperate to avoid a family tax benefit debt and opt to receive their family tax benefit in a lump sum at the end of the financial year will not be eligible for the safety net until the following year—that is, six months later than everyone else who receives the family tax benefit through Centrelink.

The government should follow Labor’s lead and fix the problem with Medicare instead of imposing more complex and less beneficial policies. The government can help low-income families by making a commitment to improve bulk-billing rates across the board to ensure that families can access a GP when they are ill. A real commitment to Medicare will negate the need for a half-baked, administratively complex safety net.

In the 12-month period from December 2002 to December 2003 my electorate of Hasluck again saw a decline in bulk-billing rates of almost five per cent. I pose this rhetorical question: how low are you prepared to see these rates go? The government is not prepared to invest in bulk-billing and reverse this trend. Instead it is attempting to create a two-tiered bulk-billing system in which higher government rebates are offered to GPs who bulk-bill specific sections of the community. Ironically, in my electorate of Hasluck there are areas already charging copayments well in excess of $5, in some cases $10 and $15, to pensioners and health care card holders. So I hardly see how this step by the government in relation to a specific section of the community will assist at all.
The Howard government’s complete inaction over the previous years has led to the collapse in bulk-billing rates. While I welcome the government’s new-found interest in Medicare, on behalf of Hasluck families I am calling on you not to attach increased funding for Medicare to another inflexible and bureaucratic system such as the proposed safety net. Do not persist with a plan for our national health care system that would duplicate the complexities inherent in the family payment system. Families have had enough stress, anguish and confusion imposed upon them as a result of the family payment system. Low-income families currently need a crystal ball or self-imposed denial of benefits to avoid budget-breaking debts. I urge you not to increase this burden you have already placed on these families with fundamental changes to the Medicare system. I reiterate that, whilst not opposing the bills, I indicate my support for the second reading amendment moved by the member for Fraser.

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (8.31 p.m.)—I want to take advantage of the latitude offered by the debate on appropriation bills, in this instance Appropriation Bill (No. 3) 2003-2004 and cognate bills, to refer not to the immediate needs of my constituents, pressing as they may be, or to defend the government’s budget against the accusations and attacks made by the member for Hasluck, sincere as she may be. I want to reflect on the plight of four of the world’s minorities, four of the world’s peoples who would love today to be present either in the galleries or on the floor of a parliament such as this in which we are free to speak without fear of persecution for our beliefs. I refer in particular to the Kurds and Assyrians in Iraq, to the Tamils in Sri Lanka and to the Maronites in Lebanon—and might I say to all Lebanese in their relations with their neighbour Syria.

The Kurds are an ancient people whose lineage goes all the way back to Xenophon and the so-called Carduchi, whose most celebrated tribal member was Saladin but who have experienced, since their conquest by the Arabs in the 7th century, a litany of conquerors, of oppressions and of atrocities. They suffered under the Seljuk Turks in the 11th century, under the Mongols in the 13th to 15th centuries and later under the Safavid and Ottoman empires until the end of the First World War.

They were encouraged by Woodrow Wilson’s plea for self-determination at the end of the First World War and the breakup of the Ottoman Empire. Wilson urged on the parties respect for the non-Turkish minorities of the former Ottoman Empire. With some optimism in their hearts the Kurds attended the Paris peace conference in 1919 and were elated to find themselves recognised as an autonomous sovereign state under the Treaty of Sevres. But it was a mere two years later that Turkey, under the leadership of Kamal Attaturk—who Australians will remember for his most effective leadership of the Turkish forces at Gallipoli—negotiated the successor to the Sevres Treaty in the Treaty of Lausanne, in which the Kurds, to their astonishment and dismay, found that their independence had been entirely omitted. What followed in the 1920s and 1930s was a series of Kurdish uprisings in Turkey which we would have to say were put down with ruthless brutality. The Kurds were described as ‘mountain Turks’ in an effort to deprive them of their identity. They were forbidden to teach their own language in schools, to give their children Kurdish names or to wear Kurdish dress.

We have to acknowledge that that experience in Turkey in the first third of last century was really mirrored by the Kurdish experience in the other countries in which they are present, most particularly in Iran, a coun-
try in which they currently make up about 10 per cent of the population in the north-west, and then in north-eastern Iraq, where they have come to particular prominence since the first Gulf War and where they now represent almost a quarter of the population. Likewise there are significant Kurdish populations in Syria. The mountains of eastern Turkey, north-eastern Iraq and north-western Iran have collectively been known as Kurdistan, although that has never been matched by any sort of sovereignty or independence.

After a revolution in Iran and a new republic created in 1979, there was, in a similar experience to the Turkish Kurds, a brutal suppression of the Kurds. In Iraq, when so often it is said that Saddam Hussein used nerve gas against his own people, we are talking primarily about his use of nerve gas and of chemical weapons which he developed and perfected against the Iraqi Kurds. We know that in one year alone, 1988, 200,000 Iraqi Kurds were massacred by Saddam’s Baathist regime.

The Kurds, of course, were elated by the first Gulf War and the hope that George Bush Sr would bring some sense of liberty and some hope of autonomy. But with the decision—right or wrong in hindsight—not to proceed all the way to Baghdad and achieve regime change but to leave Saddam in power, we saw yet another brutal repression of the Kurds. So it was in the most recent war in Iraq that the Kurds had great reluctance to come forward and join the contest until the very last minute, because their experience had been so bitter and their disappointment so great in relation to the first American and allied intervention.

It was a pleasure for me to attend, along with my colleague the member for Reid, an event with the Kurdish community in my electorate over the weekend, at which there would have been 500 or 600 gathered together to listen to the great Kurdish singer and songwriter, Shivan Perves, who is known all over the world for his gentle and humorous but nonetheless extremely poignant and effective advocacy of the cause of the Kurds. We were both moved by the concert we attended. One could not help but be affected by both the deep sense of grief that was shared by the entire audience and, at the same time, their sense of optimism and hopefulness about the future. The Kurds in my electorate are making exceptionally good migrants to this country and are seizing the opportunities of freedom with both hands.

However, we look now to this transition from the current Iraqi governing council. On 30 June this year the Iraqi transitional national assembly will elect new leaders. In March of next year we will see the vote for a constitutional council, followed in December of next year by full national elections that the world will watch with great interest to see what sort of resolution will be achieved. The point of my rising tonight is that, while the Sunni and the Shia clearly make up a significant majority of the country, it is my hope that what was left undone after the First World War, when the Treaty of Lausanne left the Kurds out altogether, can be sorted out and that we can learn from the lessons of the past and find a place for the Kurds. It is not my intention to seek to hector or lecture the people of Iraq, who will ultimately make their own decisions on these matters, but clearly what we would hope for is respect for the ethnic identity, the religious sensibility, the particular culture and the traditions of the Kurds, and that in whatever constitutional arrangement is arrived at there should be respect for that diversity. The Kurds should, really for the first time in modern history, have the opportunity to find a place of peace and security in Kurdistan.

As I am reflecting on the needs of the small, I point out that the Assyrians are like-
wise an ancient people of Iraq. They still speak Aramaic, which was the language spoken by Christ. They are perhaps the most ancient of the Christian communities, and they have been in that part of the world, practising as Christians, for over 2,000 years. Frankly, as I would lean on and appeal to the Shia and Sunni to make room for the differences and distinctiveness of the Kurds, I would likewise appeal to the Kurds and their other Iraqi neighbours to leave room for the Assyrians. It is easy to forget the small in our rush to make some sort of a compromise and to achieve some kind of a deal. It would be the crowning glory of the new Iraq if the Assyrians, the Kurds, the Sunni and the Shia could find some means to demonstrate to the world that they can live together as one united nation.

I turn now to the experience of the Tamils in Sri Lanka. The Tamils represent about nine per cent of the 20-odd million people in Sri Lanka—a nation, population wise, very similar to our own but in a much smaller geographical area. In Sri Lanka we have the dominant Sinhalese and the smaller group of Tamils, who are linguistically and religiously different. During the British occupation of then Ceylon the British administration formed, I think it is fair to say, closer links and relationships with the Tamil community than the Sinhalese community and invested more heavily in their education and social and economic infrastructure. At the time of the British departure, there was a sense in which the Sinhalese had a perhaps understandable desire to square the ledger and to fully exploit the political power which grew out of their numerical superiority—and what has followed over the last 50 years has been a terrible story of civil war, brutality and inhumanity.

It is not my purpose now to make some calculation of blame to be apportioned to either side. I acknowledge to the Sinhalese that, when we talk about terrorism, they have suffered greatly. The Tamils, in their desperation and sense of hopelessness, employed the strategy of nonviolence on successive occasions in the fifties, sixties and seventies, but found that the assurances that they were given were not honoured, and they reverted to a course of violence which, frankly, has been exceeded by few alienated minorities anywhere in the world in the last 25 years.

But we ought to acknowledge that there has been great progress in the last two years, and I want to congratulate the government of Norway for their very particular intervention in this matter. One might think, ‘What do the people of Norway, on the other side of the earth, have in common with the people of Sri Lanka?’ But it is to their very great credit that they involved themselves—and involved themselves in a very constructive way—to seek to broker a truce between the warring parties. So in 2001 we saw this great ray of light break through the darkness and despair, with an announcement by the Tamil Tigers that they would enter into a ceasefire and proceed to a very systematic process of negotiation, which has resulted in the reopening of the highway between Jaffna and Colombo—in effect between the Tamils and the Sinhalese. The symbolism of the reopening of that road ought not to be underestimated. We have seen the Sinhalese commit themselves to the withdrawal of troops from Tamil schools and places of worship. We have seen the beginnings of the restoration of the Tamils’ economic rights, in particular their fishing rights, as well as in other areas.

I am concerned about this situation at present because over the last few months there has been a halt in the momentum towards peace, and what we have seen develop is a bitter contest between Prime Minister Ranil Wickremesinghe and President Kumaratunga, the two leading Sinhalese political leaders of Sri Lanka. As we politicians
tend to do, particularly in the lead-up to elections, they have been drawn into divisions which are putting the peace process at risk. I note that recently the President, for the first time in modern Sri Lanka’s history, exercised her executive powers to sack three of the Prime Minister’s ministers and place her own ministers for information, for the interior and for defence into executive office. This has created a sense of shock amongst the people of Sri Lanka, not just the Tamils but also many of the Sinhalese.

I risk being presumptive and meddling in the domestic affairs of another sovereign state, but I simply want to record my concern. This Norwegian-brokered truce has now been in effect for over two years. It has promised a great deal. Several hundred thousand Sri Lankans have died in this bloody civil dispute, and a nation which was once a jewel of tourism has turned into a place for which ministries for foreign affairs, including our own, issue regular warnings to travellers not to go. I acknowledge the great progress that has been made over the last two years, including the willingness of the Tamils to put down their weapons, and I urge and call upon all of the parties in that dispute to renew their efforts to achieve a peaceful solution.

I turn finally to the situation of Lebanon. I confess that, when I spoke to one of our own officers in the department of foreign affairs to verify some of the material which I had heard anecdotally, I was told that we have not had a great concentration on Lebanon, with all of the other things going on in the Middle East—and this, of course, is always the plight of the smaller powers. The Lebanese trace their lineage to the Phoenicians, who gave us cities like Byblos, perhaps the oldest city in the world and the birthplace of the idea of the book, and Cadmus, who gave us the alphabet by teaching it to the Greeks.

They made a great contribution to civilisation.

But Lebanon, having gone through its own civil war, which did not finish until the beginning of the 1990s, is a country that has suffered greatly. The Lebanese have suffered because the big powers have done deals and been prepared to turn a blind eye, if you like, to achieve wider geopolitical objectives. I speak of not merely the Maronites but Lebanese people of all ethnic and religious backgrounds. I find there is a great sense of unity and patriotism in the nation and a desire by all of the various ethnic and religious groups to live together.

We must acknowledge the fact that Syria has not just played the role of a neighbouring big brother in a positive, fraternal sense but also played a role in the domestic affairs of Lebanon which calls into question the sovereignty of the Lebanese and is frankly something of a humiliation to them. I well recall in 1997, when I first landed at Beirut airport, being somewhat astonished as I walked towards the passenger terminal to find a massive portrait of the then president of Syria, Hafez al-Assad, on the side of the airport. I thought I had landed in Damascus rather than Beirut.

Last week we saw Secretary of State Colin Powell announce that the US was seriously considering introducing sanctions against Syria for its apparent support of terrorists, for its reluctance to cooperate on the bank accounts of Saddam Hussein, for its own disarmament and non-proliferation obligations and, more particularly, for its refusal to withdraw the many thousands of Syrian troops which are still on Lebanese soil.

It is encouraging to hear rumours of some kind of an agreement that may be in the process of negotiation between the current Syrian President, Bashar al-Assad, and Cardinal Nasrallah Boutros Sfeir, the patriarch
of the Maronites, which would end quota limitations for Christian candidates in the Lebanese parliament; which might result in the release of the Christian Phalange Party leader Samir Geagea after 15 years in a Lebanese jail under the Syrian secret police; which would end extant prosecutions against former Lebanese President General Michel Aoun, now living in Syrian-imposed exile in Paris; and which might see the withdrawal of Syrian troops from Lebanon, with the exception of a small contingent in the Beqaa Valley. I certainly hope those reports are true, and I look forward to a free and sovereign Lebanon. (Time expired)

Ms KING (Ballarat) (8.52 p.m.)— Appropriation Bill (No. 3) 2003-2004, Appropriation Bill (No. 4) 2003-2004 and Appropriation (Parliamentary Departments) Bill (No. 2) 2003-2004 constitute the additional estimates bills for 2004. They provide the changes to funding requirements since the last budget. They provide an opportunity to examine carefully the government’s budget priorities and the impact that these are having on the people in my electorate. The government is becoming a serial offender when it comes to waste and mismanagement. In no area is that becoming more evident than the area of advertising. Senate estimates this week revealed that, at a conservative estimate, $63 million is proposed to be spent on an advertising blitz scheduled for the 2004 election year. I do not begrudge the government spending advertising money on campaigns that help the Australian community—I do not think any of us do—but you have to look at this $63 million proposed for this year in some sort of context.

