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Wednesday, 18 February 2004

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

GREAT BARRIER REEF MARINE PARK AMENDMENT BILL 2004

First Reading
Bill presented by Dr Kemp, and read a first time.

Second Reading

Dr KEMP (Goldstein—Minister for the Environment and Heritage) (9.01 a.m.)—I move:

That this bill be now read a second time.

No government in this nation’s history has done more to protect the Great Barrier Reef than the Howard government.

We have done so, principally, through three far-reaching and ambitious actions.

First, we passed the Environment Protection and Biodiversity Conservation Act in 1999—opposed by members opposite—which gave this country its first national environment-specific legislation in our history. One of the significant impacts of the EPBC Act has been to give the Australian government unprecedented powers to protect the Great Barrier Reef.

I note that the Labor Party’s recently unveiled environment platform continues to fall into factual error in claiming that it must protect the Great Barrier Reef from mining and from mineral exploration.

There are two indisputable facts which demonstrate that the premise of the claim is flawed, pointless and redundant.

The first is that the Great Barrier Reef Marine Park Act 1975 explicitly bans mining and mineral exploration in the park.

The second equally obvious and indisputable fact that Labor cannot seem to absorb is that the EPBC Act protects the park from impacts from mining and exploration outside the park to the limit of the exclusive economic zone.

Any proposed activity within the EEZ that has the potential to impact negatively on the World Heritage values of the Great Barrier Reef, or that otherwise awakes the provisions of the EPBC Act, is captured by this Australian law, which provides a quantum advance in the protection of the Great Barrier Reef from the sorts of mineral exploration in the region that were actively promoted by Labor when it was last in control of this parliament.

The second massive contribution to the protection of the Great Barrier Reef by the Howard government has been the development of a new zoning plan for the Great Barrier Reef Marine Park that will, if not disallowed by this parliament, ensure that one-third of the reef—a six-fold increase—will be protected in so-called ‘no take zones’—zones where no extractive activity can occur.

This is a plan that has been hailed internationally.

It is, undoubtedly, the most comprehensive effort to protect and preserve the environmental and economic values of a coral reef system, and its associated ecosystems, anywhere in the world. This government is a world leader in this regard.

This Representative Areas Program for the Great Barrier Reef Marine Park has the intent of providing the Great Barrier Reef with such a level of protection of its unique and wondrous biodiversity as to give it a high level of resilience in the face of the threats that confront it.

The better the overall health of the reef, the better it will be able to survive those pressures.

The third great advance that this government has made in terms of protecting the biodiversity, and thus the resilience, of this
national icon is the development in concert with the Queensland government of the Reef Water Quality Protection Plan.

The intent of the plan is to first halt, and then ultimately repair, the decline in water quality in the Great Barrier Reef lagoon.

The aim is to achieve a halt in the decline in water quality in 10 years, and this is an action that is completely synergistic with the Representative Areas Program and the EPBC legislation.

Together these actions comprise a suite of measures to protect the reef that are interconnected and that are singly, and collectively, unmatched.

One of the great beneficiaries of this suite of actions is the tourism industry.

Tourism is, by far, the largest single industry associated with the Great Barrier Reef and the Great Barrier Reef Marine Park.

Fishing is important. In the catchments of the Great Barrier Reef mining and agriculture are extremely important but, when it comes to the reef and the park, and many of the communities adjacent to them, tourism is far and away the biggest industry.

And that is understandable. The Great Barrier Reef is not only a great regional, state, and national tourist attraction; it is a premier destination of international tourists.

What those tourists come to see is pristine reef. The Great Barrier Reef has more pristine reef than any other coral reef system on the planet, and we have an obligation to maintain the quality of the reef as best we possibly can. That is what this government is doing more comprehensively than any other in the history of our country.

And that is in the interests of biodiversity for its own sake. It is in the interest of natural beauty for its own sake, and it is most certainly in the interest of the tourism industry, which the Productivity Commission recently estimated had an annual value well in excess of $4 billion.

That introduction to the significance of the tourism industry brings me to the bill.

The environmental management charge (the charge) was introduced in 1993 as a charge on operators using the Great Barrier Reef Marine Park (the marine park) to contribute financially to the management of the marine park. Currently the maximum charge imposed is $4.50 per visitor.

The introduction of the charge provided the Great Barrier Reef Marine Park Authority (GBRMPA) with revenue to apply to the management of the marine park. Moneys collected from the charge have been applied to research and management of the marine park to ensure that it is able to manage the increasing pressures caused by tourism, coastal development, mariculture, shipping, fishing, climate change and the like.

Under the current arrangements, the permission holder or tour operator has legal liability to pay the charge to the Great Barrier Reef Marine Park Authority. The charge is paid by the tour operator based on the number of visitors participating in excursions each day, and is submitted to the marine park authority at the end of each quarter.

However, since the introduction of the goods and services tax (GST) in 2000, there has been confusion amongst tour operators operating in the marine park as to whether or not the GST is applicable to the charge.

The charge is listed in the Treasurer’s determination pursuant to section 81-5 of the A New Tax System (Goods and Services Tax) Act 1999, the effect of which is that payments of the charge made to the Marine Park Authority directly by the tour operator are not subject to the GST. However, when the tour operator passes on the charge to the visitor, it is treated as one of many input costs of
the tour operator and the GST applies to the full price of the services provided.

These amendments that I am introducing today are aimed at dispelling that confusion by restructuring the method of payment and collection of the charge. These amendments will place the legal liability for payment of the charge on the visitor, and not the tour operator. As the Treasurer’s determination pursuant to section 81-5 of the A New Tax System (Goods and Services Tax) Act 1999 operates to ensure that the payment of the charge is not taken to be the provision of consideration, the GST will not be applicable to the charge paid by the visitor. The tour operator will then collect the charge paid by the visitor and remit that money to the Commonwealth through the marine park authority.

Given the amount of public money involved, the bill creates a new offence if the tour operator does not submit the money collected from the visitor.

In addition, the Great Barrier Reef Marine Park Act 1975 already contains provisions allowing an inspector to search vessels, aircraft or premises for the purposes of ascertaining a person’s liability to charge, and allows an inspector to apply for a search warrant for the same. The bill will increase the scope of those powers in order to allow inspectors to ascertain that a person has collected the correct amount of the charge from the visitor and to ensure that all visitors have paid the charge.

These amendments clarify the situation regarding the environment management charge and GST payments. This will provide greater certainty for the tourism operators who depend on the reef and provide significant employment and economic benefits.

It enhances the list of actions being undertaken by this government to ensure fair and reasonable access to a well-protected natural and economic asset. I present the explanatory memorandum to the bill.

Debate (on motion by Mr Gavan O’Connor) adjourned.

TEXTILE, CLOTHING AND FOOTWEAR STRATEGIC INVESTMENT PROGRAM AMENDMENT BILL 2004

First Reading

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

Second Reading

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (9.10 a.m.)—I move:

That this bill be now read a second time.

The purpose of the Textile, Clothing and Footwear Strategic Investment Program Amendment Bill 2004 is to provide an alternative value-adding cap for leather and technical textile firms in the final two years of the Textile, Clothing and Footwear Strategic Investment Program Scheme (TCF (SIP) Scheme).

This alternative cap will enable leather and technical textile firms to match the total value of their grants for plant and equipment (new and used), and research and development with a grant for value-adding for the final two income years of the program.

This initiative is a transitional measure in the implementation of the Australian government’s future assistance arrangements for the TCF industry. This new package, $747 million over the next 10 years and a five-year tariff pause from 2005, will provide assistance for firms and workers in the TCF industry, and allow time for the industry to adjust to a lower tariff environment.

The package includes:
$600 million for extending the TCF Strategic Investment Program, comprising:
• a $487.5 million extension to 2010 for all TCF sectors;
• $87.5 million extension from 2011-2015 for the clothing and finished textile sectors; and
• $25 million for a 10-year grants based program for small business.
• $50 million for a 10-year structural adjustment program to assist displaced workers;
• $50 million for an import credit scheme for the clothing and finished textile sectors;
• $20 million for a supply chain efficiency program from 2010 to 2015; and
• $27 million for an extension of the Expanded Overseas Assembly Provisions Scheme until 2010.

This combination of positive assistance, combined with the five-year tariff pause, provides a balanced policy framework for firms in the Australian TCF industry to enable them to strengthen their businesses and compete more effectively in a lower tariff environment.

A key part of this package is the $600 million Textile, Clothing and Footwear Post 2005 Strategic Investment Program Scheme (TCF Post 2005 (SIP) Scheme). This new scheme will provide two types of grants supporting investment and innovation, and support for small TCF businesses.

Leather and technical textile firms will only have access to grants for investment under the TCF Post 2005 (SIP) Scheme. This is a reflection of the government’s decision to concentrate support towards those TCF firms facing the greatest tariff adjustment pressure.

Leather and technical textile firms are not facing the same extent of restructuring pressures as other sectors of the TCF industry, nor are they, for many of their products, facing the prospect of significant tariff reductions. This initiative will, however, assist leather and technical textile businesses in making the transition to the TCF Post 2005 (SIP) Scheme.

The leather and technical textile sectors will still be able to access the government’s industry-wide innovation and research and development programs beyond 2005. I present the explanatory memorandum to the bill.

Debate (on motion by Mr Gavan O’Connor) adjourned.

INDUSTRIAL CHEMICALS (NOTIFICATION AND ASSESSMENT) AMENDMENT (ROTTERDAM CONVENTION) BILL 2004

Cognate bill:
AGRICULTURAL AND VETERINARY CHEMICALS (ADMINISTRATION) AMENDMENT BILL 2004

Second Reading
Debate resumed from 11 February, on motion by Ms Worth:

Mr GAVAN O’CONNOR (Corio) (9.15 a.m.)—The Agricultural and Veterinary Chemicals (Administration) Amendment Bill 2004 and the Industrial Chemicals (Notification and Assessment) Amendment (Rotterdam Convention) Bill 2004 make provision for Australia to meet our international obligations on the importation, manufacture and export of active constituents or chemical products. In August the government announced that it had initiated the process of ratifying two treaties on the management of chemicals: the Stockholm Convention on Persistent Organic Pollutants and the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, which is known as the Rotterdam
convention. Under these conventions Australia is required to undertake certain acts in relation to pesticides and industrial chemicals related to their importation, exportation, manufacture and use, and also to establish certain provisions for the collection and use of information related to pesticides and other hazardous chemicals. The amendments provide new penalties for not supplying the required information and for supply misleading or false information. They also require that records be kept for up to four years. I understand these are not catch-all information bills but relate to those chemicals identified in those international agreements.

Labor supports the government’s decision to ratify these treaties and we will therefore be supporting the bills we are debating here today. All levels of government have an important role to play in ensuring a safe working environment on farms, and in ensuring that the environment is not damaged as a result of the improper use of agricultural chemicals. The Commonwealth has a particular role to play in relation to the import and export trade in agriculture and, of course, in industrial chemicals. The provisions of the legislation we are debating here today will certainly strengthen Australia’s reputation and position as a producer of safe and clean food.

The use of chemicals and pesticides in Australia is substantial. Avicare, the peak industry body representing the agriculture and veterinary chemicals industry, estimates that the industry as a whole has annual sales of $1.9 billion and directly employs over 2,050 people. Those people are employed in large and small businesses across the length and breadth of this country, and many of them are employed in rural and regional Australia. There is a growing public debate in Australia and in other countries on the use of chemicals and pesticides in the production of food. It is really a debate that cannot be ignored by farmers and manufacturers of chemical products. They must engage sensibly in this particular debate.

It is a fact that Australian agricultural production systems have been developed in the past with the use of chemical fertilisers and pesticides. In key sectors their use is important to maintaining the enormous gains in productivity that have been achieved over the past three decades. Chemical fertilisers and pesticides are important to the overall profitability of farm enterprises. I think it is fair to say that farmers’ understanding of and skills in the use of chemical fertilisers and pesticides have improved dramatically over the past two decades. Mr Speaker, coming from a farming background, you will appreciate the substance of this debate here today.

If I may reflect on my own farming experience, I was raised on a dairy farm in the western district of Victoria. Not only did we run a dairy farm but we also grew pasture, potatoes and onions. Chemical use was part of the production system of the day. On the dairy farm we used chemical agents to clean machinery and prepare the product for the requirements that were set by the factory, and drenches were used for our stock. In the cropping area we used chemicals to control diseases; in pasture we grew lucerne and we used pesticides to control aphids.

As far as weed control in the district was concerned, as young children we all used to dart outside to see the crop-duster which came to spray the thistles around the district. On our farm we did not have any thistles—we were eternally vigilant. That was part of the task of growing up. The penance for misdemeanors was to get the hoe and go out and cut the thistles, among other things. That came after the rather strict physical disciplining that often occurred on the farm. It was either cut the wood or get the hoe and go and cut the thistles. We learned, at a very young age,
to trim our ways so that those penalties were not incurred.

Although chemicals were in use across a range of agricultural activity, I cannot say that there was a depth of understanding about the implications of that chemical usage or much consideration given to the safe handling of those chemicals and pesticides. Thankfully, that situation has changed. Farmers and their representative organisations have taken an active role in educating fellow farmers about the use of chemicals and pesticides. Governments of all political persuasions at state and federal level have also played their part in improving awareness of the use of chemicals and fertilisers.

The industry has played a strategic role in producing specific products for specific purposes and that has assisted farmers in their utilisation.

The impact has been felt out there on the farm. Gone are the days when we used to hook up the spray unit, get out on the paddock, test the wind and make a judgment ourselves about whether it was appropriate to spray chemical on crop. Those days are gone. There is a sensitivity on the part of farmers now to the requirements of the food chain.

I must congratulate the Minister for Agriculture, Fisheries and Forestry, who is at the desk, for the role his government has played in continuing programs of previous governments in this particular area. It is an area where we step above the political cut and thrust because we are dealing with the safety of farmers and farm families, with the security of the food supply and with Australia’s reputation in the international marketplace. All governments of all persuasions at all levels have a strategic role to play in ensuring that, if chemicals and fertilisers are used in the production of food, they are used in a safe manner and in the national interest as well as in farmers’ interests.

There have been significant changes among consumers and nations in this matter. Today consumers are far more health conscious. They are very keen on living healthy lifestyles and they see clean green food as an integral part of their own personal regimes for achieving that. They certainly do vote with their dollars. If we go into any marketplace today—Victoria Market or my own fruit and veg shops in Geelong—we can see that consumer tastes have changed, reflecting changes in lifestyle.

Nations have introduced far more sensitive regulatory frameworks. In the international trading framework the WTO specifically sets out the sanitary and phytosanitary measures under which agricultural goods and other goods will be exchanged and it has very specific procedures for resolving disputes that occur between countries in these matters. Quarantine issues are very much at the heart of that international trading framework. We have some very sensitive issues on our plate in this debate. Bananas and apples are two particular products over which there has been a contentious debate between Australia and our trading partners.

In recent years we have seen, with the outbreak of foot-and-mouth disease in Europe, the impact that the issue of food safety can have on security in the food supply, and the economic impact it can have on rural and regional areas—similarly with the recent BSE issue in the United States and now with avian flu in Asia. These are all incidents that have recently contributed to a heightened awareness and concern on the part of consumers about the safety of food. Governments must reflect on these changes and ensure that the measures they put in place address some of those concerns.
I must say that Australia’s position in the international marketplace is indeed a very strong one. We have an image as a clean and green supplier and that has propelled international demand our way when things have gone wrong in other countries.

It is interesting to see that the economic development plans of state governments around Australia place great emphasis on growth in the production of food, on improved productivity and on greater exports emanating from the agriculture sector. Almost all of those plans refer to the particular advantages that those states have in the production of clean food and how that will become a marketing advantage. So it is very important that we have the regulatory frameworks in place and that governments at the national level regulate in the national interest and in the interests of industries that are vitally involved. That is the subject of the legislation that we have here today.

New community values have emerged over the past two decades with regard to agriculture. One is that agricultural activity has to be sustainable in an environmental sense. Farmers are becoming far more aware of this particular requirement on them and their production systems. I congratulate farmers for that new awareness as I travel the length and breadth of this country in this portfolio. The agriculture minister would have had similar experiences in the time he has occupied the position. We see very innovative things being done on farm with regard to sustainable production systems. To sustain those production systems there must be a sensitivity on the part of farmers to the use of chemical fertilisers and pesticides.

There is also a new community value, in that consumers require food to be clean and safe. I think farmers are responding to that. They are paying more attention to these matters and they are being more selective about the use of chemicals and pesticides in their production systems. Also, I think companies have become more responsible and professional in the advice they give and governments have tightened regulatory frameworks. I think it is pleasing that the government has responded in a constructive way to the international conventions we are debating here today and has brought this legislation into the House.

In concluding, I want to mention two visits I made on farm recently. One was in Gippsland, where I visited an organic beef grower—and my thanks go to Ian Mills and his family for the hospitality they showed me on the day. Mr Mills is a farmer of some substance in his local area and he has devoted considerable time and energy to developing his enterprise. It is not a large one but it certainly fits very neatly into the patchwork of enterprises now emerging in the rural sector that are devoted to organic beef production. This has come at considerable expense and time to the Mills family. Mr Mills has been in the industry for a long time and he sees a particular path for his enterprise in developing what he considers to be a very innovative organic production system that is free of the use of chemicals and fertilisers. Not every farmer is going to walk down this path, but it is interesting that we now see more farmers entertaining the thought and practice of organic production and investigating how they might tune and change their own individual enterprises to such a system. Mr Mills certainly produces a good product that has found its niche in the marketplace. I understand from Mr Mills that, in his locality, many dairy farmers are becoming interested in the rather innovative practices that he now uses. As I have said, these developments have not occurred without a considerable amount of time, effort and expense being put in by the Mills family—and I congratulate them for their initiative and innovation.
The second visit I want to refer to is one I made to the Swan Valley in Western Australia to the Talijancich Winery, where James Talijancich explained to me the theories of biodynamic production in the wine industry. Early in his career he adopted this particular production system because he felt it would not only give his product a marketing advantage but also be good for the environment. He is an expert producer of rather beautiful fortified wines. I must say that it was one of the more pleasant tasks I have had in this shadow ministerial portfolio—visiting a winery where the wine producer is not only an expert producer but also very passionate about his product and his industry. I congratulate James Talijancich for his initiative in adopting biodynamic farming practices and on the success of his winery. The Talijancich family have been in wine production in that area of the Swan Valley for a long time, over several generations. They are well respected not only in their industry but also in their community.

Very important issues are raised by the bills we are debating here today. It is important that national governments meet their international commitments concerning the treaties that are the substance of these two bills. Labor support the initiatives expressed in this legislation, and we congratulate the government for bringing them forward into this House.

Mr CAMERON THOMPSON (Blair) (9.35 a.m.)—It is a pleasure this morning to speak on this legislation at its introduction: the Industrial Chemicals (Notification and Assessment) Amendment (Rotterdam Convention) Bill 2004 and the Agricultural and Veterinary Chemicals (Administration) Amendment Bill 2004. When those of us who represent electorates with large rural components turn to the agricultural situation at the moment in those areas, the No. 1 issue on the agenda is the need to provide water and to improve the water supply opportunities for the farmers there. In recent times Australia has suffered from terrible drought and farmers have been faced with extremely difficult situations as they have battled to produce their crops and turn off their livestock. Drought has exposed farming and associated rural industries to real dilemmas over that time, and I think it has exposed the need for us to provide better and more consistent water supplies—and that is No. 1 on the agenda. But close behind that comes the question of quarantine and health, into which is tied this question about agricultural chemicals.

There is I think a great deal of paranoia about agricultural chemicals and their administration. Of course, this bill deals with all kinds of chemicals—industrial chemicals as well as the agricultural variety. But I would like to speak about the agricultural ones, because it is important that we maintain the balance between controlling pests and maximising our production but also guaranteeing the safety or the health of the completed product—something that the member opposite devoted quite a deal of his speech to addressing.

This legislation, which deals with the parameters and protocols for importing and exporting agricultural as well as industrial chemicals, is quite significant in the lexicon of arrangements that we need to have in place to look after the farming sector. One of the comments that the parliamentary secretary made while introducing this legislation was that the rate of trade growth, and the continuing development of greater trade opportunities on a global scale, is quickly outstripping our capacity under the existing arrangements to look after and guarantee the safety of agricultural and industrial chemicals. With trade continually improving all the time, we need, particularly in developing countries, to have a set of protocols in place
that ensure a ready access to information about what you need to protect yourself in applying the chemicals and what other safeguards need to be made. People also need to know where and on what grounds chemicals have been banned or restricted.

By having these protocols in place, people can be more confident about trading globally, and that is something that is always in Australia’s interest. Of course, we have seen a further acceleration of those trade arrangements with this move towards the free trade agreement. I would like to underline how important that is, because we have heard again and again from the government side about how significant this trade agreement is and what an advantage it is. The Minister for Agriculture, Fisheries and Forestry, who is at the table, has also underlined the great value to the agricultural industry in Australia of the free trade agreement which has been negotiated so successfully by the Australian trade minister, I think with the involvement in the end of the Prime Minister as well, to produce an excellent outcome for Australian farmers.

Horticulture is a huge industry in the Lockyer Valley. Dairy farming has been a significant industry right across the Blair area, although that has reduced somewhat as a result of the deregulation issue. We also have a great involvement with beef and peanut production. There is a burgeoning pork industry and wine is certainly improving, with lots of people taking up opportunities in wine production. I think avocados are another crop that is burgeoning at the moment as well. All of those areas and industries are ones that come quite readily to mind when we look at the free trade agreement and the opportunities that it presents.

As I said, we need to have confidence to ensure that these trade opportunities continue to grow and continue to be exploited by our producers. That is a two-way issue, because if the people who are receiving the product are in some way dissatisfied with it or suspicious of it and are unsure about the health or clean aspects of it—whether it is a green product or whether there are other elements to it that make them concerned—then we can run into difficulty with our exports. So managing a regime to look after the chemicals that are applied to those crops is very important. In fact, I think at the moment it is an issue among the people who are buying these products which is probably inflated in its value, but they continue to focus on that as a question, and while that is the case it is certainly going to be in our interests to make sure that our regime for administering those chemicals is absolutely secure.

I would like to give an illustration of some of the areas in which we need to be able to utilise and administer more and more effectively these sorts of chemicals for the good of our production, noting that at the same time we must bear in mind that the challenge that then arises is the need to balance that against the concerns of the consumer. There is a question in my electorate and other parts of south-east Queensland about the growth of African love grass. African love grass sounds like a completely harmless thing. I can see the member opposite finds it quite a humorous sounding thing. It conjures up all kinds of images as to what it might be. But in my area it is quite a concern. This is a grass that was introduced to Australia in the fifties in an effort to stabilise waterways. It is unpalatable to stock and is fairly much out of control in some areas. It has spread along the road reserves in the south-east corner and has been causing a great deal of difficulty.

Look at the sorts of costs that are involved in dealing with this weed: it costs $50 an acre to apply some of the chemicals that are required to keep down African love grass, and one of the chemicals they use, called Taskforce, costs $800 for 20 litres. That is
quite an amount of money for a farmer to be bearing and of course councils, since we are talking about the road reserves, are also paying out an awful lot of money to combat African love grass. Because of its spread, it results in diminished production for our farmers, it undermines their productivity and returns, and it weakens the farming sector. So we have to be able to continue the fight against African love grass and other pests, such as giant rats tail grass, which is another one that has caused great difficulty. In our area the campaign against African love grass is being coordinated by people such as Damien O’Sullivan at the Department of Primary Industries in Kingaroy. They are doing a very effective job. I think as awareness of the problems with African love grass has grown we have found a much more determined effort to keep it down. We have had shed meetings where 100 or more farmers have turned up because of concern over African love grass. Their concerns over it have resulted in greater awareness, so we are, I think, slowly turning the corner and winning the fight on that question.

Over all of this we are now going to have this new regime, which is part of a progression towards providing a stronger framework to regulate the use of industrial and agricultural chemicals world wide. This process began with a voluntary type of scheme which was first introduced in 1989. In 1992 Australia began using the voluntary system, which was called the prior informed consent procedure. On a voluntary basis, countries became involved in a system whereby, if you were exporting either industrial or agricultural chemicals to another country, you would inform them if these chemicals had been banned or their use restricted anywhere.

We have now moved on from that. Since September 1998, in Rotterdam, 73 countries have signed a convention which will take the procedure from a voluntary one to an interim one, and what we are looking at here today is ratifying a convention that will impose a series of mandatory requirements on countries that are exporting or importing agricultural and industrial chemicals. The convention is due to come into force in only about a week’s time, on 24 February, and already we have something like five industrial chemicals, 21 pesticides and five severely hazardous pesticides listed as part of the convention.

This will primarily assist developing countries, because these countries do not have the scientific, bureaucratic or administrative procedures to monitor the individual chemicals. They will be assisted because under these requirements it will be necessary for the countries that are exporting chemicals to them to advise them if those chemicals within the convention area have been banned or restricted in any way in any two countries. In some cases, that will also apply to the more severe chemicals even if only one country had moved against them. So developing countries will be assisted because it will help them make informed decisions and it will not be necessary for them to do their own scientific work; it will be provided to them as part of the procedure. Our country has been very much at the forefront in this regard, and I think that is acknowledged by members opposite. Certainly, the member for Corio, who spoke before me, made some very positive comments about the efforts that the minister has gone to in this regard, and in other areas, to promote Australian agriculture.

There is something I should clear up. The member for Corio talked about a wide range of chemicals. I should remind members that this arrangement does not include things like narcotics, psychotropic substances, radioactive materials, human or veterinary pharmaceuticals, food additives or small amounts of chemicals that might be used by people for
research or some kind of personal use. The range of chemicals covered by this arrangement, while broad, is an identified area: it is basically those types of chemicals that form the backbone of industrial and agricultural processes world wide.

It is important that we do have unified standards, because that is the way in which global trade will be accelerated and that is a great advantage for Australian producers. Australian producers do want to trade on world markets. We have the best products, and in that regard I would like to highlight the pork industry. Australian pork has a reputation for the great health of Australian pigs—we have the advantage of healthy pigs—and the product is recognised world wide. They are exactly the circumstances that the member opposite spoke about: people over time beating a path to our door because we have the better product. We have the healthier product; it is the quality product. While other countries support their pork production through subsidies, particularly to grain, and that provides them with a great advantage in the marketplace, they cannot match the health and good quality of our product. So the pork industry is an area where we certainly have a wonderful future ahead of us.

Similarly, in other areas affected by the free trade agreement with the United States, we have what are also recognised as quality products, and those are the ones that in time will attract more and more demand world wide. So underpinning all this we do need to have a system that guarantees the safety of the chemical applications that are a necessary part of that process, because people will be confident about buying our product, and the outcome will be greater profitability for Australian farms, greater productivity for Australian farms and greater availability of employment in the agricultural industry in Australia—and all members of the parliament, I am sure, would want to see that. Thank you for the opportunity to speak on these bills today. I commend the bills to the House.

Mr Griffin (Bruce) (9.51 a.m.)—It is one of the ironies of this place that often the legislation that goes through the fastest and involves the least public debate is actually the legislation which deals with very important issues—matters that on some occasions can be matters of life and death. I would say that the Industrial Chemicals (Notification and Assessment) Amendment (Rotterdam Convention) Bill 2004 and the Agricultural and Veterinary Chemicals (Administration) Amendment Bill 2004 are that type of legislation. Members may not know, but I have recently become aware that over the 1990s about one million people were poisoned and a further 20,000 died each year after coming into contact with dangerous pesticides. That is information from the World Health Organisation, which gives you a bit of an idea of the sorts of substances we are dealing with in terms of regulation in these bills and gives you some idea of the issue’s importance internationally.

The two pieces of legislation we are dealing with here basically—as mentioned by earlier speakers—seek to allow the full implementation of the Rotterdam convention, which deals with the types of chemicals I mentioned earlier and is therefore very important legislation. It is legislation which is supported on both sides of the House and broadly supported in the Australian and international communities. Essentially these two pieces of legislation will improve information exchange and ensure that the regulatory systems of signatory states provide information back and forth to make sure that from both an import and an export perspective countries are made aware of what is occurring around the movement of these chemicals. One thing we can say—and we
have heard of various high-profile cases over the years—is that the moves into greater international trade, over the last 30 or 40 years in particular, have seen a greater flow of chemicals et cetera across jurisdictions. Information flow to ensure that more dangerous chemicals are not being dumped in, say, developing countries is a very important issue. Essentially these bills are designed to deal with that.

I would like to quote a couple of sources. Klaus Toepfer was the director of the UN environment program. The Planet Ark website, with respect to this particular initiative of the Rotterdam convention, in 2002 reported:

UNEP noted that many pesticides that were banned or restricted in industrialised countries were still used in poor nations and said the convention should make more information available about the potential risks of such chemicals.

The treaty stipulates that countries exporting chemicals damaging to health or the environment have to inform importing nations of the dangers they pose, while also making it illegal to trade in chemicals against the wishes of recipient countries.

Toepfer said that once the convention has been implemented, companies exporting dangerous chemicals should find it more difficult to continue their practices. “It would impose a regime of transparency and honesty,” he said.

When this matter was being considered by the Australian government some time ago, a submission was sent to the Department of Foreign Affairs and Trade from the National Toxics Network—an umbrella group representing a range of consumer and other organisations in Australia—regarding the support for ratification of this particular convention. The submission said:

The undersigned organisations believe there are important benefits for Australia in the ratification of both the Stockholm and Rotterdam Conventions. These benefits arise through greater protection of human health and consumers, as well as the protection of the environment through the improved chemical management both domestically, and in the region.

For Australia, the ratification of this convention has many advantages. The full implementation of the Rotterdam convention has the potential to control, reduce or even eliminate the importation of hazardous chemicals and severely hazardous pesticide formulations into the region.

The core benefit of the Rotterdam Convention is information exchange to inform decision making processes in chemical management. By requiring signatory countries to advise of exports of potentially hazardous chemicals, particularly those that are banned or severely restricted within their country, a valuable source of information about hazardous chemicals and their use is compiled. This information allows for a more informed prioritisation of global or regional action on hazardous substances.

Australia has been an active and positive participant in the interim PIC arrangements and has shown its intention by signing the Convention in July 1999. While, currently only a limited number of chemicals (17 pesticides, 5 severely hazardous pesticide formulations and five industrial chemicals) are included, additional chemicals have been added to an Annex and need to be confirmed as soon as possible. There is an urgent need for rapid entry into force to ensure that notifications of these dangerous substances are incorporated into the PIC procedures.

While the anticipation by some that there will be hundreds of chemicals subject to the Rotterdam Convention once the operational procedures are fully implemented, it is in Australia’s best interest to be a party at the first Conference of Parties (COP) to ensure active participation in the decision making processes in the Convention.

As can be seen, this legislation has objectives which are widely supported and are certainly in the best interests of the country. I commend the government on moving forward with this today and commend the bills to the House.
Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (9.57 a.m.)—in reply—I would like to thank everybody who has contributed to this debate and thank the opposition for their support. It is important for issues like this that we have bipartisan support, because the Howard government places great importance on protecting human health and safety and the environment. Furthermore, the government acknowledges the benefits that arise from participating in multilateral arrangements that underpin the international efforts to ensure adequate controls against the risks posed by certain hazardous chemicals and pesticides. Of particular significance is the role that Australia can fulfil in assisting developing countries—as was so well put by the last speaker—and countries with economies in transition which are unable to effectively protect themselves from inappropriate use of hazardous chemicals and pesticides. Australian assistance is particularly effective given its regulatory practice, which is commonly acknowledged as consistent with best international standards in chemical management.

These bills set in place the overarching framework for Australian participation in internationally cooperative arrangements as they relate to the management of pesticides and industrial chemicals. The Agricultural and Veterinary Chemicals (Administration) Amendment Bill 2004 promotes clarity and transparency by ensuring that the mechanisms to implement the obligations arising from its participation in international schemes are clearly prescribed in regulations. The Industrial Chemicals (Notification and Assessment) Amendment (Rotterdam Convention) Bill 2004 will allow Australian participation in internationally cooperative arrangements as they relate to the management of industrial chemicals.

These bills are essential to fulfil the Howard government’s intention that Australia ratify both the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, and the Stockholm Convention on Persistent Organic Pollutants. I believe that this is a very important step for Australia to be making and that it enhances Australian credentials in the sound management of toxic chemicals and pesticides. I commend the bill to the House.

Question agreed to.
Bill read a second time.

Third Reading

Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (10.00 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.
Bill read a third time.

AGRICULTURAL AND VETERINARY CHEMICALS (ADMINISTRATION) AMENDMENT BILL 2004

Second Reading

Debate resumed from 11 February, on motion by Ms Worth:

That this bill be now read a second time.

Question agreed to.
Bill read a second time.

Third Reading

Ms WORTH (Adelaide—Parliamentary Secretary to the Minister for Health and Ageing) (10.00 a.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.
Bill read a third time.

MILITARY REHABILITATION AND COMPENSATION BILL 2003

Cognate bill:
MILITARY REHABILITATION AND COMPENSATION (CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2003

Second Reading

Debate resumed from 4 December 2003, on motion by Mrs Vale:

That this bill be now read a second time.

Mr EDWARDS (Cowan) (10.01 a.m.)—The Military Rehabilitation and Compensation Bill 2003 and the Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Bill 2003 are probably the most important pieces of legislation for members of the Australian Defence Force since the repatriation legislation, which had its genesis in World War I. I will deal with the bills in detail in a moment, but first I must protest in the strongest terms about the way in which this legislation is being pushed through the House with such haste. The point at issue is that there has been a Senate committee inquiry into these bills—initiated not by the opposition parties but by the government—and, until that process is complete, it is extraordinary that we should be discussing the bills at all. We therefore debate this legislation under protest, and we must ask: why the haste?

Indeed, the Australian Labor Party was first briefed about these bills in principle some five years ago. We said at that time that we supported in principle what the government was doing but that we would withhold any approval pending the details. Given that approach, why is the minister now trying to ram these bills through? These bills have been on the drawing board for the entire term of this government and particularly since the Townsville Black Hawk crash in June 1996. The reason is simply that this government is trying to bamboozle veterans and ex-service people with legislation which is seriously flawed but which, regrettably, few will understand because of its enormous complexity. I will deal with those flaws in a moment, but first let me finish with this faulty process.

Let it be plain at the outset that these bills affect no living veteran or ex-service person; they only affect Australian Defence Force personnel who are injured after the commencement of the bill. So the question is: why is the Minister for Veterans’ Affairs handling the bill, and not the Minister Assisting the Minister for Defence? Why is it that so few serving personnel have been consulted? Indeed, why is it that the Repatriation Commission has taken over the whole process by assuming responsibility for Australian Defence Force compensation in the future? These bills are more about military compensation, and veterans of the future, we hope, will be only a small proportion. The answer is that the Department of Defence has totally abrogated its responsibility for military compensation. I will return to this theme later, as there are some serious consequences of this which run directly counter to good government.

These are very important bills for serving personnel and veterans of the future. We in the ALP have long recognised that the operation of two military compensation schemes in tandem, with defective offsetting arrangements and general confusion on entitlements, has been somewhat of a disaster. The premise on which the bills are based is that, having come through our history of two major world wars and Vietnam—in which we had a mix of regular military personnel, volunteers and conscripts—we now enjoy an environment whereby our defence needs can be met by regular salaried and superannuated forces; that is, the arrangements we have had in place for compensation for almost a century can be brought up to date and made relevant for modern serving conditions.
That is logical, and the bills in large part do that. However, although the Veterans’ Entitlements Act is now being repealed, it can always be reactivated. I mention that specifically for the benefit of those who are concerned that the basis on which these bills have been drafted may not always prevail—that is, that one day we may again come to rely on volunteers and conscripts. Let us sincerely hope that is not the case, but in any event the Veterans’ Entitlements Act will be with us for a long time yet. With these bills, we in the future have one common compensation scheme which reflects modern workers compensation policy but which also reflects some of the traditional approach to military service, especially where it is overseas and in hazardous circumstances. The question is simply whether that mix has been achieved.

I wish to make it quite clear that, subject to seeing the detail, we in the ALP have always supported the notion of a single new compensation scheme for the Australian Defence Force and veterans of the future. We now have that detail, and it will be examined by the Senate Foreign Affairs, Defence and Trade Legislation Committee, where we hope that we will also hear the views of serving personnel and veterans organisations. Unlike the government, we will not pre-empt that outcome. This also means that, at this stage, we will not get into the detail and the complexity of the bills. We know that the ex-service community has made detailed submissions to the Senate committee and that there is a wide range of matters that the government must address before the bills meet our satisfaction.

We will return to those details in the Senate when the committee has reported. At this point, though, I would like to outline some of the major concerns we have with the bills in anticipation that we might stimulate some discussion, which the government has failed to do in its haste to put an end to this drawn out and tortuous process overseen by this minister—a minister who, it is widely recognised, does not understand the complexity of the legislation for which she has responsibility. These comments are without commitment, but we suggest that their import may be sufficient to require extensive amendment in the Senate. We do realise, of course, that in the drafting of complex military and veterans’ compensation legislation such as this there will be a large number of minor errors. There will also be some degree of misunderstanding.

In fact, there is a large degree of mistrust of what the government is doing, not just because everyone likes the current model but simply because they do not trust this government, which clearly regards Australian Defence Force personnel and veterans as stage props and extras to support its public relations machine. The Howard government loves basking in the reflected glory of veterans, and it is interesting to note the reapplication of the title of ‘the Little Digger’ in a very derogatory sense for the Prime Minister. There will therefore be very many issues which are considered unsatisfactory in these bills and which may be necessary to amend after the Senate committee has reported.

Let me deal first, though, with the principal problems we have with these bills. First, it is important to note that the bills combine the current Veterans Entitlement Act, which will continue ad infinitum while ever beneficiaries are alive, and the military compensation repatriation scheme, which, as we know, is a Defence derivative of the Safety Rehabilitation and Compensation Act for all Commonwealth public servants. In general terms, the amalgam is an attempt to achieve a combination of the best features of both schemes, including choices between lump sums and pensions of equivalent values. With the help of the Australian Labor Party
in consultation with the veteran and defence community, and despite the minister, we may still achieve that goal.

Moreover, there will be one process of assessment against the revised scale of maims, or the general assessment of rates of pension—GARP, as it is known. Everybody will be treated the same, except if the injury or illness is incurred overseas on warlike or non-warlike service. This is the first key issue. We have in Australia, through our history of engagement overseas, rewarded that service with significantly higher levels of compensation for the danger faced from an armed enemy. Few have ever quibbled with that, except those who believe their service was equally dangerous and who therefore seek the added value of compensation. This is a perfectly natural phenomenon where arbitrary distinctions are made, particularly on a ‘one in all in’ rule.

In Australia we have long had a policy whereby returned service personnel enjoy higher levels of benefits and compensation than those with peacetime service only. Those who were sent abroad to risk their lives naturally think this is appropriate. Those who remain at home do not. These bills retain the distinction, and so the debate continues. It is understandable that serving Australian Defence Force personnel believe this is not right. In fact, they think it is discriminatory.

In the bills this distinction is reflected in two key ways. First, it is reflected in the lump sums awarded the widow of a person who suffered injuries or illness incurred overseas on warlike service, which attracts an extra lump sum of $60,000. Naturally, people want to know why grief and compensation for that grief is worth so much more than the same grief which occurs when a person is killed at home. Second, there are two scales of maims in the GARP: one for injuries incurred on peacetime service, and a higher level for those injured during warlike service—the distinction remaining one of perceived danger and risk.

In fact, it is a contradiction in the bills that, while there are two scales of maims for this purpose, after the severity of injury reaches 80 per cent they merge. This is a fundamental contradiction. It is particularly pointed as most deaths in Australian defence service are in peacetime, and fortunately we have had only one death during active service overseas in recent years. However, that serves to emphasise the point on the merit, if any, of making such distinctions. Put simply, the conflict between attitudes of veterans from past service and those of modern serving people need to be reconciled, though it is conceded that this may not be easy.

Moving to another difficulty we have with the bills, the Senate Legal and Constitutional Legislation Committee recently reported on the matter of administrative review in the veterans’ jurisdiction, including the provisions of this bill. The unanimous recommendation of this all-party committee was that the provisions of this bill are unsatisfactory. That is, the committee recommended that, in seeking review of any rejected application for disability compensation, appeal should be to the Veterans’ Review Board in the first instance for everyone, and then to the Veterans Division of the AAT. This would simply treat everyone the same and would streamline processes in a single path rather than in two paths, as is currently provided for. It stands to reason, therefore, that this committee’s recommendations ought to be respected, and, unless we are convinced to the contrary, amendments to that effect will be moved in the Senate. That position is supported by the ex-service community.

The next major difficulty we have with this bill is the provision of a safety net for
those who become unable to work before 65 and for whom the income support provisions fall below an acceptable level. I wish to deal with this in some detail because this is very complex and most unsatisfactory. It is a fact that, under the MCRS, those who are discharged as grade-A medically unfit and unlikely to work full-time again receive 100 per cent of their final pay for 12 months and then 75 per cent until they reach 65. Thereafter they take up the superannuation to which they would normally have been entitled. Moreover, as good practice they are encouraged to work when they can, with no penalty until their earnings reach 100 per cent of their former earnings, at which time a taper is applied to their incapacity pay. But there is a serious flaw in that there is no minimum, and some of lower ranks may find themselves below the poverty line. The simple remedy for this would be to apply a floor, and 75 per cent of MTAWE has been suggested as appropriate. This would be clean and simple.

In this legislation, however, the government, for unexplained reasons, has sought to transpose the T&PI special rate from the Veterans’ Entitlements Act as a safety net—which carries with it a number of problems. It is agreed that there are many good traditional features of the Veterans’ Entitlements Act which are worth preserving; however, as we know, the T&PI special rate has long been considered inadequate, including by the T&PI Federation of Australia, who in their submission to the Senate committee opposed this transposition. Their logic is simple: why transpose something which is already inadequate and which has not been fixed properly? The threshold suggested is far preferable.

The other points of criticism are as follows. First, the special rate, despite its history of looking after people, has in fact become a poverty trap. That is what the T&PI Federation has been so strongly campaigning about. Indeed, had the minister been prepared to walk the 200 metres to the front of Parliament House last June and meet with and talk to that group of sick and disabled veterans protesting against her, she would have discovered that simple fact for herself. It is interesting to note too, as many veterans have, that, while the minister was unable to walk that 200 metres, she was able to fly to Hanoi, meet with veterans of that country and participate in an invitation to them to visit Australia.

The T&PI special rate condemns people to a fixed income which is declining in value and, furthermore, restricts them from working more than eight hours a week, or 10 hours as is now proposed. That is hardly consistent with modern policy on rehabilitation, which is presented as such a strong feature of this new law. In short, we should be encouraging people to work as much as possible, not condemning them to the confines of the special rate.

There is a final point I want to make on the government’s safety net proposal. The government has said all along that the benefits of this new scheme will be no less than the Veterans’ Entitlements Act and the Military Compensation and Rehabilitation Scheme respectively; in fact, the minister has said in this House that the new scheme will be more generous. But in this case it will be harsher, simply because it proposes that any other Commonwealth government superannuation will be offset against that safety net at 60c in the dollar. That is not the case with current T&PI veterans. So future ex-service people in this unfortunate category will be swindled if they make that choice. This is simply a duplicitous model and it ought to be reconsidered.