It was revealed at Senate estimates this week that the proposed campaigns include the failed fridge magnet security campaign. The government is proposing another round of the fridge magnet campaign. We heard in question time today that the government has pulled the domestic violence advertising campaign—a campaign that would have been supported very strongly in my community and, I think, on this side of the House. We heard it from the Prime Minister in question time today, and on the 7.30 Report we had the opportunity to see the ads that would have been shown had the government not decided to cancel the domestic violence advertising program.

The very nature of domestic violence is that it happens in secret. Survivors of it are generally too ashamed to admit that it is occurring. Many of them do not even know that what they are experiencing is violence. But you cannot hide from an issue such as domestic violence because you think it might offend some sensibilities in the community. You cannot decide against an advertising campaign that all the experts tell you is good because a couple of your ministers have had a look at it and are worried that it might offend a few people. The government’s advertising campaign would have been welcomed by the organisations in my community that work with the survivors of violence. I would have welcomed it. I cannot think under what circumstances the government has pulled this campaign, other than that the reality that the advertising campaign showed was not the relaxed and comfortable Australia the Prime Minister wants us to believe that we live in.

This government continues to be the highest taxing government in Australia’s history. What are we actually getting for the money? Australians do not begrudge paying a reasonable level of taxation, but they want to know that they are getting a return on the investment that they give to government via taxation. They want to make sure that their money is not being frittered away on meaningless campaigns. They want to see that it is actually being utilised for services and campaigns that improve the circumstances in which they live. The government claims that
it has presided over a time of strong economic growth. Figures certainly show that economic growth since the deregulation of the Australian economy by the Hawke-Keating government has been strong. But economic growth is not a policy objective in itself; it is not the endgame. How you use that growth is the most important thing in this community. Prosperity is useless unless you use it to do good, to improve the circumstances of people in this country and to provide decent services.

When this government talk about how the economy is going, they are always talking about the big end of town. They are always talking about the CEOs and big business. I want to see them talk about families. I want to see them talk about families in Darley and Redan in my electorate. I want to hear them talk about what they are going to do to improve the lives of families and the lives of ordinary, hardworking people who live in my area and are trying to get ahead. We should not seek prosperity for prosperity’s sake. It has to be used to improve the neighbourhoods and the communities that we all live in. That is the public policy test for me, and in no area is it more important than the area of health.

The government’s ‘MedicareMinus’ safety net is a sham. You do not need a safety net if the system is working. You do not need a safety net if the core services and the core universality of Medicare are there and are working. The safety net is an absolute sham. You only need safety nets when the core system is not working. This government has presided over a huge drop in bulk-billing rates. They are now at about 42.3 per cent in my electorate. The one practice that continues to bulk-bill in my electorate has patients queuing in the street because they are desperate to get access to a doctor that they can afford. This is not the Australian way. It is not the sort of system of medicine that we want to see practised in this country. I do not want to see queues of people in the street outside general practitioners’ surgeries desperately trying to access a bulk-billing doctor.

Bulk-billing in this country has degenerated under the Howard government. Our public hospital system’s emergency departments are being inundated with patients who either are seeking treatment that they should be going to a general practitioner to get or have left their conditions so long that they now require hospital treatment. The Ballarat Base Hospital’s last report stated that it had seen a 13 per cent increase in people going to the emergency services department, over half of whom the hospital directly attributes to the lack of access to bulk-billing doctors. The Djerrriwarrh Health Service’s hospital reports similar types of activities. Whilst it does not have an emergency department, it is certainly seeing enormous pressure being placed on its services and seeing a lot of cases where people should have been to see general practitioners at a much earlier stage.

Now the health minister is seeking to cover up further drops in the bulk-billing rates by only allowing the release of the rates on a yearly basis. On that basis, he will only be revealing those rates after the next election. If the minister is so confident that his new ‘MedicareMinus’ package is the pill we need to save Medicare then what has he got to hide by not releasing the bulk-billing rates on a quarterly basis?

The government does not believe in Medicare. It is against its basic philosophy. This is its second attempt at putting forward a bandaid, half-hearted Medicare policy before the next election. ‘MedicareMinus’ is no answer to the bulk-billing crisis. With the government’s package, you pay more and you get less for it. In their latest announcements, the Prime Minister and the minister
for health failed to tackle the biggest single problem their neglect of Medicare has created—bulk-billing rates falling, as they are in my electorate. The government’s package will not save Medicare and it will not do anything to restore bulk-billing rates.

Many families and pensioners who currently access bulk-billing will have to pay between $500 and $1,000 up-front for their health care if they qualify. Nineteen million Australians will not qualify and will be faced with even more expenses. I have to agree with the shadow minister for health, who commented that the health minister’s attempt at a sales pitch for this ‘MedicareMinus’ package would make a used car salesman blush. What the minister is trying to have us all believe is that the government’s package, a package that will see 98 per cent of Australians getting nothing and many of them worse off, is good for Australians. I note that it is getting close to the time for the adjournment debate, so I will continue my comments at a later stage.

ADJOURNMENT

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

That the House do now adjourn.

Health: Pharmaceutical Benefits Scheme

Mr SIDEBOTTOM (Braddon) (9.00 p.m.)—I would like to talk about jack jumpers, bites and the PBS. EpiPen is an antidote used to aid people who may experience anaphylaxis—tissue hypersensitivity to a dose of antigen as a reaction to a previous dose. It is caused by stings from common insects such as bees and, more especially, what we in Tasmania call jack jumpers or bull ants. The latter are common in my home state, and they affect thousands of unwary sufferers, to the point of being lethal.

A constituent in my electorate of Braddon, Ms Karen Pattison of Stowport, was bitten by a jack jumper on 20 December 2003. After being stung, she felt an immediate reaction and knew she needed urgent medical attention. As she lives in a relatively remote location, she was driven a considerable distance to Wivenhoe, where she was met by an ambulance. The paramedics immediately gave her a dose of adrenalin to help her through her anaphylaxis and she was driven to the nearby hospital. Upon arrival at the North West Regional Hospital she was given another dose of adrenalin due to the seriousness of her condition, and fortunately this stabilised her. Karen was hospitalised overnight and released the next day. She was told that, if had not been for the prompt action of the ambulance service and the hospital, the anaphylaxis would have been fatal.

Prior to her release from hospital, Ms Pattison was prescribed by the hospital with EpiPen in case a similar situation occurred in the future. EpiPen has a defined shelf life and needs to be replaced upon expiry. Unfortunately for Karen, she found that the EpiPen issued to her by the hospital had already passed its expiry date. Concerned that this not happen to her again, Ms Pattison visited her local GP and requested another contemporary prescription of EpiPen. Ms Pattison was surprised to discover that her GP is authorised to prescribe this medication, as he had done for years, but that he is not authorised by the new rules laid down by the Department of Health and Ageing which dictate the requirements or criteria for the Health Insurance Commission to allow EpiPen, in this instance, to be subsidised under the Pharmaceutical Benefits Scheme.

As I understand it, only immunologists are authorised to prescribe this medication, as he had done for years, but that he is not authorised by the new rules laid down by the Department of Health and Ageing which dictate the requirements or criteria for the Health Insurance Commission to allow EpiPen, in this instance, to be subsidised under the Pharmaceutical Benefits Scheme.
Tasmania, for example, there is one immunologist in Launceston and only one in Hobart. This leaves the people on the north-west coast, King Island and the west coast of Tasmania without ready access to authorisation for accessing EpiPen through the PBS. Launceston, the closest place to access an immunologist for the people on the north-west coast, is well over an hour’s drive, and Hobart is 3½ hours away if one has transport.

Since this problem has been highlighted through the local media, the rules have been changed so that paediatricians, respiratory specialists and immunologists are now able to authorise a PBS subsidy for EpiPen. This is still not adequate for easy access by people living in regional areas such as my electorate of Braddon, because access to these medical specialists is severely limited. After discussions with Ms Pattison’s doctor, it became obvious that a commonsense solution to this problem is for the Department of Health and Ageing to allow the Health Insurance Commission to accept prescriptions from GPs. Ms Pattison’s GP said to me, ‘The criteria for assessing whether Australians are eligible for EpiPen under the PBS are quite clear and specific, and as simple as checking the appropriate box, which any medical practitioner can do.’

As a result of the needs of my constituents and of all regional Australians, I have written to the minister for health and the Department of Health and Ageing asking the minister to re-assess the approval process for the PBS subsidy in relation to EpiPen. Part of this would involve the creation of a standard form with specific criteria, for any nominated GP to authorise. Apart from making the process of getting authorisation to access EpiPen through the PBS much easier, these suggestions will also mean the difference between paying something like $128 or $23 for a prescription.

Workplace Relations: Policy

Ms PANOPOULOS (Indi) (9.04 p.m.)—Tonight employers around Australia should feel very concerned. Today Australia’s peak employer group, the Australian Chamber of Commerce and Industry, warned that the Labor Party’s workplace relations agenda ‘would adversely affect the interests of private employers, and compromise economic development’. The warnings continue. The ACCI said:

The additional costs it would impose on business through further regulation and heightened trade union activity would have significant implications for jobs and employment.

I could further highlight the fears of Australia’s peak employer group about Labor’s plan to re-regulate Australian workplaces. Labor clearly has form on this matter. A former Leader of the Opposition, the member for Brand, claimed that Labor has never pretended to be the party of small business. More recently—and perhaps more forebodingly—Labor’s spokesman on workplace relations, the Member for Rankin, has proudly trumpeted that Labor and the unions are back in partnership. This does nothing to give Australia’s employers and small businesses the security and support they need to continue employing Australian workers.

The Labor Party want to take us back to the dark old days when we had a completely arthritic labour market. They want to do this through their industrial relations agenda, which includes increased regulation of enterprise bargaining and the abolition of Australian workplace agreements, not to mention the sanctioned rise of union power in society and the workplace. It is little wonder that when we think of unemployment in this country we automatically remember when it hit 11.2 per cent under Labor. Yet the Australian people are now becoming accustomed to sustained low levels of unemployment, be-
cause this government has provided an additional 1.3 million jobs and has dropped unemployment to its lowest level since Richmond last won an AFL grand final. For Richmond supporters, that was a long time ago.

Tonight I would particularly like to highlight one company in my electorate that has gone from strength to strength under the workplace relations reforms of this government. Norvic Food Processing is one of the major employers of Indi, based in Wodonga, and I commend it for its innovation in operating one of the largest abattoir plants in Australia. Recently the managing director of Norvic, Mr Jon Hayes, once again gave me the opportunity to tour the facility and meet with staff.

Norvic Food Processing operates a multi-species service kill abattoir in Wodonga on a contract basis to about 12 meat exporters. Its operations began in 1997, when Norvic re-opened the Wodonga abattoir that had gone into liquidation and closed down only 18 months earlier. The abattoir itself forms the hub of an integrated beef cattle processing operation. It is located close to the Wodonga saleyards complex—one of the largest livestock saleyards in Australia—and allows for a flow-on effect, helping to generate economies in areas such as freight costs, to the benefit of processors and cattle producers alike.

The business expanded considerably in 2001 and now generates some $250 million in sales and employs up to 500 people at the Wodonga plant. As is the case with many large business entities, there are positive flow-on effects to businesses ranging from farmers, transport and freight operators and packaging providers to information technology providers and chemical suppliers. The abattoir processes cattle and calves in addition to large numbers of goats and sheep, with processed livestock bound for the US, parts of Asia and the Middle East.

While touring the meatworks two weeks ago, and then being privileged to be part of Norvic’s core breakfast last Saturday morning, I was greatly impressed by the management and staff at Norvic who have displayed a truly innovative and successful approach to consolidate Norvic into one of the border’s great companies, particularly in their continual improvement of systems integrity in the areas of meat safety, occupational health and safety, environmental safety and halal preparation.

It is the staff of Norvic, their attitude and their commitment to being the best, who have made this company an industry leader—and a totally non-unionised workforce at that. I commend them, I am proud of them and I am honoured to be their parliamentary representative and to sing their praises. Norvic plans to increase its beef and large stock processing, and I am sure that with the terrific staff they have they will continue to enjoy great success. I am also proud of the fact that my electorate has the lowest unemployment rate in country Victoria and, at 4.1 per cent, one of the lowest rates in the nation. Let us not sacrifice all this good work for the reintroduction of Labor’s retrograde, archaic workplace relations agenda. (Time expired)

Dandenong Rangers
Mental Health Forum

Mr BYRNE (Holt) (9.09 p.m.)—I rise to mention two important events that will be happening in Dandenong in the space of three days. The first occurs on 21 February: the WNBL final between the Dandenong Rangers and the Sydney University Flames. Commiserations to you, Mr Speaker, as I understand the Adelaide WNBL team lost to the Sydney Flames in the preliminary final.

Mr Hardgrave—Go Dandenong!
Mr Byrne—Exactly! Thank you. I would like to pay tribute to the Dandenong Rangers. They are a team of young women who average 21.5 years of age, and they finished on top of the WNBL ladder with a 17-4 record. I should also congratulate Gary Fox, who has just been nominated as the WNBL coach of the year. This is a great team. It is a young team; it is a team that epitomises the spirit of the Dandenong area. They are a very resolute team with a courageous, never-say-die attitude. That is no more epitomised than in the captain of the Rangers, Allie Douglas, who is also an Opals squad member. She led the Rangers to victory the week before last against the Sydney Flames in spite of an ankle injury that would have sidelined many other players.