The other very important point here is that selecting the safety net will be a matter of choice—and an impossible choice. Effec-
tively, these bills require anyone considering incapacity pay at 75 per cent until age 65 and superannuation thereafter—or the safety net for life—to make a once in a lifetime choice, never to be revisited, but without any knowledge of what their future might hold financially. Put another way, how can anyone properly advise a person in these circumstances? It is not a fair choice.

Another element which features in these bills is a new emphasis on rehabilitation. The background to this is that the Clarke report quite properly castigated the Repatriation Commission for not having any policy of rehabilitation. There is a tiny program entitled the Vietnam veteran rehabilitation scheme which has had some limited success, but it is confined to those few who are sufficiently motivated to re-enter the work force and reduce their dependency. Beyond that, there is the Vietnam Veterans Counselling Service, which does good work in this area. The belief, it seems, is that, consistent with compensation policy more broadly within the community, rehabilitation should be undertaken compulsorily prior to compensation being assessed and paid. As a principle, we agree with that; but for ex-service people and veterans it is usually many years after the event that compensation is sought. Put simply, it is often too late; the damage has been done.

We support the principle, but we have some scepticism as to the utility. Rather, we would like to see rehabilitation better conducted at the time of injury—that is, during service. But we are sceptical of that too because, as members of parliament, we all know people who have come to us injured in service and who get very little care at all. We all know that very little is done to redeploy injured servicemen and women within Defence and the Australian Defence Force. It is easier to discharge them and drop them out the door—out of sight out of mind—but then the problem starts and others in the ex-service community and Veterans’ Affairs are left to pick up the pieces. It is not good enough, and we simply say that, if rehabilitation is to be properly tackled, it must start at source within the Australian Defence Force. Further, more emphasis should be placed on vocational training and reskilling—assuming of course that everything has been done to restore physical and mental health to its optimum.

Finally, I will return to an earlier theme concerning the way Defence has washed its hands of this policy by defaulting to the Repatriation Commission, which no doubt believes that, by these means, it has extended its lifetime by another century. Quite frankly, while institutions are important, client service is of greater consequence. We all know that the Department of Veterans’ Affairs is a very good service delivery agency—despite a few grumbles from time to time. We also know that the Department of Defence is not. In fact, management of personnel during service and after discharge is one of Defence’s biggest problems; but it is not solved by effectively passing the parcel to someone else. At the end of the day, the employer in this country is responsible for the welfare and health of all employees—and, in the Australian Defence Force, this is a major task, simply by virtue of the tasks they perform.

We have already seen in recent weeks media reports of an ANAO audit which revealed that medical discharge was being used as a ruse to get rid of unwanted people. We know that rehabilitation in the Defence work force is negligible, and we know that there is almost no responsibility taken for the huge liability being incurred for the taxpayers of the future. This proposed model of governance effectively removes any OH&S responsibility from Defence, as the cost can be shifted to another agency which bears no
responsibility for any OH&S regime nor for the liability. This is totally contrary to good practice, and it is amazing that other central agencies, including the Department of Prime Minister and Cabinet—whose Secretary was once CEO of Comcare—have allowed this to happen. In this same vein, it is also noticeable in the costings for this proposal that, after the first year, they appear to grow at an exponential rate. So we simply wonder at how all this has been allowed to get as far as it has.

It is a great pity that we on this side have had to express such fundamental criticisms of some elements of these bills. The aim and intention of the bills is admirable, but the flaws are serious. Whether we on this side proceed to amend the bills in the Senate will, as I have stated, depend on the outcomes of the Senate committee inquiry. There is a great opportunity here to get this legislation right, and we only hope that the government will seriously consider the substance of what I have just said.

The policy with respect to such fundamental issues as the compensation of future members of the ADF and veterans is too important to be procrastinating on. We want to get it right in everyone’s interest, but particularly in the interests of the members of the ADF and their families. We do not oppose these bills, but I will shortly move a second reading amendment. But before I do, I want to really bring home to the House the personal side of what can be a very complex issue. I recently was made aware of a letter about a young man who died. He was a young SAS soldier and Vietnam veteran. He first came to my office when I was elected in 1998, concerned about the treatment of SAS servicemen, particularly those involved in counterterrorist activities. I want to read this letter from a colleague of his:

Last week, a bloody good former SAS soldier died. Reg Allison, 56, died with one-half of his lungs remaining, and three bugs in him that no doctor in can identify. The Mayo Clinic has still yet to respond.

Reg Allision was a two-tour Vietnam veteran who starred in Australia’s setting-up of the nation’s requirement for a world class, counter-terrorist capability.

He achieved that goal for us, and now this government has cast Reg adrift, as they have so many others.

It was during those exciting and demanding first days that Reg was exposed to an operational requirement way outside the Army safety rules. Like those around him, he went beyond to deliver the SAS capability.

He swam Bass Strait at night in 10 metre swells to storm the oil rigs, he stood a metre away from explosives to see how close is too close, he was gassed in the search for the limit we needed to know.

He gave in his attitude to doing it better ... every time.

And he succeeded.

Within three years, Australia had the equal of any counter-terrorist force world-wide. And Reg Allison spent the better part of 15 years with direct involvement in counter-terrorism for Australia.

And this government has used the capabilities of these men to enter the big league in world affairs.

(Some may say that if we didn’t have the capability that Reg developed, no Australian would have been able to set foot on MV Tampa, and that no Prime Minister may have had a diversion in critical times.)

And this government has had its photos taken with SAS soldiers, and then they have wiped them ... and they have wiped Reg Allison.

Because Reg got sick from being in SAS soldier.

In the endeavour to find why so many former SAS soldiers were unwell, Reg Allison was part of a group of ten who needed answers. These men were concerned for their own health, but more importantly, they were concerned about the potential damage to their children. These men paid for individual blood tests ... six out of ten of these men had changed chromosomes!
60% of these, Australia’s fittest men, had an incredible health risk. And, if like Agent Orange, the risk is genetic, then their children are at risk too!

This information has been with this government for four years ... and Veterans’ Affairs Minister Danna Vale and her disgraceful public service filter system continue to sit on what they know ... and she refuses to assist those she knows are hurting.

This is an uncaring Minister in an uncaring and mean government. This is Minister Vale showing the worst of politics at the behest of a government who uses and disposes of SAS soldiers.

And like Kylie Russell, Reg Allison’s wife will receive $13,500 per year as a war widow.

It’s not the money Mrs Vale, it’s why he died... and what is the future for his kids? And mine?

That is signed by a bloke by the name of Red Webb, who was a close colleague of Reg and served with him. I want to convey my condolences to Reg’s wife, Trish, and their family.

In reading that letter into the House, I want to remind people that what we are dealing with here are some very dedicated, professional, brave Australians who deserve the full consideration and support of this House.

It is for those reasons that I move:

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

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

(1) believes it contains a number of serious flaws which, if confirmed by the inquiry of the Senate Foreign Affairs, Trade and Defence Legislation Committee, will require substantial amendment; and

(2) protests at the unseemly haste with which this legislation has been prepared after years of inaction, and at the inadequate consultation with serving Members ADF who are likely to be affected”.

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

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

Mr LINDSAY (Herbert) (10.28 a.m.)—In his closing address, the member for Cowan called the government ‘mean and uncaring’ in relation to veterans. There is a pretty simple statistic which gives the lie to that claim.

It is simply this: how much does Australia spend each year on the current Australian Defence Force? The answer is $15 billion. How much does Australia spend on its veterans each year? The answer is $10 billion. I think that that comparison says a lot about the deserved support that the Australian government provides for its veterans. And the government will continue to provide proper support to the veterans of this country.

On 12 June 1996 at 7 p.m. I was celebrating my son’s birthday at home. We had a family dinner party. The radio was running quietly in the background, and we were interrupted with the news that there had been some kind of disaster at the Army’s High Range Training Area to the north-west of Townsville. I went immediately to the Townsville General Hospital to join Brigadier Mike Smith. Faces were ashen. No-one quite knew the extent of the disaster, but it became clear that 18 soldiers had lost their lives that afternoon when two Black Hawk helicopters crashed at High Range.

The next day both the Minister for Defence and the Minister Assisting the Minister for Defence came to Townsville. I joined them in flying in a Black Hawk to High Range to see the crash site. I will never forget it. I then joined the ministers and members of 5 Aviation Regiment, including the 5 Aviation Regiment commander, then Lieutenant Colonel Tony Fraser, at 5 Aviation Regiment headquarters in Townsville to provide comfort to the men and women of the regiment. But the realisation was there that many families were involved in this.
Over the time that has passed since then, it became clear that the way the compensation schemes worked for families who had lost their loved ones or who had family members injured was nowhere near appropriate. I think we were all very much troubled by the information that was coming to us, as members of parliament, and, perhaps, by how inadequate we were in dealing with disasters like this and the needs of families and their children. The result of all of that is the legislation we have before the parliament today, legislation that seeks to address very properly the concerns that we as members of parliament have had for some time.

Members of the Defence Force understand and know when they join the Defence Force that they face danger. It is not an occupation that can be covered by the rules of workplace health and safety as can be done in civvy street. There are many instances where soldiers can face unknown dangers. That can happen without warning. Who would have thought, just 1½ years ago, that the 2nd Battalion and 10 FSB would have been in the Solomons? Who would have thought they would be facing the dangers that they were facing there? And who knows where we might be tomorrow, next week or next year. The bottom line is that the men and women of our Defence Force face situations that are not faced by workers in the general community. That is why it is important that there be a proper military compensation scheme.

I admire very much indeed the professionalism and dedication of the men and women of the ADF. Mr Deputy Speaker Scott, you have moved very widely within the Defence Force, as I have. All of the members are so committed to our country; we are very lucky to have the Defence Force that we do have. It is for that reason I utterly reject a comment made by the member for Cowan in his contribution today, when he said that the government regard the ADF as stage props in their PR machine. That is offensive to me, and it will be offensive to the Chief of the Defence Force and to all of the men and women of the Australian Defence Force. I know, as the Defence Force knows, that the Defence Force is very careful to be apolitical. It does not allow itself to be politicised, and the Chief of the Defence Force, General Cosgrove, goes out of his way to make sure that the Defence Force is not put in any compromising position by any government, no matter who they are. It is offensive to suggest that the current government would regard the ADF as a stage prop. Nothing could be further from the truth. Defence will always be at arm’s length from politics.

In relation to the amendment moved by the member for Cowan, I am very concerned by part (2), which talks about inadequate consultation with serving members of the ADF who are likely to be affected. That is plainly and demonstrably wrong. In the consultation process, every major base in this country was visited by a consultation team and by officers of the DVA. Not only was every major base visited but ADF elements in Timor were also visited and even a ship returning from Bougainville was visited. Members of the ADF had every possible opportunity to be involved in the consultation process. I utterly reject the second part of this amendment, because it is 100 per cent wrong.

The Military Rehabilitation and Compensation Bill 2003 and associated legislation, which the parliament is debating today, is outstanding in that it delivers a single rehabilitation and compensation scheme for all ADF members. It will apply wherever injury, disease or death is due to ADF service. The commencement date associated with the legislation is 1 July this year. I certainly hope that the process that the Labor Party is envisaging, involving the Senate Foreign Affairs, Defence and Trade Legislation Committee,
can move quickly so that this legislation can commence on the due date of 1 July.

As the member for Cowan rightly pointed out, there is an increased focus in this legislation on rehabilitation within the Defence Force and a return to work scheme. I certainly saw that in the Black Hawk disaster. One of the pilots who was flying one of the two machines that collided and crashed—Captain David Burke—survived the crash, albeit with significant injury. David Burke lived about three streets from me in Annan-dale in Townsville, and I felt for him and his family about what had happened. Not too long after that, I was on the beach at Batagarde in East Timor, near the Portuguese forts. I had landed there by Black Hawk helicopter. The pilot, who was wearing one of those coloured visors, through which I could not see his face, got out of the machine, walked up behind me and said, ‘G’day, Pete’. It was David Burke. He had survived the crash, he had got well, he was back flying Black Hawks, and here he was—my neighbour from three streets away—landing me on the beach at Batagarde in East Timor. Getting back to work after an incident is a function of the legislation that we are looking at here today.

There are improvements to the SRCA incapacity payments to meet the special needs of the ADF. There is $100 a week loading for former ADF members, to reflect loss of non-salary ADF benefits. There is an extension of the 45-week period during which normal weekly earnings are paid in full, so that they commence after discharge and not before. There is restoration of the members five per cent superannuation contribution to incapacity payments, and there are increasing compensation amounts available for severely injured members. What is particularly pleasing is the lump sum compensation that is being increased for younger widowed partners. That is done by offering the full actuar-

ıal value of the war widows pension rather than a lump sum of $196,000 at all ages. That is a good result. There are also choices between periodic payments and lump sum payments for permanent impairment and death benefits. And VEA gold card eligibility for severely injured widowed partners and children is to extend to peacetime service.

The member for Cowan is right in that these are complex, technical bills. A lot of thought has gone into them from the government’s perspective, and a lot of advice has been received and accepted from members of the Australian Defence Force. I certainly ask the parliament, and I ask the Senate, to deal with this legislation expeditiously so that this all-encompassing single rehabilitation and compensation scheme can be adopted as soon as possible.

Mr BEAZLEY (Brand) (10.40 a.m.)—George Orwell, in one of his many articles supporting the British war effort during the course of the last world war, said this:

We sleep safe in our beds because rough men stand ready in the night to visit violence on those who would do us harm.

To update George Orwell’s statement now, I guess you would say ‘rough people stand ready to visit violence on those who would do us harm’. When Orwell used those words he established—and he was not alone, of course; there was a general appreciation in our society then, and there still is—that there are a group of people in our country who will volunteer, or who were occasionally in past wars conscripted, to defend the survival of their people and of their nation. A defence force is absolutely essential in every modern state, and it is particularly essential to a nation like Australia, which must, from time to time, contemplate the fact that, whatever allies we might have, we will have to shift for ourselves in quite definable circum-

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stances, which have indeed occurred from time to time.

I believe that there are three ways that we can honour the men and women in this country who choose to dedicate their lives, or a portion of their lives, to that sort of service to the nation—a service which might ultimately conclude in their death or serious injury. We can, of course, also perform those same three services for their families and for those who depend upon them.

The first way is to ensure that they are properly remunerated when they serve, that they or their families are properly compensated for any injuries that they might suffer when they serve and that their families are compensated in the event of their death while in the services. That is one way we can honour them. The second way that those of us in politics can honour them is not to exploit them for our own ends but to ensure that our personal dealings with them at all times are based on that professional relationship that must exist between those who determine whether or not to go to war and those who go to war. The third way we can honour them is to set a strategy which is relevant to the defence of this nation in the foreseeable circumstances which we may confront, and that is clear-cut guidance as to how a force structure may be developed, how it should be equipped, and what tasks our personnel need to be trained to do for the job that they need to do. Those are three ways that we can honour them.

We had the member for Herbert in here a moment ago complaining about statements made in the excellent address by the Labor Party’s parliamentary secretary on defence matters and veterans affairs, the member for Cowan. He was grizzling that the member for Cowan had made a suggestion that, some way or another, the member for Herbert’s party may have been prepared to exploit, for political purposes, issues related to the defence forces.

I recollect that, when we were sending troops to East Timor, the member for Herbert made one memorable comment after Prime Minister Howard appeared at their departure, by describing the regiment, in a flush of enthusiasm, as ‘Howard’s own’. At the time the press reported some confusion among the commanding officers and others of the regiment, who thought the regiment’s name had actually been changed to ‘Howard’s own’. That they should think of that for a minute as anything other than a throwaway line was evidence that within the defence forces they had noted the way in which their departures were addressed and assessed by our political leadership for the photo opportunities that they provided.

You would have to be a complete fool not to assume that the performance of the Prime Minister in departures prior to the last election, and subsequently, were not in some way or another related to his political interests. You would have to be an all-plastic clockwork wind-up Babbitt of a commentator on political affairs if you simply took at face value what the Prime Minister had to say about such occasions.

That behaviour by the Prime Minister is not unique, except in the dimensions of quantity. Political leaders of both political hues in times past have, from time to time, used photo opportunities with the defence forces to enhance their reputations as persons serious about national security, and it will ever be thus. As I said, the only distinction in the case of this Prime Minister is quantitative, not qualitative. However, it has to be said that a quid pro quo emerges in relation to that—that you accept responsibility where you ought to accept responsibility.

In my constituency there is deep resentment—mitigated by the passage of time, of
course—and there is deep resentment amongst members of the Royal Australian Navy at the way in which they believe themselves to have been lumbered with responsibility in relation to the so-called kids overboard incidents which occurred immediately prior to the last election. That particular service by the Royal Australian Navy was not popular service—although, in circumstances where we do not have a coast guard, it was necessary service. It did not test their full military skills. The Navy deeply resent having been put out there as well as the fact that politicians worked overtime to shift blame onto them for the so-called misreporting of events which occurred whilst they were on watch.

I have put a series of questions on the Notice Paper, and it has sat there for 13 months. I believe the answers to those questions would establish quite clearly the Prime Minister’s own knowledge of and responsibility in this matter. Those questions remain unanswered, and I will bet my bottom dollar that they will remain unanswered until the day the next election is called. The Prime Minister said that this is the place where those questions are answered; however, the Prime Minister does not answer the questions put to him on those matters. It is disgraceful behaviour, really, but it is par for the course from this government, which has taken every slightly doubtful or questionable practice of times past in this particular area and made an absolute meal of it. As I said, it is not so much qualitatively as quantitatively a difference.

Not exploiting the defence forces politically is one way we can demonstrate the seriousness of our commitment to those who are prepared to pay the ultimate price in serving the interests of this nation. A major way we can do this is in how they are remunerated and how they are cared for when their service at the end of the day may produce a situation in which they are injured or killed and the survival of their families as a viable economic entity is placed at risk by those events having occurred.

This legislation addresses those issues. It is very complex legislation, and it will be properly studied in the Senate. It needs to be properly studied in a way that allows maximum input for members of the defence forces, now that they see the completed item—to get their views across to the government—and the government ought to be sensitive to what they have to say to them. It is not enough to have simply consulted members of the defence forces while the legislation was being drafted, although it is good to have done that. They need to see the final product and we need their views on it. The Senate committee process should be able to provide us with that.

At this stage I will focus on one element of this legislation that concerns me. There would be a widespread view, particularly in the veterans community—and it is important that we understand that this legislation does not relate to issues of past service; it is purely prospective—that it is appropriate to have substantial differentiations between injuries and deaths that are incurred in the context of warlike service and those which may occur in accidents domestically in association with activities by our military forces. There would definitely be a widespread view among the veterans community that it is appropriate that that distinction be sustained. I am not sure that it is.

I think times are changing. The character now of contemporary exercises and the tasks performed by the defence forces domestically, even on non-warlike deployments overseas, can create sets of circumstances almost as dangerous to the personnel as service overseas in times of war. The member for Herbert spoke movingly of the Black
Hawk disaster, which probably set in train the overlengthy process by which this legislation has finally arrived here. But it needs to be recollected that that disaster, which caused such terrible mayhem among the members of our special forces, occurred during a peacetime exercise. Were that disaster to repeat itself, say, next year, under the circumstances that are outlined in this legislation, the optimal payments in this legislation would not apply. 

Frankly, I do not think that is appropriate. It definitely needs to apply to our special action forces who exercise realistically all the time, with live ammunition, with explosives, in night flying and dangerous contexts at sea and over land. They are constantly, day to day, placing their lives at risk and certainly placing themselves in situations where injury is likely. You cannot have special action forces trained any other way. It does not seem to me that the emphasis of this compensation package properly reflects what is a very new path for the Australian Defence Force—at least new on a permanent basis and at the levels of intensity of the exercising that they do now.

My constituency contains a very large number of people in the Royal Australian Navy. They are, in the course of affairs, spending a considerable amount of their time overseas, not necessarily on warlike deployments. But I noticed the other day the Chief of Naval Staff pointing out what is undoubtedly a fact in the situations that they confront: that they deploy in areas where piracy is rife and terrorism is becoming more prevalent. The deployments that they make in those areas are invariably part of arrangements or activities associated with the Five Power Defence Arrangement, with exercising with our allies or with showing the flag in our region. But it puts them in waters where they may conceivably be endangered, either by terrorist attack or because they set out to deal with pirates.

An awful lot of the Law of the Sea was devised to deal with the issues related to the Barbary pirates back several centuries ago when the British Navy decided they would root out one scourge of the Mediterranean. There is a status in international law granted to navies that permits hot pursuit into the territorial waters of other nations to deal with acts of piracy when they come across them. Should the Royal Australian Navy, in the circumstances identified by the Chief of Naval Staff a week or so ago, find itself in an exchange of fire with people involved in what is now becoming a quite prevalent practice in areas in which we engage in activity then I believe under this legislation any injured naval personnel would not be entitled to the optimal benefits, and that is a situation which simply should not prevail.

As to the third circumstance, our special forces, our engineers and others in our defence forces are now being tasked to deal with any act of terrorism domestically, including acts which may involve the use of chemical, biological or nuclear materials. We have now a substantial number of members of our armed forces trained both to deal with hostage incidents and incidents associated with terrorists using, effectively, weapons of mass destruction. It is not clear from this legislation that any serving personnel injured in these circumstances—and many would be likely to be injured—would attract the maximum of the compensation arrangements available here.

I could go on through a number of other instances. I have spoken about what is only a small number of members of our defence forces—although not of course in the case of members of the Royal Australian Navy. But one could go on to the exercise activities associated with the army generally, and with
the air force. More and more, they engage in realistic exercises involving dangerous activities in relation to the way they fly, in the case of the air force, or the way in which they battle harden themselves, in the case of our ground forces.

You cannot draw the distinctions now between the activities of service overseas and service domestically as perhaps you once could before World War II, when our army consisted very largely of members of the reserve forces with very few training days attached to them and very little capacity to fire ammunition. The subsequent experience of the AIF when it was deployed in the Middle East, or for that matter the subsequent experience of those same individuals in the reserves when they were deployed overseas in New Guinea, was very distinct. But the distinctions are not the same now. There is a much closer relationship now between the two types of services, warlike and non-warlike. Though there would be many in the community who would argue that the distinction ought to be sustained, I am not one of them.

It is very necessary when the Senate committee sits down to contemplate these matters that they look very carefully at and listen very carefully to the submissions that will be made to them by many people—not least members of our special forces—to have them think again about provisions in this legislation which diminish their access to compensation. I cite again that tragic event that the member for Lindsay alluded to at the beginning of his remarks, which, as I said, probably set in train the very lengthy process by which these bills have finally come before us. Those members of 5 Aviation Regiment, those members of the SAS, their widows and their families under this scheme would not have received optimal compensation in the arrangements that have been put down.

This is a difficult area in which to arrive at clear-cut or satisfactory definitions but the attempt has to be made. They are complex bills. This will add somewhat to the complexity of them. But it would add to the complexity of them in a way that I think many members of our armed services both expect and, if we properly addressed it, would find satisfactory. At the end of the day, the Labor Party will be supporting these bills because we have long advocated the sorts of changes that have been put in place here. However, the devil is always in the detail. I have mentioned some of the detail. Our spokesperson in this House mentioned other aspects of this detail. I would urge the government to be fully supportive of the process which sends this to further analysis by the Senate and approaches any recommendations they make with a very open mind.

Mr HUNT (Flinders) (11.00 a.m.)—I rise to speak on the Military Rehabilitation and Compensation Bill 2003 with a great deal of pride in the work of the defence forces but more particularly to the work of members, both past and present, of the defence forces who reside within the electorate of Flinders—in particular, those resident at HMAS Cerberus and those who have served at Cerberus. I speak with pride also about the reforms which are included in this bill. It is an important bill which recognises the service and the contribution of Australia’s Defence Force personnel and the risks they take.

In particular, the bill recognises and responds to the need for a new scheme that accounts for the realities of military service today. It was developed in close consultation with Australian Defence Force personnel and with veterans and their representatives. We recognise that it is a bill going forward. It will not affect current veterans or war widows who are receiving benefits under the Veterans Entitlements Act 1996, but it moves...
forward and looks to circumstances yet to come.

In looking at this bill, I wish to address three questions. The first question is the broader one of the emerging international environment; the second is the role of defence personnel within that environment; and the third relates to the core elements, provisions and reforms for greater compensation that are contained within the bill itself. The emerging international environment that we now look at is a changed one. It is not just the classic confrontation between state and state but one which has a great deal more hope attached to it. The Kantian ideal of perpetual peace is in no way a reality, but there is a spreading of peace and a basic equality between democracies is emerging and expanding. Expanding democratisation provides for a much more stable international regime. On the other hand, however, the increasing role of non-state actors—whether through a form of ideology or anarchy—and their capacity to access weapons which can have an impact not just on individuals but, more frighteningly still, at a societal level is a new challenge. It is a fundamental challenge faced by Western democracies and by states aspiring to democracy.

All of those are critical steps which create a new international environment. So, whether it is terror, piracy or policing and control of non-state actors, these are realities which our defence forces have to face. As a modern nation we have to equip our defence personnel and they have to play that role. The simple historical role of protecting against state versus state conflict has changed, and that must colour and inform the way in which we treat our defence personnel.

The new roles of our defence personnel are really threefold. Firstly, they have a classic response role: their work as a national defence force. Historically that has meant protecting Australia’s borders, protecting Australia through advanced international engagement and ensuring that, as a country, we have a credible defence force deterrent.

Secondly, however, since 1948, when we sent our first four advisers into Indonesia, and increasingly over the years, they have a role as peacekeepers. Australia’s peacekeeping record is an outstanding one. Whether we cite Cambodia, Rwanda, Iraq, Afghanistan or, perhaps most notably of all, East Timor, we see that Australia’s defence personnel have played a highly effective and extremely important role in many of the world’s great peacekeeping operations over the last two decades. In that situation they come in harm’s way. They place themselves between civilian populations and would-be aggressors; they place themselves between combatants of either side and they place themselves between anarchy and order. Those are absolutely critical roles that our Defence Force personnel play. They are on the ground. They contribute to international stability and, through that, to both a better life for the people in the countries in which they are serving and a more stable international environment—which, in turn, contributes to a more stable and secure Australia. That second role of defence personnel is extremely important.

The third role—one which has developed in importance over the last five years and which will become increasingly important over the next 15 years—is what you might call policing. That policing can be both international and domestic. Here I take on board some of the points made by the previous speaker, the member for Brand, who has experience in this area. Whilst I disagree with some of his recommendations, I certainly accept and embrace the notion that there is a much greater role, which will continue to increase, for defence personnel in what may effectively be called policing. It occurs because of the rise of non-state actors
as a credible threat not just to Australia’s security but generally to international security.

When I say ‘non-state actors’ I effectively mean two things; I talk about terrorists and pirates. Pirates are driven by a personal gain motivation; it is economic theft. But it is economic theft on the high seas. It puts shipping and international trade at risk. When people talk about trade, sometimes they think of it as high commerce. Trade actually means jobs at either end of the equation. It is about jobs and family life and about the impact on people who create and the impact on people who purchase. Piracy has a huge impact on the lives of those who ply the seas and who transport goods from one country to another. Defence Force personnel play a role in addressing and ameliorating piracy, which is a risk and a threat.

Secondly, at this level of policing there is also, and perhaps most importantly, the increasing threat posed by terrorists. This absorbs an enormous amount of time within our intelligence services, our policing services and our Defence Force. Defence Force personnel play a critical role, and will increasingly play a critical role, in helping to root out the sources of terror—the people who would try and bring down the very concept of the state through the use of force, through the use of violence and through the transmission of materials, whether chemical, biological or ultimately nuclear, from private hands to private hands. They are against the concept of the nation, because for ideological reasons they do not believe in the constructs which make up modern Western societies. That is a threat which Defence Force personnel are dealing with right at the front line.

All of these three roles—the classic, the peacekeeping and the policing—require an utterly professional Defence Force, and that means they have to face new training requirements. This training is based on live fire exercises and conditions that replicate the harsh realities of international policing, peacekeeping and classic defence roles. In that situation, we have to recognise that there will be challenges and I believe the old definitions of warlike and non-warlike circumstances may have to be changed in the future. I do believe that there is a good case for that. I state that on the floor of this House, and I state that unashamedly, because I think it is recognition of the new international environment and set of circumstances faced by our defence personnel. In that situation I welcome the Military Rehabilitation and Compensation Bill 2003. I welcome the fact that it addresses many of the issues—but there are still more to be covered. It is a step along the route towards the new circumstances faced by our defence forces.

Before addressing the core provisions of the bill I want to look backwards to the circumstances of our existing Defence Force veterans. In particular, there has been some debate and discussion this week about the implementation of the Clarke report and its recommendations. I want to express my views—in public, on the floor of this House, so I am held accountable for them—in relation to the incapacitation payment for our TPIs. I do clearly believe, and I have argued before, that the indexation of the TPI payment should be to male total average weekly earnings, not just to the CPI. The linkage should be to what is sometimes known as the MTAWE—male total average weekly earnings—benchmark and not just the CPI so that our veterans can maintain not just their real but also their relative position within our society. That is an important statement to make. I welcome the fact that it is being reviewed by the government, and I appreciate the work of the Prime Minister and the Minister for Veterans’ Affairs on that front.
This bill recognises a series of changes that need to be made. The first is in relation to rehabilitation. It will assist injured members to make the transition into normal civilian life. In particular it includes assessments for all members or former members who subsequently have a claim accepted and, importantly, it changes the groundwork so it is aimed at full recovery and return to work wherever possible—not because that is a money-saving initiative but because, more than anything else, that capacity to work is about people moving forwards and not looking backwards. It is about giving them a dignity, a hope, a respect and a capacity to control their own lives.

The second great reform within the bill is in relation to compensation. Compensation payments will match those provided under existing legislation, ensuring that maximum permanent impairment and severe injury and incapacity payments will increase. No-one will be worse off and, where there are injuries, impairment payments will increase. That is critically important. In particular, for severely injured persons there will be a choice of incapacity payments to age 65 or a safety net payment at the special rate disability pension.

The third of the reforms which I wish to mention is in relation to incapacity payments. Former members who are incapacitated will be offered a special tax-free rate of disability pension safety net for life. That is an important step forward. There are a series of other reforms in relation to treatment benefits, compensation for eligible widowed partners—so widows will receive improvements—and, significantly, financial advice. So there will be advice provided to our future veterans as to how they can best protect their own financial positions and prepare for the future.

In closing, I wish to recognise that I have an enormous number of veterans who have served our country living within my electorate of Flinders and, whether they are represented by the RSL in Rosebud, Rye, Dromana, Red Hill, Hastings, Crib Point or Cowes, all of them have contributed enormously. They have served the country well, and I believe that they have been well served. I hope that we can make the change recommended in the Clarke report, and I am confident that we will do so. That will be an important recognition. But, looking forward to the future members of those RSLs—the current members of the defence forces—the Military Rehabilitation and Compensation Bill 2003 makes important steps and provisions along the way to recognising the new international environment and challenges that Defence Force personnel face and, accordingly, to compensating them for their injuries and hardship, and the bill tries, above all else, to help them on the road to recovery so that they can live a full life.

Their work is noble work: it serves Australia in classical defence, it serves the international community in peacekeeping and it serves future generations through policing. I thank them for their work. I commend the provisions of the bills and I hope that all members of the House will recognise the importance of the work done by the ADF and the need to ensure that there are incentives for and acknowledgements of the work that individual members of the Defence Force personnel carry out in the service of the nation.

Mr SNOWDON (Lingiari) (11.15 a.m.)—Let me first say how pleased I am to be able to participate in this debate, because these are fundamentally very important pieces of legislation that we are discussing—arguably, the most important of this kind since the genesis of the Repatriation Act after World War I. I want to make a number of
comments later about the member for Flinders’s contribution, particularly the latter part, but I will leave that for the moment. First I will recap what the Military Rehabilitation and Compensation Bill 2003 and the Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Bill 2003 are about. They provide for a new, single military compensation scheme, replacing both the Veterans’ Entitlements Act, or VEA, and the Safety, Rehabilitation and Compensation Act, or SRCA, as they apply to all ADF personnel and ex-service personnel, including veterans, for all service related illness and injury occurring after the commencement date of 1 July 2004.

These bills are a combination of both previous acts, although the primary model is the SRCA, which is a modern workers compensation scheme in structure and process, as opposed to the VEA, which has its origins in World War I and some of which has long been inappropriate, as I am sure we can all understand. Significant elements of the VEA have, however, been transferred across to provide continuity in some traditional approaches to veterans matters. Significantly, the new bills do not affect existing entitlements, so both the VEA and the SRCA will continue to operate into the future, hence the extensive transitional provisions that are contained in the consequential and transitional provisions bill. The new bills will apply to all service—peacetime, warlike and non-warlike. However, while there has been some useful integration, some distinctions remain by way of more generous benefits for non-warlike and warlike service.

All previous speakers have referred to the opposition amendment, and I note particularly the contributions of the member for Brand and the member for Flinders. I have pleasure in supporting the amendment because, firstly, the opposition is proposing to include words which indicate our belief that the bill contains a number of serious flaws which, if confirmed by the inquiry of the Senate Foreign Affairs, Defence and Trade Legislation Committee, will require substantial amendment. Secondly, we are protesting at the unseemly haste with which this legislation has been prepared, after years of inaction, and at the inadequate consultation with serving members of the ADF who are likely to be affected.

I want for a moment to refer to that latter point. I heard the contribution of the member for Herbert, who dismissed quite abruptly the proposition that is contained in this amendment by the opposition—that is, there was a lack of consultation. There are several aspects to this which I would like to question. Why is it that the agency responsible for this was the Department of Veterans’ Affairs? Why is it that the minister who put this legislation before the parliament is the Minister for Veterans’ Affairs and not an appropriate minister from the Defence portfolio? Why isn’t Minister Brough putting this legislation through the parliament? How is it that the employers of serving Australian Defence Force personnel, the Department of Defence and the Minister for Defence, are not engaged in promoting this legislation in this chamber and in the Senate?

I find it passing strange that the conditions which pertain to existing defence personnel as of 1 July 2004 are being negotiated by the Department of Veterans’ Affairs. These people are not veterans; they are serving personnel. We were told by the minister and by the member for Herbert that there has been a great deal of consultation with Defence Force personnel. Indeed, the member for Herbert talked about people on board a vessel coming back from I am not sure where—Bougainville, I think he said—being consulted, as well as people in Timor. He said that members of the ADF had every possible opportunity to be involved in the consulta-
tion process. I question that because I do not think that was the case.

I suspect that there is a low level of understanding by defence personnel and, significantly, by those people who would benefit from any compensation scheme should one of these defence personnel tragically die as a result of their service. Have the spouses and families been consulted? What efforts were made by either the minister who is sponsoring this bill through the parliament or the ministers responsible for defence personnel and defence generally to ensure that every household that includes defence personnel was engaged in some sort of process to discuss this legislation? It will potentially affect them and their families.

I have it on good authority that there was very little consultation with families. I also have it on good authority that, despite the roadshow that went around various bases across Australia, this legislation is not properly and widely understood by serving Defence Force personnel. Whatever benefits—and there are many—are contained in this piece of legislation, the fact of the matter is that we are not dealing with veterans. Whilst it was important that the veterans community was involved in the discussion about the components of this legislation, the most important group of people, who should have been engaged totally and been asked to focus on this piece of legislation, are serving Defence Force personnel.

Mr Deputy Speaker Scott, as you know, due to your previous role as a minister in this government—a minister responsible for defence personnel issues—I have in previous times had reason to argue with you and the government about the lack of consultation and the lack of engagement and involvement with Defence Force personnel in determining defence personnel matters. This is just another example. I am most concerned because, whilst they may have spoken to, say, four or five per cent of the defence personnel community, that is not, in my view, nearly appropriate in ensuring that all defence personnel properly understand the implications and ramifications of what is contained in this legislation.

I would argue also that, because these are defence personnel related issues, they should have been part of a formal process of discussion and, indeed, negotiation. These are, in effect, entitlements that will accrue to defence personnel and their families should they be engaged in an incident which causes them to be injured or, tragically, die. It seems to me that it is negligent of the government not to properly engage those people. There are 10,000 or so defence personnel and families in the Northern Territory. My electorate, Lingiari, covers 1.33 million square kilometres of the Northern Territory. We have a number of bases. The major operational unit in Northern Australia—NORFORCE—operates out of Darwin and across communities across the north. What discussions took place with those NORFORCE personnel in their home communities? I think it is extremely important that this matter is properly understood.

I am not going to repeat the detail of the legislation, which has been covered adequately by the shadow spokesman, the member for Cowan, in his very eloquent and erudite presentation to this chamber. But I do want to traverse the issue which was canvassed substantially by the member for Brand and the member for Flinders. That goes to the question of differential payments. We are advised that in this legislation there will be a differential entitlement depending on whether or not the action was a warlike activity in active overseas service. The payment is an additional lump sum of $100,000 for those killed in active overseas service and $40,000 for those killed in peacetime domes-
tically. It is true that these benefits are significantly better than those in the current VEA and are therefore very popular, certainly with the veterans community.

The question, though, is whether there should be a difference in the additional sum for those whose partners die in non-warlike service and those who die in warlike service overseas. Some see this as differentiating grief and others see it as discrimination against serving personnel with peacetime service only. Those who defend the status quo argue that it is a traditional benefit for those sent overseas where the government knowingly puts lives at risk. I think there is a very strong case that lives are put at risk on a daily basis through the training activities of the defence forces. We know only too well that historically a very large number of Defence Force personnel have died in pursuing these training exercises. Many of them do seek to replicate warlike activity. For all intents and purposes, they might as well be at war, because the exercises are extremely important and the defence forces are extremely vigorous in ensuring that they simulate warlike conditions.

I should point out that that does not, of course, allow us to move away from the fact that we have personnel currently serving in Iraq. As recently as a fortnight ago, members of the 2nd Cavalry Regiment—2 Cav.—arrived back in Darwin after serving in Iraq. There is no question that they were in warlike circumstances, but there are some definitional issues. On the issue of Defence Force personnel conditions, I recall that there were elements of the Australian Defence Force who went to Timor as part of a training group to work with the East Timorese defence force and were given different conditions of service and regarded differently from personnel who were working in maintaining the peace.

We need to be very careful that we do not have a two-tiered system where there are differential arrangements. There is absolutely no doubt about the danger of the activities of our special services, whether in peacetime, in training or when undertaken by the defence forces at the direction of the government. We need to be very careful that, for one reason or another, we do not regard a life that has been tragically lost as a result of some warlike activity overseas as any more important than a life lost whilst engaged in proper activity undertaken by service personnel here at home or in exercises with other nations.

Mr Deputy Speaker Scott, I notice that, in cooperation with the defence forces, the parliament has introduced a very good program called the Australian Defence Force Parliamentary Program 2004. I got the booklet this week, and you would have received a copy. You would have read, as I have, that there are opportunities to work with NORFORCE, which is, I might say, a fully operational unit. When these people are doing surveillance activity on behalf of the Australian community and one of them unfortunately has an accident or loses their life, are we to say that that life is worth less than a life that is lost whilst in an operational unit overseas? I suspect not.

Flicking through this booklet, I found that it gives a fairly good idea of the breadth of activity being undertaken this year in terms of our engagement with our neighbours and allies. I would have thought there is every potential in these combined activities for some accidents to happen in which lives are unfortunately lost or people become disabled. I suggest that we need to think very carefully about these sorts of differential arrangements and I am most concerned that we should not take the view—which some would have us take—that people who serve overseas, whether undertaking warlike ac-
activities or peacekeeping activities, should somehow be treated differently.

Lastly, I want to come to the points made by the member for Flinders in relation to the Clarke report and the actions of this minister. We know that this minister has created a disaster for herself and for the government. She is unable to convince her party room about the importance of her submissions to the cabinet or about the importance of the cabinet’s approval of a document. We know that the party room reacted adversely. In this chamber this morning we saw one of the reasons why the party room reacted adversely, when the member for Flinders got up on his scrapers and said very clearly that there were elements of that report with which he disagreed. It had clearly not been discussed with his own party room. It makes you wonder what is going on. It is not my intention to traverse all the details of that particular argument in terms of veterans’ entitlements, but it is fair to say that the government have not listened adequately to the views expressed by those on TPI benefits or by other elements of the veterans community in relation to promises which the government had previously made.

It is absolutely no wonder that the backbench revolted; the submissions by most of the veterans have been dismissed. You could argue that if the government had any understanding of what was going on in the community they might not dismiss them so easily, yet they have. You wonder why that should be the case. Is it because the minister responsible is so totally incompetent that she is unable to get across the intricacies of her work? Is it because she is so incompetent, so blind—in the sense of being unable to see the error of her judgment—that she cannot convince the Prime Minister and his cabinet colleagues? What is going on in that cabinet room if they cannot understand the need to adequately and properly address the significant demands and requests of the veterans community?

The legislation we have before us today is, however, quite important. There are significant benefits to be obtained from it. There are significant questions yet to be answered. These matters will be discussed by a Senate committee, and I hope that when the committee makes its recommendations, as it ultimately will, that may lead to an improvement of this legislation through amendments adopted in this chamber and in the other place.

Mr JOHNSON (Ryan) (11.35 a.m.)—I am pleased to speak in the parliament today on the Military Rehabilitation and Compensation Bill 2003 and the Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Bill 2003. In particular, I am pleased to put some perspective and some sense back into the discussion, following the member for Lingiari’s attacks on the Minister for Veterans’ Affairs. Given the minister’s background—her father and grandfather, in their service to this country in times of war, contributed to the freedoms which all Australians enjoy today—I think it is a bit rich for the member for Lingiari to engage in attacks on the minister’s contribution to this country in her portfolio responsibilities.

This legislation is most welcome and it is going to value add tremendously to the range of legislation that the parliament has passed in recent times. It shows the government’s support for our veterans and military personnel whose families have been affected by tragedy. I know that all members of this parliament admire our Defence Force personnel tremendously and are very grateful for, and very supportive of, their contribution to this country in decades past and their recent service around the world in these troubled times. I am pleased that the government is

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continuing its support for them through this legislation.

These two bills have come about in response to the findings of the inquiry into the tragic events of the Black Hawk disaster of 1996 and the recommendations of the Tanzer review of military compensation in 1999. Whilst I am referring to the 1996 Black Hawk tragedy, I also think it is appropriate to make comment in the parliament on the accident last week in south-west Queensland, where a Black Hawk helicopter crashed into a paddock. We can all be very grateful that eight defence personnel in that aircraft somehow miraculously survived. I know that the thoughts of all members of the parliament are with them and their families as they recover from that terrible accident.

The Tanzer review addressed issues regarding the adequacy, equity and relevance of existing compensation arrangements for the ADF. At present two acts—the Veterans’ Entitlements Act 1986 and the Safety, Rehabilitation and Compensation Act 1988—cover this area of legislation. The proposed changes that I alluded to are welcome. The Military Rehabilitation and Compensation Bill 2003 will consolidate and make uniform the ADF’s rehabilitation and compensation procedures. The bill’s commencement date is anticipated to be in July 2004, and the bill will apply where injury, disease or death is due to ADF service on or after that commencement date. The VEA and the SRCA provide differing models and definitions of compensation. This bill will implement a singular method and procedure to formulate rehabilitation and compensation decisions for future claims.