It is a tribute and a testament to the quality of people like Allie. She also works outside of basketball with the White Line organisation, a mentoring program for children and people who have had an abused background. Not only does she make a contribution being a positive role model on the court; she is also extending that off the court.

They are a great team, and a team that I believe will win the grand final. I will be there to give my full support on 21 February. I would like to name the players who will be representing the Dandenong Rangers with Allie Douglas: Carly Wilson, another Opals member; Deanne Ranford; Emily McInerny; Caitlin Ryan; Demelza Waixel; Alison Downie; Jacinta Hamilton; Samantha Richards; Jessica Bibby; Jessica Cichowicz and Tammy Goyne. I, and probably about 2,300 other people, will be supporting them. They will do Dandenong proud regardless of whether they win or lose. They have already done us proud, and they are a great role model for young women in the region.

The second event I would like to speak of, which will be conducted on 23 February, is a forum conducted by the Mental Health Council of Australia. That forum, which will also be conducted in Dandenong, will explain the Better Outcomes in Mental Health Care initiative established by the federal government in 2001. Its purpose was to educate and train general practitioners to increase their mental health care skills and knowledge.

This is an important initiative in the Dandenong region, particularly given that about 62 per cent of people with mental disorders do not actually utilise mental health services. General practitioners are very much at the front line of the provision of mental health services. That is a concern, and we need to do whatever we can to ensure that general practitioners are upskilled so they are able to provide the services and also inform their patients of potential outcomes and services that can be accessed.

That touches on a particular issue about mental health, which I have raised in this House before: my concern in a general sense about the funding of mental health. Seven per cent of the health care budget is spent on mental health. That is roughly $2.56 billion, and yet other First World countries spend between 10 and 14 per cent of their total health budget on mental health. That is a concern and something that needs to be addressed by governments of all persuasions, state and federal.

There was a report that detailed this, which was written by the Mental Health Care Council of Australia, called ‘Out of hospital, out of mind!’ It spoke about the extent of mental health problems within our community. Approximately 20 per cent of the population experience a mental health problem such as an effective anxiety disorder or substance abuse disorder each year. Fourteen per cent of Australian children and adolescents experience mental illness, and three per cent
experience serious mental illness. Of the 2,454 people who died by suicide last year, most had a mental illness. I think it is incumbent upon us as a community, as politicians and as governments to put more funding into mental health so fewer people die and there is less social wreckage that occurs as a consequence of something that we should be addressing as a front-line issue.

**Trade: Ugh Boots**

Mr Baldwin (Paterson) (9.14 p.m.)—Tonight I would like to draw the attention of members to a problem that has bewildered many Australians in this country, and that is the problem of our manufacturers in using the term ‘ugh boots’. ‘Ugh’ is one of the many terms that go to the core of our own Australian identity. Like the words ‘ute’, ‘meat pie’ and ‘kangaroo’, ugh boots are a part of our Australian culture. They have gone from our farms to the surfie culture and through to the catwalks overseas for the very rich and famous. Yet the problem facing our manufacturers of ugh boots is that the word ‘Ugg’ has been trademarked by an American company, Decker Outdoor Corporation. That means that any Australian company that dares use ‘ugg’ to promote or market its product faces legal action.

This has put the Mortel Skeepskin Factory in Rutherford, which employs a number of people from my electorate, in a very difficult situation. Last year, through advertising on the Internet, it had received many orders but, along with those orders, came legal notices to cease selling under the name ‘ugg boots’. The number of orders that Mortel has taken since this began late last year has dropped significantly. Tony Mortel and his family have been unable to market their products, particularly overseas where there is a huge export potential for these fine Australian products on facilities like eBay, in fear of litigation. It will cost them around $300,000 in turnover from the beginning of December last year to the end of April this year, during which period they were considering employing an extra three people to cope with the level of orders that were coming.

There are a number of different variations of the word ‘ugh’ that companies like Mortel cannot use. The words ‘ugg’, ‘ugh’ or ‘ug’ cannot be used—and they cannot be used in 25 countries around the world. Like many people I have spoken to, I find this a ridiculous situation. Another Australian company that has been making ugh boots for some 30 years in Dubbo, Westhaven Industries, also finds this a ridiculous situation. Westhaven Industries is a non-profit organisation that employs the intellectually disabled. They have also been sent threatening letters saying that they must stop using the word or face being sued.

These two companies were making ugh boots with Australian wool from areas like yours, Mr Speaker, long before ugh boots became fashionable in the USA; yet Australian companies are in a situation where jobs are at risk and copies of our ugh boots are being made overseas. Consumers overseas should also be warned. It is very easy to assume that, when you buy an ugh boot, the product is made in Australia of fine Australian wool. But this is not the case, and consumers should know that some ugh boots being hailed as Aussie ugh boots overseas are nothing of the sort.

This has created an air of disbelief for local companies that have been using this generic term for decades. How this got through US trademarks is very questionable indeed. Certainly the term ‘ugh’ has been used in a generic sense for many years in this country. For an American company to do this to Australia is like an Australian company trying to buy the trademark ‘cowboy boot’. Here we have the word ‘ugh’, which has been used in
a generic sense like you would use the word ‘watch’ or ‘jeans’, being blacklisted for Australian companies when in fact it was companies like Mortel Sheepskins that first coined the name many years ago. I am sure that Frank Mortel cannot believe this situation has occurred. He set up the business in the 1950s selling ugh boots, and now his son Tony and daughter-in-law Stephanie are carrying on the tradition with their family.

I understand that Australian companies are seeking legal advice on how they may have this trademark ruling overturned in the US, and I support them thoroughly in that effort. To think that the word ‘ugh’, which was listed in the Macquarie Dictionary in the early eighties as a generic term, can now be taken away from Australian companies that developed ugh boots in the first place is outrageous. Even Macquarie has been forced to change its dictionary description after threats of litigation. This is a very sad situation for Australian ugh boot manufacturers, who have made their living off one of Australia’s unique icons, using the highest quality material through merino sheepskins. I support the efforts being made by the coalition of ugh boot manufacturers to get this trademark removed in the US—to protect local jobs and Australian products.

Foreign Affairs: Iraq

Mr DANBY (Melbourne Ports) (9.19 p.m.)—The fate of the people of Kurdistan is one of the forgotten aspects of the situation in Iraq. The Kurds are the largest nation in the world which does not have its own state. There are between 20 million and 40 million Kurds divided between Turkey, Iran, Iraq, Syria and Armenia. In all of these countries they suffer various forms of discrimination. Since the 1991 Gulf War, six million Kurds in northern Iraq have enjoyed self-government under the protection of the Western powers.

Last August, together with the opposition foreign affairs spokesman, Kevin Rudd, and the honourable member for Oxley, I had the honour here in Parliament House to meet Jalal Talabani, the leader of the Patriotic Union of Kurdistan and a member of Iraq’s interim governing council. Talabani and Massoud Barzani, of the Kurdish Democratic Party, have shown great restraint and wisdom over the past decade in agreeing to restrain the Kurdish people’s natural desire for complete independence in exchange for a guarantee of self-government in a federal Iraq.

On 1 February the Baathist and al-Qaeda Islamists, in a desecration of Islam, used the openness associated with the festival of Eid-el-Fitr to launch a homicide bomb attack against the leadership of the Kurdish people, killing at least 100 and possibly 140 people—many leaders of the Kurdish nation. This attack was part of a deliberate strategy to split the people of Iraq along ethnic and religious lines. This strategy is described in a letter of the al-Qaeda Jihadist Aby Musab al-Zarqawi, which was recently intercepted when his offsider Hussan al-Ghun, a Pakistani, was captured by the Kurds in northern Iraq. The Kurds, according to al-Zarqawi memo, are ‘a pain and a thorn’. He says, though, ‘It is not the time yet to deal with them.’ Referring to the Jihadist homicide bomb attack, he said, ‘We are trying to get some of their leaders, God willing.’

The Sunni Arab minority, who have traditionally ruled Iraq—some of them associated with the previous execrable Saddam regime—are also a threat to the future of the Kurdish people. The Kurds have wisely supported a united federal and democratic Iraq, and the democratisation and stabilisation of Iraq are their aims. If either the Sunni extremists or even the majority Shia try to impose themselves on the Kurdish people, who are good Muslims but not fanatics, moderate leaders such as Talabani and Barzani may
lose their influence to more radical leaders, who will obviously revive a demand for full Kurdish independence.

What does this all have to do with Australia? By joining with the US and Britain in deposing Saddam’s regime and occupying Iraq, Australia has assumed the legal status of occupying power. However, strangely, the government has said almost nothing about the democratic future of Iraq. Does it support the re-engagement of the United Nations? Does it support adherence to the June timetable for the handover of power agreed to by the provisional authority and the interim council? All of these questions remain unanswered. Having gone into Iraq under the banner of Operation Iraqi Freedom, we have a duty to see that freedom is extended to the Kurds as well as to the other people of Iraq. Neither the Prime Minister nor the foreign minister has mentioned the Kurds in this House since early 2003, and then it was only to mention them in the context of Saddam’s use of gas weapons at Halabja.

I was very pleased to second a resolution at the ALP conference that supported a role for the Australian Electoral Commission in the forthcoming Iraqi elections, as we assisted in Cambodia and Papua New Guinea. The only interest this government seems to have in the Kurds is the desire to keep them out of Australia. If the Kurds lose their freedom due to a triumph of the jihadists or even the majority of Shia, Australia will have to accept a share of the responsibility.

We ought to be proactive in working for Iraq’s democratic future. You cannot argue, as this government has, for humanitarian interventionism—and many people on this side make the point that we argue for humanitarian interventionism after the fact when in fact we raised other issues before the war—and then just tell the unfortunate people of Iraq, who have supposedly been liberated, to shove off. I am in favour of Australia exploiting business opportunities in Iraq and I am glad that they are being offered to us, but Australia should support a comprehensive plan to save Iraq and to make sure that democratic freedoms are available to the Kurdish people and the other people of Iraq who have suffered so long.

Townsville

Mr LINDSAY (Herbert) (9.24 p.m.)—I would like to speak in the parliament tonight about the future of Australia’s largest tropical city, Townsville. Townsville is a twin city—Townsville and Thuringowa. Mr Speaker, I understand that next week you will be visiting Townsville. We will welcome you to the fair city and, if you have not been there for a little while, you will see the enormous development that has gone on in Townsville.

Townsville is growing at twice the rate of Queensland. It is a city that is very much on the move and its progress is underpinned by a very diverse economy in business, commerce, higher education, minerals, industry, defence and so on. It is Australia’s largest tropical city and has a great future. The community works together, and that is its future. The community knows that you have always got to have something else down the track that you are working for. The community does not just say, ‘We will do this and then we will think about what we are going to do next.’ It always knows what is going to happen next. I pay tribute to the community leaders in Townsville; our Townsville mayor, Tony Mooney; our Thuringowa mayor, Les Tyrell; our chamber of commerce president, John Bearne; and our Chairman of Townsville Enterprise, Graham Jackson. I also welcome the new CEO of Townsville Enterprise, Glenys Schuntner, who has come to us from AusIndustry. She will be a powerhouse and a leader for our community.
We have some great projects ahead. We want to develop what we call the Townsville gateway, an ocean terminal. You will see it, Mr Speaker—it is on the western breakwater behind the casino at the port. We want to develop a cruise ship terminal and also a terminal that can be used by visiting navy ships from both our own Navy and other navies in the world, particularly the United States Navy. Townsville is seen as the most desirable destination in the world by US sailors, which is a terrific attribute. But at the moment we are unable to accommodate the visiting navy ships in our Townsville port at all times, because the commercial traffic needs the wharf space. So this ocean terminal will bring an enormous fillip to our city. It is something that can be done as a private/public partnership and that involves no government expenditure at all. Yet for some reason or other the state government is playing ducks and drakes on this, and that it is really disappointing for our community. If the Beattie government would just get out of the way, the port authority could get on and build a cruise ship terminal.

The same goes for the port access road. We can have a new access road across the Ross River to the Sun Metals area and the Stuart industrial estate. We can be proactive, get that in and say to industry, ‘If you want to come to Townsville, we’ve got a deal for you. We’ve got the solution.’ On top of that, of course, we need some base load power in North Queensland. We do not have that at the moment. Sun Metals, the zinc refinery in Townsville, want to be part of a lead industry providing base load power at no cost to the state government. We could have world competitively priced power in Townsville, but the state government keep saying, ‘No, we don’t want to see that happen.’ It is a real pity that that should occur, as we have to get that industrial development going.

Mr Speaker, you will see James Cook University, the most significant tropical university and one of the top 500 universities in the world. James Cook University leads the world in marine science, for example. Its new collaboration with the Australian Institute of Marine Science, at JCU, is first-class cutting edge stuff. What we are now trying to do—and we will do, because we are a community that succeeds—is get the CSIRO, DPI, BSES and so on onto the university campus to build a centre of gravity that is unassailable.

Defence is of course also very important in our community. I want to see the 3rd Battalion move up from Holsworthy to Townsville. After all, the 3rd Battalion are now commanded by the 3rd Brigade in Townsville. They are the parachute regiment. We would like to see them in Townsville with their Hercules. That would be very good for our city and would build on the defence infrastructure that we have in the city at the moment. The bottom line is that Townsville is going places, and it is going to go places in the future. Through this government, we will ensure that we will do very well, and Townsville will be the leading city in tropical Australia.

Question agreed to.

House adjourned at 9.29 p.m.