I want to speak briefly on the nature of the compensation claims. Maximum compensation claims will increase substantially for permanent impairment to $240 plus per week and lump sum payments will increase to $309,000. This is compared to the current VEA rate of $144 a week and SRCA rate of $235,895. This is, by any standards, not an insignificant difference, and I think all those who may be recipients of these benefits will agree that it is a welcome increase.

Those eligible for maximum permanent impairment compensation will also receive a tax-free lump sum payment of $61,800 plus education assistance for each dependent child. Most benefits will be indexed according to the CPI as at 1 July each year, while incapacity payments will be adjusted by an ADF wage or civilian wage index. An important initiative in this legislation that will be very welcome is a new body to be created through it—the military rehabilitation and compensation commission. This commission will be responsible for the regulation and administration of the scheme through the Department of Veterans’ Affairs. The new commission will be made up of representatives from the Repatriation Commission, the defence forces and workplace relations. All claims will be able to be reconsidered through the commission, with an option for review by the Veterans’ Review Board, and of course the Administrative Appeals Tribunal process will allow for further appeals if deemed appropriate by those concerned.

The legislation also offers a renewed focus on rehabilitation issues for veterans who suffer disability related to their service. Veterans who are medically discharged will have their cases individually managed to assist them in the transition to civilian life. I think this is a very important feature that all members of the government should stress to their electorates and to the constituents who are concerned. I know that the electorates of most members of the House have a significant presence of veterans and those affected by military service. It is something that we should be very confident in coming forward and pointing out.
Assistance with household and attendant care and vehicle modifications will also be provided for those with accepted conditions. A telephone allowance will be payable where the member meets specified criteria or is eligible for maximum permanent impairment compensation. Those veterans with permanent impairment of more than 50 points will be provided a number of options for compensation. To assist veterans in making this important decision a payment of up to $1,236 will be available to contribute to the cost of financial advice. Treatment will also be covered for those veterans with accepted conditions of 60 or more permanent impairment points through the gold card or the white card in other cases where ongoing treatment is required.

The dependants of those veterans who, tragically, have been killed in the conduct of their duties will also receive funeral assistance of up to $4,738 and a wholly dependent partner may also receive a bereavement payment equal to three-plus months of the member’s normal entitlements, to assist the bereaved during this terribly difficult time. Compensation for dependent partners will include a weekly payment equivalent to the VEA’s war widow’s pension or its lifetime equivalent in an age based lump sum. Additional lump sum payments will be available depending upon the type of service the deceased was involved in at the time of their death. Dependent children, it should be noted, may also receive compensation—some $61,800 each plus almost $70 per week in education assistance.

The area of veterans’ affairs is one that concerns all members of the parliament, and it is something that this government is very strongly committed to. There is no doubt that veterans as a group, and the ADF as an institution, are very important in our country. It is entirely appropriate that this government and this parliament show unreserved commitment and acknowledge what they have done for this country.

I want to relate this legislation to my own electorate of Ryan, where I have had the privilege of being the member since the last election in November 2001. One of the initiatives that I have been able to implement has been to establish a veterans’ affairs advisory committee. When I called for expressions of interest from the community, and particularly from the veterans’ community and members of the RSL groups, the expression of interest was substantial throughout the entire electorate of Ryan. The Minister for Veterans’ Affairs very kindly helped launch the committee last year. It is no coincidence that at our first meeting, held in September last year, aspects of this legislation came before us for discussion. The response from members of the committee was very positive towards this legislation.

The committee members are a very distinguished group of veterans who are very pro-active in the community, very community minded, and especially very keen to ensure that the interests of veterans and widows of veterans are taken into account in government policy. I want to formally pay tribute to these individuals who have given up their private time to make a contribution to the community of Ryan and, in an indirect sense, to their own country through their contribution to the Ryan veterans’ advisory committee. Brigadier Douglas Formby of Kenmore Hills, with 33 years of active service in the Army, is also President of Legacy—a very important organisation in our country; Dr Barry Smithurst of St Lucia, a medical doctor who served twice in Vietnam with a surgical team, brings a wealth of experience and rigour to our committee; Les Carey of Pinnarra Hills is an Air Force veteran from the Second World War; Alex McKeen of Middle Park served in Vietnam and was involved in the training of our National Service forces;
Mr Col Ryan of Kenmore is a Navy veteran and an electrical engineer; and Mr Neville Lindsay is a Vietnam veteran with substantial experience in welfare related issues, particularly with respect to the concerns of Vietnam veterans. They are all distinguished Australians—distinguished by perhaps nothing more than their service to our country in times of conflict and in times of war.

Very few in this parliament can put up their hands with such confidence to say that they have made a contribution to this country in the same manner that these individuals have. When members and senators get up in the parliament to speak about these issues, they should remember that they certainly do not have a monopoly on what is in the interests of the veterans’ community. People like Douglas Formby, Barry Smithurst, Les Carey, Alex McKean, Col Ryan and Neville Lindsay, who have been at the coalface, who have been in the theatre of conflict, know more about what is in their interests than do members of parliament.

I also want to pay tribute to Dr Kim Short, a young war widow and a medical doctor by training. She is based at Amberley airbase. She was also a member of the Ryan committee. It is a great loss to the committee that she was unable to continue her membership of the committee—but it was for a good reason. She has remarried and has gone to the UK to live with her new husband, who serves in the Royal Air Force. I am sure that members of the parliament will recognise the surname ‘Short’. Dr Kim Short’s late husband—her first husband—was an F111 fighter pilot. He was tragically killed in a training accident in Malaysia.

Dr Short’s contribution to the deliberations of the committee was very substantial indeed. Her acknowledgment of the importance of this legislation in simplifying and streamlining issues of compensation reflects her interest and her ability and also reflects the integrity of this legislation and what it can do. Dr Short is the mother of three and was able to provide the committee with her first-hand account of the great difficulties that her family had when she applied for compensation and what she had to endure having lost a husband who wore the Australian uniform in the service of his country.

It is very important for me as the chairman of that committee and as the member for Ryan to point out to my constituents in the Ryan electorate that the vast number of veterans in our electorate are certainly at the top of my list in terms of the importance that they have in the Ryan electorate and in terms of my representation of them in this parliament. As I alluded to, the very first issue that we discussed at our committee meeting last September—September 2003—was the impact of this legislation being debated today. I want to thank the Sherwood-Indooroopilly RSL branch in my electorate for writing to me and suggesting this topic as a worthy matter to discuss at the Ryan veterans’ advisory committee. It shows the importance of the legislation. Their suggestion was welcomed by all members of the committee and certainly generated a very robust intellectual discussion.

The discussion amongst committee members brought home to me very strongly the importance of this legislation for current and future military personnel. The changing circumstances in our world place the armed forces in a greater light; they are much more in the public’s mind. I think it is entirely appropriate that we as a parliament respect their service to our country through discussion and exchange of ideas in this parliament about what we can do as members of parliament and as the government of the day to represent veterans on all the issues that affect them.
Overall, the members of the committee saw these bills as being very positive; simplification of and an appropriate increase in entitlements would be a welcome improvement to the system. I want to conclude my discussion and support of this bill by saying that this committee is going to be a very important sounding board to me as a member in bringing to the parliament all the important challenges that face our veterans' community. I want to again acknowledge Brigadier Doug Formby and take this opportunity to pay tribute to the work he does in assisting widows and their families in his capacity as President of Legacy. In his words, this new scheme gives tremendous options that previously have been lacking in terms of compensation procedures. Coming from someone with his status and track record of service to this country, it is something that simply cannot be dismissed. I commend the legislation to the House.

Ms HALL (Shortland) (11.54 a.m.)—I rise to speak on the Military Rehabilitation and Compensation Bill 2003 and the Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Bill 2003. This legislation is of great importance to the electorate of Shortland as there are a large number of veterans, war widows and ex-service people who reside within my electorate. I have listened to their concerns and acknowledge the fine contribution that they have made to Australia over the years.

It is important to note that this legislation brings military compensation together for the first time. Assuming this legislation passes—and there is no guarantee that it will—future ADF personnel will be covered by one act, not two, which will be a significant step forward. The dual operation of two acts, particularly since 1972, has seen a great deal of confusion. Simplifying that will be a great achievement, provided that the end result is simpler and fairer.

As my colleague the member for Cowan has stated, we are not convinced that this has been achieved in the drafting of the legislation. The difficulty is that, while it is necessary to provide one single scheme, in Australia we have two policies—one for veterans and one for peacetime service. We have a strong culture for veterans stemming from World War I, which gave those who served overseas in the most terrible conditions imaginable special recognition and benefits that were commensurate with the nature of the war fought and the state of society at that particular time. The split of culture continued until World War II, when again our forces overseas endured terrible conditions in a major international conflict.

To a large extent, this was a reflection of the voluntary nature of our forces. Since then, however, our forces—with the exception of Vietnam—have been regular forces where pay and conditions were substantially better; where sacrifices in the normal work force were not sacrifices to the same degree. That is not to say that conditions were any better—in fact, we know that in Korea and Vietnam they were very tough indeed.

In coming to a new single scheme for military compensation, it is important that the traditional values we attach to service overseas—especially where conditions are extreme and where our service people's lives are threatened—are properly matched against the standards we have come to expect for a salaried and superannuated work force. That is the tension in the policy behind this legislation. The question, therefore, is whether the government has got it right, and we question that.

From listening to veterans in Shortland, I am very aware that there is a very strong desire to ensure that the values and benefits attached to veterans in the past are maintained. Mr Deputy Speaker, I am sure that...
you get the same message from veterans in your electorate that I receive from mine. Comparison will be made of the proposed new scheme against the old scheme. We therefore need to be assured that there has been no dilution. Preferably, we should be making sure that deficiencies in the current scheme, as they operate singularly and in tandem, are fixed.

It is instructive to look at some of these deficiencies, and so I refer first to the needs of war widows. I have many war widows in my electorate, some who do it tough and others who think the system is unfair. It is pleasing to see in these bills that it brings together the old with the new. A clear choice has been made between a lifelong, indexed, tax-free pension and a lump sum equivalent—that is, a choice of a pension of $13,000 a year or a lump sum of $380,000 in lieu for a widow aged 35.

It is also pleasing to see that the additional lump sums made under the Defence Act are to be retained, though there is a sharp difference of view as to whether a widow of a serviceman who died in peacetime service should be entitled to such a lump sum, which is $60,000 less than that received by a widow whose partner died as the result of service overseas on warlike duty. Some, who subscribe to the traditional difference attributed to overseas service, believe that the difference is supportable. Others, who do not distinguish between grief for a loved one lost in peacetime service and a loved one lost overseas, do not.

Another longstanding shortcoming of the policy towards widows, which does not change in this legislation, is that a widow’s benefit is dependent in value not just on the type of service rendered but on proof that the cause of death is service related. There are many widows in my electorate of Shortland who have been denied a war pension simply because they have been unable to show that the cause of death of their husband was service related. I would like to touch on one particular case of a woman whose husband’s death was related to his service. Unfortunately for that woman, her husband was treated in a hospital in an area where he was unknown, and the doctor failed to write on the death certificate that the cause of death related to his service. For many years this woman has been trying to resolve the problem, but it has not been resolved—and that is because of the failure of the current system. We know that these problems exist and that the probability of proving that death is related to service declines rapidly with age. The result is that we have two classes of widows of ex-servicemen: those who can prove the link and those, like the constituent I just spoke of, who cannot. This will not change as a result of this legislation, and that is a great pity.

On a more positive note, it is pleasing to see that future widows will be treated more generously and that there will be no discrimination in benefits depending on children. Here I refer to the grossly unfair provision of the Veterans’ Entitlements Act which denies war widows access to the income support supplement—and therefore the concession card—where they are widowed and have no children living at home. I am sure most of the members in this House have been visited by widows of veterans who are in this situation. It often occurs in relation to widows of Vietnam veterans. This is very unfair, not just because these widows experience such a dramatic drop in their entitlements at the time of the death but also because a widow with children who subsequently sees them leave home retains the ISS.

It is a great pity that we cannot make some of these policies retrospective. While I do not as a rule believe that legislation
should be retrospective, this situation poses the question of how we can get past policies more in line with current policies and those of the future. The blending of war widows entitlements between the old and the new legislation is a very good example of this issue, and we can only hope that in future policy formulation more initiatives will be taken with the goal of bringing policies into line.

I also want to refer to the categories of TPI and extreme disability, both of which are represented amongst the veterans in Shortland electorate. Veterans from both those groups come and visit me on a regular basis and talk to me about issues relating to these categories. Just as with the war widows policy, there is a huge gulf between the way in which we compensate those who can no longer work as a result of service related injuries under the Veterans’ Entitlements Act and under the Military Compensation Scheme. Put simply, we in modern society agree that everyone who is injured and is no longer able to work should be compensated for lost wages. Under the VEA, stemming from World War I, this compensation took the form of a pension, indexed and tax free for life. In the modern Military Compensation Scheme it takes the form of 100 per cent pay for 12 months after being discharged as medically unfit, followed by 70 per cent of indexed pay until age 65 and normal superannuation thereafter. What is more, those on this incapacity pay, as it is termed, are encouraged to work as much as they can, with protection of their income support through a gradual reduction until they achieve 100 per cent of former pay.

This is sensible rehabilitation at work. I have worked in rehabilitation in the past, and I know that, where there is an incentive to return to work and where veterans—or workers—are supported in their endeavours to return to work, you have the most successful and the best outcomes. It is therefore pleasing to see that in this legislation this system has been adopted for future service people. The legislation guarantees income support at a reasonable level and, as I said, encourages rehabilitation. Those injured retain compensation in full for the degree of their injury, as a lump sum or a pension—and that too is a vast improvement.

However, as the member for Cowan has referred to, we are concerned at the effect of retaining the TPI special rate. As we know, it as a safety net—primarily because, as we have seen from the very active campaign by the TPI community over the last four years, this is a very unsatisfactory benefit. As the TPI Federation have said, it would be better to simply have a minimum of 75 per cent of MTAWE as a safety net and not bring all of the problems of the special rate into the new legislation. This is very disappointing indeed. All the other benefits of the TPI are retained, and such a suggestion would bring more guarantee and would better reflect the modern policy framework I described at the outset.

With respect to the EDA benefit currently provided in the VEA for those who become very incapacitated after ceasing a working career, no provision is made at all. That will be a great disappointment to the EDA association in my local area. They have been very concerned about the fact that they have been ignored over a long period of time, and they were looking to the government to do something about that issue in this legislation before the parliament.

The bills do provide for similar compensation and the same medical support as that which is currently available, as well as full superannuation. To that extent it is a very different scheme. Those people who would be entitled to the current EDA will be entitled to similar benefits but, importantly, the
contrast between the current EDA and the current TPI benefits will be totally removed. Put simply, in the future, compensation for being unable to work will apply only to the period of a working life—that is, the community standard of 65 years of age. Benefits will not extend beyond age 65, except for disability compensation where the pension is chosen over a lump sum. To the extent that this terrible dichotomy between EDA and TPI has been removed, it is a good thing. EDAs, in particular, need to know that while EDA as a class of veterans may not exist in the future, there will be greater fairness in the way benefits are structured; but I do know that that will be a disappointment to the EDAs in my electorate, as I mentioned earlier.

For others in my electorate, there are other benefits in these bills, which would also be nice if they could be made retrospective. One is the funeral benefit, which is currently set at $572—which we all know is completely inadequate and relies on bereavement pay to bridge the gap for the cost of a funeral. In these bills, the funeral benefit is increased to match that currently available in the Military Compensation Scheme, and that is $4,600. That may not be enough, either, in terms of current costs, but it is much fairer. We can only hope that it is only a matter of time before the current level of funeral benefits in the VEA is upgraded. I hope that the minister and the government take that on board, because it certainly would be much valued by veterans in Shortland electorate.

I will make some observations on other matters in this legislation. There is a Senate committee looking at these bills, and it will be taking evidence in Perth, Melbourne and Canberra next week. Naturally, we on this side of the parliament were all geared up for it, and we were exceptionally disappointed when she failed to address the parliament on that yesterday—as were all the veterans who had travelled to Canberra to hear what the minister had to say. The government have let veterans down yet again and have not shown them the respect they deserve. They deserve a response to the Clarke report, a report that many veterans in Shortland electorate and throughout Australia put submissions to. From my own experience, the announcement of the Clarke review was well received by the veterans and war widows in the Shortland electorate. Veterans were looking forward to putting submissions to the review. But, unfortunately, even though they saw this as their chance to not only have their say but also to bring about change, they have been disappointed. And yesterday the government still could not agree amongst themselves on a suitable response to the report. They could not sit down and nut out a response to the
Clarke report that would satisfy the veterans that I represent in this House. I am very disappointed about that. The government vacillate and the veterans wait. It is not good enough. Our veterans deserve better.

It worries me that the government will choose to ignore most of the submissions from veterans, in particular all those seeking extension of gold card eligibility and submissions from those who served at atomic testing sites. The government knew full well before they embarked on this course that they had not the slightest intention of doing anything in these matters. The entire process was a stalling device to delay and procrastinate, and they are still doing it. Veterans and widows who put their hopes in this very democratic and consultative process have been duped. The whole thing has been an unnecessary stunt to allow the minister to pontificate about the government’s intentions and to feed her hungry but useless publicity machine. It is probably the cruellest hoax ever perpetrated on veterans, and I can tell the minister that, in Shortland electorate, even her political supporters think she has defrauded them. The failure of the minister to respond to the Clarke report yesterday is further evidence to the veterans community that the minister is out of touch and unable to deliver. (Time expired)

Mr BRUCE SCOTT (Maranoa) (12.14 p.m.)—I rise today to speak on the Military Rehabilitation and Compensation Bill 2003. Like you, Mr Deputy Speaker Lindsay, and many others in this House, I was shocked by the Black Hawk helicopter disaster in Townsville. I was part of the government which had come to power at that time. This legislation is largely a response to many of the inadequacies which had been identified with the existing entitlements both for those with a veterans entitlement and those being compensated under military compensation legislation.

The men and women of the Australian Defence Force, who serve our country with such distinction and professionalism, are very special people. I find these people extraordinary. They train in a manner that many Australians perhaps do not understand. They often train in very difficult and demanding circumstances. One of the qualities that separates the men and women of the Australian Defence Force from the average Australian is the fact that they are prepared to put their lives on the line for our country. That is what sets them apart, in my mind, from other Australians. We are all proud of them, and I think that if ever there is witness to the pride Australians have in the men and women of the Australian Defence Force and those who have served our country in the past it is on Anzac Day and on other days of commemoration throughout the year. We see that repeatedly, particularly with young people wanting to support our veterans. Because of the pride they have, they want to support those who served. There are many young people in this country who use members of the Australian Defence Force as role models in many ways, and that is the way it should be.

Prior to Federation, the colonies that made up the states of Australia were very concerned about their capacity to defend Australia. In many ways that is what brought the Commonwealth of Australia together as a federation. At the time of the First World War everyone believed it was the war to end all wars. It was on 25 April 1915, when those Anzacs rushed ashore at Gallipoli, that I believe we as a nation lost our innocence for ever—but another important thing happened: Australia established in the eyes of the world that Australians would always be there to defend the values that are important to a free and democratic world.

The Anzacs also stamped a sense of identity on what it is to be Australian. It is impor-
tant to highlight that in this debate today, because the men and women who have served our country since Federation—not taking anything away from those who served prior to Federation—have always served under the spirit of the Anzacs and their principles; they are a role model for them to follow. The men and women of the Australian Defence Force serve in that time-honoured tradition, with enormous distinction and professionalism. Each and every day in this House I am sure there are members of this parliament who, like so many in the Australian population, still marvel at the commitment of the serving men and women of the Australian Defence Force, training in Australia today and serving overseas on peacekeeping missions, as well as wanting to make sure that they are part of bringing about a better, freer and democratic world.

After World War I, the government of the day established the Veterans’ Entitlements Act. That act was built on the very right principle, a foundation stone, that there was always going to be something special for those who have served in a theatre of war—in other words, those who have put their lives on the line. It is a principle that we must always preserve in this country. If we ever diminish that principle we will, I believe, diminish the entitlements that we give to the serving men and women of the Australian Defence Force. The veterans themselves have always guarded that principle, and yet they have always asked only for what is just, what is right and what is fair.

Over the 80-odd years of the Veterans’ Entitlements Act we now have, and have had for many years, the best system in the world. In fact we are the envy of many other countries in relation to our Veterans Entitlements Act. It will continue to grow and be improved, and perceived anomalies will inevitably have to be addressed by the government of the day and by future governments. As I said, we are the envy of the world in relation to our veterans entitlements. Whilst I was minister, some of our Anzac cousins across the Tasman, the New Zealanders, visited Australia to look at our entitlements. I am sure that was because of pressure from the veterans of New Zealand. People from the United Kingdom also came to Australia to look at the models we have in Australia. Only recently I was watching a television program which showed that the United Kingdom now has a spokesman, or minister, on veterans entitlements. It seems strange that, after such a long period of history, when the United Kingdom has been involved in wars throughout the centuries, only now have they established this. I do not know that there is a department but they do have a minister responsible for veterans entitlements. People from the United Kingdom came to Australia, as did representatives from New Zealand, to look at our Veterans’ Entitlements Act because they know that our act has been built up with the veterans themselves driving the agenda, with government after government making sure to always err on the side of generosity in relation to those benefits.

The bills before us today are important steps forward. We in this House have an absolute responsibility to get them right. The bills are very complex and it is important that the Senate committee that will be taking evidence next week will hear more broadly from the veteran community. Every opportunity must be given—and I know has been given because this actually started under my own watch as the Minister for Veterans’ Affairs—to make sure that we get these bills right.

They are bills that are in response to that tragic disaster of the Black Hawk helicopters that went down in Townsville. You, Mr Deputy Speaker Lindsay, spoke about that in your contribution this morning. In many
ways the bills have been seven years thus far in the making. I know that it is important to get the new bills into law and it is the intention of the government to see that they are brought into law—providing we can get passage of the Senate—in July of this year.

Consultation has been an important part of the process. You, Mr Deputy Speaker, spoke about consultation in your own defence community in Townsville, that wonderful garrison city in the north which I have had the pleasure on many occasions of visiting. We have consulted in bases around Australia and—importantly—in East Timor, where we still have to this day peacekeeping forces helping to maintain law and order as part of the successful bringing about of the right of the people of East Timor to determine their own future. They have made an important contribution.

But during the time of the consultation process the world has changed. It changed on 11 September 2001. We were all reminded of it again on 12 October 2002 by the tragedy of the terrorist bombing in Bali. While perhaps we were looking at these bills in the context pre 9-11, it is important that we have been able to look at the world post 9-11 and how that will impact on how we train our Defence Force and the commitments that we will see Australia becoming increasingly involved in in the years ahead.

There were some important changes made as part of that consultative process. Some of those major changes see the relaxation of the requirement for eligibility for the SRDP safety net payment to cover people who are unable to work for more than 10 hours per week. This will provide a more flexible incentive for anyone receiving the safety net payment to return to some part-time work. There is an extension—from three months to six months—of the time that is allowed for people to choose between the lump sum and weekly payments. There is also the removal of the bar on receiving more than one weekly death benefit payment where the partner is widowed a second time.

There is also a change to an automatic payment of a funeral benefit at the higher MRCB rate of $4,738 where the deceased has been eligible for the SRDP or had permanent impairment compensation assessed at or above 80 impairment points. There has also been the inclusion of a further choice: receiving part periodic payment and part lump sum for permanent impairment. They are important changes that have been made by the government as part of the consultative process. As I said earlier, it is important that we get these bills right.

I acknowledge that the other side of the House has put forward some amendments. We should look seriously at them. I hope—and I am sure it is—with good faith that the members of the other side of the House have put forward those amendments. We have a responsibility to look at them as these bills proceed through this House and the upper house.

The other point that was raised by a member of the opposition—I think it was the member for Lingiari—was the question of why the Military Rehabilitation and Compensation Bill 2003 and the Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Bill 2003 are being administered by the Department of Veterans’ Affairs. Members of the Department of Veterans’ Affairs are very professional; I know some of them personally from my time as Minister for Veterans’ Affairs.

It was during my watch that we brought across from the Defence Force the Military Rehabilitation and Compensation Division to the Department of Veterans’ Affairs. That was right because what we learnt from the Black Hawk helicopter disaster, in dealing
with the compensation and rehabilitation issues of those who were so tragically killed and those who were left behind, was that there were actually Defence Force personnel who had two entitlements, one from the Department of Veterans' Affairs and one from the Defence Force scheme. That meant they had to deal with two departments and, instead of case managing two departmental entitlements it seemed sensible to us to try to bring those together and to manage them through what I regard as one of the greatest departments that we have in this country.

I think I can say without contradiction that the members of the Department of Veterans' Affairs are committed to their job. If ever there was a department that understands the issues of compensation and rehabilitation and dealing with people who lose loved ones it would be the Department of Veterans' Affairs. This is because of the corporate knowledge that is almost inherent in the department. That is why I support something I started as the minister: the Department of Veterans' Affairs bringing forward these bills. That is the rightful place for them. Once again, it is important that we get them right and this is yet another positive step forward. I hope that the opposition will support that proposition.

In conclusion I would just say, as I said earlier, that we must get this right. We have the best veterans' entitlements system in the world. I do not think we could claim that we had the best military compensation scheme in the world, but we do have the best veterans' entitlements act in the world. It has been the envy of other countries and veterans for a long time. I would like to think that, with the passage of this bill—when we know that we have got it right—other countries will look to Australia to see how we have drafted it and how we will implement it. I hope that by doing so we will ensure that the Military Rehabilitation and Compensation Bill 2003 is seen as world’s best. We owe it to those who serve this country to do nothing less. I commend the bill to the House.

Mr PRICE (Chifley) (12.30 p.m.)—It is a pleasure to follow the honourable member for Maranoa in debate on the Military Rehabilitation and Compensation Bill 2003 and the Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Bill 2003. He is a former Minister for Veterans’ Affairs and currently serves the parliament as Chairman of the Defence Subcommittee of the Joint Foreign Affairs, Defence and Trade Committee. No-one would question the sincerity of his remarks and concerns about veterans.

It is true that the opposition supports these bills. But the opposition is puzzled about why, after five years, these bills are being rushed through the parliament and we are not awaiting delivery of the Senate report. Personally, I very much object when in our opposition tactics we do not deal with proposed amendments in the House but leave them to be moved in the Senate; I think it is a derogation of our responsibility and duty. But in this instance these bills are being moved in the House prior to the Senate having delivered its report. I find that strange.

Mr Deputy Speaker Lindsay, many of the remarks that you made in your contribution to this debate I would support, but there was one which puzzled me. That was when you suggested that the real test for how well or poorly we are doing with veterans is the fact that in the budget we spend $9.7 billion—I think you mentioned the figure of $10 billion—I think you mentioned the figure of $10 billion. My perspective is that we should never be ashamed to do the right thing by veterans and if extra money is required we should spend it. The point I would make is that these bills actually do not affect anyone who is currently a veteran or a serving member of the ADF unless they have a related illness
develop after the bills’ implementation—and that will be 1 July 2004. So we are not really dealing with a bill that in the main will impact on veterans; we are dealing with a bill that will service the needs of those who are injured or who die after 1 July 2004.

It is a great pity that yesterday we did not have the delivery of a proposed ministerial statement by the Minister for Veterans’ Affairs. In fact, it is quite extraordinary that notice of a ministerial statement being given was on the Notice Paper and it was proposed to have one but it was withdrawn. I understand that the proposals that cabinet had agreed to—not just the minister but cabinet—were, in fact, rolled in the party room. Therefore that required that statement to be withdrawn and not be proceeded with, notwithstanding the fact that many veterans’ representatives had been specially flown to Canberra for that particular event. It was an extraordinary conjunction of circumstances.

A number of speakers, including you, Mr Deputy Speaker Lindsay, have said that the genesis of this bill was the great tragedy of the Black Hawk helicopters disaster near Townsville, and I hope that is still seared in the memory of the nation. But that tragedy just highlights how lethal some of the training conducted is—in that instance, the 5 Aviation Regiment based at Townsville and the SAS were involved. Because its date of effect is 1 July 2004, this bill will not benefit any one of the women whom that disaster made into widows; so we are actually doing nothing for them. We end up through these bills doing nothing for the very people affected by the tragedy that started the proposal to review military compensation. Mr Deputy Speaker Lindsay, I think that is a great tragedy. Some might say—and I notice the member for Brisbane, with his long involvement in this area, is here in the chamber—that we are doing them a great disservice and it is somewhat immoral that we are doing nothing and that these bills do not help them.

Mr Deputy Speaker, there are a number of other things I want to mention. Firstly, I understand that—and, indeed, in your contribution you mentioned—consultation occurred. I do not want to quibble about the nature of the consultation that occurred on the bases, but I do want some sense of reassurance—and I hope the parliamentary secretary at the table will give it to me—that, in fact, it was not just a one-way discussion with the ADF.

When the defence subcommittee deliberately went out and sought opinion from people, we segregated the audiences—privates to sergeants, CSMS to junior officers—and we made sure that there was no senior officer at those consultations so that people could actually say what they thought. We asked them what they thought. I remember that one regimental sergeant major said to me that in 20 years of service no-one had really asked him what his opinion was. Maybe there was an exaggeration in that but, just because people serve in the ADF and are subject to strict military discipline in a very hierarchical organisation, when it comes to matters like this they should not be ignored. Not only should they have the impact of it explained to them but they should also have the opportunity to question, to have their concerns aired and to have answers given. I am not saying this because I have any special knowledge that that did not occur. I just have an apprehension that one of the weaknesses of the ADF, in my view, is its very hierarchical nature and inability to tap into people’s opinion.

At the end of the day, this is equivalent to the workers compensation scheme available to serving members of the ADF. Every member of the ADF is trained to kill. We always hope that they never have to practise the skills that they are so highly trained in. Be-
cause of the profession’s nature, we will have accidents and deaths. In fact, given the nature of some operations that we have had over recent times, we should be grateful that we have suffered very few deaths. But we should not assume that will always be the norm.

There is a difference in these bills regarding what people are entitled to if they are on warlike service. I happen to agree with the member for Brand that the nature of our deployments these days is changing quite dramatically, and I think the distinction really comes from an earlier age. I would never wish to take away the due praise of those who serve in a warlike situation compared to those who do not—they do deserve special praise. But in terms of the military compensation we ought to remove the distinction.

Let me give you an example, Mr Deputy Speaker Lindsay. Both you and I were in the Solomons, and we saw some of the weapons that were available to the militants over there. They were really scary—because they were homemade and very inaccurate. Had there been a confrontation or an exchange, I am sure that we may have suffered injury, if not worse, through the very inaccuracy and clumsiness of those weapons. I do not understand how people can suggest that this is a lesser risk for us.

Another example is Bougainville. A very courageous decision was taken in that peace process to send in unarmed military people. They were unarmed in a situation that had been going on for nine years and had taken 30,000 lives. We sent our peace monitors in there unarmed, and it worked. Full credit goes to the decision that was taken, to the backup that I understand was always in place and to the courage and good service of those individuals. But it could have been very different, and, had it have been, those military people would not have been considered to be in a warlike situation. It was Bougainville, following nine years of hostilities and 30,000 civilian deaths, but if there had been any casualties those people would received a lesser payment had these bills been operating. That is wrong. We really need to have another look at it.

What did we do in Somalia? We had very little access to helicopters but the Australians, unlike the Americans, in our area of responsibility disarmed the protagonists. If someone was seen with a rifle, it was confiscated. If people had a machine gun in the back of a jeep, we disarmed them. Again, my recollection is that we did not lose anyone in that operation. In fact, we really won the people over. We did a damn good job. But, again, was that going to be considered warlike? Should those young men and women who served over there get a lesser compensation because of the way we classified it?

I really do have some concerns about these bills, I share those so eloquently made by the member for Brand, and I am very interested to read what the Senate committee has to say on the basis of their extensive committee consultation process. However, the issue that I am most interested in—and I know that the member for Maranoa is also—is not direct military compensation but the transition of serving men and women back into the work force. I am not sure that this is a sufficiently high enough priority in the ADF. I do not think we give the budgetary support to it that we should.

What do I mean by that? Interestingly, in the last two weeks community standards have been the ‘flavour of the month’, particularly for the Labor Party. Forgive me for raising that subject! We do not expect our serving men and women to be employed by the ADF till age 60 or 65. They all, including the highest officer, the Chief of the Defence Force, have truncated work experience in the
ADF. Therefore, part of the contract with them, part of our responsibilities as their employers, is to equip them well for going back into the work force. If we invest money to see them back into the work force, to have some of that skills training while they are still ADF members, and assist them with career choices—indeed, even help them to be placed—that, I think, will be to exercise the appropriate responsibilities that we as employers have to them, our work force. I do not think that we do that sufficiently well.

One of the examples I like to cite is officer training, for which in 1996 there was a budget of $100 million for a core of 11,000 officers. We spent half of that budget training at ADFA 1,000 officers out of those 11,000. I always felt that we could be providing opportunities, not only for officers but for all ranks, to do further studies. That would not only enhance their careers within the ADF but also increase their employability after the ADF. In fact, I am a great advocate of allowing officers and personnel of other ranks to temporarily exit or get leave from the ADF so that they can do these courses. Because we are spending such a high proportion of the officer training budget on ADFA, it means that the other 10,000 officers are missing out. So you can understand what I mean about transitioning.

The other thing that is not directly tied to military compensation is the responsibility that we have as employers. I note that General Leahy has apologised for the way we treated one of the non-commissioned officers in East Timor in terms of his experiences with the military justice system—I congratulate General Leahy on that—but, notwithstanding that, it is an utter disgrace.

We have some difficult problems to solve. Let me give an example. The ADF has a zero tolerance policy on drugs. I can agree with that. But what do we do if we find someone is taking drugs? We get them out of the ADF straightaway. In other words, we transfer what is our problem to civilian street. I would think it would be appropriate for us to try to provide some form of rehabilitation to that person and actually get them off drugs. Even if you want to end their career in the ADF, why should you release them with a drug habit? Isn’t that the easy way out; isn’t that the cop-out?

The other issue I want to raise is pastoral care. We know from some of the issues that have been raised under military justice that we do have problems with what happens on weekends—that is, people who join the ADF are very young and full of all the things that young people are, and of course at weekends they go out and drink, get involved in fights and do all sorts of other things. There is a balance between the exercise of pastoral care and their right to live some element of their lives as private citizens. I do not think the ADF has got the balance right.

Last but not least on this military justice issue, I know we had the Burchett audit. It was supposed to be the be-all and end-all inquiry, looking at bastardisation and other issues in the ADF. The one area where I believe that Burchett failed is the issue of rape. I note that the Senate Foreign Affairs, Defence and Trade Legislation Committee is holding an inquiry into these bills, and I sincerely hope that we will have witnesses come forward to give evidence. I have always been very disappointed that a number of witnesses I had hoped would appear before the Defence Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade backed out under legal advice and declined to give evidence. I cannot quantify it with figures but I still believe we have a problem of rape in the ADF, and I certainly hope the Senate committee gets to the bottom of it. I support the amendment moved by the shadow parliamentary secre-
Mr. HAYNE (Cowan) (12.45 p.m.)—The member for Cowan. (Time expired)

Mrs GASH (Gilmore) (12.50 p.m.)—I rise to speak to the Military Rehabilitation and Compensation Bill 2003—a ‘bill of interest’, to quote quite a number of my constituents in Gilmore. Gilmore’s major regional centre is Nowra. It is described as a garrison town and has been since the last war. Locals call it a Navy town—perhaps not so much now but certainly in past years when the Fleet Air Arm was centred there. We are very proud of the Fleet Air Arm Museum, as well as the Navy town. Of course, things have moved on, but the town still has a strong defence component around avionics. The result is that many who served in the various units over the years have come back to settle there. Many ex-service men and women who visited on holidays have also decided to settle there. That there is a strong veterans and ex-services community in the Shoalhaven is not an understatement.

I have always had an interest in things military, I suppose because of my past as well as my representing a constituency with a strong defence presence. I was born during the war years, and my father was with the Dutch underground. Knowing just a little about his exploits and what he went through fostered an affinity with the services community. My everyday working life keeps me in contact with local defence industries and service personnel. Over time, I met many of our personnel from the Nowra base who went overseas to serve their country in various locations. I was fortunate enough to visit Timor and see at first-hand the conditions under which our troops were serving. You have to agree that they do a superb job for our country and deserve all the support we can give them.

This is an age when the threat of terrorism stains our way of life, and we have to be more vigilant than ever before. It is in our young men and women that we put our trust to protect us from the shadowy scourge. Unlike in previous conflicts, they face dangers of a kind that we can only begin to imagine—nuclear, biological and chemical threats. The only way they can prepare is by exposing themselves to high risk training. I have heard of this risk from a personal friend, a woman who spent 13 years in defence doing just this sort of training. In the course of serving their country and preparing themselves for the demands of the job, there will unfortunately be injuries. As in any other industrial setting, some people will get hurt. When they do we, as their employer, have to look after them. These are special people and they deserve special consideration. They have to be looked after. This bill seeks to ensure that, in the event of receiving an injury in the course of their duties, they will be taken care of.

Anybody who has been associated with the veterans community and ex-service men and women will have some idea of the rigours of service life. There are many members in this House who have had some experience with ex-service personnel who have been injured. There has always been some degree of discontent with the system and, as we live in an imperfect world, this will always be so. We will not be able to satisfy everyone, but this initiative is a step in the right direction.

Indeed, the coalition has always been sympathetic to the needs of service personnel. We can point to a strong record of supporting defence. The coalition has delivered the biggest increase in defence funding for more than 20 years. We have responded to the changing face of warfare by meeting the threat of terrorism head-on. This bill is yet another example of that commitment. It seeks to provide service personnel with support that reflects community expectations. One of the key elements, as I see it, is the
emphasis on rehabilitation. It encourages injured people to go back to work and ensures that every attempt is made to give them the quality of life they deserve so that they can have a future without carrying the worry of a debilitating injury.

In the past I have heard tales, right or wrong, of ex-service men whose lives were severely compromised as a result of service related injuries. Tony Liversidge from Mollymook in my electorate is one such constituent. I have his permission to relate his story. Tony was a passenger in a Land Rover that rolled over in 1992 during a field exercise in Victoria. He suffered a crushed vertebra in his neck, but, ironically, the driver of the vehicle escaped virtually unscathed. He told me that the Land Rover had its anti-sway bars removed, making it unstable over rough terrain. He was sent to the 2 Field Hospital initially and then to Austen hospital, where he was diagnosed with a fractured disc in his neck with others severely displaced. He was then returned to his unit in Townsville and put on light duties for three months.

About 12 months later he woke one morning to find himself paralysed from the neck down. The net effect was that after treatment he was medically discharged from the Army. Tony is plagued with constant headaches, cannot sleep properly and is on heavy painkillers. That has been his life since he was discharged, with no promise of getting better. He was given a lump sum payment of $17,000 and left to his own devices. He was given no option but to accept and was told, ‘Sue us if you don’t like it.’ There was no offer of rehabilitation, no offer of alternative training and certainly no debrief to ease him into civilian society. Yes, his ongoing medical treatment is paid for and he is presently drawing a full disability pension from social security, but he is galled by the fact that he had to fight to prove his disability to the authorities. His pension is reviewable every 12 months.

It was a real struggle, not only for him but for his family, and they are still struggling. They have no home of their own and life is about constant moving to rental properties. He has had four operations but not one inquiry from Defence to measure his progress. Tony was medically discharged but was not given job retraining. I do not know whether it was offered him and I do not even know whether that was an option at that time. The critical aspect I want to share with the House is the emotional and psychological trauma he has had to endure. He despises the system and blames himself for his condition. To give you an idea of the intensity of this self-hate, he actually cut that word into the flesh of his forearm. He is depressed and suffering the classic symptoms of post-traumatic stress disorder.

I interviewed him for this speech and I believe it is necessary to recount his sentiments. Remember that this is a man who was conditioned to believe he was amongst the elite in the community—a respected serviceman whose commitment and loyalty to the military family was absolute. The military culture promotes such a high level of self-esteem in the individual that those in the system look at people external to their community as different and perhaps less worthy. At the time of the accident, Tony’s unit was preparing for posting to Rwanda. He tells me that whenever he saw the reports coming in he felt cheated. He feels alienated and his personal worth has been undermined. He feels rejected and less of a man for his disability. He needs help to assimilate to gain a better quality of life. It is not acceptable that his service with the military was ended so abruptly through no fault of his own.
We want to be able to say that we have tried our very best to rehabilitate people like Tony and that we can rehabilitate people like Tony. In this case, it seems we have let him down. As soon as he became a liability, the attitude of the system towards him changed. He was not wanted and is still not wanted. This is tantamount to being kicked out your own family because someone made you less of a person than you were before. Is this fair? Is this compassionate? Is this how we want to treat our service men and women? Hardly, I would say.

I welcome the provision to assist injured service personnel in the transition to a potentially fulfilling civilian life. Too often in the past a medical discharge has left an individual to fend for themselves as best they can. The military is an exclusive, paternal organisation, and with its disciplined culture it can encourage a dependency that makes it difficult to be separated from it. This can sometimes lead to a degree of bitterness and a feeling of being abandoned when the separation is acute rather than gradual. To consciously acknowledge that will do much to eliminate such feelings and is very appropriate.

I recall speaking to the House a couple of years ago on the subject of the 100th anniversary of the Australian Army. I remember saying at the time that the Army had a history of always being behind in conditions for its members because of financial constraints following wars in which we had participated. Men and women who joined the Army and signed long-term contracts to give the best years of their lives to the service of our nation had their conditions eaten away. I also said that no longer could we afford to disappoint our service women and men. If our youngest, strongest and brightest are going to sign up to serve their country for several years, they need to know that their conditions include the best training and support that we can give them. In all this, there is an associated group whom we often forget. They are the friends and families who are affected in some way by what happens to these service people. The effect on them is as profound as that on the injured person. They have to share the pain and frustration caused by the incapacity.

The Injured Service Persons Association web site carries some statistics on peacetime service. It claims that from 1993 to 2002 there have been 102 deaths and 18 severe injuries recorded. Compared to industry standards this is not remarkable, given the intensity of activity performed by service personnel. But in 1996 we had the Black Hawk crash in Townsville where 18 servicemen were killed in one incident. In 1964 we had the Voyager tragedy, and people affected by that are still seeking satisfaction even today. Whilst it was an unusual event, it shows the potential for disastrous accidents in service life to easily occur.

My belief is that the compensation scheme we put in place for service personnel should be at least equivalent to that of private industry generally and then perhaps a little bit more. The defence forces deliberately encourage inclusiveness and cohesion. It is a necessary part of service life, but this paternalistic organisational structure does make people dependent. They are made to feel like part of the family, and when you take someone away from their family abruptly you can expect a reaction akin to rejection. Mind you, not all react this way, but the psychological reaction can be like the grief experienced on losing a loved one.