NOTICES

The following notices were given:

Mr Ruddock to present a bill for an act to extend for 2 years the operation of the Parliamentary Joint Committee on Native Title and the Aboriginal and Torres Strait Islander Land Fund. (Extension of Sunset of Parliamentary Joint Committee on Native Title Bill 2004)

Dr Kemp to present a bill for an act to amend the Great Barrier Reef Marine Park Act 1975, and for related purposes. (Great
Barrier Reef Marine Park Amendment Bill 2004)

Mr Entsch to present a bill for an act to amend the Textile, Clothing and Footwear Strategic Investment Program Act 1999, and for related purposes. (Textile, Clothing and Footwear Strategic Investment Program Amendment Bill 2004)

Mr Johnson to move:

That this House:

(1) acknowledges the importance and value of international trade and commerce in strengthening bilateral relations between countries;

(2) recognises the enormous economic benefits to Australia of the recently negotiated Free Trade Agreement between Australia and the United States of America; and

(3) calls on the Opposition to support the recently signed Free Trade Agreement between Australia and the United States of America in Australia’s long-term national interest.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Immigration: Asylum Seekers  
(Question No. 1943)

Mr Andren asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 27 May 2003:

(1) In respect of the inquest into the death of the Mohammed Yousef Saleh at Hollywood Private Hospital, Monash Avenue, Nedlands, why was key documentation on the detention of Mohammed Yousef Saleh prior to his death not made available by his department to the Coroner investigating the death.

(2) Why was it not possible to provide the Coroner with any explanation of how and why documentation was not available to the inquest.

(3) Has the relevant documentation now been located; if so, has it been forwarded to the Coroner, if not, why not.

(4) Has there been an investigation into why key documentation was missing and unavailable to the Coroner; if so, (a) who conducted it, and (b) will he table its findings in the Parliament; if not, why not; if there has not been an investigation (c) why not, and (d) will he now establish an investigation and report its findings to the Parliament; if not, why not.

(5) Has any process been undertaken to identify actions to change or improve procedures for record keeping following this case; if so, (a) what is that process, (b) what are the actions identified, and (c) have they already been implemented in full; if not, why not.

(6) Will he table all documents relating to the disappearance of the documents on the detention of Mohammed Yousef Saleh prior to his death and relating to efforts to locate these documents.

Mr Hardgrave—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:

(1) All departmental files and all other documentation that could be located were made available to the Coroner. The initial search failed to locate one file, which was subsequently found and made available to the Coroner. The documents on the file were administrative in nature and were not materially relevant to the issues before the Coroner, who has returned the file and made no comment as to any significance of the material on the missing file.

It should be noted that in his report into the circumstances of Mr Saleh’s death, the Western Australian State Coroner noted that it would “appear unlikely that the placement of the deceased [in Juliet Block] at that time had any significant bearing on the circumstances of his death.”

(2) The Department has not been able to establish how the file went missing. However, the Department wrote to the Coroner and forwarded the file immediately after it was located.

(3) See (1) above.

(4) A formal investigation into why the file could not be found initially was not performed at the time. Enquiries undertaken at the time could not establish why the file was missing. The Minister does not consider this matter justifies a formal investigation, particularly given that the file was subsequently found and provided to the Coroner.

(5) (a) to (c) As with all Commonwealth departments, there are formal processes for the recording and retention and eventual archiving of relevant documentation. Those processes usually work very effectively but given the amount of documentation created exceptions will inevitably arise. It is not considered there is a requirement to change current procedures.
(6) The Minister sees no need to table documents relating to this matter, particularly given the Coroner’s comments in answer (1) above.

Iraq

(Question No. 1979)

Mr Latham asked the Minister for Foreign Affairs, upon notice, on 2 June 2003:

Has he attended meetings with leaders or representatives of (a) the United States of America, (b) the United Kingdom, or (c) the United Nations at which estimates of the number of civilian casualties in the war on Iraq were discussed; if so, what are the details of the meetings and the estimates of the number of casualties.

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

No.

Centrelink: Youth Allowance Payments

(Question No. 2017)

Ms Jackson asked the Minister representing the Minister for Family and Community Services, upon notice, on 16 June 2003:

(1) Is it the case that a student who is in receipt of a scholarship to cover the cost of fees faces a reduction in Youth Allowance payments because the scholarship is regarded as income; if so, why.

(2) Is it an anomaly that students in this situation are penalised financially by reductions to their Centrelink benefits.

(3) In the electoral division of Hasluck, how many students, or their families, have had their Centrelink payments reduced because the student receives a scholarship and for each case, is the Minister able to say (a) the type of scholarship received, and (b) the amount of any reduction in Centrelink payments.

(4) Will the Minister consider amending the Social Security Act 1991, to ensure that scholarships are not classified as a ‘valuable contribution’ under that act; if not, why not.

Mr Anthony—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) Scholarships received by students are generally counted as income for social security payments, including Youth Allowance. Where a part of the scholarship is to reimburse for specified ‘out of pocket’ expenses (such as photocopying, postage and printing) this part is not treated as income. Some scholarships are not assessable under the income test as discussed in the response to question (4).

Under the current income test rules students in receipt of scholarships may also be able to receive social security payments. For example, Youth Allowance recipients have access to a generous ‘free area’ before their payments are affected. A single student can have income of up to $236 per fortnight before their payment is reduced. For each dollar of income over the income test ‘free area’ the allowance is only reduced by 50 cents for income between $236 and $316. Income above $316 per fortnight reduces payments by 70 cents in the dollar.

In addition, Youth Allowance recipients have access to an income bank of up to $6000. This means that the combination of the income free area and income bank means that a student receiving additional income will always be better off than a student without the extra assistance. The generosity of the income test rules for Youth Allowance means that in the majority of cases additional income will have a minimal effect on persons’ entitlement.
In general, the social security income test uses the gross ordinary income of people and measures income from all sources. The Social Security Act 1991 (‘the Act’) specifies that all income earned, derived or received for a person’s own benefit, is counted as income. The definition of income includes ‘valuable consideration’.

(2) No.

(3) Centrelink has two regional Customer Service Centres located in the Hasluck electorate—at Gosnells and Midland. There are less than 20 students with Gosnells or Midland regional office codes that currently hold a scholarship. The precise number cannot be given for privacy reasons. These students hold a variety of scholarships that are funded by a range of corporate, educational and philanthropic organizations. Further data is not easily accessible from Centrelink records.

(4) As a part of the Government’s Higher Education Reform Package, passed by Parliament in December 2003, higher education institutions will be able to offer ‘fee-exempt’ scholarships that exempt a student from the full higher education fees. These scholarships will not be counted as income for social security payments, including Youth Allowance.

In addition and as a transitional arrangement contained in the Higher Education Reform Package, the Government also legislated to exempt scholarships offered by higher education providers that waive all the fees of a fee-paying student from the social security income test in the 2004 calendar year.

The former Minister for Family and Community Services, Senator the Hon Amanda Vanstone advised the Senate on 11 September 2003 that the Government was reviewing the social security treatment of scholarships.

Telstra: Services

(Question No. 2137)

Ms O’Byrne asked the Minister for Communications, Information Technology and the Arts, upon notice, on 26 August 2003:

(1) How many Telstra exchanges are (a) not presently compatible with ADSL and (b) what proportion of subscribers are affected.

(2) What is the likely timetable to ensure that all exchanges have access to ADSL services.

Mr Williams—The answer to the honourable member’s question, based on advice from Telstra, is as follows:

(1) (a) & (b)

Telstra advises that there are 4048 exchanges that currently do not provide ADSL, but this is not to say that they are not compatible with ADSL, rather that no decision has been taken to ADSL-enable the majority of these exchanges at this time. For the majority of these exchanges a low customer base and high enablement cost do not make it economic for Telstra to install ADSL. However, there is also a number of exchanges with a larger customer base that have yet to be considered by Telstra as to when ADSL will be installed. Currently, about three quarters of all telephone services in Australia can access Telstra’s broadband ADSL network.

(2) Telstra advises that a further 39 additional exchange sites will be enabled by the end of 2003/04. However, there is no immediate plan to ensure that all exchanges have access to ADSL. Primarily, additional areas will be enabled according to customer generated demand for ADSL in their area via the ADSL Demand Register. This provides a means whereby customers are able to inform Telstra of their desire to obtain an ADSL service. Telstra’s ISDN service is also available to about 96% of the population and offers internet access at higher speeds than standard dial-up.
Migration Agents Registration Authority
(Question No. 2194)

Mr Laurie Ferguson asked the Minister for Citizenship and Multicultural Affairs, upon notice, on 12 August 2003:

(1) Is it the case that sanction decisions made by the Migration Agents Registration Authority (MARA) are not published until the finalisation of any appeal by the agent concerned to the Administrative Appeals Tribunal (AAT) and, if so, what is the basis for this arrangement.

(2) How many appeals against MARA sanction decisions have been lodged with the AAT to date and, of these, how many (a) proceeded to a hearing with the appeal being dismissed, (b) were withdrawn by the agent prior to a final hearing, (c) proceeded to a hearing with the appeal being upheld in whole or in part, (d) were conceded by MARA without a final hearing, and (e) remain before the AAT at present.

(3) What was the average period of time that elapsed before completed appeals were (a) withdrawn by the agent prior to any hearing or (b) determined by the AAT.

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

(1) Yes; section 305 of the Migration Act requires that cancellation and suspension decisions be published in newspapers after prescribed periods have expired and appeals processes have been finalised.

I am developing legislation that will:

A. enable the MARA to flag on the Register and publish the details of decisions to caution, suspend or cancel a registered agent and the details of any stay orders immediately these are made;

B. enable the MARA to publish a list on their web site of agents who are no longer registered;

C. ensure that s300 does not apply where agents have been suspended or cancelled by the MARA and have appealed to the AAT or courts, unless the AAT or courts overturn the decision or do not substitute a different suspension or cancellation decision;

D. ensure that s300 does not apply where agents have had their registration refused by the MARA (either before or after the expiry of their current registration); and

E. clarify that a decision by the MARA to sanction an agent is not affected by a subsequent decision to grant or refuse an application for re-registration.

I will be introducing these legislative changes at the earliest possible time.

(2) As at 1 December 2003, 70 appeals against MARA sanction decisions (including refusal decisions) have been lodged with the AAT since the MARA’s inception in March 1998 and

(a) 21 proceeded to a hearing with the appeal being dismissed,

(b) 12 were withdrawn by the agent prior to a final hearing,

(c) 8 proceeded to a hearing with the appeal being upheld in whole or in part,

(d) 10 were conceded by MARA without a final hearing, and

(e) 19 remain before the AAT at present.

(3) (a) 176 days.

(b) 266 days.

Centrelink: Income and Assets Review
(Question No. 2231)

Mr Fitzgibbon asked the Minister representing the Minister for Family and Community Services, upon notice, on 12 August 2003:
(1) How is it determined which recipients of a Centrelink benefit receive the Income and Assets Review form.

(2) How many recipients of a Centrelink benefit in the seat of Hunter were requested to complete the Income and Assets Review form in the financial years (a) 2000-2001, (b) 2001-2002, and (c) 2002-2003.

(3) How many recipients of a Centrelink benefit failed to return the Income and Assets Review form within the prescribed 21 day period and as a result had their Centrelink benefits cut off.

(4) How many recipients of a Centrelink benefit that failed to return the Income and Assets Review form within the prescribed 21 days and had the Centrelink benefit cut off were over the age of 85 years.

(5) Of the people over the age of 85 years who had their benefit cut off, how many had their payment reinstated to the amount it was prior to receiving the Income and Assets Review.

Mr Anthony—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) Income and Assets Reviews are conducted to fulfill the legislative eligibility requirements for all Means Tested pensions (Carer Payment, Disability Support Pension and Age Pension along with Wife and Widow pensions and payments).

In January 2003, Centrelink introduced a new system known as “Service Profiling” to determine Age Pension customers who should receive an “Income and Assets Review” form. The selection is based on customer characteristics (eg. customer has not advised of any variations in value of assets for the past five years) which identify the need for interaction with the customer and to update their records. The use of Service Profiling enables Centrelink to ensure the customer receives their correct entitlement to government services and payments and that government service and payments are provided to those most in need.

(2) (3), (4) and (5) The detailed information required to answer the honourable member’s question is not readily available in consolidated form. I do not consider it appropriate for the expenditure of the resources and effort that would be involved in collecting and assembling information for the sole purpose of answering questions of this nature.

It should be noted that although customers are requested to return the “Income and Assets” review form within 21 days, should this not occur, payments are not “cut off” immediately. If the review form has not been returned after 42 days, a “reminder” letter is sent to the customer and a further 28 days is allowed for the customer, or someone acting on the customer’s behalf, to return the form or to request an extension. Centrelink provides assistance to those customers who need help to complete the forms or require more information.

**Centrelink: Student Financial Supplement Loan Scheme**  
(Question No. 2234)

Mr Organ asked the Minister representing the Minister for Family and Community Services, upon notice, on 12 August 2003:

(1) How many (a) students, (b) mature age students, and (c) mature age students with dependants are expected to be affected by the closure of the Student Financial Supplement Loan Scheme in the financial years (i) 2003-2004, (ii) 2004-2005, (iii) 2005-2006.

(2) What is the likely or expected impact on (a) course completions and (b) course completion dates for the affected students.

(3) What modeling has Centrelink done to determine the likely impact of these changes on (a) course enrolments, (b) failure rates, and (c) non-completion rates.
(4) If no modeling was undertaken how were the potential impacts evaluated.
(5) How are the impacts of the changes to be monitored.

Mr Anthony—The Minister for Family and Community Services has provided the follow-
ing answer to the honourable member’s question:
(1) (a) On the fortnight ending 15 August 2003, 18 064 people received the financial supplement for
2003.
(b) FaCS data does not define ‘mature age’ students. As a result, it is not possible to provide
information on numbers of mature age students.
(c) As FaCS data does not define ‘mature age’, the number of students in the overall SFSS
customer population with dependents has been provided. On the fortnight ending 15 August
2003, 3075 students with dependents received the financial supplement for 2003.
(a) (b) (c) (i) (ii) (iii) As the Scheme operates on a calendar year basis, it is difficult for the
Department to extrapolate these figures into future financial years. As a consequence, the
Department is unable to provide this information due to doubts as to its potential accuracy.
(2) Conclusions about the expected impacts of the closure of the SFSS upon course completions and
course completion dates cannot be drawn from the available data.
(3) No modeling has been done by Centrelink in these areas.
(4) The Government considered a range of data including evaluations, declining applications and the
increasing cost to taxpayers of unpaid debts.
(5) The Government will continue to monitor program outlays according to normal administrative
arrangements.

Immigration: Asylum Seekers
(Question No. 2349)

Mr McClelland asked the Minister representing the Minister for Immigration and Multi-
cultural and Indigenous Affairs, upon notice, on 9 September 2003:
(1) Has Australia at any stage received a request from Iran for the return of Massoumeh Mastipour to
that country; if so, (a) when was that request received, (b) from whom, (c) by whom and (d) what
steps has the government taken to process the request.
(2) Can he confirm the statements attributed to him on ABC On-line on 27 August 2003 in an article
titled “Ruddock defends Iranian girl’s deportation” relating to the deportation of an Iranian child
by the Australian government to Iran.
(3) Under which statutory provision was this child transferred from Australia to Iran.
(4) Which court in Iran ordered that this child be in the custody of her mother, what were the terms of
that court order; and on what date was it made.
(5) What steps did he or his department take to consult with the Attorney-General or the Attorney-
General’s Department regarding this child.
(6) What steps did the Australian Government take in Iran to place this child in the custody of her
mother.
(7) Is this child in the custody of her mother.

Mr Hardgrave—The Minister for Immigration and Multicultural and Indigenous Affairs
has provided the following answer to the honourable member’s question:
(1) I understand that a request was received by the Australian Federal Police from Iran for the return of the child. The Australian Federal Police is in the best position to respond on how it deals with requests of this nature.

(2) I am unable to confirm the statements attributed to Mr Ruddock in the article on ABC On-line on 27 August 2003. However, I can confirm that the child had been found not to be owed protection obligations by Australia and was available for removal. Consequently, my Department had a legal obligation to remove the child from Australia as soon as reasonably practicable. The child was reunited in Iran with her custodial parent.

(3) The child was removed from Australia in accordance with section 198 of the Migration Act 1958. The Iranian Government determined that the responsible custodial parent had approved the return and consequently issued a travel document. This then triggered the Department’s obligation to remove Matin under s198. There was no other legal impediment to her return.

(4) The Shiraz Family Court in Iran ordered that this child be in the custody of her mother. The terms of the court order were that Mr Mohammad Amin Mastipour was to return the child to her mother, Ms Ahmadi-Jafari. The court order also stated that Ms Ahmadi-Jafari had custody of the child until the age of seven. The court order was made on 13 October 2001. Legal advice indicated that after the child reached the age of seven, an application would have to be made to a court to vary the existing order.

(5) The Department sought a range of legal advice regarding the child, including from the department’s Special Counsel, the Attorney General’s Department and a legal provider in Iran.

(6) A departmental officer escorted the child to Tehran on 23 July 2003. Upon arrival, the child was reunited with her mother in the presence of departmental officers.

(7) A departmental officer from the Embassy in Tehran last spoke to the child’s mother on 27 July 2003. At that time, the child was in her custody.

Centrelink: Payments
(Question No. 2405)

Mr Organ asked the Minister representing the Minister for Family and Community Services, upon notice, on 16 September 2003:

(1) Further to the answer to question No. 2027 (Hansard, 8 September 2003, page 18981) in respect of statistical collections by Centrelink, does Centrelink record any information on the period of time it takes to process applications for benefits from the date of application to the decision to grant or refuse a benefit payment; if so, what information is collected.

(2) Will the Minister table the Business Partnership Agreement with Centrelink.

(3) Will the Minister provide details on the timeliness standards for payments and services for the 2002-2003 financial year, as set by the Agreement.

Mr Anthony—The Minister representing the Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) The timeliness of payments and services that Centrelink is required to meet is documented in the Outcomes, Strategies and Performance Protocol section of the Business Partnership Agreement 2001 - 2004 signed between Family and Community Services (FaCS) and Centrelink.

(2) If the Honourable member would like a copy of the Business Partnership Agreement, I refer you to FaCS Internet site: www.facs.gov.au.

(3) Each payment type Centrelink delivers on behalf of FaCS has its own timeliness standard. Centrelink has delivered all FaCS payments and services within the agreed standard for the year 2002-03, with the exception of the Low Income Card which was 1 percent outside the Key Performance Indicator.
Ms Plibersek asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 18 September 2003:

(1) Did the use of Juliet Block and the treatment of detainees in that block following the riots of January 2001 constitute punishment and humiliation putting Australia in breach of its obligations under its own and international laws.

(2) Was he aware of the treatment of detainees in Juliet Block; if not, why was he not properly briefed.

(3) Was Mr Saleh denied medical treatment appropriate to his condition and were his medical needs ignored as part of a punishment regime of neglect during his stay at Juliet Block.

(4) Are depression and post-traumatic stress disorder “illnesses” for the purposes of his department’s policies in respect of the health of detainees.

(5) In respect of the apparent loss of Mr Saleh’s treatment records whilst he was in Juliet Block, is the Minister able to say whether (a) the Detention Centre’s claim as noted by the Coroner that they had been destroyed by rioters is correct, or (b) the records were provided to the Coroner.

Mr Hardgrave—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:

(1) No. The use of Juliet Block and the treatment of detainees in that block following the disturbance at Port Hedland Immigration Reception and Processing Centre (IRPC) in January 2001 did not constitute punishment or humiliation, and consequently did not place Australia in breach of its obligations under local or international law.

(2) Mr Ruddock was advised of the disturbance at Port Hedland IRPC and the need to transfer a number of detainees to Juliet Block, either for behavioural management reasons or due to a lack of other available accommodation at the centre due to damage caused by detainees during the disturbance. The treatment of detainees in Juliet Block at this time did not constitute punishment or humiliation.

(3) There was no punishment regime of neglect for detainees in Juliet Block. Any detainee who presented with a medical complaint or condition was assessed and appropriate treatment was prescribed. A nurse attended Juliet Block twice daily.

(4) In relation to medical issues, the Department is guided by advice from appropriately qualified medical professionals employed by the detention services provider or in external health care facilities. All detainees are provided with necessary medical or other health care when required, including treatment for mental health conditions such as depression or post-traumatic stress disorder.

(5) All relevant records that could be located were provided to the Coroner, including both medical treatment and administration records. This included a file that could not initially be located, but was subsequently provided to the Coroner.

It should be noted that in his report into the circumstances of Mr Saleh’s death, the Western Australian State Coroner noted that it would “appear unlikely that the placement of the deceased [in Juliet Block] at that time had any significant bearing on the circumstances of his death”.

Mr Tanner asked the Minister for Communications, Information Technology and the Arts, upon notice, on 7 October 2003:

Telstra: Line Rental
(Question No. 2514)
In respect of Telstra line rental charges, what was the effect of line rental increases on Telstra’s total domestic fixed-line revenue for 2002-2003 taking into account any rebalancing of call costs.

What was the effect on Telstra’s 2002-2003 revenue of the cancellation of the neighbourhood call option.

Has the Government or Telstra modelled the effects of line rental increases on low income earners; if so, can the details of that modelling be provided.

What proportion of Telstra’s domestic customers use HomeLine Budget, HomeLine Complete and HomeLine Plus.

Is it the case that HomeLine Budget is not means tested and wealthy holiday house owners could take advantage of the comparatively lower line rentals offered in that package.

In respect of the HomeLine Budget package, has any research been undertaken by Telstra or the Government to establish whether lower line rental costs actually help low income users given the significantly higher call costs associated with that package; if so, can a copy of that research be provided.

Is the Minister able to say (a) what proportion of Telstra’s customers pay more for monthly line rental than they do for monthly calls under the new 2002 price control arrangements, and (b) how this compares to the former price control regime.

Under the Government’s new price control regime, is the Minister able to estimate what will be (a) the highest amount Telstra will be able to charge consumers for monthly telephone line rental fee by mid-2005, and (b) in the event that the 2002 price control regime rolls over into 2005-2006, the highest amount Telstra will be able to charge consumers for monthly telephone line rental fee by mid-2006.

Mr Williams—The answer to the honourable member’s question, based partly on information provided by Telstra, is as follows:

Telstra has advised that it regards this revenue information, to the extent that it could be estimated, as being commercially sensitive information. Telstra has therefore declined to provide this information.

Telstra has, however, advised that its audited financial statements for 2002-2003 show that total domestic fixed line revenue increased by 2.1 per cent in 2002-2003. This compares to a Consumer Price Index (CPI) rate over the same period of 3.1%. The revenue increase reflects a variety of business factors, including demographic changes, together with various price changes and specials over the year.

Telstra has indicated that basic access revenues over this time increased as a percentage of Telstra’s domestic fixed-line revenues, and call revenues have reduced as a percentage of Telstra’s domestic fixed-line revenues. According to Telstra, the line rental increase is consistent with the Australian Government’s price control arrangements and has been accompanied by a fall in overall call charges. Telstra has advised that fixed line call prices overall have decreased by almost 40 per cent over the last four years.

Telstra has advised that it regards the impact of any single business decision on individual revenue streams as being commercially sensitive information. Telstra has therefore declined to provide this information.

Telstra has, however, advised that its audited financial statements for 2002-2003 show that total domestic fixed line revenue increased by 2.1 per cent in 2002-2003. This change includes a variety of factors, including the effect of the reduction in the local call rate and removal of the Telstra Neighbourhood Call.
(3) The Government is committed to ensure that appropriate arrangements are in place to protect low-income earners from the effects of any line rental increases.

In its Review of Price Control Arrangements 2001, the Australian Competition and Consumer Commission (ACCC) undertook a thorough assessment of the best means of protecting low income earners from line rental increases. As part of this review the ACCC analysed the impact of line rental re-balancing. The ACCC’s report is available on line from its website (www.accc.gov.au). Some of the ACCC’s report is commercial-in-confidence.

In addition, the Department of Communications, Information Technology and the Arts consulted extensively with stakeholders on the ACCC’s Review, investigated overseas approaches for protecting low-income earners and provided briefing to the Government on the implications of re-balancing for low income earners and appropriate protection measures.

This investigation identified that the best approach to protecting consumers from any negative impact of re-balancing was to target measures at low-income earners who may be affected by line rental increases. As a consequence, the Government has adopted a needs based approach to protect low-income earners. The Government requires Telstra, as part of its carrier licence conditions, to have in place a package of products and arrangements for low-income earners to appropriately protect them from the effects of line rental increases.

Telstra’s low-income package has been endorsed by the Low-income Measures Assessment Committee (LIMAC), comprising representatives from the Australian Council of Social Service, The Smith Family, the Salvation Army, Anglicare Australia, Council on the Ageing, Jobs Australia, the Australian Federation of Homelessness Organisations and the Department of Family and Community Services.

Telstra is required to actively market its low-income package, based on an approved Marketing Plan. Telstra must also maintain and resource the LIMAC, which is responsible for assessing proposed changes to the Telstra package, approving its Marketing Plan for the package and reporting to Government annually on the effectiveness of the package and Telstra’s marketing of the package.

Telstra is unable to make any line rental increase affecting low-income earners unless it has complied with its licence conditions. It must obtain the ACCC’s consent to any line rental increase and the ACCC must be reasonably satisfied about compliance before giving consent.

Telstra has advised that it assesses the effect of its new low-income package, “Access for Everyone”, via an extensive research program. Elements of the research are commercial-in-confidence as Telstra uses this information to develop products and services targeted at the needs of low income groups.

The LIMAC has commissioned independent research to understand and benchmark low-income and disadvantaged Australians’ needs and expectations in relation to telecommunications services. Telstra has advised that this benchmark research shows a positive reaction from target consumers towards the “Access for Everyone” initiatives and a recognition that the initiatives satisfy a significant need within the community.

(4) Telstra has advised that it regards the comparative take-up of various consumer products as being commercially sensitive information. Telstra has therefore declined to provide this information.

(5) The Government requires Telstra, as part of its carrier licence conditions, to have in place a package of products and arrangements for low-income consumers, to appropriately protect them from the effects of line rental increases.

The low-income package developed by Telstra, and endorsed by the LIMAC, comprises initiatives that address a wide range of low-income consumer needs. While it contains measures especially targeted at holders of Pensioner Concession Cards, Health Care Cards and Low-Income Health...
Care Cards, it is a largely self-selecting package, enabling all those in need of assistance and benefits to claim them.

In line with this approach, HomeLine Budget is not means tested and any customer can take advantage of the comparatively lower line rentals offered in that package. However, customers would have to take the higher call costs for HomeLine Budget into consideration to ensure that the plan is suitable for them.

(6) The line rental for HomeLine Budget is $17.50 per month, compared with $23.50 for HomeLine Complete and $26.50 for HomeLine Plus. Given the additional call costs for HomeLine Budget, customers may undertake their own calculations to determine whether this product is most appropriate for their needs.

Telstra has advised that it proactively contacts new HomeLine Budget customers where it identifies that, based on their calling patterns, HomeLine Budget may not be the lowest cost service. Discussions with the customer generally cover other benefits of the plan such as the low fixed component which allows the customer to have greater control of their spending. Telstra has indicated that, in some cases, customers have decided to move from the lowest line rental plan to HomeLine Plus which has the lowest call rates, however the majority affirmed they were happy with their original choice.

(7) (a) and (b)

Telstra advised that it has not specifically monitored the proportion of customers who pay more for monthly line rental than they do for monthly calls under the current or former price control arrangements.