The provisions of this legislation are generous. Serving personnel will benefit from this initiative and, in conjunction with initiatives in other areas, the legislation contributes a continuing improvement to conditions of service. I cannot emphasise enough the
importance of managing the transition of injured service personnel to civilian life. Most people leaving the service voluntarily experience a prolonged passage of adjustment. In the case of injured service persons, that transitional adjustment is compounded by their disabilities. If nothing else, this provision is a quantum leap in the right direction, for it sends the right signal to those who may have doubts about signing up. We want to show them that we do value them, and we want to demonstrate that beyond mouthing simple platitudes. We, the Australian people, do care and we do want to support them. I commend the government on its work and I commend the bills to the House.

Mr BEVIS (Brisbane) (1.03 p.m.)—I am very pleased to have the opportunity to speak in this debate on the Military Rehabilitation and Compensation Bill 2003 and the Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Bill 2003 and to join with members on both sides of the House in supporting them. I would like to note particularly the very informed and moving contributions of the members for Cowan, Brand, Chifley and Lingiari.

It is important that as politicians we acknowledge in this place the sacrifice that so many men and women in Australia make on behalf of the nation in the service of the nation in the armed forces. As many members have commented, we are very fortunate to have an extremely high standard in our defence forces across the board. I have had the pleasure, over a number of years in this place, of being involved with them in different capacities, and I never cease to be astounded by their skill, dedication, loyalty and sense of purpose. We are well served.

However, I think the service community and the ex-service community can be forgiven for being cynical from time to time about us politicians when we deal with them and matters of concern to them. Politicians are quite happy to drape themselves in the flag, to stand nearby for the photo opportunities and to happily send troops off to other parts of the world to put themselves in harm’s way. There is never a shortage of cameras and opportunities for politicians then, particularly for those who make the decisions. But when it comes to actually standing behind those decisions, looking after those people when they return and dealing with the problems that service and particularly deployment involve, the politicians are not always there to be counted on. I think we had, just yesterday, a glaring example of that.

Our Prime Minister would be high on the list of those who take advantage of a photo opportunity with troops as they leave our shores and as they return from overseas deployments—and who do it on a regular basis. But when it comes to looking after our veterans we discover from yesterday’s events that both the Prime Minister and the Minister for Veterans’ Affairs were willing to sign off on a package of support for some of our veterans that the Liberals and Nationals party room was not willing to accept. Maybe we should contemplate that for a minute—this is the minister and the Prime Minister. What do they say to the veterans who were here yesterday? What do they say to the veterans who will return, presumably, when the announcements are finally going to be made? What do they say to those veterans? When the minister and the Prime Minister meet with those people, do they say: ‘Well, we wanted to give you something less than this, but we got rolled in the party room—but we’re happy that you’ve got this anyway’? That would be the honest answer to give to those veterans: ‘We wanted to give you something less, but we got rolled.’

I will tell you this: when the photo opportunity is on for people to go to Iraq or Af-
ghanistan or anywhere else, you will find people like John Howard there in a flash. The photo opportunity is important when a political spin can be had from it, but when it actually comes to the responsibilities that we all shoulder and to looking after those people we now know from yesterday’s events that the current Prime Minister and the current Minister for Veterans’ Affairs go missing in action. They are not there to take up the fight on behalf of those ex-service men and women in dealing with the problems. So our service community and our ex-service community have some justification for their cynicism about all of us.

I want to make one other point in respect of these questions. When we send troops abroad, into harm’s way, we in this place do not always agree. In politics, we do not always agree on our deployments. Although historically we have agreed, by and large, that has not always been the case for all deployments. Whether or not an individual agrees with a deployment, all of us have one united obligation to each of the soldiers, airmen and naval personnel going abroad. We all have an obligation to ensure that as they do the government’s bidding we in this parliament take on the responsibility of ensuring that in their later life they and their loved ones are provided with some financial security and, if they are injured, that they are provided with compensation as well. That is at the core of these bills that are before us now.

It is a pity in a sense that the bills are before us now, because I think that we will have to revisit these issues in the near future. A Senate inquiry into these issues is expected to be made public in the very near future. It is curious that the government wants to proceed with the legislation now, in advance of that inquiry’s report, and it is fair to assume that the parliament will again have these issues before it, to tidy up a number of aspects of this bill that are the subject of that Senate inquiry.

When the member for Cowan spoke, he quite properly referred to the propensity of this government to use our defence forces as stage props. He was perfectly correct in making that observation. The comments I have just made about the Prime Minister’s desire to be involved in every photo opportunity going—but to go missing in action when it comes to looking after the veterans—are another way of saying the same thing. I notice the member for Herbert took some exception to that and commented about the absolutely scrupulous political impartiality of our troops. He is absolutely right in half of what he says. Our troops are absolutely professional and scrupulously avoid putting themselves in any position that could be seen as—much less be—partisan. They are to be commended for that. They are an example to military forces elsewhere in the world in conducting themselves in that way.

That is one of the reasons that, back before the election, when we were told that children went overboard, I did not question it: I actually understood that to be a Defence report and accepted it. What I did not appreciate was that it was Peter Reith’s report. It was not in fact a Defence report; it was just Peter Reith’s spin doctoring. Because I have that clear knowledge of the way in which Defence works, I did not question it. Although I found it astounding, I did not question it, because I took the view that if that was what our defence forces were saying, hard though it was for me to accept it, I did accept it. I accepted it as a matter of fact, because I believed the information came from our defence forces. It did not. They were used as stage props. Our defence forces were used as stage props by the then Minister for Defence and a number of other cohorts from the cabinet—some of whom are still in the cabinet, regrettably.
Unfortunately, that is not the only example. I think of the return of some of our troops from recent overseas deployments. In particular, I recall the return of our FA18s from Iraq and their welcome home. That was an event which the government had total control over: that is, the day on which they would be received, the hour at which they would be received and the location at which they would be received were absolutely a matter for the government of the day. When did John Howard decide that he would conduct that welcome home for our FA18 pilots and crew? He decided to do that on the day the Leader of the Opposition gave his reply to the budget speech. Where did John Howard decide to hold it? In Tindal. Tindal is probably an okay place, because that is where the FA18s had come from. But the Prime Minister deliberately chose the day that the Leader of the Opposition was giving his reply to the budget speech. The politics of that is clear, although a bit too smart by half for some observers: to ensure that the Leader of the Opposition could not be seen with our returning troops, as he had been on a number of other occasions. The leader of the Labor Party was not able to go to Tindal, because it was physically impossible to travel to Tindal and be back to provide the reply.

Mr Edwards—in a bipartisan way.

Mr BEVIS—as the member for Cowan points out, in a bipartisan way—as governments of both persuasions have done for as long as any of us can remember. Welcoming home your troops is not something you politicise. But John Howard did. He used them as stage props for his welcome and timed it to occur at exactly the same time as the Leader of the Opposition would be here in the parliament providing the opposition’s response to the budget, one of the major speeches in any calendar year in the parliament. That also provided a diversion for the media that night. It denied the leader of the Labor Party a chance to welcome home the troops and it guaranteed that whatever it was that he was going to say in the parliament would compete for media space the next day. We should be under no misunderstandings about the way in which this government has sought to manipulate in an unprecedented way our defence forces for short-term, crass political gain. The fact that our troops are cynical about us sometimes is exacerbated by that propensity.

I want to turn to some specific issues associated with our veterans who suffer injuries. Reference has been made to the 1996 Black Hawk disaster in Townsville, that terrible incident. At the time, I was shadow minister for defence. The day before the incident, I had actually been out to Laverack Barracks and been involved in some briefings with a number of the units on base. Very late that night in my hotel I got a phone call to tell me that there had been this tragedy on the high training ground. They were not sure how many casualties there were, but I took a decision then, in consultation with Kim Beazley, the Leader of the Opposition at the time, that I would stay in Townsville for as long as required, to provide whatever bipartisan support I could.

I stayed for some days afterwards, through the investigation and through to the funeral services. The following day, as I recall, the then Minister for Defence, Ian McLachlan, came up, as did the then junior minister, Bronwyn Bishop. We toured the hospital and we saw many of the soldiers and air crew who had been injured, and we spoke to their relatives. I have to say it was one of the most disturbing and moving events of my association with this portfolio, seeing those extremely fine young men in such a situation.

It has distressed me since that the undertakings that were given on that occasion have
not, I think, been honoured. I well recall the commitments being made by the ministers and the government—and of course Ian McLachlan did not even stay in the parliament after that term, let alone in the portfolio—to those people in Townsville. I believed them, because I thought they came from the heart and I thought the government was serious about looking after these people.

I have had occasion to talk to some of the survivors of that tragedy. Indeed, one of them is a constituent of mine who has continued to have difficulties in getting compensation and assistance to try and lead a normal life. I had had cause to provide assistance to that constituent on a couple occasions, most recently just last week when I wrote to the Minister for Veterans’ Affairs. I pointed out to the minister that the survivor of that crash, who was with the 5th Aviation Regiment, has suffered a complex interarticular fracture of the left knee, a chronic left shoulder injury, a fracture of the fifth lumbar vertebrae, a complex fracture of the right ala of the sacrum, a fracture of the right hemipelvis, a fracture of the right ribs and third-degree burns and still has problems getting aids and assistance to live a normal life. With that letter to the minister, I attached just one of the many medical reports that he has received. In a report to the Military Compensation and Rehabilitation Service setting out this gentleman’s problems, the specialist finished by saying:

The symptoms may be temporarily ameliorated but not resolved. Consequently, I would request that you favourably consider the aids for daily living that he has requested, so that the quality of his life can be improved.

That letter was written in July of last year, and it has still not been approved. These are the real-life situations of the people who survived that tragedy. If ever there was an incident that united this parliament and united this nation in sorrow in a time of peace, it was that dreadful Black Hawk disaster. I am pleased that the minister is now in the chamber. Minister, I hope you get an opportunity to personally look at that case about which I wrote to you last week. The people who survived that crash were given clear undertakings by all of us, and I do not think those undertakings have been honoured. I hope that can be corrected, and I will be happy to congratulate you if you can do that.

But that is not the only example. A little while ago—and I thank the member for Cowan for drawing it to my attention—there was an article in the West Australian about the recent deployment to the Middle East and the potential use of anthrax vaccines on our servicemen and servicewomen. This article pointed out that the Navy deliberately rushed soldiers to war in the Gulf without first warning them that they would need anthrax shots. But it gets worse. The West Australian investigation of this says:

It found senior officers on the ship were briefed in advance about the vaccination program but told not to notify the crew until they received explicit orders, which came on February 3, just after the ship had left Darwin.

That hardly seems to me to be best practice or the sort of thing you would do if you were genuinely concerned about the welfare of the troops on board. But it gets worse. The article goes on:

The inquiry also found that those who agreed to have the shots could not now access details of the British-produced anthrax vaccine in the event of any future health problems because the navy did not record the shelf life or batch numbers. I cannot imagine how that system was put in place or allowed to operate in a deployment that was going to a warlike environment. Yet that is very recent history. It seems to me that we fail to learn the terrible lessons from our past mistakes.

I have also raised in this parliament, through other means, my concern about the medical testing that was provided for our
troops deployed to Afghanistan and to Iraq in particular. They were most probably exposed to environments containing depleted uranium shells and, depending on which version of accounts you want to place emphasis on, they may have been exposed to chemical or biological agents as well. That holds true for those that were involved in the war for the liberation of Kuwait as well. I have raised my concerns that there is no proper regime for post-deployment screening of these people, to ensure that each and every person deployed is screened. It is not enough to tell them that they can go and have a test if they want to; there should be a regime that ensures that there is a record in place so that if there is a problem in three weeks, three months, three years or 33 years that problem can be identified as having been contributed to or caused by exposure to those elements and attended to properly and their veteran status looked after.

I am yet to be satisfied that that screening exists. If it does, I hope the minister in her contribution today in closing this debate can confirm that and make it clear that that screening has occurred for all of our troops that were deployed to Afghanistan and Iraq. My understanding is that that has not occurred. At best, they have been told that they can have some tests done if they want. That is not the way you take on these responsibilities. It is certainly not the way this government—a government that wanted to be pictured wrapped in the flag with these people as they were sent off and then, as I have described in relation to the return of FA18 pilots, manipulated their return—should behave. A party or a Prime Minister who has done those things should at least honour that public spin. So I hope the government is going to properly provide for those returned veterans from Iraq and from Afghanistan, ensuring that they receive full screening and, if there are some issues identified through those screenings which are the result of exposure to depleted uranium, chemical or biological agents, that they receive full assistance to deal with that and that their families also receive support.

In the minute or two remaining, I want to comment on differential payments which have come up in the bill and have been commented on by a number of other speakers. I think the member for Chifley very rightly pointed out, as did the member for Brand, the unsuitability of the definition of differential payments in today's deployments. When do you define a deployment as warlike? I have to say that, if someone fires a bullet at you and it hits you, it really does not matter too much whether a bureaucrat calls it warlike or peacekeeping or whether it is just due to a mistake during training. It has pretty much the same result on the poor person who cops the bullet. That is even more the case now that we deploy overseas not just in what traditionally would have been seen as warlike environments but in peace monitoring or peacekeeping environments. As we all know, whilst we call them peace monitoring and peacekeeping environments and the threat of incidents is less, the threat still exists. I have great difficulty in understanding why a person who is injured during such an exercise should be dealt with differently—or why the family of a person who dies in such circumstances should be dealt with differently.

In fact, I would go further. I can well recall a reservist from Brisbane, in what was then the electorate of Moreton, who was mistakenly shot dead in training at the Greenbank Army training grounds south of Brisbane. It was a terrible tragedy. I have great difficulty in saying that a death caused by such an exercise should be dealt with differently—or why the family of a person who dies in such circumstances should be dealt with differently.

In fact, I would go further. I can well recall a reservist from Brisbane, in what was then the electorate of Moreton, who was mistakenly shot dead in training at the Greenbank Army training grounds south of Brisbane. It was a terrible tragedy. I have great difficulty in saying that a death caused by a training accident like that should somehow attract less support from the Australian community than a death caused by a similar bullet in a warlike environment. These are things we have to face up to. I am sure these
are some of the things we will revisit after the Senate inquiry presents its report. I hope that the government will approach the Senate report with an open mind. I commend the government backbench for the way in which they stood up for veterans’ rights. It is a pity that has placed the Prime Minister and the Minister for Veterans’ Affairs in a situation where they will have great trouble looking any of the veterans in the eye, but that is a matter for them to deal with. Frankly, my concern is with the veterans, not with them.

Mrs VALE (Hughes—Minister for Veterans’ Affairs) (1.23 p.m.)—I would like to begin by thanking all honourable members for their contributions during this debate on the Military Rehabilitation and Compensation Bill 2003 and the Military Rehabilitation and Compensation (Consequential and Transitional Provisions) Bill 2003. Historically, repatriation in Australia has been an area that has had bipartisan support, in recognition of the service given by the 1.5 million Australians who have served our nation in wars, conflicts and peace operations. Today’s debate underscores the shared commitment on both sides of the House to care for our veterans and their families. I appreciate the points made by all members regarding the welfare of those veterans who are living in their respective electorates. As stated by the member for Cowan, this is important legislation. These bills will bring in the most comprehensive changes in military compensation legislation in two decades. The member for Cowan’s acknowledgment of the importance of these bills answers his own question about why the government is seeking to expedite their passage.

The development of the new Military Rehabilitation and Compensation Scheme has been a long process, by virtue of this government’s commitment to consulting with service and ex-service organisations. Let me remind the House that this government has consulted extensively with current serving ADF members and their representative organisations. Consultation and information have been flowing both ways since April 2002, with 10 meetings of the working group in that time. The working group itself included organisations that have a prime interest in the welfare of our serving members. These include the Regular Defence Force Welfare Association, the Armed Forces Federation of Australia, the Injured Service Persons Association, and Legacy, with the support of the Defence Families Association.

Following the release of the exposure draft of this legislation last June, the Defence and Veterans’ Affairs team visited every major base in Australia—and even sites outside Australia—to provide an opportunity for serving members to learn more and to provide their feedback on the proposed scheme. We have taken the time to make sure that the scheme that we have established gets it right in meeting the needs of new generations of veterans and their families. As a result of those efforts and the support of service and ex-service groups, the framework for a modern, comprehensive and military specific rehabilitation scheme is ready. It is our responsibility now, in the interest of Australia’s servicemen and women, to put that important scheme into place.

I note particularly the view expressed by Legacy that it generally supports these bills and hopes that they will pass into law in time for implementation by the planned start date of 1 July. Nevertheless, this government recognises the need for appropriate scrutiny of this important legislation. That is why we have ensured that these bills will receive due consideration by the Senate Foreign Affairs, Defence and Trade Legislation Committee. The committee is holding hearings next week. I expect that the inquiry will consider
some further improvements before passage of the legislation, and I look forward to resolving any remaining concerns.

The government welcomes the opposition’s statement of in-principal support for this legislation—support that is subject to examination of the detail. The detail has now been laid out and it will be examined through the Senate committee process and subsequent debate. It is my hope to see that resolved and to see the sound and speedy passage of this important legislation. Nearly eight years have passed since the Black Hawk accident of 1996 and the tragic loss of 18 lives. If the momentum is lost on this matter, I fear that the opportunity to improve benefits for current serving members of the Australian Defence Force will be lost for some time to come.

The question has been asked about why the new Military Rehabilitation and Compensation Scheme will be administered through my portfolio. I reject utterly the claim that this is an abrogation of the Department of Defence’s responsibilities to ADF members. That is an insult both to the Department of Defence’s commitment to our servicemen and women and to the agencies of Veterans’ Affairs that have served the veteran community for 86 years. This legislation brings the new scheme into the Veterans’ Affairs portfolio, in recognition of those decades of experience and expertise in administering the care and compensation of veterans, war widows and their dependants. It also recognises the steps taken under this government to strengthen the links between Defence and Veterans’ Affairs, including successfully transferring the administration of the current Military Compensation and Rehabilitation Service to the DVA. Under the new scheme, Defence retains its responsibilities for occupational health and safety, in-service health care and in-service rehabilitation. Through membership of the new Military Rehabilitation and Compensation Commission, Defence will continue to have direct involvement in the administration of military compensation, in exactly the same way it does now under the Safety, Rehabilitation and Compensation Commission.

I note the concerns raised about the distinctions of service carried through from the existing repatriation system. This is a matter that has been given much thought in the context of the government’s commitment to a single military compensation scheme. We have recognised that there remains a historic expectation that Australia will provide a level of special entitlement for those who serve our nation risking personal harm from a hostile enemy and for the partners and families of those who lose their lives in that service. The proposed benefits for widowed partners reflect that position.

Let me say that no-one who has not lost a partner in these circumstances can appreciate the burden of grief that must be borne by a widow and their family. No amount of money could possibly compensate them for that loss. This government’s priority, and the approach of successive governments, has been to ensure that widowed partners receive an appropriate level of support. Under this legislation, we will deliver enhanced benefits for widowed partners and dependent children. These benefits are in addition to military superannuation benefits, free lifetime health care for widows through the gold card and ancillary benefits, including educational allowances for dependent children. In recognition of the needs of all ADF members, we will enhance the compensation available to members who are injured or incapacitated as a result of their service. In particular, the special rate disability pension safety net will give eligible members the choice between receiving taxable incapacity payments up to the age of 65 or a tax-free payment equivalent to the TPI pension for life.
The incapacity payments, which are based on salary and service allowance plus an additional $100 per week, will exceed 75 per cent of male total average weekly earnings for the great majority of ADF members. The cut-off point will be around a private pay group 2, not counting any extra allowances that may be included in the calculation of a member’s normal weekly earnings. The safety net payment will be attractive to a range of personnel, being greater than the incapacity payments. Members of the modern ADF also have access to superannuation entitlements that will influence their decisions. Each member will be able to make a choice based on their individual needs, and the government will pay up to $1,236 towards the cost of independent financial advice on what best suits their circumstances.

Commonwealth funded superannuation benefits will be taken into account when calculating incapacity payments or in the calculation of the safety net so that a Commonwealth benefit is not paid twice. This continues the practice that already applies under the SRCA to Commonwealth public servants and members of the Australian Defence Force. It was proposed in the exposure draft that superannuation offsets would apply to new grants of the TPI pension under the VEA. In response to feedback from the veteran community, the government listened and decided not to proceed with that option. This is a government that listens to the concerns of veterans and their ex-service representatives.

As I said when I introduced the military rehabilitation and compensation bills into parliament at the end of last year, this is landmark legislation. It will set out a framework for the continued operation of our repatriation system, which is the most generous in the world to meet the needs of Australian service men and women for decades to come. It will bring together the best features of the Veterans Entitlements Act 1986 and the military compensation scheme, and I hope that the opposition will work with us to ensure that we are able to put in place the benefits and enhancements of this new scheme as soon as possible.

The development of the Military Rehabilitation and Compensation Scheme has been a major project, and I would like to acknowledge the important contribution of many different people. The member for Gilmore has played a pivotal role as chair of the government’s backbench committee on defence and veterans’ affairs, and I would like to thank her for her strong advocacy on behalf of the committee members and our veteran community. The legislation itself is a credit to the joint project team from the Department of Defence and the Department of Veterans’ Affairs. I acknowledge the hard work and contribution of Dr Neil Johnston, Mr Arthur Edgar and Mr Mal Pearce, who were ably supported by a number of very professional and dedicated staff. Most of all, I would like to express the government’s gratitude to the many veterans, ex-service organisations and members of the Australian Defence Force who have provided their insight and understanding of the needs of both members and ex-service personnel.

The point has been made several times during this debate that the provisions of this bill will have no effect on the entitlements or benefits already provided to veterans and serving members under the Veterans Entitlements Act and the Safety, Rehabilitation and Compensation Act. So it would be true to say that the government has received extensive submissions and feedback from organisations and individuals for whom this legislation will make no difference. The contribution to this process made by these peo-
people that have no personal interest in the outcome demonstrates their commitment to the needs of all veterans—present and future—and their recognition of the importance of putting this new scheme in place. I commend this bill to the House and I urge members to match that commitment so that this scheme can be implemented as planned on 1 July for the benefit of those who defend our nation.

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

Question agreed to.
Original question agreed to.
Bill read a second time.
Message from the Governor-General recommending appropriation announced.

Third Reading

MRS VALE (Hughes—Minister for Veterans’ Affairs) (1.36 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

MILITARY REHABILITATION AND COMPENSATION (CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2003

Second Reading

Debate resumed from 4 December 2003, on motion by MRS VALE:
That this bill be now read a second time.
Question agreed to.
Bill read a second time.
Message from the Governor-General recommending appropriation announced.

Third Reading

MRS VALE (Hughes—Minister for Veterans’ Affairs) (1.37 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

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 17 February, on motion by MR SLIPPER:
That this bill be now read a second time.
upon which Mr McMullan moved by way of amendment:
That all words after “That” be omitted with a view to substituting the following words:
“whilst not declining to give the bill a second reading, the House condemns the government for 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)—Before the debate is resumed on the Appropriation Bill (No. 3) 2003-2004, I remind the House that it has been agreed that a general debate be allowed covering the Appropriation Bill (No. 4) 2003-2004 and
the Appropriation (Parliamentary Departments) Bill (No. 2) 2003-2004. The original question was that the bill be now read a second time. To this the honourable member for Fraser has moved as an amendment that all words after ‘That’ be omitted with a view to substituting other words. The question now is that the words proposed to be omitted stand part of the question.

Ms KING (Ballarat) (1.38 p.m.)—I appreciate the opportunity to continue the remarks that I was making on the Appropriation Bill (No. 3) 2003-2004, the Appropriation Bill (No. 4) 2003-2004 and the Appropriation (Parliamentary Departments) Bill (No. 2) 2003-2004, particularly in relation to Medicare. What the Minister for Health and Ageing is trying to have us all believe is that this package, which will see 98 per cent of Australians getting nothing and many of them being worse off, is good for ordinary Australians. The proposition is simply crazy. Of the two per cent who qualify for the safety net, half, according to Professor Deeble, the architect of Medicare, are better off on the current arrangement—that is, one per cent will benefit, provided they have spent $500 to $1,000. Is that the best the health minister can do: spend $266 million and come up with a scheme under which 98 per cent of the population will be worse off and only one per cent will benefit slightly? It is fundamentally flawed. We want a benefit for people, but for $266 million you have to be able to get a benefit for more than just one per cent of the Australian community. There has to be a better way. We are asking the government to adopt a better way—and that is rebuilding the core of Medicare and rebuilding bulk-billing.

I now turn to another vital area of health care in my electorate: dental care. In 1996 the Howard government took the decision to scrap the Commonwealth dental scheme. As a direct result of this action, public dental care waiting lists have absolutely skyrocketed in this country. We have become a waiting list country when it comes to public dental care. In 1996 there were 380,000 Australians waiting an average of six months for public dental care. Now there are more than half a million people waiting as long as five years to get their teeth fixed. Currently in Ballarat people on the general dental care waiting list wait for 47 months, in Daylesford they wait for 20 months, in Creswick they wait for 19 months, and in Brimbank—where many of the people from Bacchus Marsh go—they wait for 41 months to get their teeth fixed. This is just not good enough. The public dental clinics are doing their absolute best to get through the waiting lists, but in my electorate they are barely keeping up with emergency treatments.

The government’s backflip on super was most welcome. How about it adopting another of Labor’s policies: our commitment to spend $300 million on improving public dental care? Fixing the problems with public dental care is everyone’s problem. The states are already spending over $300 million, and we on this side of the House believe that dental care is absolutely a national responsibility. The decline in bulk-billing and the long dental care waiting lists are only the start of a multitude of examples of where the federal government has got the wrong priorities and how they are affecting my electorate.

Aged care is also a major problem in many of the communities across my district. On the surface, Ballarat appears relatively well served when it comes to the number of aged care beds. We are told constantly that, according to the government’s formula, we are in fact overallocated. There is something seriously flawed with the government’s formula when I am getting constant cries from communities in Bacchus Marsh, Trentham, Creswick and Daylesford about desperate shortages and long waiting lists for aged care...
beds in these areas. While some of the aged care services have been able to convince the government that they have a special case to receive more aged care bed licences, it generally tends to be for about five or six beds—it is rarely for more than that. They then have the unenviable task of trying to find the capital to build the facilities in which to put these aged care beds. The government's capital program and the allocation of bed licences seem to have no association with one another. That needs to be seriously looked at.

There is also something seriously flawed with the system when residents are complaining that they are worried that the homes are understaffed, with nursing staff having to do almost every task within the nursing home, from basic cleaning to what they are actually qualified for, which is complex health care. Something is also seriously flawed with the government’s funding for aged care when several of my health services that provide aged care report the start of a cycle of budget deficits due to inadequate aged care funding. This is particularly the case for Hepburn Health Services, which according to its latest annual report is experiencing deficits for the first time in its over 100-year history. Those deficits are directly attributable to poor funding of aged care.

I am worried that the result is going to be that smaller communities find their small aged care facilities are unviable, with the potential that, unless something is done about the financing of aged care, they will close. It is unacceptable to me that the health minister continues to sit on the Hogan report and has totally failed to grasp the urgency of the crisis emerging in aged care. If the Salvos and, in the case of my electorate, Vision Australia selling off their aged care facilities has not got the minister alarmed and if the deficits starting to emerge due to aged care in health services budgets have not got her alarmed then I just do not know what will.

In this debate I want to also raise briefly the issue of young people in aged care facilities. There are a couple of really strong advocates in my community on this issue—and, sadly, one passed away last year. This is not an issue we should be saying is just a state responsibility because it falls under the banner of disability services; it is everyone’s problem. The type of care and the capital required to provide a purpose built facility for young people is prohibitive, but I do not think we can continue to ignore the plight of this group. The number is extremely hard to estimate but it runs to around 60 across my electorate alone. The aged care facilities many of these young people are in do a terrific job and the older residents offer fantastic support, but young people need an environment where they can talk to their peers, play music that is of their own generation, participate in higher education or training programs if they so desire and participate in activities that are relevant to their age group. This is a vital area that the government has done absolutely nothing about.

In this debate I also want to talk about the impact of the government’s higher education package on my electorate. The Minister for Education, Science and Training announced 859 fully funded university places in Victoria, to replace the existing overenrolled places. If that promise is correct and it is 859 for 2005, it makes it extremely unlikely that the minister is going to be able to keep his promise to the University of Ballarat that it will not lose any of the 350 overenrolled places. Under questioning from me in the Main Committee on 18 June 2003, the minister said:

As I was in the process of saying, we will be negotiating with the states and territories in relation to all of the places that come into the higher education system. In particular, I can tell you with
great confidence that the last thing the government will be doing is reducing places at the University of Ballarat. Nor, indeed, will the government be reducing places at Deakin University. The member for Ballarat can with some confidence go back to tell the vice-chancellor at the University of Ballarat that the number of places and opportunities available for students at that university will increase under this package.

In the Main Committee on 18 June, 2003, the minister gave me this commitment that not one of the 350 overenrolled places would be lost by the University of Ballarat. But by doing the simple maths, it seems pretty unlikely that the minister is going to be able to keep his promise. In addition, recent advice from the department indicates that the University of Ballarat will have to drop between 125 and 300 overenrolled places, to ensure that it does not breach the government’s enrolment cap. Should this cap be breached, the University of Ballarat would be subjected to considerable financial penalties under the government’s package. This news comes as an added blow to the families of Ballarat, Daylesford and Bacchus Marsh who have discovered that, of the 1,262 students who nominated a University of Ballarat course as their first preference, only 1,076 will be accepted—that is a shortfall of 286 places for kids in my community who desperately want to go on to tertiary education.

The second issue I want to touch upon is about schools. The minister is again out there pedalling dodgy statistics in relation to schools. Over the last four years, the increase from the Commonwealth to government schools has been about 20 per cent—and it is a welcome increase. For students in Catholic schools, the increase has been about 25 per cent—again, a very welcome increase. For students in independent schools—the wealthier schools—the increase from the Commonwealth has been over 150 per cent. That is why we think the Commonwealth system of funding schools is unfair. The government is giving the biggest increases to the wealthier schools in this country, and that has to change. We want to see a system where the big increases go to those schools—government or non-government, including Catholic schools in my electorate—that are in need. We want to change the funding system so that need is the criterion for funding schools, and that is not the system that we currently have under this government.

In this debate we have heard quite a lot about families under pressure. What we have learnt over the course of the last few question times is that the Howard government has sat on a major report—a cabinet-in-confidence report—recommending to this government major changes to improve the life of families in this country. The government has been told that the baby bonus is an absolute flop. The government has been given advice to get rid of the baby bonus and introduce a scheme of paid maternity leave. The government has absolutely refused to act.

The Prime Minister has been told that parents are finding it harder and harder to access affordable child care. The Prime Minister has done absolutely nothing. The Prime Minister has been told that parents, especially mothers, are wanting part-time work so that they can better combine their work and family responsibilities. Once again, the Prime Minister has done nothing. The government has been told that the family tax benefit system is causing debts for families; he has done nothing. It is time the Prime Minister recognised the huge pressure that Australian families are under.

I want to focus specifically on some of those pressures that have come about due to the family tax benefit system. Over half of all families receive the wrong rate of fort-
nightly payments—either too much, so they are hit with debts, or too little, so that they have to get catch-up payments. The minister attempts to wear as a badge of honour the fact that many families are underpaid their fortnightly payments and need to get catch-up payments, even though it leaves many caught short when paying for the ongoing costs of raising their children. Claims that hundreds of thousands of families missed out on catch-up payments under the old payment system are absolutely false. There was very little potential for families to be underpaid under the old system. The minister also likes to claim that the government has boosted payments by $2 billion. It is a pretty rubbery figure when you actually think about the $1.5 billion that has been clawed back in family tax payment debts.

In my remaining time in this debate, I want to particularly refer to one of my constituents: Janine, who lives in Canadian. Her husband was lucky enough to find work last year. They were receiving the family tax benefit and within 14 days of her husband finding work she notified Centrelink and then received a letter one week later saying that due to the change of circumstances she had now been overpaid by $3,000. Her original estimate of her income was $42,000, but she changed it to $62,000 when her husband found work. Three months later, her husband left his job and she went back to Centrelink to say that their circumstances had changed again. She was advised that she could not change the estimate and that she would have to wait until the end of the year for a catch-up payment. She asked me how she can pay the bills she has now—not the bills she will get at the end of the financial year. This is exactly what many families are facing every single day with this family tax benefit system. (Time expired)

Mrs DE-ANNE KELLY (Dawson—Parliamentary Secretary to the Minister for Transport and Regional Services and Parliamentary Secretary to the Minister for Trade) (1.51 p.m.)—In this cognate debate on the Appropriation Bill (No. 3) 2003-2004, the Appropriation Bill (No. 4) 2003-2004 and the Appropriation (Parliamentary Departments) Bill (No. 2) 2003-2004, I rise to speak on the Australia-United States free trade agreement, and I would like to address the House on its benefits for Australia. For our manufacturers, we are looking at over 97 per cent of our exports to the United States, which last year were worth some $5.84 billion, being duty free. For the first time we will have access to the US federal procurement program for all of their goods—that is worth some $200 billion a year. For our light commercial vehicles, the 25 per cent tariff on those is going to be removed. In fact, we may even see Aussie utes in the backyards of many American homes—although probably not complete with cattle dogs. We are also looking at more access for our vehicle parts. For our ship repair and maintenance industry, we are looking at the removal of the Jones Act—that is the 50 per cent tariff on those sorts of repairs. So the agreement will be very significant for our manufacturing sector.

For our farmers and food processors, 66 per cent of agricultural tariffs will go to zero—some of those perhaps not as quickly as we would have liked. Of course, there is one sector—the sugar industry in my own area—that was excluded from the free trade agreement. That, of course, is a great heartache for those in the sugar area. However, can I say that many of the leaders of the sugar industry have taken the view that it would have been wrong to deny every other sector of Australian industry the opportunity to benefit from the free trade agreement. I am pleased that the Prime Minister and the Minister for Trade, Mr Vaile, proceeded with the free trade agreement.
There are very significant gains for service providers and, as I said, a good deal of agriculture. Seafood exports are currently worth $140 million and will be duty free. Canned tuna will be duty free, as will avocados for anything up to 4,000 tonnes. Cereals will have zero tariffs. Processed foods will have zero tariffs in four years. Likewise, there will be zero tariffs for the wool industry within four years. Wine—and I have no doubt, Mr Speaker, that is something dear to your heart—will have zero tariffs within 11 years.

The SPEAKER—I think I should just point out that I represent the wine industry, rather than letting anything more be implied by the statement that wine is something dear to my heart, but I thank the member for Dawson.

Mrs DE-ANNE KELLY—I intended no reflection on your personal habits, Mr Speaker, but I know that yours is a great wine producing state and you are very proud of that. So these are significant advantages for agriculture and our service providers.

I would like to speak now, if I may, about some of the concerns that the Labor Party have raised about the free trade agreement. It has really been interesting, actually. This party could not have negotiated a free trade agreement—remembering, of course, that the Leader of the Opposition, with his usual flair for diplomacy, declared President Bush ‘dangerous’, ‘incompetent’ and ‘flaky’. That is hardly the sort of diplomatic language you would expect in order to be able to go and conduct a free trade agreement.

Not content with the reality that they would not have been in a position to negotiate this at all, the Labor Party have now been looking at some of the detail of the FTA, and they say that the benefits are overstated—that perhaps they will not amount to $4 billion. That, in fact, may be the case. Perhaps it will only amount to $2 billion. I use the word ‘only’ advisedly, because that is a pretty big advantage—an additional $2 billion or maybe $1 billion or $1.5 billion or $3 billion every year. Whatever it will be, it will be more than you could have negotiated.

Mr Zahra—Maybe it’s going to be negative!

Mrs DE-ANNE KELLY—It is going to be a lot more than you could have negotiated, let me tell you, my friend. So there is the argument that goes, ‘We wouldn’t have done it and you shouldn’t have done it, and what you have got isn’t acceptable anyway.’ That, of course, is a typical Labor argument. The reality is that, when you are talking to the deckhands on the tuna boats of South Australia, the smelter workers in Gladstone in Queensland, the shearsers that work in the sheds in western Queensland or those who are packing in the horticultural sheds in western Queensland and in Victoria, when you are talking to all those people—down in Shepparton or up in Bowen—there is a considerable advantage for them in ensuring, first of all, that their jobs are more secure and, secondly, that their industry is exporting more. I would be interested to see how the Labor Party intends to take their opposition to the free trade agreement to those decent hardworking Australians. I would be interested to see how they are going to go to the slicers in the meatworks in Mackay, in Murgon and down the east coast of Australia and tell them that they are willing to stand in the way of increased beef exports to the US.

Is it the best deal? No—you can always do a better deal. We always know that. You can always do a better deal, unless you are the Labor Party. But this was the best balanced deal we could get from a President who respected our Australian Prime Minister and from a Prime Minister who has worked hard in the US. It was the best outcome we could
get, and for tens of thousands of Australians it will mean more secure jobs and increased exports.

I would like to touch on one of the other myths that the Labor Party is perpetrating: that in some way our outcomes in the free trade agreement with the US will affect, first of all, our ability to negotiate in the WTO and, secondly, our relationship with other trading nations, particularly in Asia. If other trading nations are concerned about our free trade agreement with the US, why is it that the Indonesian chamber of commerce have said that they support the arrangement and have in fact congratulated Australia on its outcome? They do not seem to be particularly concerned.

The other thing, of course is that the Labor Party sells our Asian neighbours short—but they will always do that. The reality is that our Asian neighbours that we trade with are very pragmatic traders themselves. They in fact want their own free trade agreements with the US. They see Australia as having additional status and certainly providing a path for them to their own free trade agreements. I note that for some of our trading nations we are supplying advice on negotiating free trade agreements. The reality is that our Asian trading partners are pragmatic strong traders themselves. They are not at all the way the Labor Party has portrayed them.

As far as the WTO and the Cairns Group go, we will continue to pursue our multilateral trading arrangements through the WTO. In fact, I notice that only last week Australia joined in taking the European Union to the WTO on its sugar subsidies. So nothing is going to stop Australia from continuing our very strong push through the WTO and pursuing our multilateral efforts there. We are still the leader of the Cairns Group. So that is another of Labor’s furphies gone to ground.

Of course, the arguments continue from the Labor Party, but I want to reiterate that this is a free trade agreement that the Labor Party could never have done. The rhetoric from the Labor Party and the Leader of the Opposition—calling the President of the United States ‘the most incompetent and dangerous president’ for years—is not the way that you approach free trade agreements. They get a real negative for diplomacy. The reality is that the FTA is something that was done between a President of the United States and an Australian Prime Minister who had respect and regard for one another. There are significant benefits for Australians, from those on the assembly lines for Aussie utes in South Australia and the deckhands on South Australian tuna boats to those in the packing sheds in Queensland and in the meat houses and slaughterhouses.

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

QUESTIONS WITHOUT NOTICE
Veterans: Entitlements

Mr LATHAM (2.00 p.m.)—My question is to the Prime Minister. I refer the Prime Minister to feedback from veterans at my community forums that the government’s delayed response to the Clarke review has caused uncertainty and angst in the veterans community. Does the Prime Minister concede that, after yesterday’s fiasco, this problem has now got much worse? When will the government release its final response to the Clarke review to give Australian veterans some satisfaction and peace of mind about their entitlements?
Mr HOWARD—I have indicated already that certain proposals were put to the government party room yesterday. My colleagues put the view that those proposals should be made even more generous, and I have agreed as a result of that to take the matter back to cabinet. Cabinet will consider the issue when it meets on 1 March, and an announcement will be made shortly afterwards.

Foreign Affairs: Gallipoli Peace Park

Mr LINDSAY (2.01 p.m.)—My question is addressed to the Minister for Foreign Affairs. Is the minister aware of further reports in today’s press that Turkish authorities were planning to charge a fee for entry to Gallipoli Peace Park?

Mr DOWNER—I thank the honourable member for Herbert for his question and I would like to say how much I am looking forward to going to his electorate next week. He and I will be able to have a civic conversation with the people in Townsville, but it will be a civic conversation with substance, not just empty rhetoric and cliches. I appreciate the honourable member’s concern about Gallipoli. Gallipoli does have a special place in the hearts of all Australians, and thousands visit every year, so we as a government would be very opposed to any measure that would interfere with access to Gallipoli by Australians through the introduction of a charge to get into Gallipoli Peace Park.

There is a report in one of our newspapers today suggesting that Turkey is indeed planning to impose a charge. I took the opportunity this morning to speak with the Turkish Ambassador, following up on a call I made to him last Friday. The Turkish Ambassador has already spoken with officials in Ankara, not only in the foreign ministry but in the forestry and environment ministry. In both cases, they have told him that there are no plans whatsoever, either on the part of the foreign ministry or on the part of the ministry for forestry and the environment, to introduce a fee to access Gallipoli Peace Park. I have instructed the Australian Ambassador to Turkey, Mr Philp, to continue to make representations to the Turkish government on this front, because I do not think Australians want to be charged to access Gallipoli Peace Park. I am very reassured by what the Turkish Ambassador has said, which is that the reports we have seen in the newspapers in the last few days are wrong and that Turkey is not proposing to introduce a fee for access to the park.

Veterans: Entitlements

Mr EDWARDS (2.04 p.m.)—My question is to the Minister for Veterans’ Affairs. Can the minister confirm that she was rolled by the coalition backbench because she ignored the great majority of the recommendations of the Clarke review into veterans’ entitlements, which include benefiting those who served in Japan after World War II; those who served during the atomic tests; war widows struggling to pay their rents; children and families without opportunity, due to the father’s disabilities; and the totally and permanently incapacitated? Given that the 109 recommendations of the Clarke review were received by the minister 12 months ago and that she has been incapable of delivering any results, when will she stand aside and let someone with the ability to get an outcome that benefits veterans do the job?

The SPEAKER—The member for Cowan must be aware that, under standing order 144, questions should not contain, among other things, inferences and imputations. His question was dripping with both.

Mrs VALE—I thank the honourable member for Cowan for his question. I am very proud to say that we on this side of the
House have a very robust democracy, and it is part of our practice—

Ms Roxon interjecting—

The SPEAKER—I warn the member for Gellibrand! I have already accommodated the member for Cowan by allowing the question to stand. I do not intend to have the chair’s accommodation abused. The minister has the call and she will be heard in silence.

Mr Rudd interjecting—

The SPEAKER—The member for Griffith is warned!

Mrs VALE—I am also very proud to say that we have a Prime Minister who listens. The honourable member for Cowan is just going to have to wait until we announce our response to the Clarke review. The member for Cowan raises the issue of how we on this side of the House deal with, respond to and respect our veterans. That can clearly be seen in the allocation of funding in this portfolio. In the last budget, a massive $10.1 billion went towards care, welfare, income support and comprehensive health services for our veterans. I might also say that, during the course of my consultations and discussions with the veterans community, many have been asking me recently about the Labor Party point of view on certain issues. That is a very good question because, indeed, the Clarke review has been out for 12 months for their response also.