As noted above, Telstra has a licence obligation to resource and maintain the LIMAC comprising representatives of welfare associations. The LIMAC must report annually to the Minister for Communications, Information Technology and the Arts on the effectiveness of Telstra’s low-income package and its marketing of the package. The LIMAC has commissioned independent research to understand and benchmark low-income and disadvantaged Australians’ needs and expectations in relation to telecommunications services. Telstra has advised that this benchmark research shows a positive reaction from target consumers towards the “Access for Everyone” initiatives and a recognition that the initiatives satisfy a significant need within the community.

(8) (a) and (b)

Under the retail price controls, Telstra is required to reduce prices for a basket of fixed line telephone calls by 4.5% in real terms, on average. Telstra is able to increase line rentals to gradually achieve cost recovery in the provision of the customer access network. Whether Telstra chooses to increase line rentals by the maximum amount is a commercial decision for Telstra. The rate of rebalancing permitted is CPI plus 4% for a basket of line rentals, which means that the revenue-weighted average price of this basket of services must not increase by more than 4% each year in real terms.

The maximum line rental fee cannot be estimated now because of the large number of variables involved: Telstra is able to increase line rentals at different rates for business and residential customers and for different rental plans within each category.

Immigration: Detention Centres

(Question No. 2520)

Ms O’Byrne asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 7 October 2003:

(1) How much does it cost per day to hold someone in the Baxter Detention Centre.
(2) How much did it cost to transport the Sawari family from Launceston to the Baxter Detention Centre, including the cost of the (a) charter flight, and (b) personnel who accompanied them.

(3) What was the cost of the Migration Tribunal proceedings in relation to the Sawari family after their apprehension and detention in the Baxter Detention Centre.

Mr Hardgrave—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:

(1) The average cost to the Commonwealth for detention per person per day at Baxter Immigration Detention Facility (IDF) in the 2002-03 financial year was approximately $415. This amount covers the contract costs as well as certain medical services, and other administrative costs incurred by the Commonwealth in the management of the detention facilities.

(2) The Sawari family was transferred from Launceston to Baxter IDF by private charter. Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) staff accompanied the Sawari family during this transfer. The total cost of the charter flight was $11,660. There were some additional incidental costs incurred such as accommodation for the DIMIA officers, which came to a total of approximately $1,320.

It is not possible to attribute personnel costs in relation to the DIMIA officers that accompanied the Sawari family, as the officers were also involved in location, compliance and other activities.

(3) The Migration Review Tribunal (MRT) has advised that the cost to the MRT in relation to proceedings concerning the Sawari family is $11,376.

The Refugee Review Tribunal (RRT) has advised that the cost to the RRT in relation to proceedings concerning the Sawari family is $3,362.

Immigration: Asylum Seekers

(Question No. 2642)

Mr Martin Ferguson asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 16 October 2003:

For each of the last two financial years, (a) what was the cost to airlines for unauthorised air arrivals placed in detention centres, (b) what was the cost to each airline to return unauthorised air arrivals back to their countries, (c) what was the average time that the unauthorised arrivals have remained in detention, (d) how many unauthorised air arrivals lodged immigration applications and, of these, (i) how many were successful protection visa applications, and (ii) from which countries did they originate.

Mr Hardgrave—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:

(a) The Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) does not keep separate figures for detention costs of unauthorised air arrivals for airlines. Generally, these costs are low as most persons refused entry to Australia are removed within 72 hours.

(b) Under section 213(1) of the Migration Act, airlines are liable for the cost of detention and removal of non-citizens refused immigration clearance in Australia. A notice under section 217 of the Migration Act requires an airline to transport a person who is refused entry from Australia. The airline is required to comply with this notice within 72 hours. The cost to each airline to return unauthorised air arrivals back to their countries is unknown. However, it is known that airlines will often use the return portion of an unauthorised arrivals ticket.

(c) The majority of unauthorised air arrivals are removed from Australia within 72 hours. Of the 1193 unauthorised air arrivals refused entry in 2001-2002, 1108 persons (93%) were removed within 72
hours. Of the 937 unauthorised air arrivals refused entry in 2002-2003, 916 persons, or nearly 98%, were removed within 72 hours.

(d) The only valid visa application that a person refused immigration clearance may lodge is an application for a protection visa. In 2001-2002, 85 persons raised claims or information that prima facie may have engaged Australia’s protection obligations. In 2002-2003, 21 persons raised claims or information that prima facie may have engaged Australia’s protection obligations.

(e) (i)&(ii) In 2001-2002, 21 protection visas were granted to unauthorised air arrivals. In 2002-2003, 4 protection visas were granted to unauthorised air arrivals. The country of nationality of those granted visas appears in Table 1.1 below:

<table>
<thead>
<tr>
<th>Citizenship</th>
<th>Year Refused Immigration Clearance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2001-02</td>
</tr>
<tr>
<td>BURMA (MYANMAR)</td>
<td>1</td>
</tr>
<tr>
<td>CONGO</td>
<td>1</td>
</tr>
<tr>
<td>IRAN</td>
<td>2</td>
</tr>
<tr>
<td>IRAQ</td>
<td>4</td>
</tr>
<tr>
<td>LIBERIA</td>
<td></td>
</tr>
<tr>
<td>PAKISTAN (ISLAMIC REPUBLIC)</td>
<td>7</td>
</tr>
<tr>
<td>RWANDA</td>
<td>1</td>
</tr>
<tr>
<td>SIERRA LEONE</td>
<td>1</td>
</tr>
<tr>
<td>SOMALIA</td>
<td></td>
</tr>
<tr>
<td>SRI LANKA</td>
<td>3</td>
</tr>
<tr>
<td>UKRAINE</td>
<td>1</td>
</tr>
<tr>
<td>ZIMBABWE</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>21</td>
</tr>
</tbody>
</table>

Immigration and Multicultural Affairs: Prosecutions

(Question No. 2644)

Mr Martin Ferguson asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 16 October 2003:

(1) For each of the last two financial years, how many prosecutions has his department launched under sections 229 and 230 of the Migration Act and, in each case, (a) against whom were the prosecutions launched, and (b) what was the outcome.

(2) For each of the last two financial years, how many infringement notices were imposed under paragraph 504(1)(j) of the Migration Act in lieu of penalty for breach of the provisions under section 229 or 230 of the Act, and in each case, (a) against which airline carrier were the breaches imposed, and (b) how much was the penalty against each carrier.

Mr Hardgrave—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:

(1) In the last two financial years, there have been no prosecutions launched by the Department for offences against sections 229 and 230 of the Migration Act.

(2) In 2002-03, 2354 infringement notices were imposed in lieu of prosecution. In 2001-02, this figure was 3211.

(a) The airlines which received infringements under section 229 and 230 in 2002-03 were:
Qantas – 915 infringements;
Singapore Airlines – 323 infringements;
United Airlines – 217 infringements;
British Airways – 154 infringements;
Cathay Pacific Airways – 131 infringements;
Thai Airways International – 98 infringements;
Malaysia Airlines – 91 infringements;
Japan Airlines – 58 infringements;
Korean Air – 44 infringements;
Air New Zealand – 44 infringements;
Emirates – 35 infringements;
Air Canada – 33 infringements;
Lan-Chile – 28 infringements;
South African Airways – 24 infringements;
Austrian Airlines – 22 infringements;
Continental Micronesia – 16 infringements;
Air Pacific – 15 infringements;
Garuda Indonesia – 15 infringements;
Air China – 14 infringements;
Air Mauritius – 12 infringements;
Air Nuigini – 10 infringements;
China Airlines – 10 infringements;
Freedom Air – 9 infringements;
Aerolineas Argentina – 9 infringements;
Luxair – 9 infringements;
China Eastern Airways – 7 infringements;
Eva Airways – 7 infringements;
Asiana Airlines – 6 infringements;
China Southern Airline – 6 infringements;
Air Caledonie International – 6 infringements;
Vietnam Airlines – 4 infringements;
Royal Brunei Airline – 4 infringements;
Australian Airlines – 4 infringements;
Air Vanuatu – 2 infringements;
Solomon Airlines – 2 infringement;
Continental Airlines – 1 infringement;
Merpati Nusantara – 1 infringement;
Philippine Airlines – 1 infringement; and
Yutana Airlines – 1 infringement.

The airlines which received infringements under section 229 and 230 in 2001-02 were:
Qantas – 996 infringements;
United Airlines – 437 infringements;
Singapore Airlines – 397 infringements;
British Airways – 261 infringements;
Cathay Pacific Airways – 148 infringements;
Thai Airways International – 145 infringements;
Air Canada – 118 infringements;
Air New Zealand – 112 infringements;
Japan Airlines – 82 infringements;
Korean Air – 79 infringements;
Malaysia Airlines – 72 infringements;
Unitair – 54 infringements;
Air China – 48 infringements;
South African Airways – 41 infringements;
China Airlines – 17 infringements;
Garuda Indonesia – 15 infringements;
Continental Micronesia – 15 infringements;
Olympic Airways – 14 infringements;
Air Pacific – 14 infringements;
China Eastern Airways – 14 infringements;
Austrian Airlines – 11 infringements;
Egypt Air – 11 infringements;
Emirates – 10 infringements;
Freedom Air – 10 infringements;
Vietnam Airlines – 10 infringements;
Asiana Airlines – 10 infringements;
Lauda Air – 10 infringements;
Air Mauritius – 8 infringements;
Air Nuigini – 7 infringements;
Gulf Air – 6 infringements;
Solomon Airlines – 6 infringements;
China Southern Airline – 5 infringements;
Continental Airlines – 5 infringements;
Eva Airways – 5 infringements;
Aerolineas Argentina – 4 infringements;
Air North – 4 infringements;
Copa – 4 infringements;
Royal Brunei Airline – 3 infringements;
Air Caledonie International – 2 infringements;
Air Lanka – 2 infringements;
Malev – 2 infringements;
Philippine Airlines – 2 infringements;
Ansett Australia – 2 infringements;
Air Nauru – 1 infringement;
Air St Pierre – 1 infringement;
Canada 3000 – 1 infringement;
Milne Bay Airlines – 1 infringement; and
Polynesian Airlines – 1 infringement.

(b) The penalty against each airline was A$5,000 per infringement.

Immigration: Visa Approvals
(Question No. 2645)

Mr Martin Ferguson asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 16 October 2003:

(1) For the financial years 2001-2002 and 2002-2003, (a) how many people jumped ship, (b) what was the cost of detention and removal of these people, (c) how many of these people lodged immigration applications, (d) what was the average time ship jumpers remained in detention, and (e) what was the (i) nature, (ii) outcome, and (iii) country of origin of each applicant.

(2) For the financial years 2001-2002 and 2002-2003, how many ship jumpers were granted protection visas each year and, of these, how many have not been finalised.

(3) What payments under the Migration Act were made by each shipping company for the cost of detention and removal of each ship jumper.

(4) Is it the case that there is no requirement under the Customs Act to notify the Department of Immigration and Multicultural and Indigenous Affairs (DIMIA) of all ship entries and the number of crew on each ship.

(5) For the financial years 2001-2002 and 2002-2003, did the Australian Customs Service (ACS) checks of details of all crew and passengers on each ship entering Australia against ACS and DIMIA alert lists and reports show any persons of concern on any ship; if so, (a) on how many occasions, (b) what were the names of the ships involved, and (c) in which country were the ships registered.

Mr Hardgrave—The Minister for Immigration and Multicultural and Indigenous Affairs has provided the following answer to the honourable member’s question:

(1) (a) For the financial years 2001-2002 and 2002-2003 there were 44 and 36 deserters (ship jumpers) respectively. This number of deserters who came to notice in 2001-2002 differs from the number previously given in response to Question 2331. Since answering Question 2331, an administration error in a deserter’s record has been corrected resulting in an additional deserter for the period in question.

(b) Costs associated with the detention of unlawful non-citizens vary considerably depending on the time taken to process an application. Separate costs for detention and removal are not kept for deserters. The average cost of keeping an unlawful non-citizen in a detention centre in 2001-02 and in 2002-03 was $160 and $273 per day respectively.

(c) Of the 44 deserters in 2001-2002, 32 have lodged visa applications. This number differs from that provided in response to Question 692 because this number includes new visa applications by deserters from the year 2001-2002. Of the 36 deserters in 2002-2003, 20 have lodged visa applications.

Of the deserters who have lodged visa applications, some individuals have made several visa applications over time, including substantive and bridging visa applications. The nature of visas applied for is answered in (e)(i).
(d) The average time a deserter who came to notice in 2001-2002 remained in detention is about 17 days. The average time a deserter who came to notice in 2002-2003 remained in detention is 19 days.

(e) The numbers in this answer differ from those provided in response to Question No. 692 because they include new visa applications for deserters from the years specified, including series of bridging visas that individual deserters have held.

(i) 2001-2001: 28 Protection Visa (PV) applications, 54 Bridging Visa C (BVC) applications, 13 Bridging Visa E (BVE) applications and 1 Special Category Visa (SCV) application

(ii) 2001-2002: 4 PV applications have been successful, 2 PV applications have been refused and 22 PV applications have not yet been finally determined. All 54 BVC applications have been successful. A total of 11 BVE applications have been successful and 2 BVE applications have been refused. The SCV applicant has been successful.

2002-2003: 2 PV applications have been successful, 1 has been refused and 16 have not yet been finally determined. These numbers differ from those provided in response to Question No. 2331 due to a favourable merits review and subsequent grant of the visa. All 17 BVC applications have been successful. A total of 7 BVE applications have been successful and 1 BVE application has been refused.

(iii) 2001-2002: Of those granted PVs, 2 are from Turkey and 2 are from Iran. The 2 refused PV applicants are from Iran and India. Of those deserters whose PV applications have not yet been finally determined, 11 are from Bangladesh, 4 are from Egypt, 3 are from Iran, 2 are from Turkey, 1 is from India and 1 is from Myanmar. Of the 25 deserters who have been granted BVCs, 11 are from Bangladesh, 4 are from Iran, 4 are from Turkey, 4 are from Egypt and 2 are from India. Of the 6 deserters granted BVEs, 1 is from India, 1 is from Myanmar, 1 is from Pakistan, 1 is from Sri Lanka, 1 is from Fiji and 1 is from Turkey. Of the 2 deserters refused BVEs, 1 is from Iran and 1 is from India. The SCV applicant is from New Zealand.

2002-2003: The 2 granted PVs are from Sri Lanka and Turkey. The refused PV applicant is from Bangladesh. Of those deserters whose PV applications have not yet been finally determined, 3 are from Bangladesh, 3 are from India, 3 are from Sri Lanka, 2 are from Ukraine, 2 are from PRC, 1 is from Bulgaria, 1 is from Myanmar and 1 is from Nepal. Of the 14 deserters who have been granted BVCs, 4 are from Sri Lanka, 3 are from India, 2 are from PRC, 2 are from Ukraine, 1 is from Myanmar, 1 is from Bangladesh and 1 is from Nepal. Of the 4 deserters granted BVEs, 2 are from Bangladesh, 1 is from Myanmar and 1 is from Bulgaria. The 1 refused a BVE is from Bangladesh.

(2) As indicated in (1)(a) and (e), of the 44 deserters recorded in 2001-2002 28 applied for PVs. Of the 28 PV applications, 4 have been successful, 2 have been refused and 22 have not yet been finally determined.

As indicated in (1)(a) and (e), of the 36 deserters recorded in 2002-03 19 applied for PVs. Of the 19 PV applications, 2 have been successful, 1 has been refused and 16 have not yet been finally determined. These numbers differ from those provided in response to Question No. 2331 due to a favourable merits review and subsequent grant of the visa.

(3) DIMIA does not record data on the cost to each shipping company of detention and removal of deserters.

(4) As a result of the Border Security Legislative Amendment Bill 2001, which was enacted August 2002, Section 64ACB of the Customs Act was introduced. It requires ACS to provide information on the number of crew on each ship to DIMIA.
(5) Yes – All passengers and crew on each ship entering Australia are checked against ACS and DIMIA alert lists.

(a) There was 1 person of concern referred to DIMIA by ACS during 2001-2002 and 13 persons of concern referred during 2002-2003.

(b) Persons of concern who were referred to DIMIA entered on the following vessels, registered in the following countries:

<table>
<thead>
<tr>
<th>Vessel</th>
<th>Registered</th>
<th>Financial Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pacific Guard</td>
<td>United Kingdom</td>
<td>2001 – 2002</td>
</tr>
<tr>
<td>Austral Leader</td>
<td>Australia</td>
<td>2002 – 2003</td>
</tr>
<tr>
<td>Achilles</td>
<td>Panama</td>
<td></td>
</tr>
<tr>
<td>Petro Navigator</td>
<td>Papua New Guinea</td>
<td></td>
</tr>
<tr>
<td>Santa Regina</td>
<td>New Zealand</td>
<td></td>
</tr>
<tr>
<td>P &amp; O Nedlloyd Canterbury</td>
<td>Singapore</td>
<td></td>
</tr>
<tr>
<td>Capitan Tasman</td>
<td>Cyprus</td>
<td></td>
</tr>
<tr>
<td>Ocean Bounty</td>
<td>Panama</td>
<td></td>
</tr>
<tr>
<td>Creciente</td>
<td>Hong Kong</td>
<td></td>
</tr>
<tr>
<td>Sky Princess</td>
<td>United Kingdom</td>
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</tr>
<tr>
<td>Nordmoritz</td>
<td>Cyprus</td>
<td></td>
</tr>
<tr>
<td>Apostolos Andreas 5</td>
<td>Cyprus</td>
<td></td>
</tr>
</tbody>
</table>

Child Support Agency: Payments

(Question No. 2667)

Mr Brendan O’Connor asked the Minister representing the Minister for Family and Community Services, upon notice, on 24 October 2003:

(1) Can the Minister confirm that the legislation governing child support requires the Child Support Agency (CSA) to reconcile an estimate where a parent has underestimated their annual income but makes no legislative provision for the CSA to amend an assessment where a client overestimates their annual income.

(2) What should a parent do if he or she finds they have paid more to the CSA than they were required to according to the terms of their assessment.

Mr Anthony—The Minister for Family and Community Services has provided the following answer to the honourable member’s question:

(1) The Child Support (Assessment) Act 1989 s.64 requires CSA to reconcile an estimate of income after the estimate period has ended, where a parent has underestimated their income for the estimate period. During the estimate period, a parent may advise CSA that their financial circumstances have changed. CSA will then increase or reduce the income used in the original assessment to reflect the parent’s changed income. When a parent estimates their income, they are informed of the need to tell CSA about any changes in income.

(2) CSA will have a record where a parent has overpaid child support according to the terms of their assessment. The parent should advise CSA if they want the overpayment recovered and CSA will do so if appropriate.

Trade: Live Animal Exports

(Question No. 2692)

Mr Danby asked the Minister for Foreign Affairs, upon notice, on 3 November 2003:

(1) Can he confirm reports that Saudi Arabia never intended to accept the live sheep on the Cormo Express; if so, what evidence is there to support this claim.
(2) Can he confirm that (a) no transport for the sheep was present, and (b) no stevedores or wharf labourers were present when the ship docked in Saudi Arabia; if so, (i) is this normal practice when live sheep arrive in Saudi Arabia, and (ii) what preparations are usually made in Saudi Arabia at a port receiving live sheep.

(3) Is he aware of reports that elements of the Saudi government rejected the sheep for either political or commercial reasons.

(4) Has he seen the report in The Australian of 28 October which stated “the sheep stranded at sea were refused by Saudi Arabia not because they were diseased but in retaliation for Australia’s role in Iraq. The Government has not admitted it, but a former ambassador to Riyadh does.”; if so, (a) what credence does he place on this report, and (b) is he able to name the former Ambassador who made the statement.

(5) Who (a) is the current Ambassador to Saudi Arabia, and (b) were the previous Ambassadors since 1996.

(6) What reason (a) was given by Saudi Arabia for the rejection of the sheep, and (b) was actually behind the rejection of the sheep.

(7) Were the sheep inspected on their arrival in Saudi Arabia; if so, by whom.

(8) To which countries did the Government try to offload the sheep before the agreement was made with Eritrea.

(9) Is he aware of attempts by Saudi Arabia to induce any third country not to accept the sheep; if so, what were they.

(10) Is he aware of any representations by the Saudi government to any other government about the sheep; if so, is he able to say (a) to which governments representations were made, and (b) what was the content of the representations.

(11) Which government departments were involved in negotiations with other countries about the fate of the sheep.

(12) At what level were the negotiations conducted and did he have any personal involvement in the negotiations.

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

(1) No.

(2) (a) No. (b) No.

(3) Yes.

(4) There is no substance to the assertion that the Cormo Express shipment was rejected by Saudi Arabia in retaliation for Australia’s role in Iraq. I am unaware of the identity of the Ambassador referred to in the report.

(5) The current Ambassador is Mr Robert Tyson. Mr George Atkin, Mr Philip M Knight and Mr Warwick E Weemaes have also served as Ambassadors to the Kingdom of Saudi Arabia since 1996.

(6) (a) Saudi Arabian authorities claimed that the shipment contained a level of scabby mouth greater than 5 per cent. (b) I have no confirmed information to indicate another reason for the rejection.

(7) Yes, by veterinarians from the Saudi Arabian Ministry of Agriculture.

(8) Officials-level approaches concerning acceptance of the Cormo Express shipment were made to the following countries and territories:

<table>
<thead>
<tr>
<th>Afghanistan</th>
<th>Iraq</th>
<th>Russia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>Israel</td>
<td>Saudi Arabia</td>
</tr>
<tr>
<td>Brunei</td>
<td>Jordan</td>
<td>Solomon Islands</td>
</tr>
</tbody>
</table>

QUESTIONS ON NOTICE
Cambodia  Kenya  Somalia
Cyprus  Kuwait  South Africa
Djibouti  Madagascar  Sri Lanka
East Timor  Mauritius  Sudan
Egypt  Mozambique  Tanzania
Eritrea  Oman  Thailand
Ethiopia  Pakistan  Uganda
Ghana  Palestinian Territories  United Arab Emirates
India  Papua New Guinea  Vietnam
Iran  Qatar  Yemen

In addition, officials worked with a number of commercial interests in a number of additional countries not covered above, including:

Bosnia  Lebanon  Sierra Leone
Botswana  Libya  Syria
Brazil  Malaysia  Tunisia
China  Mexico  Turkey
Indonesia  North Korea  Ukraine
Italy  Poland  Zimbabwe

(9) Information pertaining to this question is classified.
(10) Information pertaining to this question is classified.
(11) The Department of Foreign Affairs and Trade, the Department of Agriculture, Fisheries and Forestry and the Department of the Prime Minister and Cabinet.
(12) Negotiations were mainly, but not exclusively, conducted through Australian Embassy representatives responsible for the countries concerned. I was involved in some of these.

United Nations: Multilateral Treaties
(Question No. 2786)

Mr Kerr asked the Minister for Foreign Affairs, upon notice, on 24 November 2003:

(1) Further to the answers to questions Nos 2185 and 2560, will he explain the methods used to determine whether or not a particular treaty will be entered into, ratified or otherwise given effect to through domestic legislation.
(2) If a decision is not made to commence immediately the process towards signing or ratification, what process does the Government have to review the outstanding lists of multilateral treaties deposited with the Secretary General of the United Nations and open for signature.
(3) How often does the review of treaties to which Australia is not a party take place.
(4) Is there a list of treaties under active consideration as distinct from those which are not being considered for adoption by Australia.

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

(1) Relevant ministers, in consultation with the Minister for Foreign Affairs, decide whether it is in the national interest to take treaty action. If the relevant minister or ministers believe the issue of sufficient importance, the decision is taken by Cabinet.
(2) It is the role of any government or agency with line responsibility for any treaty to advise the Government when it is no longer in the national interest to remain unbound by any treaty’s provisions.
(3) It is the responsibility of line agencies to monitor treaties relevant to their portfolios.
Mr McClelland asked the Minister for Foreign Affairs, upon notice, on 26 November 2003:

1. Did the Department of Foreign Affairs and Trade or any other government agency ever have any involvement in the development or implementation of a campaign to warn Indonesian nationals of the consequences of smuggling people into Australia.

2. What role did the Government have in any such campaign.

3. How was the campaign undertaken.

4. What was the basic message of the campaign and what specific messages/warnings/slogans were communicated to Indonesian nationals.

5. Were any groups of Indonesians, in particular fisherman, or other groups, specifically targeted or recognised as an important area of focus for the campaign.

6. When did these campaigns take place.

7. What was the total cost of these campaigns to the Australian Government.

8. Have there been any studies of the impact of these campaigns; if so, what were the conclusions of these studies.

9. Are there any plans to continue with these campaigns in the future.

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

1. Yes.

2. The Government planned and implemented the information campaign.

3. The campaign was conducted by the Australian Government together with several Indonesian Government departments, including Foreign Affairs, Police and Fisheries. Australian Embassy officials, accompanied by officials from the Indonesian Government and Indonesian Fishermen’s Association, visited fishing and mariner communities in a number of locations in Indonesia to highlight the illegality of smuggling people to Australia and the risks borne by fishermen and mariners from their involvement in such activities. Embassy officials distributed printed material, including t-shirts and posters, providing information to Indonesian fishermen and mariners of the legal penalties in Australia involved if they were arrested for people smuggling. Television, radio and newspaper advertisements supplemented the visits by Embassy officials.

4. Australian Embassy officials encouraged Indonesian fishermen and mariners not to become the victims of people smuggling syndicates. Embassy officials contrasted the significant risks borne by fishermen and mariners involved in transporting illegal immigrants with the low risk borne by the organisers of people smuggling syndicates. Media advertising focused on highlighting the costs to the broader Indonesian community of illegal activities such as people smuggling.

5. The locations for Embassy visits were chosen on the basis of their connection with Indonesian fishermen and mariners arrested previously in Australia for people smuggling offences.


7. AUD 268,064

8. No.
(9) Yes, pending the International Organization for Migration gaining agreement and support from the Indonesian Government to implement a further information campaign.

**National Security: Terrorism**

(Question No. 2824)

Mr Danby asked the Minister for Foreign Affairs, upon notice, on 1 December 2003:

(1) What was his department’s travel advice for Turkey on (a) 14 November 2003, and (b) 19 November 2003.

(2) After the terrorist attack on 15 November 2003 what action did the Department of Foreign Affairs and Trade and other government authorities take to review Australian travel advice for Turkey.

(3) Was the travel advice for Turkey changed between 15 and 19 November 2003; if so, to what; if not, why not.

(4) Did the Government consider that the terrorist threat had increased in the wake of the 15 November 2003 attack; if so, why was the travel advice not changed; if not, on what basis was this decision made.

(5) After the terrorist attack on 20 November 2003, what action did the Department of Foreign Affairs and Trade, ASIO and other government authorities take to review the travel advice for Turkey.

(6) Was the travel advice for Turkey changed after 20 November 2003; if so, to what; if not, why not.

(7) Did the Government consider that the terrorist threat had increased in the wake of the 20 November 2003 attack; if so, why was the travel advice not changed; if not, on what basis was this decision made.

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

I table the advisories relevant to the questions raised by the Honourable member.

Established procedures for reviewing travel advice were followed throughout the November period, including consultation between the Department of Foreign Affairs and Trade, the Australian Embassy in Ankara and the Australian Security Intelligence Organisation (ASIO), and review of available threat and related security information. The travel advice during November reflected current threat assessments and stated clearly that there continued to be a risk of terrorist activity throughout Turkey.