Mr Bevis interjecting—

The SPEAKER—The member for Brisbane is warned!

Mrs VALE—It is very important to understand that the veteran community is still waiting on the Labor Party’s policy for veterans. So far in the eight years that this government has been in office there has been no mention of veterans’ affairs policy coming from the other side. Indeed, one would think they would have splinters from sitting on the fence and waiting to see what we are doing on this side of the House in our response to veterans. It is also indicative of the fact that they are a policy vacuum over there—another policy black hole, and this time it is on veterans. As a matter of fact, the only response I am getting from the shadow minister for veterans’ affairs and the member for Cowan is to call me names and attack me personally.

Mr Sidebottom interjecting—

The SPEAKER—The member for Brisbane is warned!

Mrs VALE—Though I would expect it to come from high school students, the member for Cowan has referred to me as a ‘flip-flop floozy’. I suggest to the member for Cowan that he gets his mind less on floozies and more on policy.

Family Services: Stronger Families and Communities Strategy

Mr BAIRD (2.09 p.m.)—My question is addressed to the Prime Minister. Has the Prime Minister’s attention been drawn to recent criticism of the Stronger Families and Communities Strategy?

Mr HOWARD—I thank the member for Cook for his question. It relates to a very important policy initiative of the government, and my attention has been drawn recently to some criticism of that program. The criticism was made by the member for Lilley, who is the shadow minister for family and community services. He said it in relation to some statements of support that have been made by the Minister for Children and Youth Affairs, whose spokeswoman was reported in the Age as saying:

Since the start of the strategy, 616 family and community projects have been approved for funding ... Of the projects, 51 per cent are in rural-regional communities, 25 per cent are in indigenous communities, 22 per cent target youth, and 18 per cent provide pathways to jobs.
The criticism made by the member for Lilley was quite important in the context of some remarks made by the Leader of the Opposition at the National Press Club today. What the member for Lilley had to say was that the problem with the Stronger Families and Communities program was that there were too many individual programs at a community level. He said:

If the money had all been put into a couple of strong national programs, we would have got a better bang for our buck.

This is very interesting when compared and contrasted with the remarks made only a few minutes ago by the Leader of the Opposition. He had this to say:

So governments need to create the space and the opportunities by which civil society and community politics can thrive.

No argument with that—a noble sentiment. He then went on to say, and this is where he is in direct conflict with his own spokesman:

To some extent this means giving power away. There is a very strong feeling in our society, a very strong feeling in our politics, that too much power has slipped from the people’s grasp and has been concentrated in the hands of big bureaucracies and big corporations.

If two decent, big-sized national programs do not represent big bureaucracies or big corporations, nothing else does. The conflict gets even more interesting. I also noticed that the Leader of the Opposition had something to say today about mentoring. There was nothing that the Leader of the Opposition said about mentoring that I could, in principle, disagree with. I close my eyes and I recall almost word for word a few speeches I have made on the subject over the years.

I have not only made speeches. I might also point out that not only have I made speeches on this subject but, through a program called the Stronger Families and Communities Strategy, the government has already committed $23 million, not the $2 million mentioned by the Leader of the Opposition, to mentoring and leadership projects. This $23 million—I repeat, $23 million: 10 times the amount acknowledged by the Leader of the Opposition—has gone to these apparently worthless projects, as described by the member for Lilley, such as: the Cairns youth mentoring scheme, $200,000 in the electorate of Leichhardt; the Port Augusta community leadership program, $31,000 in the electorate of Grey; the Great Mates Indigenous youth mentoring project, $140,000 affecting the electorates of Chifley, Greenway, Prospect, Dobell and New England; and the community leaders mentoring program, $300,000 in Bass, Braddon, Denison, Franklin and Lyons.

The government also, through the Department of Family and Community Services, administers the $4.4 million Mentor Marketplace program, which funds mentoring organisations such as Big Brothers Big Sisters to the tune of $676,000, the Smith Family to the tune of $150,000, the Create Foundation to the tune of $497,000 and the Youth Off the Streets program in New South Wales to the tune of $150,000. When you add those together you are looking at a sum of between $25 million and $30 million.

I welcome the Leader of the Opposition’s interest in mentoring. I remind him that they are programs this government has supported and represent a philosophy that this government has supported, and I suggest to the Leader of the Opposition that he give his shadow minister a little bit of counselling about what Labor policy is on this subject.

**Employment: Job Network**

Mr ALBANESE (2.15 p.m.)—My question is addressed to the Minister for Employment Services. Does the minister recall telling parliament on 18 June 2003 that Job Network was based upon 727,000 job seekers? Does the minister also recall telling the
Canberra Times on 23 August last year that more than 900,000 interviews had been conducted? Minister, on what number of Job Network customers were the contracts for Job Network 3 based?

Mr BROUGH—I thank the member for Grayndler for his question. I understand that the member for Grayndler has been out making all sorts of accusations again today, and I would just like to put the record straight. I brought into the chamber with me—

Ms Macklin—Answer the question.

Mr BROUGH—If you would just be quiet and listen, I will.

Ms Macklin interjecting—

The SPEAKER—Member for Jagajaga, the minister has the call!

Mr BROUGH—The question, to remind the deputy opposition leader, was: what were the figures based upon that people tendered on? I brought with me the request for tender, which was the document presented in September 2002 to businesses looking to tender for Job Network. In that document, those figures are 780,000 job seekers. Those businesses then went out and tendered. When they had been assessed by the department, the document that I have with me, a public document, was then put out to everyone who did tender so that they could make a decision upon whether or not to take up those offers of contract. The figure in that document was 720,000 job seekers; in other words, that was the potential for the market—a reduction of some 60,000 since September the year before. Why a reduction? Simply because unemployment had come down—something that this government actually applauds—and the figures said that it was going to come down even further.

So the accusations that the member for Grayndler has been out and about with today are totally unfounded. I direct you to the request for tender and also the separate document which was provided to all of those that were looking to tender for Job Network. The figure was 720,000. What is the figure today? The figure today is just under 800,000. Just over 790,000 job seekers are available for assistance through the Job Network because this government has actually extended the assistance to people like those with disabilities, those from single families and those young people who are striving to get into the labour market. Why? Because we believe in giving people an opportunity.

Mr McMullan—Mr Speaker, could I ask the minister to table those two documents which he referred to in the course of the answer?

The SPEAKER—Was the minister quoting from documents, or are the documents confidential?

Mr BROUGH—They are public documents, and I am happy to table them. It is the request for tender and the second document as put out by the Department of Employment and Workplace Relations.

Trade: Free Trade Agreement

Mr WAKELIN (2.18 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 will benefit the Australian economy? Is the minister aware of any alternative views?

Mr VAILE—I thank the member for Grey for his question. Of course, the member for Grey knows only too well of the economic benefits to the Australian economy that will flow from an Australia-United States free trade agreement. Last week we had the opportunity to visit some of his constituents in Port Lincoln who are going to be direct beneficiaries of the 35 per cent tariff reduction on canned tuna into the US market. In fact, on the basis of media reports, that company is already receiving requests for infor-
This is a historic deal that is going to secure real, bankable and tangible benefits for the Australian economy—which fits in very well with the economic agenda that our government has been running since 1996. This is about linking our economy with the biggest, strongest and most robust economy in the world—an economy that is one-third of the world’s GDP, almost $10 trillion, and a market of over 285 million people. This agreement is an example of how we as a government are taking decisions in the national interest that will continue to generate new opportunities for Australians today and well into the future.

This agreement links in well with the economic strategy that we have put in place that has delivered low interest rates, low inflation and the lowest levels of unemployment in about 22 years. It goes well in sync with what we have done in terms of creating over one million jobs since we came to office in 1996. This strategy will deliver more jobs in many more Australian industries. It is a well-known fact that one in five jobs across the Australian economy rely on exports. In rural and regional Australia one in four jobs rely on exports. So it is important that we continue to expand the opportunities for Australian exporters.

I had the opportunity this morning to talk with horticultural exporters at the Footscray markets in Melbourne. They told me that they are very supportive of what we have negotiated here because it is going to give them increased opportunities in terms of exporting into the US market products that they are already exporting and products that they can export now that we are going to bring those tariffs down. An example are the citrus exports that go to the United States, which saved a lot of the citrus operations in Australia. Mr Speaker, you know only too well how important the exports to the US are for the citrus growers in your electorate. They are going to receive the benefit of a total elimination of the tariff on that product from the time this free trade agreement enters into force.

It is a pity that the Labor Party is opposing the free trade agreement with the United States—obviously because of their anti-Americanism. But our government will continue to create economic opportunities for industries, particularly exporting industries in Australia. We will continue to pursue this deal on behalf of all Australians to deliver more opportunities for Australia’s exporters and more opportunities for more Australians to get more jobs.

DISTINGUISHED VISITORS

The SPEAKER (2.21 p.m.)—I inform the House that we have present in the gallery this afternoon the Rt Hon. John Spellar, Minister of State at the Northern Ireland Office. On behalf of the House, I extend to him a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Employment: Job Network

Mr ALBANESE (2.22 p.m.)—My question is addressed to the Minister for Employment Services. Is the minister aware that a minute from Centrelink to FaCS, dated 25 July and obtained under freedom of information, stated:

I think we need to bring out the fact that there are perhaps only 500,000 customers who can be compelled to come in. The rest are either beneficiaries exempt from the activities test or non-beneficiaries.

Minister, didn’t the government have to bail out the Job Network because the government based the tender round on the wrong number of Job Network customers?
Mr BROUGH—Let me just reiterate for you that the figures as stated in the documents that I have already tabled were accurate.

Opposition members interjecting—

Mr BROUGH—The question from the member for Grayndler and noise from the Leader of the Opposition indicates that perhaps the Labor Party is starting to move away from assisting people just because they are not on benefits. This government does not do that. In fact, under contract 2—and right throughout Job Network and its predecessor—personnel, such as young people, who cannot be compelled to come in to a Job Network member, are assisted. If the opposition is arguing that they should not be assisted, come forward and say so. If you think that single parents should not be assisted, then say so. If you think people with disabilities should not be assisted, then say so. These are people who cannot be compelled to come in to have interviews but who we on this side of the House, the government, believe have a need to be assisted so that they can reach their potential in society. The Job Network and the Howard government stand ready to help them.

Mr Albanese—Mr Speaker, I seek leave to table the memo from Mr Robert Williams, National Manager of Job Seeker Services.

Leave granted.

Trade: Free Trade Agreement

Ms PANOPOULOS (2.24 p.m.)—My question is addressed to the Treasurer. Would the Treasurer inform the House of the recent performance of Australia’s export industries? Are there any policies that would improve the prospects for investment and job creation in those export industries?

Mr COSTELLO—I thank the honourable member for Indi for her question and her interest in Australia’s export industries. It has been a difficult period over recent years for Australia’s export industries. We had the 1997 Asian financial crisis, the US recession of 2001 and the global downturn. We had SARS, which affected Australia’s tourist industry, and the worst recorded drought in 100 years which Australia was going through last year.

But there is some brighter news for Australia’s export industries at the moment. The Australian Bureau of Agricultural and Resource Economics released its latest crop report for February yesterday forecasting a winter crop to be a record 39.4 million tonnes in 2003-04. Get a load of this: 39.4 million tonnes, up 22.4 million tonnes on last year’s crop. You are getting a strong recovery coming off what was the worst drought in 100 years in this country. We have had record harvests in Victoria and Western Australia. The wheat production is forecast to rise 148 per cent on last year’s production to around 24.9 million tonnes, and barley is forecast to rise 130 per cent on last year’s drought-stricken crop. That is very good news. In addition to that, it appears as if global recovery is being established with the recovery of the US economy from recession.

Our exporters are facing the difficulty of a rising exchange rate. The Australian dollar is at high levels on a historical basis and has appreciated something like 30 or 40 per cent over the last 14 months. So, although the markets are coming back and production is coming back, the exchange rate is making it a little more difficult for Australia’s exporters. What can we do to help our exporters? One of the things this government did is it took all taxes off exports. That was what the new tax system was all about. If the Labor Party had had its way, we would still be taxing exporters in this country because the Labor Party could not see Australia’s long-term national interest.
Let me make another point: I hope the Labor Party does not fall again for the same backward-looking policy in relation to free trade agreements. One of the things that we can do for our exporters is to give them better opportunities to get their goods and services into new markets. There are countries all around the world that are seeking free trade agreements with the United States—this is a country that has achieved one.

That is why we call on the Australian Labor Party to endorse the national interest and to give help to those Australian exporters who will be better off as a result of that agreement. Manufacturers will be better off. People in the car and parts industries, people in electrical goods industries and people in high-tech industries will be better off, as will people in creative industries, in service industries and in professions. People in areas like dairy, wheat and beef will be better off. The free trade agreement is good for Australia’s exporters. Our exporters deserve assistance; they are battling in difficult international situations and they deserve the support that this free trade agreement can give them.

Telstra: Media Ownership

Mr TANNER (2.28 p.m.)—My question is to the Minister for Communications, Information Technology and the Arts. Can the minister confirm that the government was approached by Telstra management regarding a proposal for Telstra or a Telstra subsidiary to buy Fairfax, and if so, when? Did the government raise any objections to this proposal? Will the minister rule out allowing Telstra to buy a major commercial media organisation while still in majority government ownership?

Mr HOWARD—I will answer the question asked by the member for Melbourne. It is true that the chairman of Telstra, Mr Mansfield, canvassed with me, on behalf of the government, a proposal involving Telstra; its subsidiary, Sensis; and the Fairfax company. I told him that the government, having particular regard to the rights of minority shareholders—and in this case there are millions of Australians who are minority shareholders—would not seek to intervene in the matter. It was something for board consideration if the proposal developed further. The issue had not at that time been taken to the board. I discussed the matter with the Treasurer, who indicated to me that he fully shared the view that I had communicated to Mr Mansfield.

Let me take this opportunity to say that this issue again highlights the idiocy of the present ownership arrangements for Telstra. It demonstrates that, for so long as the Labor Party continues to oppose the sale of the rest of Telstra, it is destroying the value of the assets of millions of Australians. What the Labor Party has done is place unreasonable fetters on the activity of the company. The company cannot issue new share scrip to raise capital. It has, as some people have described it, a lazy balance sheet, because of very large accumulations of capital. One of the things it can logically do is find major investments which provide certain synergies with its own capacity and its own operation. The Labor Party can run a populist line in relation to this, but the truth of the matter is that, if we as the majority shareholder were to seek to deny the right of the board of Telstra to make a commercial decision that it believes to be in the interests of the company, we would be being absolutely derelict in relation to the rights of minority shareholders. This possibility has been canvassed before. It is an open secret that Telstra several years ago expressed an interest in the acquisition of another media company, and the same view was taken by the government at that time as has been taken on this occasion. The fault lies not with the decision of the government; the fault lies with the refusal
of the Labor Party to recognise that it is against the long-term interests of millions of Australian shareholders to maintain the current ownership structure of Telstra.

Mr Tanner—Mr Speaker, I ask that the Prime Minister table the notes he is reading from and tell us what the Minister for Communications, Information Technology and the Arts thinks about the issue. He did not consult him, did he?

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

Mr Howard—Yes.

The Speaker—Was the document marked ‘confidential’?

Mr Howard—Yes.

The Speaker—I thank the Prime Minister for that assurance.

Trade: Free Trade Agreement

Mr Hunt (2.32 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of the long-term approaches of other countries in our region to securing preferential trade agreements with the United States? Is the minister aware of any other views?

Mr Downer—I thank the honourable member for Flinders for his question. He does an excellent job following the great issues that the country faces, rather than just mouthing empty cliches. The opposition may not be aware of this, but countries in our region are actually very interested in doing bilateral free trade agreements. They are interested in doing them around the region, and they are interested in doing free trade agreements with the United States. Singapore has negotiated a free trade agreement with the United States, and Thailand is about to begin such negotiations.

I know that, more generally, there is a view in the region, not universally held but largely held, that whilst everybody supports a great WTO round—I do not think anybody on earth argues with that; if we could get the perfect multilateral outcome and turn the whole world into a free trade area that would be a wonderful thing—in the meantime, the very best we might be able to do, at least in the short term, is to set up regional and bilateral free trade agreements. That is why so many countries in the region are doing this.

The only political movement I have come across in this part of the world, outside of fringe groups, that opposes free trade agreements is the Australian Labor Party. I noticed today that the Leader of the Opposition was asked at the Press Club after his famous speech there—a speech that would have to be close to the most cliche ridden speech I have ever heard; I was reeling from listening to his fusillade of cliches—whether he supported a free trade agreement with the United States. It was perfectly clear from his answer that he does not.

The argument of the Leader of the Opposition and the Labor Party has now boiled down to an argument about models. The Leader of the Opposition was arguing somehow that his model has come unstuck. Mr Speaker, let me tell you and the House something about models. There are two models on this free trade agreement: the government model, which over a period of 11 years will give us greater access to the wine market of the United States, and the Labor model, which will keep us out. There is the coalition’s model, which will allow Holden utes to be sold in the USA with their tariffs cut immediately from 25 per cent to zero, and there is the Labor model, which will keep those tariffs at 25 per cent. There is our model—the government’s model—where fruit and flower growers and seafood exporters will see their barriers to the United States come down and massive new markets open up, and there is the Labor model, which does not want to see that access to those markets.
I think the Australian public will have a very clear view about which of these two models is the best model. They certainly will not be impressed with an opposition which is purblind to the advantages of trade liberalisation through a free trade agreement with the United States. And why is that? It is because deep down in the opposition there is an anti-Americanism which has welled up in opposition to this free trade agreement. Rational people would not oppose getting this sort of access to the biggest market in the world, but people who are dominated by anti-American ideology would.

National Security

Mr RUDD (2.36 p.m.)—My question is to the Minister for Foreign Affairs. I refer the minister to Monday night’s admission by the Director-General of ONA that a fresh copy of the top secret ONA document entitled *Iraq: humanitarian consequences* was circulated by ONA in June last year, immediately prior to its contents appearing in the *Herald Sun* on 23 June 2003 in an article by Andrew Bolt. Minister, did your office request this fresh copy of this national security document from the Office of National Assessments?

Mr DOWNER—Let me just say this: I think it is an extraordinary thing, and I think the House would agree, that the Labor Party—which has been asking questions, including today, about leaked documents and has been producing leaked documents—thinks that it is all very well to use a leaked document itself but if some other document is leaked somewhere else that is an outrage. I must say I found it very hard to understand the logic of the Labor Party’s approach to this issue.

Mr Rudd—Mr Speaker, I raise a point of order, and it is a very simple one. I asked a very direct question about whether the minister’s office obtained this copy from ONA or not.

Honourable members interjecting—

Mr DOWNER—Mr Speaker—

The SPEAKER—Order! The minister does not have the call. The chair can only determine whether an answer is relevant or not to the question. The minister is in order, and I recognise him.

Mr DOWNER—As I understand it from my recollection of this discussion last year, when questions were asked and I looked into this matter, the Federal Police are apparently investigating this. All of these issues will be examined by the Federal Police, and that is absolutely fine by me.

Health: Cancer Treatments

Mrs GASH (2.38 p.m.)—My question is addressed to the Minister for Health and Ageing. Is the minister aware of delays in the provision of cancer therapy services to Australian families in the Wollongong area? What is the cause of these delays? How can the government fix problems like this in public hospitals?

Mr ABBOTT—I thank the member for Gilmore for her question. I know how concerned she is to ensure that patients at Wollongong Hospital get access to proper cancer treatment immediately. As members of the House will know, the Commonwealth provides 50 per cent of public hospital funding, but public hospital policy and administration are wholly the responsibility of state governments. Despite the GST, state health spending has been static at about two per cent of GDP since 1996. At the same time, federal health spending has grown from 3.7 per cent to 4.3 per cent of Australia’s GDP. As far as is humanly possible, I want to work cooperatively with the state governments to provide better health services, but that is very difficult when the state governments do not provide the public hospitals with enough money to keep basic services going.
Some time ago, the Commonwealth agreed to fund a new linear accelerator to treat cancer patients at Wollongong Hospital. But I regret to inform the House that the $3.9 million provided by the Commonwealth has already been spent on hospital administration, and no linear accelerator has been purchased. In a letter to the New South Wales government, the Chief Executive Officer of the Illawarra Area Health Service said:

In the Illawarra Health Service, the total unfunded expenditure is $6,993,000. Furthermore, the Commonwealth government grant moneys of $3.9 million for the linear accelerator has been spent. This money has been previously allocated to rectify previous budget deficits.

I table this letter, which reveals how money destined for Wollongong cancer patients has been filched because the state government has not lived up to its responsibilities in this area. I call on the New South Wales government to make good these moneys now and buy a linear accelerator immediately.

I note that the boards of Camden and Campbelltown hospitals sought an injunction recently to stop the publication of the Health Care Complaints Commission report exposing 19 deaths through negligence at those hospitals. I also note that Alex Sanchez, who was part of the board that tried to cover this up, has just joined the staff of the Leader of the Opposition. If the Leader of the Opposition were serious about contributing to solving the health care problems of this country, he would stop covering up for the Carr government.

Education: Government Schools

Ms CORCORAN (2.42 p.m.)—My question is to the Prime Minister. I refer to the Prime Minister’s comments in January this year in which he attacked government schools and accused them of being value neutral. A year 11 student in a local government school has written to me to express ‘serious offence’ at the Prime Minister’s comments. He and his friends ‘have discussed his comments and deem them as unfounded and inaccurate and the Prime Minister himself should rethink what he defines as a value’. Will the Prime Minister reconsider his remarks and acknowledge the excellent work that government schools do in teaching our kids good values?

Mr HOWARD—I thank the honourable member for Isaacs for her question. I did not attack, in a generic way, all government schools.

Opposition members interjecting—

Mr HOWARD—I did not, Mr Speaker. But if the honourable member is asking me to retract in any way what I said, let me tell her that I will not retract what I said, because what I said I believed, what I said was accurate, and what I said reflected—

Ms Hoare interjecting—

The SPEAKER—Member for Charlton!

Mr HOWARD—the views of many parents which have been expressed to me. If we want to have a serious debate about the quality of services provided in this country, the first thing that we have to acknowledge and recognise is that people’s views in relation to services are grounded on their own experience. In the interview, which was conducted with Samantha Maiden of the *Australian* newspaper, I was asked why I believed that over the past few years there had been such a heavy drift of people into private schools from public schools, as witnessed by an increase of about 1.6 per cent in public school enrolments versus about 13 per cent in independent enrolments. I said that, in speaking to people, many of the views they expressed to me went to issues of standards, values and discipline. They were views that were expressed, and I do not resile from that, because we will not have an intelligent debate about this issue—
Ms Hoare interjecting—

The SPEAKER—The member for Charlton is warned!

Mr HOWARD—I notice from a report that was released on behalf of the federal education department a few days ago that the two things cited most frequently in relation to choices regarding independent versus government schools were issues of discipline and values. As this is an acceptable age to recount personal experience, I say this as somebody who went through a government school and educated my own children at a primary level in government schools and whose experience has been that there are some excellent government schools and excellent government school teachers but there are also some who are too heavily influenced by the Australian Education Union, whose values are driven by the politically correct.

We had a classic example of that—I really do thank the honourable member for Isaacs for asking me this question—at the weekend, when the Australian Education Union launched its campaign, which quite dishonestly omitted to inform the Australian people that 50 per cent of all of the money that state governments raise in this country comes from the federal government. Any fair comparison of funding of education in this country comes from the federal government. Any fair comparison of funding of education in this country would acknowledge that, whereas 68 per cent of children are educated in government schools, 76 per cent of all taxpayers’ money, from both state and federal sources, goes to government schools. The reality is that every time parents in Australia decide to send their children to independent schools they save the Australian taxpayer something like an amount of $10,000 annually. If they decide to send their children to what the opposition pleases itself to call an ‘elite’ private school—although many of the parents of children at private schools are categorised as anything but elite in terms of their income levels—what they are effectively doing is saving the taxpayer in the order of $7,000 out of that $10,000. If they send them to a low-fee Catholic school, a Christian school or one of the other low-fee independent schools, the expenditure saving is a great deal less, because the level of government subsidy is much higher.

We have a splendid system of choice between government and independent schools in this country. It is a world-class system; it is envied by many countries around the world; it has been the subject of discussion in many of the talks I have had not only with President Bush and the British Prime Minister but also with the leaders of many other countries. The bottom line of what the Labor Party is about in this area is the agenda of the Australian Education Union. The agenda of the Australian Education Union is to destroy the consensus we have about funding both government and independent schools. Talk about shifting from the so-called wealthy schools to other schools is the thin end of the wedge for overturning three decades of bipartisan support for both government and independent schools in this country.

Employment: Job Network

Mr NEVILLE (2.48 p.m.)—My question is addressed to the Minister for Employment Services. Will the minister update the House on the performance of the Job Network? Is the minister aware of any alternative policies?

Mr BROUGH—Total employment has grown in this country by 1.3 million since the election of the Howard government in 1996. That is 1.3 million Australians who now have an opportunity; 1.3 million Australians who have a future. That is something that this side of the House is very proud of. Since March 1996 the number of unemployed has actually gone down by 150,000. The number of long-term unemployed—
those people who have been unemployed for longer than 12 months—has gone down by 80,000. Since 1 July 2003, with the introduction of the Job Network contract 3, there have been some 270,000 helped into work. In the member for Hinkler’s electorate the number is nearly 4,000.

If you compare this to Labor’s failed alternative, the CES, in helping disadvantaged job seekers you find that their failed system helped only 27.4 per cent into work; whereas the Job Network is helping nearly double that number—46.6 per cent. What is the cost? The cost under the CES was a massive $12,800 for each of those outcomes, and today the figure is $3,900. That is $3,900 for an outcome compared to Labor’s alternative, which was $12,800. No matter what measure you wish to use, the Job Network is helping nearly double that number—46.6 per cent. What is the cost? The cost under the CES was a massive $12,800 for each of those outcomes, and today the figure is $3,900. That is $3,900 for an outcome compared to Labor’s alternative, which was $12,800. No matter what measure you wish to use, the Job Network is working and working effectively for Australians. But what about the opposition? A cursory glance at the ALP draft national platform indicates that the Labor Party wishes to reintroduce a public provider, the CES—the CES that drives outcomes down and costs up, which disadvantages job seekers and in fact—

Mr Albanese—It does not say that at all!

Mr BROUGH—The member for Grayndler says it does not say that.

The SPEAKER—The minister will not respond to interjections!

Mr BROUGH—Can I suggest that the member for Werriwa, when he is reading one of his books, reads it to one of those on his front bench and reads to him the bit in there that says you are after a public provider. Not only does it say he wants a public provider but the Labor Party also has another solution—publicly funded jobs. That is right: if you cannot get real jobs in the real labour market and drive up the economy, then why don’t the government and the taxpayer fund them! The last of their three ideas is: ‘Let’s introduce unions into the Job Network. Let’s have some jobs for the boys. So maybe we can pump the money into the Job Network, which is owned by the unions, and the unions can then give it back to the ALP.’ We have heard this tired old story many times before. A public provider, driving down outcomes and driving up costs, giving the money back to the unions, not helping unemployed Australians. It is no wonder unemployment peaked at over one million under the Labor Party.

Mr Albanese—Mr Speaker, I rise on a point of order. I ask the minister to table the document from which he was reading, so I can catch up with this fiction.

The SPEAKER—The member for Grayndler will resume his seat. Was the minister quoting from a document?

Mr BROUGH—Yes.

The SPEAKER—Was the document marked ‘confidential’?

Mr BROUGH—Yes.

The SPEAKER—I thank the minister.

Centrelink: Entitlements

Mr RIPOLL (2.52 p.m.)—My question is to the Minister for Children and Youth Affairs, representing the Minister for Family and Community Services. Does the minister recall issuing a media release six days before Christmas about Centrelink’s compliance activities? It said:

It is important that people get their correct entitlement—not more and not less.

How does the minister explain the fact that in my electorate office alone in the last six weeks I have dealt with more than 150 calls relating to Centrelink mistakes and that an independent audit dated June 2003 confirmed a damaging 1.3 million mistakes affecting 700,000 Centrelink customers over a four-month period? Can the minister explain how he has allowed this appalling situation, harming Australian families, to continue?
Mr ANTHONY—I would like to thank the member for asking this question. I might have expected it from the member for Lilley, because the first thing I want to say is that this government supports all 26,000 employees of Centrelink; they do a fantastic job. Contrast that to the spin coming out from the member for Lilley in particular, who uses any excuse to attack the government by attacking the staff of Centrelink.

The proposition that was put by the member for Oxley, based on the manipulation that the member for Lilley did over the weekend, is that the 26,000 employees of Centrelink are making a huge number of errors. Let us put this into perspective. There was an internal survey conducted by Centrelink—to their credit—to look at ways of trying to improve their performance. They went to 1,200 of their clients who had a perceived problem with Centrelink and asked them where any errors may have occurred. It was a survey of people who had a perceived error, so it was a distorted sample anyway. But the member for Lilley extrapolated that sample to represent the 6.3 million customers that Centrelink serves over a total of 4.2 billion transactions. What the Australian Labor Party is doing is running down the 26,000 employees of Centrelink who, under difficult circumstances at times, do an outstanding job in allocating and distributing over one-third of the Commonwealth budget.

There was a survey, particularly about accuracy, done by the Department of Family and Community Services. Of course the government is always concerned about accuracy and makes no apologies for that: people should get their entitlement, not more, not less. But when you look at the actual assessment of income paid under that survey by the department, 96.7 per cent of Centrelink transactions were assessed as accurate.

We do not dispute that sometimes incorrect information may be processed. I will give you some of the examples that the member for Lilley was using to twist the argument. He should apologise, quite frankly, to the 26,000 employees of Centrelink. He uses them as a political pawn to make hits on the government. It is outrageous to put that slur on those employees. Here is one perceived mistake: having to use a redundancy payment before having access to Centrelink payments. Some people think we should not have to use our redundancy payments and that we should automatically be able to access Centrelink payments. It has always been the policy of this government and of previous governments that people should use up their own liquid assets before they are entitled to Commonwealth grants.

Here is another example of a perceived error: receiving two letters on the same issue. We appreciate that sometimes this can be annoying for customers—we recognise that. But I hardly think sending two letters to a particular customer is worth damning the employees of Centrelink—although the member for Lilley is quite happy to think so. Those employees do a difficult job, they do a great job and it is about time you stopped running them down. As the previous minister for employment mentioned, Centrelink is a far better organisation than the old CES ever was.

Roads: Scoresby Freeway

Mr PEARCE (2.56 p.m.)—My question is addressed to the Treasurer. Would the Treasurer advise what provision has been made in the budget for road funding in the outer eastern suburbs of Melbourne? What other financial assistance is required to deliver on such construction? Are other responsible parties cooperating and adhering to their obligations in this regard?
Mr COSTELLO—I thank the honourable member for Aston. I can tell him that the budget forward estimates make provision for $445 million for the construction of the Scoresby Freeway. I want to acknowledge the work that he has done on that issue, together with the member for Deakin, the member for Dunkley and the member for Casey. I want to reaffirm that this government is not only committed to the Scoresby Freeway but has provided money in the forward estimates for its construction.

We did that after signing an agreement with the Victorian government called the Scoresby Transport Corridor. Clause 3(a) of this agreement reads as follows:

... Victoria agrees to provide 50% of Government costs for the construction of a freeway—

a freeway—

between Ringwood and Frankston ...

Clause 3(d) of this agreement provides:

Victoria undertakes to ensure that users of the Scoresby Freeway will not be required to pay a direct toll.

There it is in writing: they will not be required to pay a direct toll. Lest there is any doubt about that, the Victorian Premier, Mr Bracks, wrote a personally addressed letter to the residents in the area before the state election in 2002. Under the heading, ‘Bracks listens, acts. ALP’ it said this:

... Labor will build the Scoresby Freeway on time and on budget. These are not just election time promises, they are my firm commitments to you and your family and they will be honoured.

Since writing that letter and being re-elected, since signing that written agreement, since being provided with that $445 million, in what must be the most breathtaking blatant breach of an election promise, the Bracks Labor government has said it is going to toll the Scoresby Freeway. Shame! Shame on it! It will not produce its $445 million. It will not honour that letter. It will put a toll on every person using that Scoresby Freeway.

Why does this all come to mind today? Today I have been given a copy of a flier which Labor members are putting out in the area of Scoresby. Mr Speaker, you think you have seen it all—but, when you see a document like this, you say to yourself, ‘It’s just all beginning.’ Labor state members, who are a party to that broken agreement and that broken letter, are today in the Scoresby area handing out fliers with the headline: ‘Tolls are good: prove us wrong’. Peter Lockwood, the member for Bayswater, and Dympna Beard, the member for Kilsyth, invite you to attend a special breakfast with transport minister, Peter Batchelor. ‘Bring your questions to this one,’ they say. Have a listen to this: ‘Hear why tolls are good for business.’ When you go down there, you can hear why tolls are good for your business, why more union power is good for your business, how unfair dismissal laws are good for your business, how increased company taxes are good for your business, how Labor is good for your business—and how tolls are good for your business. ‘Tolls are good: prove us wrong.’ I tell you what: if I can get free on that day, I am going. Tell Pete I will be down there with all my group.

I think what ought to happen here is for federal Labor to engage state Labor in a civic conversation. That is what I think. I think federal Labor ought to go down and have a civic conversation and say, ‘Listen, you’ve signed an agreement; listen, you’ve put out a letter and you’ve got an obligation’—and I mean a civil conversation. I do not want anybody’s collarbone to be broken in this conversation. I want it to be civil. I want to see federal Labor go down to state Labor and say, ‘Why don’t you keep your promises? Do the right thing by the people of Scoresby.’
Workplace Relations: Workers’ Entitlements

Ms GRIERSON (3.02 p.m.)—My question is addressed to the Minister for Employment and Workplace Relations. Is the minister aware of the recent closure of West Lakes Training in Lake Macquarie and Newcastle? Is the minister also aware that employees of this organisation have been denied access to their entitlements and have been unable to access assistance under the General Employment Entitlements and Redundancy Scheme? Minister, when will the government support Labor’s private member’s bill on employee entitlements so that innocent workers are spared financial uncertainty and distress?

Mr ANDREWS—I thank the honourable member for Newcastle for her question. When she speaks about employment, I suppose the first thing I would remind her and her constituents in Newcastle of is that in March 1996 the unemployment rate in Newcastle was double what it was towards the end of last year. So, in terms of actual jobs for people in the Newcastle area, which she is obviously concerned about, under this government there has been a massive increase in jobs in the area and a substantial reduction in unemployment.

Ms Hoare—Mr Speaker, I raise a point of order which goes to relevance under standing order No. 145. The minister was asked about—

The SPEAKER—The member for Charlton will resume her seat. I point out to the member that the minister has scarcely commenced his answer. I expect him to come to the thrust of the question and I have not found what he has said so far to be at all irrelevant.

Mr ANDREWS—Indeed, the member for Charlton might be interested in the fact that unemployment in her electorate has fallen from 13.3 per cent to under seven per cent—tell that to your constituents.

Mrs Crosio interjecting—

Mr ANDREWS—If the member for Prospect does not believe that a job is an entitlement, then that sums up the Australian Labor Party. This government has a proud record of having put in place the GEERS scheme which provides for workers, according to the community standard, upon redundancy. This is something which this government has funded and which Labor governments around the states have not funded or made any contribution to. The only suggestion from the Labor Party is a private member’s bill—which has come from the member for Prospect, who was noisy a few moments ago—which adds further payroll tax to employers and small businesses throughout Australia. So here we have a proposition being moved by the Australian Labor Party, through the Chief Opposition Whip, to increase taxes for Australian businesses. That is the response of the Australian Labor Party. However, we will get on with the job of creating more jobs in Australia—something which it seems the Australian Labor Party does not care about.

Political Parties: Donations

Mrs BRONWYN BISHOP (3.05 p.m.)—My question is addressed to the Minister for Health and Ageing representing the Special Minister of State. Is the minister aware of a press report today which indicated that the 1994 royal commission had settled leasing arrangements involving Centenary House? What is the government’s response to this report?

Mr ABBOTT—I thank the member for Mackellar for her question and I appreciate the interest that she has taken in this particular rort and racket that has been occurring over many years. Just today at the National Press Club we had no other person than the
Leader of the Opposition himself claim that the Labor Party’s conduct in respect of Centenary House had been fully vindicated by a 1994 royal commission. But the key statements of fact relied on by that royal commission have all turned out to be wrong—absolutely every key statement of fact has turned out to be wrong. For instance, the commission said:

... it appears that rents are likely to rise at the rate of about 9% in Barton ...

The fact is that growth in the intervening period of time in Barton has been between two and three per cent a year. The report of the commission said:

No party to the lease of Centenary House obtained unfair or above-market commercial advantage from the lease.

If that is the case, why is the Audit Office paying $871 per square metre and the commercial tenant in that same building paying just $314 a square metre? Perhaps the Leader of the Opposition might like to tell us what the Labor Party is paying in Centenary House. Every day, the Australian Labor Party is receiving a free gift from the taxpayer of $6,721 above market rent. In the 78 days that the member for Werriwa has been the opposition leader, the ALP has trousered $524,238. It just goes on and on.

Today at the National Press Club the Leader of the Opposition said that he was not really interested in the past, he was only interested in the future. Let me say to the Leader of the Opposition that, by the end of June, the Labor Party will have pocketed another $800,000 because of this extortion racket. We on this side of the House are prepared to let the past be forgotten and to let bygones be bygones, provided he ends the rip-off now.

The Leader of the Opposition said in the past—and I know the past is another country; he has been born again, and everyone has forgotten all his sins of the past—that the hangers-on and the mercenaries need to be sent packing. That is what he said in the past. I say: send the mercenaries packing for the future by renegotiating this lease now. He also said in the past, ‘We have too much machine politics. This is why we lost two elections under Kim Beazley.’ I say: send the machine men packing for the future and renegotiate this lease now. Has he forgotten what he said just yesterday? Just yesterday he told the Labor caucus that he wanted a more ethical approach to politics. He should prove that is what he is going to deliver by renegotiating this lease now.

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

QUESTIONS TO THE SPEAKER

House of Representatives: Daily Program

Ms GILLARD (3.10 p.m.)—Mr Speaker, my question relates to the parliamentary program yesterday. To explain my question, can I draw your attention to yesterday’s parliamentary program—what is commonly referred to as the blue, as you would well know—which had, in order: questions without notice, presentation of papers, and ministerial statements, by leave. I draw your attention also to the draft daily program, which was circulated by the Parliamentary Liaison Officer the night before and which listed as an item of business: Statement by the Minister for Veterans’ Affairs, government response to the review of veterans’ entitlements. Mr Speaker, could I ask you to make an inquiry and inform the House at what time was it determined to have that ministerial statement listed on the draft daily program which was circulated by the Parliamentary Liaison Officer the night before and which listed as an item of business: Statement by the Minister for Veterans’ Affairs, government response to the review of veterans’ entitlements. Mr Speaker, could I ask you to make an inquiry and inform the House at what time was it determined to have that ministerial statement listed on the draft daily program circulated by the Parliamentary Liaison Officer and at what time was it determined that that statement no longer appear as the detailed item of business on the daily program—on the blue—published for yesterday?
Mr FITZGIBBON (3.13 p.m.)—Mr Speaker, yesterday, in light of your decision to suspend a number of Australian photographers from this place, I asked you whether you would be prepared to reconsider your decision to deny my request that you table the report into the so-called rogue camera affair. You responded by saying that it is not your report to table, but I understand you now acknowledge that I was not referring to the Bolger report, which the Prime Minister should come in here and table, but to the report to you of the Serjeant-at-Arms. Given that, I ask you again: are you prepared to reconsider your decision not to table that report and, if not, why not?

The SPEAKER—Let me respond to the member for Hunter first by indicating that I appreciate the courtesy he extended to me by his coming to my office and forewarning me of this question and that yesterday I was only thinking of the Bolger report, for reasons that I believe he understands. It was in that context that I had responded to him yesterday. In the case of the report from the Serjeant-at-Arms to me, it is not a report that has given me the information I was seeking. That was the reason it was not prominent in my mind yesterday. The member for Hunter’s preliminary notice of this question gave me an opportunity to once again look at the report. The report, not surprisingly, does contain matters which are security sensitive, and for that reason I do not intend to release it in response to the request from the member for Hunter.

PAPERS

Mr ABBOTT (Warringah—Leader of the House) (3.15 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
Employment: Job Network

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

The Government’s administration of employment services policy, particularly its design and management of the Job Network.

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

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

Mr ALBANESE (Grayndler) (3.16 p.m.)—It is no wonder the government’s own supporters see it as mean and tricky. When the government points over here you can be sure that all Australians will have to make sure they look over there, because the government is constantly trying to deceive the Australian people. Job Network 3 and the lead-up to its implementation on 1 July is a sorry and sordid tale of deception and incompetence and of malice towards the unemployed. The government misled providers, the government vilified job seekers and the government deceived the community.

The FOI documents which the opposition has received from the Department of Family and Community Services outline the history of all this, and I intend going through those documents today. It is unfortunate that I cannot go through the FOI documents from the Department of Employment and Workplace Relations, because the government has stymied every attempt to get any information from that department about the establishment of the Job Network. The government was asked last year in Senate estimates for an Econtech report, for a number of analyses of why there were problems with Job Network 3. The secretary of the department said he did not see a problem with producing those documents. However, this week, again we received notice that it was ‘inappropriate’ for those publicly funded documents to be made available to the Australian people.

The fact is that the FaCS documents show that the model was flawed from the outset. Rather than fess up, the government has covered up. Way back on 11 April 2003 Centrelink were concerned about the new system. They were concerned about the numbers involved, they were concerned about the IT system and they were concerned about the coverage. That reflected the concerns that had been expressed by the sector—the providers, the people out there on the ground—as early as 2002. They had said, ‘We think there are problems with the introduction of ESC3,’ but the government just batted on regardless.

The new contract came in on 1 July, which led to a fully privatised system. That was the first time since the Second World War that the government said that the public sector had no direct role in giving people a job, and the CES was finally fully privatised. We know that at that time, as part of the arrangements, $500 million was cut out of the Job Network system. We know that 53 per cent of offices were closed. There were more offices closed than left open. The alarm bells were ringing. In April FaCS advised that Job Network coverage would not be available in some remote and rural areas. In May they advised that the new system would have an ‘inability to enact upon intervention strategies that will impact on the more disadvantaged job seekers’.

So it is not surprising that even before the new system came in the people on the ground in Centrelink were saying that the most disadvantaged job seekers would miss out. In spite of the fact that there has been an
overall drop in unemployment, if you look at the number of people who have been on unemployment benefits for more than 12 months, it is greater today than it was in 1996. Having fewer people in the system combined with the IT problems so that on 1 July when the new system came in the Job Network had a massive cash flow problem. Job Network providers were saying, ‘We are going to go to the wall.’

What was the government’s response? The minister was coming in here and telling parliament that everything was okay. That is something he did on 26 June, the last sitting day before parliament rose for the recess and the last sitting day before the introduction of Job Network 3. What did the minister do immediately after parliament rose? He got into his Comcar, went out to the airport and flew to Sydney for an emergency meeting with CEOs of Job Network providers. The meeting was held at the Sydney airport Hilton—at a cost of five grand to taxpayers, by the way, because they had TV links throughout Australia—all because there was a crisis. Those people on the ground were telling him what would occur in just five days time.