The overall threat level for Australian interests in Turkey, as assessed by ASIO following the 20 November attacks, remained at HIGH. However, the fact of two sets of large-scale terrorist attacks in the space of five days led, as a precautionary measure, to an upgrading of the travel advice to recommend the deferral of non-essential travel. This change was accompanied by the warning that “there continues to be a risk of terrorist attack throughout Turkey, as underscored by the attacks against the British Consulate General and HSBC Bank in Istanbul on 20 November and those against synagogues in Istanbul on 15 November”.

**Attachment A**

Foreign Affairs and Trade
Consular Branch
Consular Services - Travel Advice
TURKEY

This advice has been reviewed. The overall level of the advice has not changed.

Last updated: 13 November 2003
Previously updated: 15 July 2003

Australians in Turkey should exercise a high degree of caution, particularly in commercial and public areas, including those known to be frequented by foreigners. Particular care should be exercised in
southeastern Turkey. Australians should defer travel to the border region between Turkey and Iraq, given the hazardous security situation in neighbouring Iraq. This advice should be read in conjunction with our General Advice to Australian Travellers at http://www.dfat.gov.au/zw-cgi/view/Advice/General.

**Safety and Security**

Australians in Turkey should exercise a high degree of caution, particularly in commercial and public areas, including those known to be frequented by foreigners such as public transport facilities, hotels, bars and shopping areas. There continues to be a risk of terrorist activity throughout Turkey, as underscored by attacks earlier this year against Western interests in Istanbul and Izmir. Australians should also be aware that Turkish government buildings and foreign embassies in Turkey have been targeted by terrorists in the past.

Australians are advised to avoid demonstrations and large public gatherings and to monitor events that might affect their safety.

Particular care should be exercised in southeastern Turkey given the heightened risk of terrorist activity. Australians should defer travel to the border region between Turkey and Iraq, given the hazardous security situation in neighbouring Iraq.

As in other major cities around the world, Australians in Istanbul should be alert to the possibility of pick-pocketing, bag-snatching and minor assault. There have also been incidents where foreigners, including Australians, have been drugged and had their passports and other personal effects stolen after being befriended by English-speaking strangers of various nationalities offering drinks, food, chewing gum or confectionery laced with drugs.

Prior to travel, Australians should ensure they have a variety of financial options available to them including credit cards, travellers cheques and US dollars cash. In particular, Automatic Teller Machine (ATM) locations should be confirmed with your card provider before travel.

Australians should only carry sufficient cash for their daily needs, secure their valuables against theft and avoid displays of wealth at all times. Photocopies of valuables such as passport, tickets, driving licence and travellers cheques should be kept separately.

Particular care should be exercised when driving. Travel at night on most country roads, other than major freeways, is not recommended due to inadequate lighting, poor road marking and local driving practices. Snow and ice compound the danger in winter.

In the event of a natural disaster, Australians should follow the advice of local authorities. Turkey is in an active seismic zone and is subject to earthquakes.

**Local Law and Customs**

Australians are reminded that when overseas, they are subject to local laws. A violation of local laws may result in a jail sentence, served in a local prison. Drug offence penalties are severe and include imprisonment.

Australians should familiarise themselves with local customs and dress appropriately. Some parts of the country are more conservative than others and adherence to local dress standards is encouraged.

Australian males who hold Turkish citizenship may be required to undertake military service upon their return to Turkey. Prior to travel, Turkish/Australian dual nationals should seek advice from the nearest Turkish Embassy or Consulate.

Mount Ararat, in the south-east of Turkey, is a special military zone and visits to the area are subject to permission from the Turkish government. Australians travelling to these areas are strongly encouraged to register their travel plans with the Australian Embassy in Ankara.

Explicit authorisation is required for the purchase and/or removal of Turkish antiquities and other cultural artefacts. A receipt and an official certificate is needed to legally export an item.
Entry and Exit Requirements

Australians travelling on ordinary passports arriving in Turkey for tourism may obtain a tourist visa upon arrival for approximately USD20.00. Holders of diplomatic or official passports or Australians intending to visit Turkey for purposes other than tourism should also seek advice from a Turkish Embassy or Consulate before travel.

Visa conditions are subject to change however. For up-to-date visa information, Australians should contact the nearest Embassy or Consulate of the Republic of Turkey, well in advance of travel.

Health Issues

For information on prevalent diseases and inoculations, travellers should consult their doctor or a travel clinic. Contact details for travel clinics can be found in our ‘Travelling Well’ brochure available on the department’s website.

Travel and Health Insurance

Travel and health insurance is strongly recommended for all overseas travel. Travellers should check with their insurer to make sure that their policy meets their needs. In particular, travellers should be aware that some insurance companies will not pay claims which arise when travellers have disregarded the Government’s travel advice.

Consular Assistance and Registration

Australians in Turkey are encouraged to contact either the Australian Embassy in Ankara or Consulate-General in Istanbul for registration purposes and to obtain further information on areas they wish to visit. Australians may also obtain consular assistance at the:

- **Australian Embassy**
  83 Nenehatun Caddesi
  Gaziosmanpasa, Ankara
  Telephone (90 312) 4599500
  Facsimile (90 312) 4464827

- **Australian Consulate-General**
  Tepecik Yolu No. 58
  Etiler, Istanbul
  Telephone (90 212) 2577050
  Facsimile (90 212) 2577054.


The Department of Foreign Affairs and Trade in Canberra may be contacted on (02) 62613305.

NB: While every care has been taken in preparing this Travel Advice, neither the Australian Government nor its agents or employees including any member of Australia’s consular staff abroad, can accept liability for injury, loss or damage arising in respect of any statement contained herein.

Attachment B

Foreign Affairs and Trade
Consular Branch
Consular Services - Travel Advice
TURKEY
Australians are advised to defer non-essential travel to Turkey until further notice, in view of the ongoing threat from terrorist attack. Australians in Turkey should exercise extreme caution, particularly in commercial and public areas, and keep themselves informed of developments that might affect their safety.

Australians should exercise particular care in south-eastern Turkey, especially in the border region between Turkey and Iraq.

Australians should be aware of the increased threat of terrorism globally and should consult the General Advice to Australian Travellers, available at http://www.dfat.gov.au/zw-cgi/view/Advice/General.

**Safety and Security**

Australians are advised to defer non-essential travel to Turkey until further notice. There continues to be a risk of terrorist attack throughout Turkey, as underscored by the attacks against the British Consulate-General and HSBC Bank in Istanbul on 20 November 2003 and those against synagogues in Istanbul on 15 November.

Australians in Turkey should exercise extreme caution, particularly in commercial and public areas, including those frequented by foreigners such as - but not limited to - public transport facilities, hotels, bars and shopping areas. Australians should keep themselves informed of developments that might affect their safety.

In the last 12 months bombs in Istanbul, Ankara, Izmir and Adana have resulted in injuries and deaths. Turkish government buildings, places of worship and various western interests including foreign missions and foreign banks, have been amongst the terrorists' targets.

Political gatherings and demonstrations may turn violent and should be avoided.

Given the hazardous security situation in neighbouring Iraq, Australians should exercise particular care in south-eastern Turkey, especially in the border region between Turkey and Iraq. Identification is required at checkpoints in this region.

Mugging, pick-pocketing and bag-snatching can occur in Turkey, especially in Istanbul. There have also been incidents where foreigners, including Australians, have been drugged and had their passports and other personal effects stolen after being befriended by English-speaking strangers of various nationalities. Drugs may be administered through drinks, food, chewing gum or confectionary. The victim becomes disorientated and compliant and may even become unconscious.

Prior to travel, Australians should ensure they have a variety of financial options available to them including credit cards, travellers cheques and US dollars cash. In particular, Automatic Teller Machine (ATM) locations should be confirmed with your card provider before travel.

Australians should only carry sufficient cash for their daily needs, secure their valuables against theft and avoid displays of wealth at all times. Photocopies of valuables such as passport, tickets, driving licence and travellers cheques should be kept separately.

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For information on prevalent diseases and inoculations, travellers should consult their doctor or a travel clinic. Contact details for travel clinics can be found in our ‘Travelling Well’ brochure available on the department’s website.

Travel and Health Insurance
Travel and health insurance is strongly recommended for all overseas travel. Travellers should check with their insurer to make sure that their policy meets their needs. In particular, travellers should be aware that some insurance companies will not pay claims which arise when travellers have disregarded the Government’s travel advice.

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Facsimile (90 312) 4464827

Australian Consulate-General
Tepecik Yolu No. 58
Etiler, Istanbul
Telephone (90 212) 2577050
Facsimile (90 212) 2577054.
The Department of Foreign Affairs and Trade also offers an on-line registration service, accessible via the internet, at http://www.orao.dfat.gov.au. Australians planning travel and those overseas are encouraged to monitor our travel advice updates, including through use of our free subscription service, at smartraveller.gov.au.

The Department of Foreign Affairs and Trade in Canberra may be contacted on (02) 62613305.

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Employment: Statistics
(Question No. 2885)

Mr Albanese asked the Minister for Employment Services, upon notice, on 4 December 2003:
Can he provide details of the outcomes (i.e. employed full-time, employed part-time, total employed, not in the labour force, receiving further assistance, in education and training, number of exits) achieved by each labour market assistance program (i.e. Job Matching, Job Search Training, Intensive Assistance, Work for the Dole, NEIS, Transition to Work) over the duration of ESC2.

Mr Brough—The answer to the honourable member’s question is as follows:
The requested information is provided in the Tables below.

Post Assistance Outcomes 2000-2001

<table>
<thead>
<tr>
<th>Program</th>
<th>Total Employed %</th>
<th>Unemployed %</th>
<th>NILF2 %</th>
<th>Further Assistance %</th>
<th>Employed Full-time %</th>
<th>Employed Part-time %</th>
<th>Education &amp; Training %</th>
<th>Exits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Matching</td>
<td>65.8</td>
<td>29.3</td>
<td>4.9</td>
<td>Not Applicable</td>
<td>38.4</td>
<td>27.4</td>
<td>11.8</td>
<td>239,067</td>
</tr>
<tr>
<td>Job Search Training</td>
<td>43.2</td>
<td>44.5</td>
<td>5.4</td>
<td>6.9</td>
<td>21.5</td>
<td>21.6</td>
<td>12.9</td>
<td>69,743</td>
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<td>Intensive Assistance</td>
<td>38.6</td>
<td>39.7</td>
<td>14.1</td>
<td>7.6</td>
<td>16.3</td>
<td>22.3</td>
<td>7.7</td>
<td>245,704</td>
</tr>
<tr>
<td>Work for the Dole</td>
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<td>45.1</td>
<td>8.6</td>
<td>21.0</td>
<td>12.1</td>
<td>13.3</td>
<td>12.6</td>
<td>28,445</td>
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<tr>
<td>NEIS1</td>
<td>82.9</td>
<td>10.5</td>
<td>6.1</td>
<td>0.5</td>
<td>52.1</td>
<td>30.8</td>
<td>7.5</td>
<td>6,784</td>
</tr>
</tbody>
</table>

Source: DEWR Post Programme Monitoring Survey. Data are for participants’ status 3 months after the cessation of assistance.

1. New Enterprise Incentive Scheme.
3. Job Matching assistance was provided to eligible jobseekers on a continuous basis.
4. Transition to Work commenced on 1 July 2002.

Post Assistance Outcomes 2001-2002

<table>
<thead>
<tr>
<th>Program</th>
<th>Total Employed %</th>
<th>Unemployed %</th>
<th>NILF2 %</th>
<th>Further Assistance %</th>
<th>Employed Full-time %</th>
<th>Employed Part-time %</th>
<th>Education &amp; Training %</th>
<th>Exits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Matching</td>
<td>65.9</td>
<td>28.2</td>
<td>5.9</td>
<td>Not Applicable</td>
<td>37.4</td>
<td>28.5</td>
<td>11.6</td>
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<tr>
<td>Job Search</td>
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<td>19.9</td>
<td>19.6</td>
<td>12.2</td>
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</table>

QUESTIONS ON NOTICE
<table>
<thead>
<tr>
<th>Training Intensive Assistance</th>
<th>Total Employed %</th>
<th>Unemployed %</th>
<th>NILF2 %</th>
<th>Further Assistance %</th>
<th>Employed Full-time %</th>
<th>Employed Part-time %</th>
<th>Education &amp; Training %</th>
<th>Exits</th>
</tr>
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<tbody>
<tr>
<td>Work for the Dole</td>
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<td>46.0</td>
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<td>6.5</td>
<td>6,028</td>
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Source: DEWR Post Programme Monitoring Survey. Data are for participants’ status 3 months after the cessation of assistance.

1. New Enterprise Incentive Scheme.
3. Job Matching assistance was provided to eligible jobseekers on a continuous basis.
4. Transition to Work commenced on 1 July 2002.

Post Assistance Outcomes 2002-2003

<table>
<thead>
<tr>
<th>Job Matching</th>
<th>Total Employed %</th>
<th>Unemployed %</th>
<th>NILF3 %</th>
<th>Further Assistance %</th>
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<th>Employed Part-time %</th>
<th>Education &amp; Training %</th>
<th>Exits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job Search Training Intensive Assistance</td>
<td>66.4</td>
<td>29.3</td>
<td>4.4</td>
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<td>10.4</td>
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<td>Work for the Dole</td>
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<td>14.1</td>
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<td>8.1</td>
<td>28.8</td>
<td>24.6</td>
<td>2,698</td>
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</table>

Source: DEWR Post Programme Monitoring Survey. Data are for participants’ status 3 months after the cessation of assistance.

1. New Enterprise Incentive Scheme.
2. Transition To Work
4. Job Matching assistance was provided to eligible jobseekers on a continuous basis.