At that time he gave a private commitment to bail out the Job Network. That commitment was given because at that stage they were threatening to just not open up on 1 July. So the minister said to them, ‘We understand there are some humps here, so we’ll guarantee you some $30 million.’ That was announced on 10 July. But the government knew it was in trouble. So what did it do? It did not immediately accept that there were structural problems; it went out and blamed the unemployed. The government blamed the victims of its own incompetence.

On 29 June, two days before the introduction, in the Sunday Herald Sun the minister suggested that 84,000 would lose benefits, saving the government some $1 billion a year. He said:

The review would save taxpayers hundreds of millions and force tens of thousands off benefits ... This will shake the tree.

FOI documents of 4, 10, 18, 22, 25 and 28 July outline the real story. Centrelink—those decent public servants that these people hate—were notifying the government every three days and telling them that this was not the case. They were telling them that the problem was not with the unemployed but with the system. But still the government continued to vilify the unemployed. At the same time, just before the minister flew off to Sydney for this meeting, he was quoted in the Financial Review as saying:

Job Network providers are not yet feeling financial stress ... the IT is working well.

There was an absolute crisis in the system. The Centrelink minute of 25 July bells the cat. It says:

I think we need to bring out the fact that there are only perhaps 500,000 customers who can be compelled to come in.

That was not very subtle, Minister. We asked the minister about that today. What did he say? He waffled on with some figures—about 700,000—and said that they did like volunteers coming in to use the Job Network. That was not the basis of the system. The basis of the business plan that Job Network providers put in was not that people would volunteer to come in. Providers do not get a fee if someone knocks on their door and says, ‘Hi, can you find me a job?’ The basis was that there would be a cash flow resulting from people being referred from Centrelink to those Job Network providers. That—along with, of course, the IT problems—was why there was the huge cash flow problem. The minister said the IT was working well, but the FaCS documents show otherwise. A memo of 16 June says:
... it is now 11 weeks since ESC3 was introduced. There have only been 2 or 3 days where there has not been a system outage.

It was working for two or three days out of 77, and the minister said it was working well. That was why people were not getting the referrals. That was why, when people were getting referrals, they were sent to get jobs such as the one a young bloke was sent to get—in an escort agency in Tasmania. We know that the crisis occurred in July. We know that the first bailout was $30 million 10 days later. But that did not solve the problem, because the structural problems were still there. The minister was still saying the system was working well and it was just that those unemployed bludgers would not do their jobs; they would not turn up and were not doing their bit.

On 21 and 22 August there was a NESA national conference in Melbourne. On the Thursday morning—I was speaking on the Thursday afternoon—the NESA for-profit and not-for-profit providers, the peak of the sector, all had a meeting and said, ‘We’re going to go out of business; we’re going to close our doors.’ They had a meeting of the CEOs and they asked those people who in the next fortnight were going to either shut their doors or sack staff to put their hands up. Eighty per cent of those providers put their hands up, and there was a riot. So the minister had to go along the next day and make an announcement. He guaranteed $670 million per year for three years. He, of course, went on in the speech to blame the 60,000 jobseekers who had allegedly not shown up.

This is a sorry saga of maladministration from beginning to end. He made this announcement and said the 60,000 jobseekers who had not shown up were to blame. What do the figures from FaCS show? They show that from 14 April to 5 September there were 286 people breached—not 60,000 or 84,000, but 286 people who did not fulfil their obligations. This is the best quote of all: he announced, ‘We’re going to spend $2.1 billion; we don’t know why we’re going to give you the money, but we’re going to give it to you because that’s what you thought you were getting.’ He was asked, ‘How is it going to work out?’ He said, ‘The method of payment hasn’t been worked out; I’m not going to make policy on the run.’ He had already guaranteed $670 million every year. The minute from PM&C about the outcome, which was published in the documents on 22 August—the same day he announced his bailout—is a beauty. It is about a ministerial meeting. It says:

We also understand that, following a meeting between Ministers, there is to be some work done clarifying the size of the stock and these meetings at PM&C will be vehicle for taking this forward.

To give the Prime Minister credit, PM&C took it off him. They took it off the minister and brought PM&C in over the top because the minister for FaCS was expressing outrage at what was going on. Her bills were going up to cover the Centrelink wages which were being spent to try and keep the system going. On 3 September, having already announced the $2.1 billion, there was a letter that was a beauty—on 3 September PM&C requested DEWR to write to them about the proposed changes to the payment regime for Job Network members. So much for not making policy on the run. He announced the spending essentially to fit what the model was and then he tried to work out how he was going to justify paying them. That came out.

What is clear is that unemployed people were fulfilling their obligations. On 26 August, another document shows a phone hook-up between FaCS and DEWR, under the heading ‘Subjects for minister re possible cabinet discussions’ of that day. FaCS and DEWR agreed that there are 633,000 Newstart and youth allowance recipients. Of
these, 500,000—the common figure which comes up—have attended interviews, a further 70,000 are awaiting entry after having been exempt—so they are exempt from the system—and 63,000 are assumed not to go into the Job Network because they are in PSP or otherwise exempt. Those 63,000 are in other programs and are not part of the Job Network, so how could they have been included in the financial modelling? What this document shows is that every single one of the activity tested jobseekers has been accounted for.

In the lead-up to 1 July they knew there was a problem, they provided the bailout and then they tried to work out how the money was going in there. That came out in a minute from Peter Boxall. He said that he thinks that Australians Working Together is a good idea, because all the people who are not part of the Job Network are going to be pushed in there—people on disabilities and the mature aged unemployed are all going to be pushed into the system. What we have seen is a series of changes, including the disability support changes. It must be remembered that the biggest provider of disability employment services went bankrupt on Christmas Eve—it went into receivership. But the government announced 10 days later that they were going to place people who were involved in disability support services—which is a part of FACS, which is capped, otherwise there would be more people with disabilities who would be able to participate in and go into employment—into a pilot program of 12 Job Network members. Minister, what is the point of having a policy which is led by the needs of a system to fit in with a model that does not work rather than one that is led by the needs of the unemployed? This is a disgraceful affair, and the minister should be ashamed of himself. (Time expired)

Mr BROUGH (Longman—Minister for Employment Services and Minister Assisting the Minister for Defence) (3.31 p.m.)—One has to wonder what would prompt the shadow minister to come in here and prattle on in quite a mindless manner, as he has just done.

Opposition members interjecting—

Mr BROUGH—Clearly, there is a reason, and I will come to it.

Opposition members interjecting—

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member for Lilley and the member for Hasluck might know that there was not a word from the other side when the member for Grayndler was speaking.

Ms King interjecting—

The DEPUTY SPEAKER—The member for Ballarat will be warned if she is not careful.

Mr BROUGH—But I think the point is this: in relation to the performance of the Job Network, as we pointed out in question time, since this ‘terrible system’, as the shadow minister refers to it, came in on 1 July 2003, some 270,000 jobseekers—that is, Australians who were unemployed—have actually been helped into work. Real people have been helped into real jobs, not into publicly funded jobs, which is the opposition’s proposal.

More importantly, the Job Network and the Howard government are getting a tremendous response in assisting the long-term unemployed into employment. These are people who have been unemployed for longer than 12 months, or even 24 months or 36 months, and they feel that in many respects the system has failed them. That is how the system that the opposition spokesman just got up and spruiked on about has been assisting people. Each and every night, the system automatically matches jobseekers’ profiles against available jobs. The information is sent to jobseekers via SMS messages,
via jobseekers’ own web pages—which the government sets up—or via voice mail so that, in a timely fashion, they can have access to where the jobs are. On any given night, about 45,000 of those links are made, and people are getting information in a timely fashion about where the jobs are.

You only have to look at what has happened with unemployment in this country. Unemployment has been driven down to a 22-year low, yet we get this rhetoric and rubbish from the opposition. But we should not be surprised about that, because when the shadow minister talks he is always negative and carping and he never has an original thought—'These are not my ideas, they are our leader’s ideas.’ You know as well as I do, shadow minister, that on Radio 2GB your leader said that if anyone could find a positive speech or idea that Anthony Albanese, the member for Grayndler—the shadow minister who just stood here prattling on for 15 minutes—has ever put forward in his public life, he would buy them a lottery ticket. I would suggest that there is not much chance that the member for Werriwa, the Leader of the Opposition, has ever needed to get a lottery ticket, because the shadow minister simply does not have any new ideas. He is always carping and always twisting the truth to try and come up with an angle to make himself relevant.

Mr Martin Ferguson interjecting—

Mr BROUGH—Mr Deputy Speaker, I ask that you ask the member for Batman to withdraw his comment.

The DEPUTY SPEAKER—There will be no exemption for the member for Batman. He is asked to apply standing order 55.

Mr Albanese—Which is what?

The DEPUTY SPEAKER—If the member for Grayndler would like to hear it, standing order 55 is very clear. It says that a member must be heard in silence. It is very clear. Read the standing orders.

Mr BROUGH—It is funny that the member for Batman should interject, because his leader says of him that he can barely string two words together and get his tongue around the English language. Maybe he should just sit there and be quiet; that might be the best thing he could do for the unemployed.

Mr Martin Ferguson interjecting—

The DEPUTY SPEAKER—Order! The member for Batman will remove himself under standing order 304A.

Mr BROUGH—that is the best contribution he has made to the chamber.

Mr Martin Ferguson—You keep rorting your fund-raising.

The DEPUTY SPEAKER—The member will be named if he is not careful.

Mr BROUGH—Mr Deputy Speaker, I ask that the member for Batman withdraw that.

The member for Batman then left the chamber.

Mr BROUGH—The collective IQ of the place has just increased. I now come to why the Labor Party is going down this path today. When you look at their draft platform, you see that there are three very clear pointers to the future. They state:

The employment services framework will include a public provider—that means a CES, because it gives the same jobs—rapidly responding to local, regional and national structural economic change and delivering employment services.

Now the member for Grayndler says that it does not. On the one hand their draft platform says that it does, and on the other hand he now says that it does not. This is pretty
typical of the Labor Party. One day they are doing something, the next they have changed it and the next day they have changed it back again. It really depends on who has the microphone in front of them. At point 12 they also say:

Labor will encourage a diverse range of providers to take part in the Job Network, including unions. There were hundreds of organisations that applied to be Job Network contractors under this contract, and to the best of my knowledge not one union—whether it be the TWU, the CFMEU or any of them—wanted to participate. But now it is part of the platform they say, ‘Let’s do it.’

We all heard this week about the rort that is Centenary House and the $36 million that is flowing into the Labor Party coffers. Is this another opportunity for the Labor Party to pour more money into their coffers, which is basically laundering public money and putting it into the Labor Party’s pocket? This is the sort of stuff that the Labor Party go on with. And of course the Labor Party always resort to their main point, which is: ‘Let’s build up the public sector. Let’s buy additional publicly funded jobs.’ They are not going out there and driving employment, getting rid of unfair dismissal laws, ensuring that tax burdens are removed and supporting things such as our free trade agreement, which is going to help the macadamia farmers in my electorate and the car industry, as we heard today, by removing the 25 per cent tariff. We do not get any of that. What we get is: let the taxpayer fund the jobs. The Labor Party are not going to create anything or produce anything for Australia; they are just going to cost us more money.

What we are seeing today is the Labor Party building a false position as to why they can justify moving away from the Job Network. Their position on that issue is all over the place as well. Their leader on one occasion has said that the flexibility the Job Network provides is the way forward. Then we have the opposition spokesman telling the NESA conference that he fully supports it, but when asked at the conference, ‘Will you have a public provider?’ apparently he told them, ‘No.’ But here in the draft platform it is ‘yes’. That does not mean we are going to get anywhere, because if you think this is convoluted and confusing it is because that is typical of the Labor Party policy. On every issue you are jumbled and moving around all over the place. What we do know is that under the Labor Party the unemployed numbered over one million Australians—desperation, despair and no future. The member for Swan laughs. The member for Swan lost his seat last time it was that high because, quite frankly, he could not do anything to assist people.

Mr Swan interjecting—

The DEPUTY SPEAKER—I think it is actually the member for Lilley, and he is asked to abide by standing order 55.

Mr BROUGH—Of course, the member for Grayndler was at the time working with the Labor Party in New South Wales—a typical Labor Party apparatchik; not someone that has actually been in the labour market working in real employment but rather someone who was working for a Labor machine doing Labor work and not getting out there meeting with real people and doing real jobs.

Where is the Job Network today? We have been introducing people such as people with disabilities. In the last three years, the Job Network has helped 50,000 Australians with disabilities get into work. When we extend that program and invite specialist Job Network providers to have those people with more severe disabilities—those that have no obligation under the Job Network—come in and see how we can help them, we are pillo-
ried by the opposition. Yet, once again we had the opposition leader in comments in the past saying there are far too many people on disability support. On one hand we are asked, as we were again today, why should these people have to come in and be assisted by a Job Network provider, and on the other hand we have the Labor Party saying there are too many people on disability support pension. You simply cannot have it both ways.

The government has a strong view: if we can help people on disability support and they wish to be helped and will volunteer to come in, we will give them the full suite of services. There are things such as the training credit, if they are mature aged or Indigenous, and the Jobseeker Account, which can provide the most flexible assistance that any government has ever provided—anything from a pair of shoes to a makeover, if that is going to help, to transport costs to training costs to wage subsidy. You name it, if it is going to assist them into work, through the government’s Jobseeker Account that money can be made available and is being made available to job seekers.

Mr Albanese—They’re not using it!

The DEPUTY SPEAKER—The member for Grayndler will show some courtesy. He was heard in silence; I expect the same from him now.

Mr BROUGH—There is a range of flexible delivery services that are being delivered by the Job Network, and the proof is in the pudding: unemployment has come down under the coalition and it will continue to come down. I want to make a point about the falsehood that continues to be brought up by the shadow minister that long-term unemployment has increased under the coalition. The Australian Bureau of Statistics figures, which collate the general employment rate, the long-term unemployment rate and the youth unemployment rate, make it very clear. Long-term unemployment—those people that have been unemployed for longer than 12 months—currently stands at 117,200. We accept that that is too high. That is why the measures we have spoken about today, and the Job Network members that are out there doing their jobs, are working to reduce it. But that is 80,500 fewer unemployed people than there were in March 1996, when the Howard government was elected.

They are not the government’s figures; they are not the Job Network’s figures; they are not Department of Employment and Workplace Relations figures: they are figures of the independent body—the Australian Bureau of Statistics, which has been accepted by both sides of the House, until now, when the opposition say it does not meet their needs. They simply ignore it and say it is not the case.

So, long-term unemployment has come down. This government has created 1.3 million additional jobs. That means there are 1.3 million Australians out there now with some hope, who have a chance for the future, who can sustain themselves and their families and have the belief in themselves which only a job can give them when they are removed from welfare. But the opposition just put their heads in the sand and say: ‘Let’s go back to the CES. Let’s go back to a system that cost the taxpayer just on $13,000 for every job it created,’ whereas today it is just over $3,000. In other words, we should pay quadruple the price and get lower outcomes. That is not the way to the future.

The opposition leader is always harping on with: ‘Let’s not look at the past; let’s look at the future.’ If you want to look at the future, look at their platform. Look at what the Labor Party say they are going to do. They say they are going to have a public provider.
They say they are going back to the old CES. They say they are going to have the unions encouraged to be Job Network members. They also say they are going to publicly fund jobs. That is just a cop-out. When you cannot drive the economy, perhaps it is because you have gotten rid of things like the free trade agreement. Perhaps it is because you have denied Australian companies and industries the right to export that you need to publicly fund jobs. There is only one thing that will happen then: unemployment and the welfare bill will go up. But someone has to pay for it.

That is the other part of this equation. The taxpayer pays for it. It means higher taxes. Is it going to be company tax? Does it mean you are going to increase the GST? Does it mean you are going to put up PAYE tax? What are you going to do? The opposition do not really have a choice. They want to spend more money on the unemployed. They want to get lower outcomes. They want to deny opportunities for export, which creates extra jobs. They say they will do all of that. Well, it is going to come at a cost. It is a cost that only the taxpayer will bear—the people that sit in the gallery today; the Australians who are paying their taxes today. The 1.3 million Australians who have found work under this government will have to pay additional taxes so that they can put up with the failed policies that the Labor Party is proposing.

These are not just policies where someone can speculate about whether they will work; these are policies we know will fail, because they have been done before. Their economics spokesman—their shadow Treasurer, the member for Hotham—was the very person who oversaw the introduction of these policies. $3,000 million was spent each year by the former Labor government, and we had unemployment at over 8 per cent. Today it is at 5.7 per cent. We have more people employed in Australia than ever before in our history. The Job Network has assisted 270,000 people into work in the last seven months alone.

I really found it intriguing that when this matter of public importance came up today they all, like sheep, stood. These are the same people who had their photos in the paper only a few months ago opening Job Network offices and saying, ‘Look at how fantastic the IT is.’ They were happy to get the free publicity shot, but they are now standing up here to ridicule the very people they were in there shaking hands with and patting on the back saying, ‘Good job.’ I would suggest to the member for Werriwa, the Leader of the Opposition, that he take a short stroll to Work Directions. Work Directions operates out of the same building in his area in the west of Sydney. He should go and talk to them about the fine job that they are doing. Perhaps he should talk to the member for Griffith about how well Work Directions is doing. He might be able to point out to the Leader of the Opposition the fact that it is working well.

Mr Albanese—You are a grub!

Mr BROUGH—Mr Deputy Speaker, I would ask the shadow spokesman to withdraw his comments.

The DEPUTY SPEAKER—The member for Grayndler will withdraw that comment.

Mr Albanese—I withdraw.

Mr BROUGH—Thank you. The fact is that there are any number of people, like the member for Rankin, the member for Fowler, the member for Werriwa and of course the member for Grayndler, who all quite happily got their photos in the paper opening government funded Job Network offices. They know it works; we know it works. This is about a Labor Party of the past. (Time expired)

Mr RIPOLL (Oxley) (3.46 p.m.)—This afternoon I want to inform the House of a
very serious issue of mismanagement, incompetence, misinformation, deceit, cover-up and, as we heard earlier, maladministration. These breaches are not something that we have made up; they are backed up by facts. They are backed up by FOI documents sought by the opposition. They are backed up by individuals within departments. They are backed up by the media. In fact, they are backed up by everybody—except, of course, the Minister for Employment Services, who just will not accept his own failings or the failings of his system.

It might surprise people to learn that these are not some shady characters who are involved in all this; these people are actually ministers of the government. Those involved include the Minister for Children and Youth Affairs, Larry Anthony; the previous minister, Senator Vanstone—another architect of the huge disaster that we have got; the Minister for Employment Services, who is scuttling out the door now as I begin to speak on this issue; and the greatest one of all, the previous minister, Tony Abbott, the other villain in this welfare rort. I cannot leave out one of the great architects, someone who is really at the centre of all of this—and that is the Prime Minister; directly through the Department of the Prime Minister and Cabinet and through the interdepartmental committee that he set up to oversee this great disaster that we have got in the Job Network agencies.

All those characters are guilty of probably one of the greatest welfare rorts we have ever seen in this country. They come down really hard on those people who make innocent mistakes. They get the agencies, Centrelink and everybody else to find the smallest errors and then send debt notices to families. But the greatest rorters of all time, the greatest cheats of the welfare system, are the government. The government are stealing money from taxpayers to prop up their own failed systems. Some people listening might think, ‘This is a bit outrageous; this is a bit too much,’ but it is not; that is the reality. The reality is a failed Job Network agency system—a system that continues to fail; a system that the government continues to refuse to acknowledge needs to be worked on and fixed.

The government and the minister are currently blowing about $670 million every single year—taking that money from taxpayers and job seekers who should be getting that money directly to create jobs. The minister talks about public funded jobs. What does he call the $670 million? Where is that coming from? It is coming from the public purse. Therefore, that money should be spent on job seekers and not just on propping up a failed and flawed Job Network system. As I have said, the government have rorted and cheated the taxpayer out of $670 million every year with the pretence of using that money to put people into work. But we know the reality: the money is not directed at the job seekers; it is directed at the agencies. It is about saving their hides. It is about saving the hide of the Prime Minister. It is about saving the political hides of the ministers involved.

Not once has the minister come in here and said, ‘We are going to put more money, more effort and more resources into helping people into real jobs.’ All the government keep saying is, ‘We need to make sure the agencies do not fold, that the agencies don’t collapse.’ That is where the money is actually going, as anyone who did an analysis of value for money—a dollar for dollar exchange—and how much money this government has poured into this failed and flawed system would see. What is the outcome that we all seek out of this? The outcome we seek is to get people into long-term, permanent, real jobs. We are not talking about some casual job or traineeship that is shammed up by the government in order to make the books
look good; we are talking about real jobs—jobs that people can buy a house on, jobs that let people get loans, start their families and do the things that all Australians expect. Instead, we see the government burying their heads in the sand and taking $670 million of taxpayers’ money every year and pouring it down the drain of this failed Job Network agency system—one that just does not work.

It is no wonder the government were labelled, by their own side, as ‘mean and tricky’. That is exactly what they are. We just heard the minister. When he comes in here he does not talk about what he is going to do in a positive way. He made comments about the member for Grayndler and said that he had not made any positive speeches. I have heard the member for Grayndler make plenty of positive speeches. I am yet to hear a positive one from the minister. I am yet to hear a positive speech from the minister about what he is going to do to assist job seekers to actually find jobs. In every media release that I have seen, every interview and every comment by the minister there is only one train of thought, one focus: that people are cheating the system. He is always worried about people cheating the system, but he is not very worried about what his government does in terms of cheating the system.

This system is a bad outcome. It is a bad solution. It pulls more and more families and job seekers down into the debt trap—into that hopelessness. The minister came in here and he talked about hope and self-worth—that feeling that you are worthy and that you can do well—and about it only coming from having a job. What is the government doing to find more jobs for more people? You do not have to look too far to find the evidence. If you look at the graphs, figures and numbers—there are plenty of them around—you will see that there has been no net change in the long-term unemployed. So, for all the money that is poured in, where are the outcomes? Where are the jobs that are created? The government talk about saving money. They say, ‘We’re going to save money.’ But who are the government saving money from? It is coming from those who need the most assistance—those people in the community who need our assistance to help them find a job. Once they are in the job market and have a decent job—really good employment—they will not need any welfare or any assistance from government.

The great irony—and it is not funny; it is just really ironic—is that the Job Network system they set up was destined to fail from day one. The Job Network system they set up was destined to fail from day one because its own survival relies on the fact that it needs more customers coming in, otherwise the Job Network agencies do not need to exist. They start to fail because the minister says that there should be 800,000 or 900,000 people coming through the door and that is not the reality—the actual figure is only about 500,000. We have all the evidence of this here in FOI documents that we have obtained from the department. We also have quotes and documents from FOI of ministers arguing with each other. There is Vanstone writing to Anthony’s department—

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member will refer to members by their titles.

Mr RIPOLL—We have documents of Minister Vanstone writing to Minister Brough’s department arguing that there is something wrong with his department; they are really stuff ing up the system and it is making life hard for her. Then we have Minister Brough writing back to Minister Vanstone’s department stating that it is her fault. The ministers are arguing and blaming each other. They do not stop for five minutes and say, ‘What are we going to do to work together to actually help job seekers?’ That is
why the Prime Minister supposedly set up this interdepartmental committee out of Department of the Prime Minister and Cabinet to find ways to supposedly coordinate this. He did not fix anything, but he is complicit in the failure of this because he gets all the information. Because of the committee he set up, he is just as responsible as the ministers themselves.

I also want to briefly talk about the issue of saving money. I find it incomprehensible that the minister can say that what he is determined to do, the legacy he wants to leave, is saving $1 billion out of this vital policy area for government—that is, helping with employment services. His only goal is to save money. He does not care how he does it as long as he saves money. He saves money by breaching people; he saves money by making sure that the people who need the money—such as those with job seeker accounts—do not actually get it. The jobseeker accounts do not work because they are too complicated and too bureaucratic. They are designed to be that way so that people cannot access them. It is a typical sham from the coalition government that sets up accounts—sets up supposed access to resources—but, when you read the fine print, you just cannot get access to it. They come into this place and they say, ‘We have set up these multimillion dollar accounts to help the unemployed to find work,’ but when you delve a bit deeper you realise that nobody is using them.

I get calls in my office from Job Network agencies that tell me they cannot use those accounts—they are too complex. Does the minister come in here and talk about what he is going to do to improve that situation and actually assist jobseekers? No, he does not. Instead he comes in here and gives us an attack on Labor. What we see in here is the minister making references—and this I take particular offence to—that somehow we are anti Public Service or that we are attacking the good solid workers at Centrelink. Let me make this point: we wholeheartedly support the workers at Centrelink. We know they are understaffed; we know they are underresourced. We know the sort of pressure they are placed under by this government. You cannot have it both ways. One minister walks in here and says that Centrelink staff do a great job—and we agree—and the other minister, Minister Brough, walks in here and says, ‘We cannot return to a public sector employment service because they do a terrible job. We cannot trust public servants to do that; we have got to get private agencies to do it.’

So which minister is right on this? I would say that neither of them is right because neither of them is telling the truth on this. Neither of them believes what they are saying—they are delivering lines. They are out here just to save money. They are not providing any services to the unemployed. They should be ashamed of what they are doing. The government should be condemned on this issue. This is something that will not go away for the government because everybody knows the Job Network agency is not going to survive unless it is continually pumped full of money, and the government just cannot keep doing this and covering it up. Sooner or later we will discover what the reality is and what needs to be done. (Time expired)

Mr BALDWIN (Paterson) (3.56 p.m.)—I find it absolutely amazing, in fact I am astonished, that the Labor Party could walk in here and have the guts to ask a question about employment outcomes with the Job Network systems when they left employment services in this country in an absolute shambles and took unemployment to a soaring height of over 10.9 per cent in 1992. The member for Grayndler is supposed to be a great numbers man within the Labor Party, but he does not understand numbers when it comes to employment rates. How could he
say the numbers are bad when it was 10 per cent under Labor and the rate now is 5.7 per cent? How can they say that numbers are bad when Job Network has helped more than 270,000 people into jobs since the start of the third employment service contract in July 2003?

There is no question that the Job Network is working and is putting people into real jobs when you see unemployment rates almost halving between the previous Labor government and the current government. I have lost confidence in the member for Grayndler as a numbers man for the left in the Labor Party. The Labor Party are in denial over employment outcomes. They had no idea it was possible to get unemployment rates and interest rates into single digit figures. They had no idea that you could manage an economy and make sensible decisions in the wake of terrorism, the SARS virus, one of the worst droughts in Australia’s history and a global economic downturn and still achieve outcomes on the employment front.

Let us take a look at Labor’s employment services policies that have failed people looking for work. In the last six years of the Labor government, only a net 16,000 new full-time jobs were created, and they denied people access to employment services, particularly in regional areas. Labor’s CES system had around 300 sites in total throughout Australia providing assistance to more than one million people out of work under their draconian policies. Let us compare that to the results of this government—2,700 sites through Job Network helping people get into real jobs. That is about providing access and service to people who need help.

The CES had only 20 per cent of job vacancies and many of those were one-hour casual jobs, whereas the Job Network today has around a 38 per cent share of job vacancies. Labor’s control over the apprenticeship system was abominable. They handed it over to the trade unions and almost killed it off. Labor would have us turn back the clock and go back to the dark ages—probably into double digit unemployment figures again—because that is the way they want it. When I look in their national platform of 2004—their much-heralded document, but only within the Labor Party—it says:

Labor will encourage a diverse range of providers to take part in the Job Network, including ... unions.

So now they want the unions to be involved in providing employment services. They do not mention anything at all about the top job that our employment service providers—the very people that have helped get unemployment down into single digits throughout the electorate of Paterson—are currently doing. They have not made any mention at all of organisations such as the Uniting Church in Dungog, Gloucester, Raymond Terrace and Tuncurry; the Salvation Army in Nelson Bay and Raymond Terrace; and New Hunter Business in Anna Bay. The Labor Party want to make employment services political. The Labor Party are not about getting people into jobs; they are about introducing politics back into the workplace. That is what they will do if they get into government and introduce their policy. I think their platform of unions becoming employment service providers smacks of using public funding for union mates and recycling funding back to the ALP—just like we have seen with Centenary House.

The Labor Party are the Gordon Gekkos of the tenancy market, and now they want to be the Gordon Gekkos of the employment market. Who was Gordon Gekko? There was a fictional movie called Wall Street in which Gordon Gekko said, ‘Greed is good.’ And why are the Labor Party like Gordon Gekko? Because there was no substance to Gordon
Gekko when he killed off the market. Also, Gordon Gekko did not care about the people he was taking money from. So the Australian Labor Party are the Gordon Gekkos of the tenancy market and want to become the Gordon Gekkos of the employment market.

Under Labor, the unemployed will not see jobs growth; what they will get is a union ticket—money back through to Labor’s mates. The reality is that the Labor Party do not understand the importance of providing quality programs to get people who want to go back into the work force into jobs in Australia. They have no plan and no direction and provide no opportunity for their fellow Australians. But there are people who care. Recently I had a meeting with Robert Goldman from the New South Wales Restaurant and Catering Association, where, in conjunction with a roundtable meeting with local employers, a plan was devised to get mature age workers into the work force. How did this occur? There was a need, particularly in the tourism and restaurant industries, for people who could work outside of ordinary hours—in other words, on weekends and evenings. It was felt that more mature workers would be more approachable and amenable to working those hours outside the normal regime. Through Salvation Army Employment Plus, our local training provider, the association and the employers got together and provided training for a group of unemployed people. Within weeks of completing the training, late in 2003, 20 of those job seekers had found employment—and more than half of those were mature age workers. That is what you call an outcome, and that is what the Labor Party cannot understand.

This is a particularly promising example of how, with the right selection and training intervention funded by the new job seeker account and with the help of people like Job Network, job seekers can overcome barriers to employment where there is a demonstrated labour market need. We are addressing what the market demands of employees. We are not just putting people through the grindstone; we are focusing on market needs and delivering outcomes. That is why the unemployment figures in this country are being driven down. They are being driven down not by the Gordon Gekkos on the other side of the House but by people on this side who care about fellow Australians and are determined to get them back into the work force.

Almost 1,000 people in Paterson have been assisted into jobs by Job Network since the start of the third employment service contract in July 2003. That is just on seven months ago, and already 1,000 people in Paterson have been assisted into jobs. The downward trend of small area labour market figures, which only started in 1998, shows exactly how high unemployment under Labor has come down significantly under the current government and policies such as Job Network.

Let me give you some examples. The Labor Party will not like these, because the numbers are coming down. Unemployment in Dungog has fallen from 8.1 per cent in September 1998 to 5.7 per cent in September 2003. Dungog is a small town which has had to go through the dairy industry adjustment, the timber adjustment and the drought, yet still unemployment has come down. Unemployment in Gloucester has fallen from 9.8 per cent to 7.3 per cent. Unemployment in Great Lakes has fallen from 13.7 per cent to 11.4 per cent, and in Maitland it has fallen from 10.9 per cent to 6.5 per cent. In Port Stephens, it has fallen from 6.8 per cent to 6.2 per cent.

How would the Labor Party plan to help people in those five areas? If it had been in place over the last seven months, there
would now be 1,000 more people in the union movement, paying fees to prop up the Labor Party. The Gordon Gekkos ‘Greed is Good’ Labor Party want money off our fellow Australians—hardworking people who are looking for jobs. Their interest is not in those people; their interest is in themselves. I have not reflected on the figures prior to 1996 because I am not about embarrassing the Labor Party that much. All of those figures were well and truly in double digits.

Mrs De-Anne Kelly interjecting—

Mr BALDWIN—I will reflect on them, since the member for Dawson has asked me to. In the Hunter Valley, the unemployment rate was up around 17 per cent. That is now in single figures. That is the mark of a government that is doing the right thing by people and getting people into work. The government, as I have said, is prepared to explore programs and opportunities and make sure that it does the right thing by our fellow Australians, who deserve an opportunity to work.

The Labor Party’s programs were city specific. They had no interest in regional and rural areas, and that is why unemployment in regional and rural areas went up dramatically and was out of kilter with the rest of the figures throughout Australia. That was the direct result of poor planning and poor policy by a Gordon Gekko Labor government. This government is producing the goods, and that is what it will be measured by. (Time expired)

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

COMMITTEES
Family and Community Affairs Committee
Report
Mrs IRWIN (Fowler) (4.06 p.m.)—by leave—On behalf of the Standing Committee on Family and Community Affairs I present the minutes of proceedings of the committee’s inquiry into child custody arrangements in the event of family separation.

POSTAL SERVICES LEGISLATION AMENDMENT BILL 2003
Report from Main Committee
Bill returned from Main Committee without amendment, appropriation message having been reported; certified copy of the bill presented.
Ordered that this bill be considered forthwith.
Bill agreed to.

Third Reading
Ms JULIE BISHOP (Curtin—Minister for Ageing) (4.07 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

INDUSTRY RESEARCH AND DEVELOPMENT AMENDMENT BILL 2003
Report from Main Committee
Bill returned from Main Committee without amendment; certified copy of the bill presented.
Ordered that this bill be considered forthwith.
Bill agreed to.

Third Reading
Ms JULIE BISHOP (Curtin—Minister for Ageing) (4.08 p.m.)—by leave—I move:
That this bill be now read a third time.
Question agreed to.
Bill read a third time.

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.

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

Mrs DE-ANNE KELLY (Dawson—Parliamentary Secretary to the Minister for Transport and Regional Services and Parliamentary Secretary to the Minister for Trade) (4.09 p.m.)—Continuing on from my contribution in this debate earlier this afternoon, in the second part of my address I would like to deal with another topic, as well as the free trade agreement: I would like to deal with a recently released report called ‘Appropriateness of 350 megalitre biofuels target, November 2003’. This report was jointly prepared by the CSIRO, the Australian Bureau of Agricultural and Resource Economics and BTRE, and it was commissioned by the Australian government.

I will give an overview of that report shortly, but I have been able to get an internal memo from another respected scientific organisation, the Sugar Research Institute—a private enterprise research company based in Mackay—which has done an extensive amount of work on greenhouse gas emissions abatement and on renewable fuels. I would like to deal with their overview of the report by CSIRO, ABARE and BTRE. The first thing I would like to do is to share with the House one of the figures that was used in that report which is discounting the value of ethanol against petrol based on energy content. According to the author of the memo, the report states that the volumetric basis of the energy value was 68 per cent of unleaded petrol, due to its lower energy content, but he points out that this is fundamentally flawed, as it does not account for the fact that the combustion efficiency of an E10 ethanol blend can, in some cases, be increased. The fuel economy of an E10 blend, particularly in small vehicles, is only marginally less than that for straight petrol, and in some cases fuel economy has reportedly improved. What proof do we have for this claim? The author of the memo, Mr Hodgson, quotes none other than Dr Beer, of CSIRO, who co-authored the original report, Comparison of transport fuels. In the report, Dr Beer stated:

Changes in the fuel economy are minimal. While a 10% blend contains about 97% of the energy of ‘pure’ gasoline, this is compensated by the fact that the combustion efficiency of the ethanol-blended fuel is increased. The net result is that most consumers do not detect a difference in their fuel economy, although many people using ethanol-blended fuels have said that their fuel economy has improved.

The same author neglected to mention, in the CSIRO report to which we are referring, his earlier study. This should be considered a major oversight. Mr Hodgson also states in the Sugar Research Institute memo that there was a study conducted by Orbital Engine Corporation and funded by Environment Australia. Mr Hodgson states:

In their study, the differences in fuel economy were much less than expected (based on delivered energy) and some vehicles actually experienced improved fuel economy on an E20 blend.
I do not wish the House to toil over what is a rather lengthy scientific report; but it is very important, because the outcome of that report was to severely denigrate ethanol blended fuels and biofuels, so I do want to work through the figures. If we conservatively assume, as Mr Hodgson did, a two per cent increase in fuel consumption by using E10, the discount factor in the report should have been 0.8, not 0.68. This would reduce the required so-called ‘subsidy’ for ethanol by 3c per litre—obviously with a significant follow-on impact on the economics of the study.

I would like to go to something else that Mr Hodgson pointed out as a severe anomaly, and that is the reference price for gasoline. In the CSIRO study, it was taken as 27c per litre—that is in 2003 dollars. That is based on a world oil price of US$21 a barrel and an exchange rate of US65c. That is very low. What Mr Hodgson did was to take the government’s longer term preference to reduce our dependency on oil imports and to use a reference price for unleaded petrol that correctly reflects the world price of oil. He has taken a price of 31c per litre. This sits very nicely between the low price in the study of 27c per litre and the high price of 37c a litre that can be seen sometimes when there are oil shortages.

I will move on, because this is a very complex response to the CSIRO study. Another factor that was completely ignored in the study by the CSIRO was the value of ethanol as an octane enhancer. The question is quite complex but it does change the results found in this report. It is interesting that a report supposedly as important as this would simply ignore the value of ethanol as an octane enhancer and completely dismiss it in the calculations. In this section of the report there is a disturbing editing comment in the margin which says, ‘This bit needs strengthening?’ That appears on page 100. That is a very unusual comment to be made in a scientific report and would have one questioning the independence of the authors of the report. I will not go into the mathematics of that, except to say that, at the end, drawing all of these anomalies together gives quite a different picture.

The greenhouse gas emissions and the comparisons between the previous studies of ethanol production from C molasses undertaken by CSIRO and the Sugar Research Institute show that in this report the CSIRO did not take into account the greenhouse gas abatement benefits likely to flow from an ethanol plant centred around a renewable energy site. Mr Deputy Speaker Causley, as you and I know, much of the power to drive mills in Queensland is generated by burning the gas for the boilers and, in fact, selling the excess electricity back into the grid. Since bagasse is a renewable fuel and would be the likely year-round fuel source with cogeneration, there would certainly be a different figure from that which would be derived if assuming that the energy source was fossil fuel.

Previous studies show that the upstream carbon dioxide emissions can be expected to be about 25 per cent of those published in the CSIRO report. That would make sense. It is well known in Queensland that the gas is used as a renewable fuel source to drive the boilers and hence allow electricity to be sold back into the grid. In fact, mills in Queensland are now mostly net producers of electricity. Factoring that into the CSIRO study, which conveniently ignored that, gives a net reduction in carbon dioxide of about 261,000 tonnes, which is considerably different from the amount in the report. Using these figures and others does not give a subsidised ethanol price of 14c per litre; it falls to 2c per litre. The environmental cost falls from $156 per tonne to $17 per tonne. Lastly, I would like...
to quote Mr Hodgson. In his executive summary of the CSIRO report he says:

… I have only had time for a broad review, focusing on parameters and assumptions that impact significantly on the published results. I have used our knowledge of the LCA of a C-molasses based ethanol plant (colocated at a sugar mill) to challenge results published in the report.

The report fundamentally torpedoed the 350 ML pa biofuels proposal (by 2010), indicating that huge subsidies are required to support the initiative, with little environmental or job creation benefits.

He goes on to say:

However, in my opinion, the report is heavily biased against ethanol, with assumptions, estimates and blatant omissions all weighted to discredit biofuels. In some cases, the omission of certain parameters in the cost analysis is disturbing for a study of this size and importance.

I believe that CSIRO, ABARE and BTRE have a great deal to explain. They have, in the words of an expert on ethanol, produced a biased report. Frankly, they have made errors that a mathematics student in high school would not be allowed to get away with. This discredited report should not in any way blacken the good name of ethanol as a renewable fuel which is cost effective for motorists. I believe the federal government’s policy on the excise is absolutely right and that the greenhouse gas benefits of ethanol are significant, as we can see if one uses reality, rather than the fantasies which have been used in this report, to base the figures on. I would like an explanation from these bodies as to why they allowed the mathematics and assumptions in their report to be so far away from the reality of ethanol production in Australia and the United States.

Mr QUICK (Franklin) (4.20 p.m.)—It is pleasing that, in these appropriation bills, we have the opportunity to highlight a whole range of issues across a whole lot of government departments. It is also pleasing for me to be here at the moment to see the Minister for Ageing and the shadow minister for ageing and seniors, because one of the things that really worries me is the issue of aged care. I have had a long interest in this, even prior to my involvement in this place.

Yesterday we had an MPI on aged care, and the minister at the table stated that, prior to 1996, there was no accreditation. In that statement was a presumption that it was carte blanche and there was nothing in the way of standards, in any shape or form. That is a total falsehood. Prior to 1996 there were outcome standards and standards monitoring. I know for a fact that in the seat of Denison, which is aligned to my seat, a nursing home was closed down. The standards monitoring team monitored the nursing homes—in many cases without any warning, without any notice, which got up the noses of the people who ran the nursing homes—and that nursing home in Denison was closed.

Many members in this place, not only on this side but on the other side, felt disquiet over the fact that the Hogan report, which cost in the vicinity of $7 million, is in the ether somewhere—whether it is in the Prime Minister’s office, in the department or in the minister’s office. As was said in the debate yesterday, people are getting older, me included, and they want to know what is going to happen in the area of aged care.

We have seen the Salvation Army decide to pack up their bags and focus on other issues. We have the dilemma not only of who is going to buy the homes but what is going to happen to the residents in those nursing homes across Australia. That is one issue that really worries me. I will be delighted when the Hogan report comes out. I cannot understand why it is not out there. The whole community—those of us who have aged parents—want to know what they can do to plan
for the future and whether these residential bonds that we keep hearing stories about are going to be part and parcel of the aged care process. We need to know. Let us get it out.

Another issue related to aged care, and I say aged care because this is where they end up, is the dilemma of young people—and by ‘young’ I mean people up to the age of 50—who suffer from multiple sclerosis and quadriplegics. The only option for these people is to go into nursing homes. One of my former staffers, aged 39 and with five children, has now been diagnosed with a very bad case of MS. For these people the only option is to take up nursing home beds and yet we have people who should be in nursing homes in public hospitals right across Australia because there are no vacancies. I am sure that this Hogan report is going to highlight lots of these issues. Let us get it out in the open, warts and all, and let us have a debate in this place.

On that note, I look forward to one of the changes in the standing orders. Members, rather than making a 20-minute speech, will have 15 minutes and then people will be able to ask questions. That will be wonderful. We might actually be able to ask some questions of our colleagues on the other side, and even colleagues on our side, and perhaps get some answers.

So the Hogan report is one issue. Then we have the Clarke report on veterans’ entitlements. As members know, I am a pacifist. I opposed the war in Iraq. I wore my white armband and gave the American, the Australian and the British heads of state a hard time. As I said in many of those speeches, it is easy to send people off to war and to promise them the whole world: ‘We will look after you; the nation’s proud of you.’ But the sad reality is that when they come back we very easily forget. My late father was a TPI and I know the hassle he had to get his benefits.

We saw yesterday the fiasco of the Clarke report. Veterans were flown from right around Australia to Canberra in the expectation that the minister was going to stand up and make a ministerial statement to address many of the issues raised by veterans and the TPIs in particular.

I noticed that in a report in the Canberra Times today it said that one of the parts of the Clarke report was the recommendation to provide an ex gratia payment of $25,000 to 13 POWs of the Korean conflict. In previous speeches in this place I have acknowledged the need for the $25,000 ex gratia payment to POWs under the Japanese regime. I am glad to see the Korean POWs—13 of them—getting $25,000 but what about those who were POWs in mainland Europe? I think of Jack Sheppard, who is about to have his 91st birthday. He was captured in Crete—along with many of his fellow servicemen—and spent 3½ to four years in appalling conditions in Germany, treated like a slave. Do they get the $25,000 ex gratia payment, Minister? No. There is no mention of them. I would like to see them included as well.

The issue of child care is another area that I want to raise in my speech today. Those of us on this side who have community based child-care centres in our electorates are aware of the marauding tactics of the for-profit providers in this industry. Up until recently we have not seen them in Tasmania and for that we are very thankful. It is nice to have community based child-care centres, as they can respond to the needs of the community.

I would like to pay public tribute to the excellent work being done by the many community based child-care centres in my electorate and in particular to the excellent work that Sue Nolan is doing in conjunction
with the state Minister for Education, Paula Wreidt. The state of Tasmania and the education department is finally realising that they need to make a commitment and that early childhood does not start at kindergarten in the primary school. It goes well beyond that and the foundations start in preschool and in the child-care centres.

The Minister for Education has committed a huge amount of money and child-care centres are now appearing in many of the state schools. Blackmans Bay was the first example and now Kingston Primary School in my electorate is getting a purpose-built child-care centre on its grounds. That will be opening early in March. I look forward to the opening of that because it will give access to before and after-school activities for quite a few families in my electorate who are unable to find places in child care. They will be satisfied with that. I am very grateful. But, as I said, we are now seeing the marauders—the for-profit child-care centres—coming into our state. What impact are they having? The Peppercorn Early Learning Centre bought one of our child-care centres, based in Murray Street in Hobart.

As you would know, Mr Deputy Speaker Causley, there is casualisation in our workforce. People in many cases are being rung up early in the morning or last thing at night to be told, ‘We want you to come and do four hours; someone’s absent and we want you to fill the gap.’ At the last moment these people ring child-care centres and say, ‘Look, can you fit me in for half a day? Work has come up and, if I knock it back, I’ll never get another offer.’ And what has the Peppercorn Early Learning Centre done? It has now decided to say, ‘We’re sorry, but you can’t have half days. We’re in this for profit—full day or nothing at all.’ In this day and age, this is outrageous. I think it is a prime example of how corporate child-care centres operate. It is the dollar and not the care, and the welfare of the children is not a consideration. I fear that this will occur more and more in Tasmania, and I know for a fact that on mainland Australia it is a given—and that really worries me.

Another issue that I would raise in my speech this afternoon is the Prime Minister’s attitude to state schools. We saw him say during question time today that it really is not his view but what people are telling him. I would say: Prime Minister, how many people told you? Where do they live? How are they seen as being a cross-section of our society?

Prior to coming to this place I was proudly involved in the education departments of several states; I taught in New South Wales, South Australia and Tasmania. My youngest daughter is currently in her second year of high school teaching in the Victorian education system. I can tell you that these schools are not value free. I visit, as I would imagine do many members in this place, my local primary schools—state and Christian—and see at first-hand the wonderful work the teachers there are doing in inculcating in these children a sense of what they can achieve and how they can achieve it. I also see the support that the teachers and the parents provide in each of those schools.

As far as I know, the only time the PM goes into a school is to sit on the floor, pick up a book and treat it as a photo opportunity. One of the reasons I came into this place was that I was sick and tired of the bureaucrats of the education department coming into a school for one day a year, judging the tone of the school and what was being achieved there and then departing, never to be seen again until the next year. I would like to think all members in this place regularly visit the primary and secondary schools—state and Christian—in their electorates to see what is happening there and applaud the ex-
cellent work that is going on in about 99 per cent of cases. To make a blanket statement about political correctness and value-free schools is an abomination.

Bulk-billing is another issue I would like to raise. We hear the Minister for Health and Ageing say, ‘Oh, the average is ...’ I can tell you that in the five federal seats in Tasmania bulk-billing by GPs as a percentage is in the low fifties—and it is going further and further down. To expect in a very rural based state—and Tasmania is probably the most decentralised state in Australia as far as population goes—that a $5 incentive is going to work is a real joke. Doctors need to be recompensed adequately, fairly and sensibly for the hard work they do. To say that $5 is good enough and will put in a safety net out there in Tasmania is a real joke, as far as I am concerned.

The issue of wine equalisation tax has not been mentioned for quite a while. It is interesting to see the member for Hunter in the chamber. He visited my seat—it might be 18 months or a couple of years ago—when he was responsible for our party’s policy on wine taxes and was bombarded by the very many small winemakers in Tasmania. I know that the winemakers in Victoria and Western Australia—not the big conglomerates but the very small boutique wineries—are very concerned that this government promised one thing, did something else and then belted them around the ears with the wine equalisation tax. I would like to see that issue out in the open and being discussed, not only by our side but by members on the other side. I am sure that the Minister for Ageing who represents, I would think, some wonderful small wineries in Western Australia whose product I enjoy supping occasionally has been pestered by them about the wine equalisation tax. I would like to see that issue raised and I raise it here today in this appropriation speech.

WMDs are another issue. We have seen an inquiry take place in the UK and an inquiry being mooted in the USA, but there has only been talk about having one here in Australia.

It was interesting to see in the news media yesterday Archbishop Tutu’s comments about the Iraqi war. I would like to read some of his comments into the *Hansard* today. The article states that Archbishop Tutu was keen:

... to make the link between brutalising civil law policies and what he sees as an emerging tendency towards brutalising foreign policies.

Archbishop Tutu said:

It may not be fanciful to see a connection between this and the belligerent militarist policies that they’ve produced—

... talking about Blair and Bush—

a novel and dangerous principle, that of preemption, on the basis of intelligence reports that in one particular instance have been shown can be dangerously flawed, and yet were the basis for the United States going to war, dragging a Britain that declared that intelligence reports showed Iraq to have a capacity to launch its weapons of mass destruction in a matter of minutes.

He goes on to call on President George Bush and Prime Minister Tony Blair to admit they got it wrong in Iraq. He says finally:

But if now the reason being trumpeted for the war is regime change, why there and not for example, Burma? Or North Korea? And who makes the decision about which regimes should be changed? And what authority do they have to do whatever they think, may think is right? Or is it a matter of might is right, and to hell with the rule of international law?

It really worries me that the whole issue of the Iraqi war and WMDs has gone off the radar screen.

One other issue I would like to raise in this place in the last couple of minutes is the issue of AIDS. I heard on the radio this morning that the UN report is highlighting just how serious this problem is. Instead of
moaning and criticising those opposite, and especially the Prime Minister, I would like to congratulate the Australian government, because today they committed $25 million over the next three years to the Global Fund to Fight AIDS, Tuberculosis and Malaria. This is pleasing because, as it says in this statement on the wire service today:

... Australia was recognised as a world leader in fighting HIV/AIDS and its decision to join the fund would spur other countries to take part.

It also states:
... the true scale of the epidemic was beyond most people's understanding.

We collectively in the rich countries have not adequately yet appreciated the global devastation that HIV/AIDS is causing ...

... ... ...

If you go to the countries of southern Africa, you'll see these countries imploding because of HIV/AIDS.

Three African heads of state have predicted that their countries will cease to exist as organised nation states if this epidemic continues.

We have seen nothing like this. It is beyond our human experience.

I congratulate the foreign minister, Alexander Downer, who said that the funding was on top of Australia’s six-year, $200 million global HIV-AIDS initiative, which he launched four years ago.

Mr BALDWIN (Paterson) (4.40 p.m.)—Today in the debate on Appropriation Bill (No. 3) 2003-2004, Appropriation Bill (No. 4) 2003-2004 and Appropriation (Parliamentary Departments) Bill (No. 2) 2003-2004, I thought I would take the opportunity to outline the road funding that has occurred in the electorate of Paterson since 1996. Our federal road funding for this year is $555 million. By way of contrast, since 1996 we received $235 million directly into Paterson and $92.5 million in financial assistance grants, of which 30 per cent must be spent on roads by the councils. The only variant in the FAGs of $92½ million is whether they spend 30 or 40 or 50 per cent on roads. One of the common complaints by local government is that at times they spend more than their mandated 30 per cent of the money on their roads scheme.

I will outline my argument using certain roads as examples. The road I will start with is Bucketts Way. Bucketts Way is a New South Wales regional road. It is the responsibility of the New South Wales government—a Labor government at present; a Labor government that only spent some $6 million on it in the preceding four years. However, because the road had been ignored by the Labor government, the Howard government committed $20 million to it, of which the first $3.5 million has been spent during this financial year. That $3.5 million has consisted of: sealing 7.2 kilometres of road at $210,000; replacing the Cromarty Creek Bridge at $230,000; project services relating to the replacement of the Cromarty Creek Bridge at $8,000; rehabilitation of 700 metres of road through Davies Cutting at $290,000; rehabilitation of three kilometres of road from Wards River at $900,000; rehabilitation of one kilometre of road up from Lamans Creek in Stroud at $300,000; rehabilitation of 1.1 kilometres of road to Dog Trap Creek estimated at $450,000; rehabilitation of 1.6 kilometres of road north of Stroud Road at $480,000; rehabilitation of one kilometre of road along the southern approach to Cromarty Creek Bridge at $320,000; rehabilitation of 800 metres of road to join Cromarty Creek Bridge to Double Crossing Bridge at $210,000; and rehabilitation of 9.2 kilometres of the Bucketts Way estimated at $100,000. That is the side the money that has been spent on black spot funding there, and I will come to that shortly. That is the federal government stepping in there because it identifies a need in...
the community—a need which the state Labor government continually ignores despite the cries of these people.

Then there is the Pacific Highway. In this financial year, the federal government increased road funding for the Pacific Highway by over 34 per cent to $57.8 million. We are fortunate in Paterson that some $171,563,337 has been spent on projects.

The projects that have been completed there are the Raymond Terrace bypass at $18,604,000; Bulahdelah to Coolongolook at $68,920,816; and Coolongolook to Wang Wauk at $23,038,000. Projects that are currently underway include the $61 million being spent on the Karuah bypass, where we are jointly funding that project with the state government. That will open later this year.

Of course, the next project is the Bundacree Creek to Possums Brush section, and that will occur as soon as the state government sets its priorities.

There are two projects still to be done in my electorate. There is the Bulahdelah bypass, which needs to occur, and the planning is just about finalised on that. The other one, which is critical, is the road between Karuah and Bulahdelah. Barely a month goes by without our hearing about a major smash and, occasionally, fatalities on this road, usually around either Nerong or the Tea Gardens turn-off. It is an area for which I urge the New South Wales government to speed up the planning so we can make sure that that project is accelerated. At the end of the day what is important is that we identify roads like this, where people are travelling at 90 or 100 kilometres an hour and turning in front of other cars to make exits. They are dangerous intersections and they do need to be addressed, because people die and life is not cheap.

The next road I want to talk about is Weakleys Drive. After much effort and much procrastination, the state government finally built the link road, a project that was committed to in 1997 by the federal government. But $500,000 in planning money was wasted by the New South Wales state government through the RTA. Now that the state government has finally finished the link road—it did so when the election was coming up—our planning is now under way. Twenty-five million dollars has been allocated over the three years that it will take to upgrade that intersection and construct a flyover. That has some direct benefits for residential and industrial areas, including one of the areas with the greatest employment growth, around Beresfield and Thornton, which provides great opportunity for many young people in the area. So those are three of the major programs that are under way: the Pacific Highway, Buckett’s Way and Weakleys Drive.

A program which was introduced by this government, the Howard-Anderson government, is called Roads to Recovery. In November 2000 the federal government announced a $1.2 billion package of funding to councils. That parallels the Financial Assistance Grants Scheme from the federal government direct to local government. Since the program started, $7,494,483 has been spent in Paterson on Roads to Recovery programs. Dungog has been the recipient of $1,443,600; Gloucester, $775,278; Great Lakes Council, $2,449,077; Port Stephens Council, $1,313,136; and Maitland—only a part of which is in my electorate these days—$1,513,382. After lobbying, particularly from my colleagues in rural and regional areas, we were glad to see the Minister for Transport and Regional Services, Deputy Prime Minister Anderson, announce an extension of that program for a further four years as part of a $2 billion boost for transport infrastructure.

Mr Fitzgibbon—What about the F3 extension?
Mr BALDWIN—So $1.2 billion will continue this program for another four years, and we will see roadworks completed and problems addressed, largely because of the state government’s cutback on its funding to local government. But what is important here is that there will be $100 million a year available to councils for projects.

There are four projects that I will be working on. I will be working on financial support for the main roads in and out of Dungog, which are continuously ignored by the state Labor government. I will be supporting a project for the Fingal bypass in Port Stephens—again, a road project ignored by the state Labor government, when we have a growing population out in that area. Another area of concern is the bridge between Tuncurry and Forster. This is a two-lane bridge and, particularly at holiday time, the traffic caused by people needing to get over it is a major problem. Finally—much to the delight of the member for Hunter—I will be supporting the extension of the F3 and driving that as part of that $100 million program.

Roads to Recovery has been an extremely important program, so I can understand why local government drove so hard to make sure that this program continued. Many road problems have been addressed. Roads have been resealed and bridges have been rectified, with motoring safety being the paramount concern. Road funding by local government is difficult, particularly in rural and regional areas where there are large sections of roads with a smaller rating base, in large part because of the agricultural aspect. Dungog has a large national park right in the middle of it that pays no rates, but there is still the road infrastructure around there. So the Roads to Recovery program has gone a long way. In recognition of my efforts and those of my colleagues, we received a letter from Councillor Mike Montgomery, President of the Australian Local Government Association, which said:

I write to thank you and your colleagues for listening to and supporting local government’s case for the renewal of the Australian Government’s highly successful and much needed Roads to Recovery program.

Further on, it said:

The program will be an enduring legacy of what can be achieved when our two spheres of government work together to better serve the Australian people.

Your support for Roads to Recovery and for local government is very much appreciated and will not be forgiven—sorry, that was ‘forgotten’! But they will forgive us because we have increased the funding for another four years.

The next program I want to address is the national Road Safety Black Spot Program. Black spots, as the name indicates, are areas where there have been fatalities or where people’s lives have been put at risk. They are usually in areas under the control of a local government body which cannot afford the cost of rectifying the problem. So it was a great day—I remember it well—when the former Deputy Prime Minister, Tim Fischer, announced that the government would be reintroducing a black spot program. You have to ask: why you would have to reintroduce a black spot program? The answer is quite simple: because the Labor Party abolished it. They abolished it. They did not care about people in rural and regional areas or high-incident traffic spots, so they stopped the program. They abolished the black spot program, and it was reintroduced by this government.

This government spent $36 million a year in real terms over the four-year period from 1996-97 to 1999-2000 on a road safety strategy designed to reduce the road toll through cost-efficient, safety orientated projects. That commitment was extended to provide $40
million a year in 2000-01 and 2001-02, and it has been further extended by this government to provide $45 million per annum for the four years to 2006. This government is committed to roads and, in particular, to safety.

We in Paterson have been very fortunate that so far some $9,019,457 in black spot funding has been spent since the reintroduction of the program in 1996. Dungog council has received $360,000; Gloucester, $790,000; Great Lakes, $5,252,000; Port Stephens, $1,670,000; and Maitland, $947,457. Quite a large amount of the work includes putting in things such as roundabouts at intersections—roundabouts are known to reduce the incidence of smashes—and erecting safety barriers along unsafe roads, where, if people ran off, they would go straight down a ravine. It is all about introducing safety.

What does the fact that Great Lakes received some $5.2 million say to us? It says that Great Lakes has roads that are not safe. Most of that money has been spent on two roads in particular. As I said when I first started this speech, Buckett’s Way had been largely ignored by the state government. We pumped a lot of black spot money into Buckett’s Way. The other road that we put a lot of money into is Lakes Way. Lakes Way and Buckett’s Way should both be funded by the New South Wales government in conjunction with local government. But we address the safety of these roads. We look beyond just who is responsible or who is dogging the deal and we make sure that we put money where it will benefit the lives of our fellow Australians.

I now want to deal with the federal allocation grants since 1996. A total of $92,507,456 has been granted to the councils in my electorate. Dungog has received $10,121,440; Gloucester, $8,492,700; Great Lakes, $26,628,428; Port Stephens, $23,512,816; and Maitland, $23,752,016. There is the mandate that 30 per cent of that amount must be spent on roads. One of the problems, as I said, is Dungog Shire Council. Dungog council has responsibility for the Maitland to Dungog road, the Clarence Town to Dungog road, the Paterson to Gresford road and the Limeburners Creek to Clarence Town road. These four main roads provide a lot of lifeblood to this community. Given their large geographical area and small population, it has been an impossible task.

Back in 1995, the New South Wales Labor government added an extra 118 kilometres of road to the control of Dungog council without provision of an income source to meet the new responsibilities. This is cost shifting at its best by the state government. This put an unrealistic and unfair burden on the council, which is responsible for a small population with income limitations. It has actually sent the council into a downward spiral. These roads are in need of massive repair. The mayor, Steve Low, is a passionate champion of road funding. He understands the needs of his community and the benefits to them of having safe roads. Safe roads should be the most important issue facing any government, whether it is local government, state government or federal government.

Dungog council needs an immediate injection of $16.8 million for regional roads and some $2.4 million to make Monkerai Road safe. The way the funding is split up is a little bit unfair. For example, the council received a block grant of $5,860 per kilometre for road maintenance in 2002-03, when they actually needed a figure closer to $7,420 per kilometre. By comparison, Port Stephens receives $8,680 per kilometre; Great Lakes, $8,325 per kilometre; and Maitland, $11,420 per kilometre. Dungog is only one of two councils in New South Wales that
do not have a state road, yet in terms of population Dungog is 107th out of 172 local councils in the state.

The combined length of regional roads in Dungog is greater than the combined length of regional roads in Newcastle, Lake Macquarie and Maitland. The combined revenue for these councils, based on the 1999-2000 figures, was $261 million, compared to Dungog council’s $7 million. Since 1994, Dungog council’s income has decreased in real terms relative to rising costs, and 95 per cent of Dungog’s regional roads are ineligible for extra funding from the state government. This highlights the enormous cost shift from government to council. It is important that we look after our roads. As a result of the transferral of roads from the state government to councils such as Dungog, Dungog council is also now liable for the full burden of litigation from the substandard condition of its 135 kilometres of road. In recent years it was involved in a $4 million payout for an accident.

Something needs to be done to address this inequity in road funding. The state government receives a considerable amount of money. In fact, it will get more than $9.2 billion in GST this financial year. Since Bob Carr was elected in 1995, stamp duty has increased by 199 per cent, which gave the New South Wales government an additional boost of $3.55 billion in the last financial year alone. In other words, in the last financial year, the New South Wales government received $830 million more than it expected. The question is: why can’t some of that money be spent to help out councils, local government areas in my electorate and, in particular—the most needy of all at the moment—Dungog council? I have outlined today what road spending has occurred in my electorate, but there is more to be done. I am determined to drive this issue to make sure that we get our fair share, if not a bit more.

In conclusion, I remind this House of federal Labor’s record on road funding. The No. 1 point is that they would threaten important road projects throughout Australia. Under Labor, there was no Roads to Recovery program, and they would probably abolish it if they took government again. Labor described the $1.2 billion Roads to Recovery program as a boondoggle, which shows their lack of understanding of community needs. In the 2001 election, Labor declared that they would end the Black Spot road program. Labor also claimed that the extension of the Roads to Recovery program would lead to a pork barrel. I do not see how it can be pork-barrelling when we push for projects like a bridge between Forster and Tuncurry, when we push for funding for a Fingal bypass, when we push for funding for roads in Dungog or, indeed, when we push for funding for the F3 extension. Roads are important. Motorist safety is of paramount importance to any government, and I urge all governments of all persuasions to work to make roads safer in Australia. (Time expired)

Mr SAWFORD (Port Adelaide) (5.00 p.m.)—One thing this government cannot do is meet the needs of people. One of the first measures this government axed when it came to power in 1996 was the Commonwealth dental health program, created by the previous Labor government, which provided free treatment to pensioners and people on low incomes. The axing of this program set the tone of the government’s approach to health care in the eight years since. In fact, the approach was defined three years earlier in the lead-up to the 1993 federal election by the then Liberal leader, John Hewson. His Fightback proposal would have abolished bulk-billing, except for those on benefits, along with higher subsidies for the private health insurers. The eight years of the Howard government since 1996 has seen these and so many aspects of Fightback become law. It is
no wonder that John Hewson is sometimes so dark on the Prime Minister, given the role that the Prime Minister played in the machinations which eventually delivered him the top job. His articles in the Financial Review are apt evidence of that.

The appropriation bills before us today provide more of the same—more of Fightback. Not one cent is made available for the half a million pensioners or workers on low incomes to assist them to afford dental care. The lack of dental health care programs in Australia is a gaping hole in the social fabric of such a wealthy nation like Australia. It is very false saving, because dental care that is not performed when it is first needed becomes a bigger and more expensive problem later on for the government and the employers as well as the patient concerned. It does not take a huge amount of money to run an effective program for those most in need, and the continued refusal of this government to provide such a program is further evidence of the mean streak that doubles as its spine. The money is there.

This is the highest taxing government in this country’s history. You could take the required funds away from all that money that the government gave to category 1, 2 and 3 schools who do not need it. They do not need it, but the dental program does. It is another instance of the government being set on punishing those who are most in need of assistance. The mean streak is also evident but more cleverly disguised in the government’s so-called MedicarePlus and safety net. MedicarePlus aims to enact the main plank of the Fightback health policy—the creation of two medical systems. This is the two-tiered approach they take with education, health and anything else they can lay their hands on. There would be one private system for the well heeled, with high-quality services and supposedly no queues, though there is no guarantee of that, and an over-loaded and rundown service for the bulk of the population.

The grounds for MedicarePlus have been laid in recent times by the ever-increasing cost to the public purse of the rebate scheme for private health membership and the ongoing decline in financial support for public health. There is no doubt that MedicarePlus will cause bulk-billing to plummet below 60 per cent in some areas. It has gone close to 30 per cent in a couple of electorates. After all, that is what the government has designed it to do. The Prime Minister has been on record for 20 years as wishing the destruction of Medicare bulk-billing. With MedicarePlus, he is taking yet another step towards that goal he stated so many years ago.

In some areas, it is already very hard to find a bulk-billing doctor. I am very pleased to say that, in my electorate of Port Adelaide, most GPs have a strong sense of community responsibility and have sought to maintain bulk-billing services. And this is often at their own cost. On behalf of the community, I thank them for that. But, in other areas where bulk-billing has collapsed, those on low incomes seeking medical attention are forced to attend the emergency departments of public hospitals, like the Queen Elizabeth Hospital in my electorate at Woodville. The safety net and MedicarePlus program are a joke.

If the government were concerned with protecting people from higher medical bills, as the safety net image implies, it would have sought to increase the universality of Medicare, not take it apart. All the safety net means is that patients must spend $500 or $1,000 before they get the protection they have enjoyed under Medicare. Basically, the safety net proposal is nothing more than another new Howard government tax of up to $1,000 on working families. This new tax, along with all the other new taxes that have
preceded it, plus the decline in bulk-billing and the lack of assistance for dental care, all add to the pressure upon those in our community who are struggling to get by. When parents struggle to get by, their kids suffer and are less likely to fulfil their own potential and maximise their own opportunities and are more likely to get into trouble.

Perhaps that is also true of our veteran community. I had a veteran come to see me the other week. His name is Arthur Davis and he lives at Seaton. He is a terrific fellow, but he suffers from damaged vertebrae in the lumbar region which results in spondylosis and arthritis in the damaged area. It is very painful and debilitating. His visits to doctors and expensive drugs have failed. As a last resort, his GP recommended a physiotherapist. Eventually, hydrotherapy at a local swimming pool with specific exercises were recommended. Believe it or not, it worked. Pain elimination was achieved and the cost was a lousy $3.60 a session at the pool twice a week, totalling $7.20, which was reimbursed by the Department of Veterans' Affairs. However, the veteran informed me the other week that this subsidy for unsupervised hydrotherapy will cease as at 30 June this year. Who gave that instruction? Was it the Minister for Veterans' Affairs, who had a little rebellion and mutiny in the party room yesterday? Probably.

This government likes to associate itself with what it gives to veterans, but it is remarkably silent about what it takes away. I think that is very poor stewardship by the government and the minister, and obviously the Clarke report, which was supposed to be tabled yesterday, is yet another example of that. It is important to break this cycle of underprivilege in Australia by providing support and assistance to those who are struggling rather than letting the mean streak of this government have its way, dishing out punishments as it sees fit.

One of the most unfortunate consequences for children of low-income households, including one-parent households, is an increased likelihood of school truancy. Sometimes this is disguised as home schooling, but you and I know that if you go to any regional centre in Australia you will find hundreds of kids in shopping centres on any school day. They should be at school; they are not. I congratulate the South Australian state government on its current attempts to deal with the huge truancy problem in that state.

Australia has a very high standard of education, and its teachers, its facilities and the breadth and depth of its syllabus are all first class. It is so good in fact that a long line of students from other countries are seeking to come here to study in our secondary public schools. Their parents are very happy to pay significant amounts of money for the benefit and the privilege of an Australian public education. That is why I find it particularly sad when Australian children are denied an Australian education by parents who, for one reason or another, fail to ensure that their children attend school every day. There is no excuse for the hundreds of kids in our regional shopping centres. That is parental failure. The reasons for this parental failure can range from simple neglect to an often misplaced conviction that home schooling is better.

I have recently been made aware of one single-parent family on a benefit where the four children have not attended school but have received their education from the Fox education channel. The eldest boy is now an adult and has no educational qualifications whatsoever. This means his chances to achieve in life what he dreams of are extremely hampered. I feared the other three boys were headed in the same direction, but I am very pleased that the South Australian education department has now been made
aware of this situation. I can think of nothing crueler than sending a young person into the world without giving them the chance to gain educational qualifications and the chance to choose a career—except of course to send four children to such a fate.

As important as qualifications are, the school experience develops the broad and elementary skills so essential to conducting an essential path of social esteem through life. The schoolrooms and the school ovals and courts are where children learn important life skills with their peers—skills they can build upon as their lives change and careers develop. Without this early exposure to the ways of a schoolyard, home-schooled children can easily become socially inept and their performance and advancement in the workplace can be inhibited. We had some unfortunate examples on the weekend, but I do not want to refer to those. There are exceptions, of course—families who conduct proper home schooling—but the exceptions unfortunately are more likely to be the few rather than the majority.

Other children who are left to roam the streets of this country during school are equally badly off, being exposed to all sorts of dangers and missing out on laying the foundations for their own secure future. But they seem pretty good at developing anger and hatred within their precious bodies. It is a great sadness to see that and to see no-one taking responsibility for it. I consider the failure of parents to ensure children benefit from our excellent public education system as a form of child abuse. Parents should be held accountable.

I am both very pleased and saddened to hear that the South Australian government has commenced prosecution of the parents of eight chronic truants there. Five families, including the parents of a nine-year-old who has not attended school since November 2001, are being targeted. The previous state Liberal government must be condemned for turning a blind eye to school truancy for over 10 years. They also must be condemned for allowing the growth of so-called home schooling without establishing any effective checks on the educational welfare or general welfare of children in such home schools, let alone applying reasonable requirements on the parents to ensure they are suitably qualified to conduct the home schooling in the first place.

The South Australian education minister, Trish White, was recently quoted as saying that she was disgusted by the situation and wanted to send a clear message to parents that truancy was no longer acceptable. I endorse those sentiments, and I strongly support her efforts to tackle the truancy problem. While clearly it is better if parents can cooperate in the efforts to ensure that children attend school, the minister is determined to enforce attendance and apply fines to parents where appropriate—and to increase penalties by legislation, if it is deemed effective and appropriate. This stand, to improve school attendance, has been backed up by more than $2 million in extra funding. It follows new truancy laws and tougher penalties in Queensland, New South Wales and Western Australia. The moves also have the support of the teaching profession, with the president of the South Australian Primary Principals Association, Leonie Trimper—a former colleague—saying that there is a need for an ‘end of the line of tolerance’ for some families, while pointing out that there must be follow-up support strategies to ensure that children get to school and receive a quality education.

The federal government’s mean streak, which has imposed a range of new burdens on working people and beneficiaries, has made life harder for many Australian working families. One of the unfortunate consequences of hardship in the home can be tru-
ancy, and truancy points to a future of further hardship for the truant. Those in need must be assisted, not neglected, not ignored, not punished and certainly not blamed. They must be assisted, but it must be strong assistance. It must not be some of the wimpy stuff that we have had for the last 10 years. Kids need consistency in being dealt with, and they appreciate consistency. They will not respond positively if they are shown inconsistent behaviour by adults. In many cases it is only with assistance that people can get onto the next rung and build themselves a better future. I wish these appropriation bills before us today served that purpose, but unfortunately they do not.

Good government not only pays attention to social infrastructure; it pays attention to physical infrastructure as well. I noticed that the previous member spoke a lot about roads, and they are pretty important, but in recent decades a disturbing trend has developed in investment in public infrastructure in much of the Western world, and Australia is no exception. Too many governments are debt averse for all the wrong reasons. Standard and Poor’s may be a credible credit agency as far as some people are concerned, but following their advice may result in regions becoming very standard indeed and very poor indeed.

The obsession of many government treasuries with having AAA credit ratings without actually borrowing any money is misplaced and illogical. A AAA credit rating has a purpose only if you do in fact borrow money. If that money goes to projects that last for 50 or 60 years and improve the social, physical and competitive nature of the region, that is responsible and good debt, and that will leave a positive legacy for our children and our grandchildren. Ignoring the needs of physical infrastructure and replacing it with privatisation, or so-called public-private partnerships, is not only more expensive; it also does not fool anyone. It costs more, it is a folly and it reflects very poorly on many administrations in this country and around the world. The Howard government is the national leader, but it is bereft of leadership in this very important planning matter for the future of all Australia.

A constituent named Gordon Brooks came to me the other day. He is a former champion bike rider in South Australia. He still rides, and he is well into his 70s. He told me some horrible stories about the lack of maintenance of equipment around Australia. He has noticed this in many cities. For example, there is a power problem but there are lights on 24 hours a day, seven days a week, 365 days a year—he pointed them out to me. He told me about transformers that are managed by private electricity companies, and those transformers, of course, need to be consistently maintained with oil, to keep the level up. A lot of these transformers have been blowing up. They are blowing up for one reason, according to Gordon: they are not being maintained. The same thing happens with water bursts. The pipes are not being flushed and there is a reliance on fewer and less practical staff—they do not even know how to solve the problems. Fire brigades around the country complain bitterly about their access in emergencies and when there are fires. They sometimes do not know which equipment to connect, because what used to be there, showing quite clearly what you need, is no longer there.

We in opposition could quite rightly say that there is disagreement on our side as far as public-private infrastructure is concerned. That is true, but at least on this side of the House we are having the debate. Yes, there are differences, but we will get through that debate, and when we come to government we will make the right decisions. But as far as infrastructure is concerned the government has just allowed this country to drift on.
It has a hit-and-miss approach to what should be done.

I would like to know what the federal government’s view is about infrastructure. Does it have a view? If so, what is it? Do the backbenchers have a view? Obviously, over the last couple of months they have been beginning to rise. I congratulate the backbenchers who stood up for the veteran community in the party room yesterday, and I congratulate the backbenchers who have stood up to a Prime Minister who has basically had his own way for eight years without being questioned. I look forward to the contributions of government backbenchers in this debate, but the most important question to ask all of them is: why are there so few of them on the speakers list? Does this have anything to do with the third term agenda not being in existence? We noticed, when we saw the plans for legislation in the autumn session, that there is nothing in weeks 3 to 5. There is nothing there! Is that what this government has come to? Has it run out of puff?

Mr Fitzgibbon—They’re too busy in the party room. They’re making their speeches in the party room.

Mr SAWFORD—The member for Hunter says they are in the party room. Has the government run out of puff? Where are the backbenchers? I will be interested in the member for Herbert’s contribution in just a moment. I wonder whether he is going to stand up and put on the public record what ought to be some important things for a third term agenda. Is there anything there? I ask the member for Fisher, the parliamentary secretary at the table: is there anything there?

Mr Slipper—Lots.

Mr SAWFORD—They are very vague. It is interesting, listening to the contributions of government members thus far. They have all been very thin. There is no forward thinking whatsoever. They have had to go back and rely on past achievements. That is a very bad sign for a government. That is a sign of a government in trouble, a leader in trouble, a backbench in trouble and a frontbench in trouble. That is a very good sign for an opposition. We look forward to further debate ensuing in relation to these particular appropriations.

Mr LINDSAY (Herbert) (5.20 p.m.)—Today I want to raise a significant issue that is causing considerable angst amongst the ranks of our veteran community and amongst currently serving members of the Australian Defence Force. The issue relates to the inappropriate wearing of medals. Members of our Defence Force, our police services, our fire services, our ambulance services and our emergency services are regularly awarded medals either for gallantry—during active service or during peace time—or for conspicuous service or long and distinguished service. Members of the general community are also awarded medals for gallantry and for service to the nation and the community. Medals under the Order of Australia are the best examples of such awards. All these medals are recognised as official medals, as they are approved by government and the Governor-General and details of the awards and the recipients are gazetted.

Our Defence Force and the various agencies within our emergency services have very strict rules for the wearing of medals by currently serving personnel. Medals are to be worn on the left side and only official medals are allowed to be worn. The general public usually follows this well understood protocol. The next of kin of deceased members wear the deceased member’s medals on their right breast, not their left breast. This clearly emphasises the significance of wearing official medals on the left side.

Last year the parliament passed the Defence Legislation Amendment Act 2003. This
act made various amendments to defence legislation. It also made consequential amendments to other Commonwealth legislation. The act increased the penalties for breaches of sections 80A and 80B of the Defence Act relating to persons who falsely represent themselves to be returned service personnel or improperly use service medals or decorations. The changes reflect the gravity of the concern of the government and the wider community about practices that are unlawful, deceitful and disrespectful of our veterans and service personnel. Persons falsely claiming defence service they did not undertake or complete or medals or decorations they are not entitled to are disrespectful to real veterans and defence personnel.

Our veterans and serving personnel are held in the highest regard by our community. Their service and sacrifice deserves strong protection from those who wrongly seek to claim the same honour and respect. The concern eating away at past and present ADF members today relates to the wearing of unofficial medals along with official medals on the left side. There is presently no law that precludes the wearing of commemorative medals alongside official medals. I propose today that it be made an offence to wear unofficial medals on the left side. Rod McLeod, the respected president of the Townsville branch of the Returned and Services League of Australia, tells me that it is the view of many of his members that ‘mixing the wearing of medals denigrates the honour of awards’. He says that it is not beyond his imagination that someone could buy 10, 15 or even 20 commemorative medals and wear those at will. There would be no way of checking their entitlements to those purchased medals. Brigadier Neil Weekes AM MC (Retd) points out:

... there is nothing to stop anyone buying one or more unofficial commemorative medals and then wearing these on the left side. When wearing these on the left side, with or without other official medals, it denigrates the importance of other awards. In fact it turns all medals into nothing but baubles.

Brigadier Weekes goes on to say:

... it appears to be incongruous that an individual could be imprisoned, if found guilty of wearing an official medal to which he/she is not entitled, but anyone (even a non-veteran, or someone who has never served in our defence force) can wear as many unofficial medals as they like with impunity.

The general public cannot distinguish between official and unofficial medals. Thus, the wearing of unofficial medals on the left side is a fraudulent representation of service to this country.

The real angst in the veteran community must be addressed. Official medals must not be allowed to be devalued. The award of and subsequent wearing of medals must be held in the highest regard by the currently serving members of our Defence Force and by our veteran community. In many cases, members are wearing medals earned during active service where their mates have been either killed or wounded. They take extreme offence at anyone wearing a medal to which he or she is not entitled and which has not been officially awarded.

Unfortunately, there are some members of our veteran community—albeit a small percentage, including ex-national servicemen—who are purchasing one or more of these unofficial medals and wearing them on their left breast along with their official medals. So it is incongruous that the government has amended legislation to increase the penalty for the illegal wearing of official medals while there is no corresponding legislation making it an offence to wear unofficial medals on the left side. I have no objection to members buying these unofficial medals, but if they wish to wear them they must wear
them on the right breast. They must not disrespect the awarding of official medals.

If legislation is not further amended to make it illegal to wear unofficial medals on the left breast, it is possible that anyone from either our veteran community or the general community could purchase as many of these unofficial medals as they liked and wear them on their left breast. I am aware of at least four of these unofficial medals that are available right now through the mail order catalogues. If we do not take action now, it is possible that anyone will be able to festoon themselves with these purchased medals. I conclude my remarks by strongly recommending that the Defence Legislation Amendment Act 2003 provisions be further amended to make it an offence to wear unofficial medals—that is, medals that are not officially approved by government or the Governor-General and the details of which have not been officially promulgated in a government Gazette—on the left breast.

Mr Byrne (Holt) (5.27 p.m.)—I rise tonight to discuss an issue which is of some measure of importance to the community. It is not an easy subject to raise at all. I have done so in the context of a speech on Appropriation Bill (No. 3) 2003-2004 because I have been asked to do so by the parents of the woman concerned and also because I think it is an issue that should be discussed in the community. I seek leave to table two photographs.

Leave granted.

Mr Byrne—I thank the House. The photos that I am tabling are not pleasant photos. They are autopsy photos of someone who died on 13 January 1998. She was a young woman. She did not die by road accident, heart attack or by her own hand. She was killed by her partner after being subjected to four years of relentless, systematic abuse. We call it domestic violence. The murder, I believe, is termed ‘domestic homicide’. But it is murder—it is plain, cold-blooded murder. She was killed in front of her four-year-old son. Her son saw her partner cave in her skull and crush her head against a wall. He saw her lying bleeding in a pool of blood on the floor. This girl’s name was Debbie Smart. She was 22 years old and she had barely started her adult life. When she died she weighed 32 kilos. But she should not have died. She died because we as a community failed her. We must ensure that we do not continue to fail women like Debbie.

We would like to think that this is an isolated problem, that this terrible event is an aberration and that the abuse she was subjected to is rare. But I regret to inform the House that this state of affairs is all too common. It is something that we politicians, both federal and state, must address seriously, because, if we do not, more women will die or have their lives destroyed by this abuse.

In speaking about this issue tonight, I would like to pay tribute to Debbie’s parents, Bob and Sandra Smart. To lose a child is a great and unimaginable tragedy, but to lose a child under these circumstances is even worse. Their courage in speaking about this issue is remarkable. I cannot comprehend their courage in speaking about this. It is because of their courage and their fierce desire to ensure that Debbie’s story is heard that I speak in this House tonight. They wish me to speak on this issue, because they want this cycle of violence against women in our community stopped; they do not want another young woman to die like their daughter died.

It is important to understand the extent of the problem of domestic violence against women in our community. In 1996 the ABS surveyed 6,300 Australian women for its
women's safety survey. The survey asked women about their experiences of actual or threatened physical or sexual violence. It found that 2.6 per cent of women who were married or in a de facto relationship—roughly 111,000 women—had experienced violence perpetrated by their current partner in the 12 months preceding the survey. Of the women who had ever been married or in a de facto relationship, 23 per cent had experienced violence in the relationship—that is, 1.1 million women had experienced violence by a previous partner during and after the relationship.

Interestingly and tragically, pregnancy is a time when women may be vulnerable to abuse. Of those women who had experienced violence by a previous partner, 701,000 were pregnant at some time during their relationship. Forty-two per cent—or 292,000—of those 700,000 women experienced violence during their pregnancy and 20 per cent of them experienced domestic violence for the first time whilst they were pregnant. Pregnancy should be a time of great joy and wonderment, but 20 per cent of those 700,000 women experienced domestic violence for the first time whilst they were pregnant.

Another terrible statistic was that younger women were more at risk of violence than older women—19 per cent of women aged 18 to 24 had experienced an incident of violence in the 12 months prior to the survey, compared to 8.8 per cent of women aged 35 to 44 and 1.2 per cent of women aged 55 and over. In this survey, physical violence was more prevalent than sexual violence—4.9 per cent, or 338,000 women, experienced physical violence by a man, compared to 1.9 per cent, or 132,000 women, who had experienced sexual violence by a man. These statistics are a damning indictment. Sixty-one per cent of women who experienced violence by a current partner—that is 211,000 women—reported that they had children in their care at some time during the relationship, and 46 per cent of women who had experienced violence by a previous partner said that the children in their care witnessed the violence. An incalculable amount of damage would have been caused to the young people who saw that violence.

That is obviously at the macro level, but at the micro level, particularly around my region, I work with a fantastic organisation called WAYSS. WAYSS is a community based organisation which provides a range of services related to preventing and addressing homelessness. A major and growing aspect of the service that is provided is focused on the women and children escaping domestic violence who are at a high risk of homelessness. In the outer south-eastern region of metro Melbourne, WAYSS has assisted 202 women in immediate crisis and has provided longer term assistance to another 325 women in the last seven months. In this financial year so far, that is 527 women, and in the vast majority of cases these women have had children accompanying them. I have been informed that the level of unmet need is incalculable.

I was informed today that six of those 527 women had to be transferred interstate, because they were in so much fear and because social workers had assessed their level of threat as being so great that they needed to be moved interstate. I asked the director of WAYSS, Kim Stowe, for his opinion on this particular issue. A thing that is often asked about women who are being subjected to domestic violence is: why do they stay? Kim’s response is:

Women frequently stay and bear the abuse because society makes it so difficult for them to leave and remain alive let alone safe. We have some type of court order system available in every state but in every state the police force is grossly under resourced, ill-equipped and poorly
trained to enforce orders. The burden of proof of a breach of order always is the responsibility of the victim. A breach of order is only ever taken seriously by a minority of magistrates presiding over a weak system further weakened by a high level of discretion in how it responds and how offenders are sanctioned.

The frequency of women and children being murdered by their husband, partner, father, step-parent is much higher than it appears to be perceived by the vast majority of the community. The way these crimes are reported does little to assist in raising community awareness of these horrific crimes, frequently reported as “died as a result of a domestic spirit”, “died after a long and bitter family court battle”, “in another domestic homicide”. The very simple step of calling it what it so frequently is—“cold-blooded and brutal murder”—would go a long way to alerting the community to the depth and seriousness of the problem.

I would like to come back to the case of Debbie Smart and chronicle what she experienced, because that will offer some indication of how this young woman’s life was terminated and how we failed her during that time. I would like to touch on her relationship and the perpetrator of the crime. Debbie Smart and her partner, Mark Bottrell from Doveton, began a relationship in 1994. Debbie had a son, Adam, from a previous relationship. Between 1994 and 1998, Debbie suffered repeated physical, sexual and emotional abuse. The first reported incident of injuries inflicted by Bottrell was on 16 August 1995, when Debbie went to a local GP. She was assaulted by Bottrell on the previous day and had fallen against a tree, causing soft-tissue damage to various parts of her body. At this time, Debbie also started to suffer from anorexia.

In May 1996, she fell pregnant to Bottrell, and she was attended to by another general practitioner in Endeavour Hills on 28 June 1996. She had advised this doctor that there was a long history of physical abuse perpetrated by Bottrell. She had a large bruise around her right eye that she claimed was caused by Bottrell having thrown a cassette tape at her. Counselling was suggested but no further action was taken.

In October 1996, Debbie was presented at the Monash Medical Centre and delivered a stillborn foetus of 20 weeks. The cause of death of the foetus was placenta eruption. Debbie had sustained head injuries as well. She said that she had walked into Bottrell’s flailing arm. According to Debbie’s mum, Sandra, in one incident Bottrell dragged Debbie around the room by her hair and bashed her head against a wall repeatedly. Debbie only admitted once to her parents that Bottrell was frequently abusing her. Debbie, like a number of women in this situation, attempted to leave her partner—in fact, she attempted to leave six times before her death. When Debbie left Bottrell between February and August 1997, it was observed by her parents that she had put on weight and seemed to be very happy.

Mr Hockey—Mr Deputy Speaker, I rise on a point of order. I am very reluctant to take this point of order because of the seriousness of the statement being made by the member. I would just counsel the member that the issues he is talking about are extremely serious and I hope they do not involve any sub judice material.

Mr Byrne—This has been proceeded with in the courts. It has been dealt with and, accordingly, we are able to speak on this publicly. I am well aware of the sub judice implications of this. I would not have raised it in this House had I thought it would have transgressed sub judice rules. I can assure the member on that basis.

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Mr BYRNE—I am seeking to clarify it and provide some explanation to the House, which I presume I have done, and to reassure the member that the matter has been dealt with by the courts.

Mr Hockey—It was for your protection.

Mr BYRNE—In the months leading to Debbie’s death on 13 January 1998, she was first admitted to Frankston Hospital on 9 December 1997. Debbie presented with blows to the head and chest, which she claimed were inflicted by her sister, who was in the ACT at the time. Debbie was four months pregnant. She had a second admission to Frankston Hospital on 16 December 1997. She had been referred there by a social worker. She collapsed at home when doing housework and reported blacking out after the head injuries sustained from the previous week. She stayed overnight. Doctors noted that she had marked anaemia due to anorexia, blood loss and white blood cell changes that were suggestive of infection. Debbie needed a blood transfusion, but she refused. She was severely malnourished and very underweight at 34 kilograms.

She was admitted to Frankston Hospital for a third time on 11 January 1998. Debbie was assaulted at 2.00 a.m. and was admitted to the Frankston Hospital. She claimed it was by two women at a nightclub. She gave birth to a stillborn 20-week-old foetus brought on by a kick to her stomach. She had bruises on her upper limbs and her right eye. She had multiple bruises all over her body that were similar to the previous assault. Bottriell was present during the interview, making it difficult for hospital staff to interview her. She was released on 12 January 1998.

She had a fourth, and final, admission to the Frankston Hospital on 13 January 1998. Debbie was unconscious. She had facial and head injuries, her brain was compressed and swollen and her heart enlarged. She died soon after admission weighing only 32 kg. She was 22 years old. Debbie was buried with her stillborn child, whom she had named Dylan.

Let me explain what actually happened to the perpetrator of the crime. Bottriell admitted upon being charged that he had beaten Debbie almost daily and also admitted to assaulting Adam, who was not his son. He was charged with manslaughter and sentenced to five years imprisonment. He was released on parole on 20 March 2002 after serving three years. Eight months after being released, he assaulted a 17-year-old girl with a knife. He was convicted on charges of causing injury and unlawful assault with a weapon and sentenced to an additional 20 months. He was eligible for a parole hearing in January 2004. It was rejected, and he may be in jail until 2006.

I will describe what has happened to Adam, Debbie’s son, who is being looked after by Bob and Sandra Smart, his grandparents. He is now aged nine. According to Sandra and her two sons, Adam cries out in his sleep and is now suffering flashbacks of Bottriell attacking his mother. Sandra today provided me with an example. She described Adam seeing a WorkCover advertisement on TV. In this ad a woman who suffers an accident is run over by a forklift and lies bleeding on the floor. Adam said to his grandmother: ‘That’s my mother! That’s my mother!’ When Adam suffers injuries, he believes he is going to die because what he has seen is his mother being killed, particularly when she suffered injury.

Sandra and Bob Smart have asked me to inform this House and the community of the circumstances of Debbie’s death—and it is a terrible set of circumstances. This is not an issue to make political points on. This is not an issue on which to finger-point and say, ‘This is your fault.’ This is an issue that we
must, as a community, collectively take responsibility for, because, if we do not, more women will die. I have here the statement of principles from the Partnerships Against Domestic Violence that all heads of government at both state and federal level have agreed to. I think they are sound principles, and I will describe them to the House in the time I have remaining.

All individuals have the right to be free of violence. All forms of domestic violence are unacceptable in any group, culture or creed. Many forms of domestic violence are against the law—acts of domestic violence that constitute criminal offence must be dealt with as such. The safety and well-being of those subjected to domestic violence must be the first priority of any response. Those who commit domestic violence must be held accountable for their behaviour. The community—that is, us collectively—has a responsibility to work toward the prevention of domestic violence and to demonstrate the unacceptability of all forms of domestic violence.

As I said, this is a death that should not have happened. In our state and in our region, the police who investigate these particular issues are somewhat hamstrung by the legislation. As has been said by Kim Stowe of WAYSS, they appear to be under-resourced and ill-equipped to deal with the particular issue. We need to be looking at solutions to these particular issues. The federal government has a role in pushing forward programs to educate our young—our young males in particular—that violence is not acceptable and that it is not a way of resolving conflict in a relationship. We need to be strong on that.

A consistent constraint that the police experience in processing domestic violence issues is that, when they go to take a statement from the domestic violence victim, the victim is generally too scared to make a statement because they fear what will happen to them if they do make a statement. As a consequence, a lot of the domestic violence that occurs in the region is under-reported. In fact, in the case of Debbie Smart and her parents Bob and Sandra Smart, one of the reasons that Debbie was afraid to leave was that she was told by Bottriell—the perpetrator—that he would kill her parents if she left. In these situations of domestic violence, people often ask why the victims continue to live in these sorts of relationships. Perhaps that will give you some indication as to why that is.

As I said, I have raised this issue in this House as a matter of public concern. I am not here to attack the federal government or the state government; I am here tonight asking the House and our communities to take collective responsibility for this epidemic. If we do so, if we are serious about taking action, if we are serious about amending laws and we are serious about putting in the appropriate resources, young women like Debbie, who had barely started her life, will not be attacked in their homes, will not be abused and will not die.

Mr CAMERON THOMPSON  (Blair)  (5.47 p.m.)—I rise to speak on Appropriation Bill (No. 3) 2003-2004 and cognate bills. After the very touchy issues just canvassed by the member for Holt, I am going to take a real diversion. But I do not want to miss the opportunity to put in a plug for the work that has been done recently by the House of Representatives Standing Committee on Family and Community Affairs and the effort that has gone into developing its recent report, Every picture tells a story, which talks about the arrangements that apply for the care of children in the event of family breakdown. That is peripheral to what the member for Holt was speaking about—he was talking about issues of violence and abuse—but, while it is peripheral, it is a fact that the cir-
cumstances that lead to family breakdown can contribute to violence and all those kinds of side effects.

We really do need people to look very closely at the system. The amount of agony and drama being created by a system that is based on an adversarial dispute resolution procedure is not healthy. The family and community services committee has put a lot of effort into trying to come up with ways in which to make adults look more carefully at the needs of their children and the disputes over the custody or the looking after of the children after a separation has occurred. The report of the committee and the findings that it has produced potentially provide a great opportunity to ease a lot of the current heartache that applies in those situations. I am looking forward to consideration of that issue by the government—and, because of your involvement, Mr Deputy Speaker Price, I know that you are too.

Having said that, I want to turn to three issues that I think are very important in my electorate. They are really important and fundamental in all electorates of Australia, but they are focused in my electorate. The electorate of Blair is on the edge of the Brisbane metropolitan area—Ipswich immediately to the west. I have even had people in the shire of Kingaroy, which is right at the very top of my electorate, saying that a lot of the time they feel that they are on the periphery, on the edge, of all the activity that is going on in the Brisbane metropolitan area: the growth, the struggle to provide decent infrastructure, businesses trying to compete, businesses trying to grow and make do with systems that really were designed when the area was much smaller—all of the activity down there.

In many respects, people in many of those rural areas north and west of Ipswich often feel that their area is where people get washed ashore—where people wind up moving to if they have had enough of all the activity going on in Brisbane and they want to find an environment that is less frantic in which to conduct their business or in which to keep their family. It is not just about how frantic it is; it is also how costly it can be. People do believe that it is just too costly to have a house and run a car and everything in Brisbane and they move out to the country areas. These kinds of things result in a common bond that unites many of the shires and the towns in the electorate of Blair. People come seeking a better way of life, but many of them still want to carry on their jobs and their commitments in Brisbane.

Having said all that, I think the main issue is that we have to develop our industries in this area. We have to develop infrastructure and diversify industries so that they can support themselves, so that their location on the edge of Brisbane becomes something that generates jobs and so that, instead of continually encouraging more and more people to commute all that long distance right into Brisbane, we can provide jobs out there in those areas. People would then not have to commute; they would have jobs on their doorstep and the ability to find employment in their home towns. I think that would help many of them realise their goals in going to those areas in the first place. It will grow our area and it will make the whole focus of south-east Queensland far more productive.

An interesting and quite long-sighted study that has been done by the Ipswich City Council—and I give them great praise for looking ahead at the way in which south-east Queensland is growing—has noted that, unless we make some fundamental changes, we run the risk of becoming the Los Angeles of eastern Australia; the Los Angelesisation of south-east Queensland is something that is a very real risk. By that I mean that if we continue to have all our industry and activity
focused in the centre of Brisbane, if we fill in all of the residential and commercial areas, if we do not provide road infrastructure and do not provide other transport infrastructure, if we do not give incentives for industry to move to decentralise themselves, and if we do not pay a greater mind to the planning of urban and residential development, we face the very real risk that our south-east Queensland area—the area we all love so much—will cease to be as attractive as it is today. The beautiful green spaces that we have will be gone. We will just have row after row of similar housing on roads that are jam-packed with people driving huge distances to earn their daily crust. And the gut feeling will be that we as representatives have completely failed our community because we have not provided the necessary incentives or the necessary vision. It is so important that we put ourselves in a situation where we can be in the driver’s seat, not driven along by the flow of development. It is important that we develop industry and that we develop it in a decentralised manner—that is my first point.

My second point is that we develop infrastructure. If we are going to provide the wherewithal for industry to decentralise, it is important that we provide transport corridors that facilitate that. We must provide corridors that can take industry’s work force expeditiously between one point and the other, can move their goods and can make the whole exercise much more effective. We need to avoid big economic loss caused by traffic delays and the like and to diversify all the different ways in which we provide the transport needs of the community.

There is another point that I also want to highlight. It has come to light over the last few years that water in Australia is a much greater issue than even the greatest doomsayers in the past would have countenanced in their blackest moments. When water is available for communities to grow and to conduct their activities—be they industrial or commercial or just domestic—and it is turned on and everything in the community is moving ahead, then there is a fair degree of confidence. However, the confidence of the community in general has been shaken by the long-sustained drought that we have been through.

When I talk to people in councils around south-east Queensland about the future of the huge resource that is the major water storage area in the electorate of Blair, the Wivenhoe Dam—there is also the Somerset Dam—not one of those councils is prepared to countenance the idea that we might be able to use some of that water for irrigation. They are not prepared to put that up because they know that the demand for urban use is so great that they cannot possibly run the risk that they could leave their constituents in the lurch because of a commitment that has been given either for irrigation for agriculture or even for extended commercial use. In the last little while we have seen the decision to provide, and efforts being made to identify the route for, a pipeline to link the Gold Coast into Wivenhoe Dam. Years ago there were plans for another dam, Wolfdene dam, that would have assisted the Gold Coast, but, political fortune being what it was at that time, that dam got killed off, so now in communities in our area there is a complete lockdown. There is a focus on the need for the Wivenhoe Dam to be available for urban use and urban use only.

If we go back several years, we see that there was often discussion about the need for people in cities to have tanks, to have water available on-site in their own yard, and we have to come back to that. The reason that I raise water as an issue is because I have always been, and remain, a very strong advocate of the recycled water project. That idea, which has been promoted now for many years by people with vision, involves taking
all the waste water from that huge, rapidly growing greater Brisbane metropolitan area, and Ipswich and the other areas nearby, and turning it inland to make it available for use in the Lockyer Valley and up on the Darling Downs.

I remain an advocate of that recycling project because I think it has national implications. At the moment we just take waste water and pour it into Moreton Bay. What does that result in? It results in algal blooms, it results in pollution. The water quality in Moreton Bay is not what we want and the water quality in the Brisbane River is not what we want.

The focus of south-east Queensland is our estuarine environment—Moreton Bay and our beautiful rivers. We have a lovely outdoor lifestyle, yet the beautiful water system in our area is not up to scratch. Not enough is being done to make sure that we have beautiful, clean water in our environment and that we take care with the water we use, to ensure that we achieve that. Quite a few people in the community and at places like the University of Queensland are putting efforts into trying to rectify that problem. I believe all local members of parliament need to look at the question of water and at what we are doing to assist with improving the quality of water in our region.

I ask MPs for south-east Queensland to spend more time focusing on the question of water, because I think the question will be resolved not only by projects such as the recycled water project but also by other smaller and perhaps less significant projects, such as the conservation of water in homes, reusing water wherever possible and providing household tanks to enable people to store their water. I certainly give credit to the Ipswich City Council on that point—they provide a rebate to ratepayers who install rain-water tanks. That is certainly something that should be the case.

I would like to spend a moment doing an ad for the recycled water project that has been advocated so many times. That project aims to take our waste water and make it available as far west as the Downs. From my point of view, it is not purely about the Downs or the Lockyer Valley; it is important on a national scale. Given the growth in Brisbane and the proximity of the Murray-Darling system, I think that water from the huge conurbation of Brisbane, the Gold Coast and Ipswich could be contributed on a regular basis to assist with the problems we are currently facing with the Murray-Darling.

At the moment, people down the Murray-Darling system are facing the problem of having their livelihoods cut to maybe 20 per cent of what they were because there is just no alternative—they have to go to more efficient uses of water and we have to increase flow in the Murray-Darling. We could come up with a system whereby, at the same time as removing the waste water, we are able to increase the flow in the Murray-Darling by all this additional water. South-east Queensland is going to grow significantly. Its population will overtake the population of Melbourne sometime in the next 10 or 15 years. That population is generating water which can go to assist the environment. This is something that I think we need to look at.

Once again, I give credit to Ipswich City Council on the water issue, because they have looked at the question of providing water not just for irrigation users but for industrial and commercial users. They do not say you can only have one or the other—irrigation water or commercial water—because that is not really what this is about. The fact is that every time you use water for cooling in a power plant or for some other...
industrial use you do not destroy the water. Even in worst-case scenarios you lose maybe 10 per cent through evaporation during industrial processes. So, although we are looking at the possibility of jobs being created in agricultural industries by making waste water available for irrigation, there are a huge number of jobs that can be generated along the way, providing commercial uses and good efficient industry for our region. And all of that money will go onto the bottom line of the project.

There has been a ridiculous assertion that the waste water project is merely a subsidy for farmers. If people object to farmers to that extent, then let us throw in the people who might work in the pulp plant or the power plant. Let us throw all the other things in there. The Ipswich City Council have done some studies of the amount of waste water that can be used in our region, and they are going to the extent of providing recycled-water pipes through all their new industrial areas. They deserve to get a very big tick for that, because when the big project does come along—and it will come along; we will be providing water into a recycling scheme somewhere down the track—those pipes will be necessary, because we cannot continue merely to throw waste water into the sea. We are going to use that water, and when a recycling project does come along all of those industrial users will be adding to the bottom line. They will be creating wealth and providing jobs that are decentralised so that we have a much more productive, environmentally friendly and sensible series of policies in south-east Queensland.

I also spoke about the need to provide infrastructure. Nowhere is that more apparent than in south-east Queensland. In my area the Ipswich Motorway has been a serious problem for many years now. The scenario is that, as things stand, three four-lane roads meet and all of that traffic is taken up by one four-lane road. Currently the state government, having looked at this issue, are saying that the way to fix that is to spend the next eight years digging up the only four-lane road that takes the traffic from the total of 12 lanes coming in from as far away as Darwin and Sydney—and that, of course, is a serious problem.

We need to look at questions such as train travel. The declining growth on the Ipswich line is something we need to look at very seriously. But we need to have the guts to look at longer term solutions. You cannot have three four-lane roads meet and expect the population to believe that one four-lane road is sufficient to take up the traffic, and you cannot expect people to put up with that four-lane road being dug up for eight years while you look at a six-lane road. (Time expired)

Mr MURPHY (Lowe) (6.07 p.m.)—In speaking tonight in the debate on Appropriation Bill (No. 3) 2003-2004 and related bills, I wish to focus on the priority I believe the Howard government should be giving to spending some of the money associated with these bills to build a second airport not only for my constituents in the electorate of Lowe but for all the people of Sydney. Sydney airport’s new privatised management regime now means that aircraft safety is fundamentally compromised. The reason airspace safety is compromised is the revelations made by Airservices Australia to the Senate estimates committee; that is, there are fundamental flaws in the safety of the Australian aviation system. This revelation comes at a time of unprecedented passenger and aircraft movements at Sydney airport. This increase has been driven by a new-found airport lessee company, Southern Cross Consortium, that is all about maximising profit, not solving Sydney’s aircraft noise problems.
Consistent with this profit-driven psychosis, the recent history of Sydney airport has been beset with compromises of every kind—environmental, financial and safety. On 13 June 2001, in a speech to the Sydney Basin Airports National Briefing Forum, Mr John Anderson, the Deputy Prime Minister and Minister for Transport and Regional Services, said ‘the government’s conclusion is that Sydney airport would be able to handle its growing level of traffic until 2010.’ Following the Howard government’s sale of Sydney airport to Southern Cross Consortium, bankrolled by Macquarie Bank, the Deputy Prime Minister changed his position. On 13 January this year, in media release No. A2/2004, he stated:

A second Sydney airport will not be needed into the foreseeable future for a variety of reasons, many related to changes in the aviation market since September 11 and the collapse of Ansett.

This is an astonishing admission by the Deputy Prime Minister. Whilst recognising the significant one-off impact of these two events, one does not base an entire aviation policy around it. Like the Sydney Olympic Games or the SARS virus outbreaks, specific one-off events do not direct environmental and safety policies or the fundamental question of whether Sydney requires a second airport.

Let us be clear about why the Deputy Prime Minister is now hypocritically, in my view, saying that Sydney does not need a second airport. The reason is that the Deputy Prime Minister is doing Southern Cross Consortium's bidding in ensuring a maximisation of super profits to that consortium and its partners, including Macquarie Bank and its subsidiaries. A review of the Howard government’s decision-making process that led to this appalling outcome for people in my electorate of Lowe is now required. In short, prior to the sale of Sydney airport the Deputy Prime Minister consistently told my constituents, and the member for Grayndler’s constituents, that Sydney airport would not be sold until a full environmental impact statement for a second Sydney airport was conducted and Sydney airport’s aircraft noise problems had been solved. The Deputy Prime Minister has since consistently used that mantra when replying to my many questions and speeches in parliament—that Sydney airport’s aircraft noise problems have been ‘substantially solved’.

Mr Hockey—True.

Mr MURPHY—It is not true. In reality, implementation of the long-term operating plan has always resulted in my constituents and the member for Grayndler’s constituents—who live, as you know, to the north of Sydney airport—consistently copping nearly twice as much noise as was promised under the Howard government’s long-term operating plan.

Mr Hockey—That’s rubbish!

Mr MURPHY—That is not rubbish.

Mr Hockey—that is complete rubbish!

Mr MURPHY—It is not. I will come to your interjections. Prior to the sale of Sydney airport, the coalition government displayed a bizarre history of crazy ideas in its aviation policy ventures. Two celebrated examples of this include, first, the ludicrous consideration of Holsworthy as a viable site for a second airport for Sydney. I am glad that the member for North Sydney is acknowledging that. A second mad example was the Deputy Prime Minister’s 2002 announcement that Bankstown airport could be used as an overflow airport for Sydney airport. What followed, prior to the sale of Sydney airport, was a series of venal compromises all predicated on the maximisation of profits for Southern Cross Consortium. Decisions including the lapsing of pricing surveillance, the regulation of Sydney airport and disi-
formation regarding the implementation of the long-term operating plan, and now yesterday’s revelations regarding air safety, are fundamental issues in the sustainability of Sydney airport to cope with the radical increases in both passenger and aircraft volumes—again, all in the name of super profits for Macquarie Bank and its affiliates.

The Deputy Prime Minister has systematically demolished statutory and regulatory control to promote maximum profitability for Macquarie Bank and the affiliates of Southern Cross Consortium. Here are just a few examples. First, the consortium was given first right of refusal on the construction of Sydney West airport as statutorily prescribed in sections 18 to 22 of the Airports Act. In that contractual right, the government gave Southern Cross Consortium a guarantee that no second airport would be constructed within 100 kilometres of Sydney by any competitor, to ensure that no profits could be taken away from Southern Cross Consortium.

More recently, the Deputy Prime Minister has denounced the initiatives of the opposition to ensure that a second airport is constructed for the people of Sydney. The minister has recently levelled a multitude of attacks against the Leader of the Opposition and the Australian Labor Party about the resolution of the related issue of a potential site for the location and construction of the second Sydney airport. In a speech on 13 June 2001, the Deputy Prime Minister stated that the government’s forecasts of passenger movements will increase from 23 million passengers per year in 2000 to 35 million passengers per year by 2010. On that basis, he concluded, ‘The increase is not large enough, however, to make a second major airport viable.’ In a media release of 27 July 2003, reference No. A84/2003, he said, ‘In December 2000, we concluded that Sydney airport would be able to handle the air traffic demand until 2010.’ The minister then immediately altered the government’s position, saying, ‘At the time, we announced that we would review the issue in 2005. However, it is now clear that Sydney will not need a second airport for the foreseeable future’.

The Deputy Prime Minister’s recent comments lack any credibility and, worse, they fly in the face of the reported facts. The Deputy Prime Minister alludes in his speeches to an industry working group’s 2002 findings, a mix of regional and Pacific aircraft runs, and aggressive industry strategies that will make better use of slot management to increase aircraft passenger yields. These are all facts at issue and matters to be proved. There is no certainty in the admixture of flights, plane types or destinations. There is even less certainty regarding the Deputy Prime Minister’s reliance on catastrophic events like the Bali bombing, September 11 and the SARS virus pandemics to deflate passenger and aircraft movements. There can be no guarantee that such events will or will not occur in the future—God forbid with any regularity. I would suggest to the Deputy Prime Minister that such macabre methods of formulating aircraft policy be shredded.

In contrast to such emotive references to passenger and aircraft movement forecasts, we have the benefit of official and scientifically accredited calculations. I quote from the Department of Transport and Regional Services summary of the environmental impact statement of the proposed second airport at Badgerys Creek, published by PPK Environment and Infrastructure in 1999. I refer to page 5, titled, ‘Does Sydney need a second airport?’ The report states: In 1997-98 21.3 million aircraft passengers flew into and out of Sydney. This is expected to increase to 35 million in 2009-10 and 49 million in 2021-22. In 1997-98 there were 276,300 aircraft movements at Sydney Airport. This demand is
expected to grow to 381,000 in 2009-10 and 480,000 in 2021-22...

The report goes on to say:

Estimating the exact year in which Sydney Airport will reach capacity is difficult. For example, Sydney Airport’s capacity to handle aircraft movements would be reduced if more stringent noise management practices were introduced. On the other hand, it might be possible to increase passenger throughput at Sydney Airport if the airlines used larger aircraft, reduced empty seats—

and so on. Critically, the report says:

Assuming current trends in aircraft size and loading continue, Sydney Airport will reach capacity in 2006-07, when demand is forecast to be 31 million passengers per year. Alternatively, if...

more room for domestic and international services—

capacity would be reached in 2010-11, when demand is forecast to be 36 million ...

By comparison and to bring these 1999 estimates up to date, I draw to this House’s attention tonight the recently released Sydney Airport Preliminary Draft Master Plan 03/04, prepared by Sydney Airport Corporation Ltd, at page 46, paragraph 6.4. The SACL PDMP is the most recent authoritative report we have on scientifically assessed passenger and aircraft movement estimations in and out of Sydney airport. It reads:

IATA passenger forecasts show growth from 26.4 million passengers in 2000/2001 to 68.3 million passengers in 2023/24.

Figure 6.4 of the PDMP shows graphically that, by 2010, passenger movements will be just under 40 million per year, not 35 million as the Deputy Prime Minister suggests. The PPK report concludes:

If the forecast demand for air travel is to be met, it is very likely that Sydney will need new major airport facilities in the latter part of the next decade.

The minister either has not thoroughly read the PPK 1999 report, to which he so often refers, or is ignoring these findings through selective amnesia. For example, the 1999 report discards Bankstown Airport as an alternative site for a second Sydney airport. In 2002 the government ignored this 1999 recommendation and announced Bankstown Airport as an overflow airport. The report equally and critically discards the proposal for Sydney airport expansion. Again, the government does the exact opposite. It is happy to preside over the indefinite expansion of Sydney airport with no end date, no maximum size and no limit to the number of planes or passengers moving through it. This is truly a deplorable situation. In his media statement titled ‘No need for second Sydney airport’, reference A156/2003, released on 4 December last year, the Deputy Prime Minister says:

Following exhaustive examination it is clear the existing airport at Mascot will be able to handle air traffic demands for a long time to come ...

This is in contradiction to the PPK 1999 report. At page 6 under the title ‘Why not build a fourth runway at Sydney airport?’ it states categorically:

Expansion of Sydney Airport is severely constrained by the airport’s layout and by off-site residential and commercial developments. Even if a suitable location for a fourth runway could be identified, access by aircraft to terminal facilities and to the airspace could severely compromise the overall efficiency of the airport. It is therefore doubtful whether, even in theory, a fourth runway would add greatly to the capacity of Sydney Airport. Given current practice the question is of little relevance, as the capacity of the airport is limited by legislation to 80 movements per hour.

The report critically notes:

Expansion of Sydney Airport would raise a wide range of adverse environmental impact issues.

Too right they would! Too right—they are! The evidence in the SACL PDMP rebuts the
Deputy Prime Minister’s assertions and demonstrates clearly the need to review the government’s decision to give up on a second Sydney airport. The weight of evidence shows that Sydney will be caught flat-footed by 2010 if it does not commence the process now for a second airport. If a second Sydney airport is not viable now, why did the Howard government commission an environmental impact statement in 1996 and consider a crazy airport site like Holsworthy? Why did the government enact sections 18 through 22 of the Airports Act if they knew a second airport was not necessary? These are rhetorical questions, because the Howard government’s agenda, and particularly the Deputy Prime Minister’s agenda, has been to look after their mates at the Macquarie Bank and make sure the government would never insist that Southern Cross build a second airport.

Mr Hockey interjecting—

Mr MURPHY—I believe that it is and I will get to that. The Deputy Prime Minister has repeatedly ridiculed the Labor Party’s position of abandoning Badgerys Creek and the declared policy position of the opposition to find and build a second airport south of the Nepean River. In the Deputy Prime Minister’s media release, A22/2004, released on 13 January 2004, he notes:

There are countless studies from around the world ... that second airports located so far from CBDs—

central business districts—

... do not work.

He goes on to cite the 1999 EIS:

Most major airports around the world are located within 50 kilometres of the central business district ...

thus implying that airports further than 50 kilometres from the markets they serve do not work. What nonsense and disinformation.

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Mr Hockey—How far is Wilton?

Mr MURPHY—Eighty-one kilometres. The Deputy Prime Minister is wrong to compare Wilton with Lithgow, which is 165 kilometres; Williamtown, 174 kilometres and Goulburn, 221 kilometres—as he does in various statements to the media.

The facts show Sydney needs a second airport by 2010. We need to complete that
airport by 2010. The minister is incorrect to
describe Wilton as a ‘distant site’. Wilton is a
designated mid-distance site outside the
Sydney basin. Wilton was the second pre-
ferred site after Badgerys Creek in the 1985
site selection program. It is therefore a suit-
able site for a Latham Labor government,
subject to an up-to-date EIS. It is exactly 20
kilometres due south of Campbelltown.

Mr Hockey—It will cost you Cunning-
ham; it will cost you Throsby.

Mr MURPHY—It is nowhere near Cun-
ningham. It is in Alby’s electorate and he
knows it.

Mr Hockey—What about the noise?

Mr MURPHY—What about the eco-
nomic opportunities for the people in that
depressed area of the state? And the member
for Cunningham knows that.

The residents in my electorate of Lowe
continue to suffer from an unfair level of
aircraft noise—as you know, Minister, be-
cause you are on the other side of the river
and you cop a bit, too—eight years after the
government promised to ensure adequate
noise sharing before Sydney Airport was
sold. Instead, they suffer insult after injury.
The injury is that the Howard government
would prefer them to suffer than commit to a
second airport and the insult is that the Prime
Minister’s mate now runs a privately owned
Sydney Airport only looking to increase air-
craft movements.

Mr Hockey interjecting—

The DEPUTY SPEAKER (Hon. L.R.S.
Price)—Order! I warn the minister.

Mr MURPHY—I just happen to have a
couple of things in my pocket. Before you
came in in 1996 you will remember the for-
mer member for Lowe—

Mr Hockey interjecting—

The DEPUTY SPEAKER—Order! I
warn the minister.

Mr MURPHY—The former member for
Lowe said:

No new areas in Lowe will be affected by aircraft
noise.

I just happen to also have, fortuitously, a
wonderful thing. I see you smiling, Minister.
It is not a bad photo of you on the front page
of your latest little flier for your electorate. It
says: ‘On aircraft noise, Joe took the lead
while taking on critics at public meetings all
around Sydney. This resulted in fairer flight
paths for the local community.’ The member
for North Sydney remembers this well, and
so do others, because he lost control at a
number of these meetings. To his credit, he
was trying to show people how the long-term
operating plan would benefit them.

The tragedy is we were promised in my
electorate that no new areas in Lowe would
be affected by aircraft noise. We were prom-
ised under the long-term operating plan only
17 per cent. And you know it has been closer
to 30 per cent over that period of time; al-
most double. The Deputy Prime Minister has
nauseously repeated to me that he has ex-
haustively answered my questions and that
the long-term operating plan has been im-
plemented. It has not. We are getting twice as
much noise. There is a need for a second
airport now. The coalition has abandoned the
second airport and we will build one in gov-
ernment. (Time expired)

Debate (on motion by Mr Hockey) ad-
journed.

Main Committee

Corporations and Financial Services
Committee: Reference

Mr LLOYD (Robertson) (6.27 p.m.)—by
leave—I move:

That the following orders of the day, commit-
tee and delegation reports, be referred to the Main
Committee for debate:

Corporations and Financial Services—Joint
Standing Committee—Report—ATM fee struc-
ture—motion to take note of paper: Resumption of debate; and


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.

The DEPUTY SPEAKER (Hon. L.R.S. Price) —The original question was that this bill be now read a second time. To this the honourable member for Fraser has moved as an amendment that all words after 'That' be omitted with a view to substituting other words. The question now is that the words proposed to be omitted stand part of the question.

Mr NAIRN (Eden-Monaro) (6.29 p.m.)—In speaking to the appropriation bills I want to first of all talk about many of the reasons why we have much to celebrate in the electorate of Eden-Monaro, which I represent, as a result of the sound government by the coalition over what is now almost the last eight years.

Mr Hockey—And a great representative you are, too.

Mr NAIRN—Minister, I appreciate that comment. I want to talk about some infrastructure aspects within my electorate. But, before I get to those, probably the major achievement that has occurred throughout my electorate over the last eight years is a dramatic drop in unemployment. The most recent figures that I have for my electorate of Eden-Monaro go back to the September small area labour market figures, which give an unemployment rate of 4.9 per cent across the electorate of Eden-Monaro. I cannot re-call unemployment in Eden-Monaro ever falling below the national figure, and at the time these figures came out the national figure was 5.6 per cent. That is a really great result. Even in the coastal areas, which traditionally have had very high unemployment—up in the high teens—it is now down around 6.4 per cent in the Bega Valley and 8.6 per cent in Eurobodalla. That is still too high, but it is half or less than half of what it has been previously. The 4.9 per cent rate across the electorate is superb. In places like Queanbeyan, the unemployment rate fell to 2.9 per cent. This is just an indication of how buoyant the economy is and how that buoyancy across the nation is getting out into regional and rural areas.

Right throughout my electorate we have seen a big increase in the number of jobs and we have also had a pretty solid growth in population during that time. We have significantly fewer people unemployed, but there are a lot more people living in the area and a lot more people employed. They are figures that we can be very proud of. They are substantially lower than the figures we inherited back in 1996 and are lower still than the high rates of the early nineties.

I have mentioned infrastructure, which is an aspect that is very important to developing our rural and regional areas. It is something that I have concentrated on from the very first day in 1996 when I was elected to represent Eden-Monaro. We have had some big wins. Often they have not been easy, but we have got there. We can now start to see the benefit of many of those wins.

One of the real successes in my electorate is that of Bega Cheese. It had to go through the dairy deregulation difficulties and farm-
ers having to cope with that. But this company knew a long time ago that that aspect of deregulation would occur. It knew that the writing was on the wall. It would not matter who was in government, state and federally; eventually it would happen. It was effectively forced into being by the Victorians, who had had deregulation for some time. But fortunately Bega Cheese had thought about this well in advance and it put in place a real change. Rather than being just a milk processor and producing a small number of products, it looked to the future and knew that value adding was the way to go. Over an eight- or nine-year period the number of people employed at Bega Cheese has gone from around 80 to 550 people.

A statistic that I think often amazes people is that 40 per cent of all domestic cheese sold in Australia actually comes out of the Bega factory. Not all that cheese is made there, but a lot of cheese is now being shipped in to be further processed, cut and packaged. It comes predominantly from Victoria and I am sure that some of it comes from the electorate of Gippsland, represented by the minister at the table. So 40 per cent of all cheese sold in Australia comes from the Bega factory. Bega Cheese has really got into the export market as well. With the opening up of markets that we have had over the last eight years, Bega Cheese has been quick to profit from that and has got cheese products into all sorts of new markets. Once again, in that same period of time Bega has gone from exporting very little, a minuscule amount, to now exporting probably in the order of $30 million or $40 million a year.

Bega has established itself as a very reliable and high-quality supplier. Its most recent success, in fact, was in getting a totally new product, a canned cheese product, into the Middle East. So Bega Cheese, being Halal accredited, is now exporting into various Middle Eastern countries, including Iran and Iraq. It is a great product and that is a great coup by a wonderful company in my electorate. Federally, we have been able to assist Bega Cheese along that path, partly in connection with the Dairy Regional Adjustment Program. Two separate grants from the federal government enabled it to get new lines in place a lot earlier than it would have and, therefore, it has also been able to get into those markets a lot sooner than it otherwise would have.

Roads are a big issue in rural and regional areas and are a key aspect of infrastructure. If you have not got good road infrastructure, you will have problems in encouraging new businesses to establish and in encouraging businesses to grow. We do not have any trains throughout my electorate, other than the train that sometimes comes into Queanbeyan and goes on to Canberra—and I will come back to that point a bit later on. But the rest of the electorate down the coast and in the mountains does not have any train transport, so we rely very heavily on our roads. The reintroduction of the black spot funding program by the Howard government has been excellent. We have had something in the order of $2 million spent on the Princes Highway, for instance, in black spot funding and quite a bit in other parts of the electorate as well.

Roads to Recovery has been the single most successful program in terms of roads as well as in terms of having the federal government working hand in hand with local government; that has worked superbly well. I think in the order of $12 million or $13 million all up has gone to the eight shire councils in the electorate of Eden-Monaro with this initial program of Roads to Recovery. The announcement a few weeks ago of the extension of that program was certainly well received by all councils throughout the electorate. Country roads such as New Line Road, Big Jack Mountain Road and Bredbo-
Jerangle Road have been repaired under that program as well as some of the village roads, such as Runnyford Road near Nelligen, which is a village on the Clyde River in the coastal region of my electorate. I could go on and mention all sorts of roads there. Even in Queanbeyan, Lowe Street, a road which always seems to be falling apart, was totally repaired using funds from Roads to Recovery as well.

One of the other great infrastructure projects that I have worked on during the time that I have been the member is the Eden Wharf—the navy wharf which, when we came into government in 1996, was going to go way down in Victoria somewhere, a long way away from where the Navy operates. It was going to cost hundreds of millions of dollars, and every year it was going to cost the Navy many millions of dollars to take their boats down there when they needed to off-load ammunition, which is what this wharf is for. There is also an ammunition storage area at Eden, which I will in fact be opening in a few weeks time. The wharf was completed last year. It was a $40 million-odd project with a munitions storage area. While it will service the Navy for up to about 70 days a year, it is now available for the rest of the year for commercial activity. Since the wharf was finished we have started to see possible projects coming out of the woodwork. For instance, it looks like the wharf will also be used to service the oil and gas industry in Bass Strait. There are new pipelines and things happening with respect to that, and they look like using the wharf. Timber products will increasingly be shipped out of that wharf as well. I think the prospects for the future are very great in that respect, and that infrastructure can help create economic activity to benefit the whole region.

The new operational defence headquarters will be located between Queanbeyan and Bungendore. It was a project which was announced prior to the last federal election and one that has been progressing superbly since that time. The draft EIS was completed late last year, and the response to the submissions to the draft EIS are currently being finalised. I understand that project will probably be referred to the parliamentary Public Works Committee very shortly. So it is on track. It is happening. It will house something like 1,000 defence personnel when it is completed in 2007. It is a $200 million-plus project, and in the order of 250 people will be working on it from a construction point of view. That will be a great stimulus to the Queanbeyan part of my electorate. Hand in hand with that particular project, the Defence Housing Authority has built a lot more houses in the Queanbeyan and Jerrabomberra area. The other day I was on-site at the old pitch and putt site in Queanbeyan to see the commencement of the Defence Housing Authority’s latest project, which is to build about 40 dwellings there. They will be mainly single dwellings with some townhouses, and they will provide wonderful accommodation for our defence personnel.

Green Corps has been terrific around the electorate at helping some of our environmental infrastructure. Lots of projects have been done up and down the coast, in the mountains and around Queanbeyan under that Green Corps project. As well as giving some great training to 17- to 20-year-olds, it has managed to get a lot of environmental work done. I think my electorate lends itself very much to the Green Corps project because of the mountains, the rivers and the length of coastline we have. That is an important piece of infrastructure that we should never forget, because maintaining and improving our environment will ensure that many more people will want to live in our region and that many tourists will want to visit it. With its beautiful coastline—partic-
ularly the far south coast—and its unique Snowy Mountains, the region is a great tourist location, and Green Corps is helping us to maintain that environmental infrastructure.

We have seen a lot of new schools go up in the electorate. While schools are predominantly a state matter, it is interesting that the bulk of the funding for virtually all of the new or substantially upgraded schools that have been worked on around my electorate over the last eight years has come from the federal government. In a few weeks time I will be opening the Jerrabomberra Primary School with Brendan Nelson. That school is now in its third year. In that short period of time it has gone from having about 150 students to now having around 500. It is in a strongly growing part of Queanbeyan. I think something in the order of 76 per cent of the cost of that new school was borne by the federal government. It is a state government school, but 76 per cent of the cost of it was borne by the federal government.

There is the potential for a high school near that area—a non-government school. The Anglican Church is looking at the prospect of putting a secondary school near Jerrabomberra, near what is called Tralee. There is currently an application for development at Tralee. This is a matter for the Queanbeyan City Council and the New South Wales government, but if that progresses the Anglican Church has signalled that it would be interested in building a school in that area, which would be greatly appreciated by the quickly growing area of Jerrabomberra. Quite some time ago I spoke with the Anglican Church about that development. It is very excited about the possibility of that, and it certainly has my support in pursuing the prospect of a school in that region.

I have mentioned a whole heap of things there that we can celebrate, and there are a lot more. It is interesting to think about celebrating achievements, and many things have been achieved—although I did neglect to mention that the dairy regional adjustment package resulted in the Moruya business park, which was one of the projects that got a lot of criticism from a certain senator in the other place. But it produced many jobs. It was a project to assist one company complete a new factory but, in doing so, it freed up a lot of their own capital, which was able to be put into an expansion of an industrial park in the area around Moruya and Batemans Bay, which was very short of industrial land.

That grant of $200,000-odd that we provided meant that a whole lot of new industrial land became available. Eurobodalla Shire Council, who very strongly supported that project, thought that the amount of industrial land that would come on stream as a result of that assistance from the federal government would be enough to last for probably close to five years. The project has not even been completed yet, but six months after that impetus was given, all the potential industrial land there has already been sold, which is quite staggering. We have seen around 20 direct jobs created in Moruya as a result of that particular Dairy Regional Assistance Program grant, but the number of flow-on jobs created will be probably four or five times that in a very short period of time.

Those are the successes of those projects, and it is a tragedy that all the senator could do was play politics and try to find bureaucratic reasons why some sort of form was not right and all that sort of nonsense. The end result, which was what it was all about, was jobs in areas that had been affected by the deregulation of the dairy industry. We certainly achieved that in spades. As I said, these are all things that we can truly celebrate because they are there; they exist. It is interesting to compare that with some of the so-called celebrations that the state Labor
government has tried to claim—or, rather, one of the state government members, covering part of my electorate, the state electorate of Monaro.

Before the last federal election we announced that we would contribute $2 million towards a Queanbeyan heavy vehicle bypass. This is a major problem in Queanbeyan. Heavy vehicles roar down the main street on their way to the Kings Highway, and it has been a disincentive for people to open new businesses on that main street. The noise is horrendous. So there was a proposal for a heavy vehicle bypass, and we said that we thought it was very important. It was going to cost about $5 million, so before the 2001 election we said that we would put $2 million towards that.

Two weeks before the state election in March last year, the candidate, Steve Whan, went out with the New South Wales roads minister, put up some witch’s hats, got a backhoe along and had a photo taken of them celebrating the commencement of the construction of this bypass. That was virtually a year ago and there is still no bypass. After the cameras went away, they took away the witch’s hats and the backhoe, and nothing happened. That was the so-called celebration. I made some inquiries, and of the $2 million that we made available in the budget in 2002-03 for this road only $200,000 has been drawn down—$200,000 out of the $2 million. The money has been sitting there.

I think the reason that it is not being spent is that the New South Wales government do not have any money. We know they do not have any money. They cannot pay their bills—Southern Area Health cannot pay their bills—and there has been $7 million or $8 million outstanding to small businesses, for nearly six months in some cases. The government are broke. So they had this big announcement two weeks before the election and the candidate was elected. He is now the state member. Here we are 12 months later and, even though our money is all there, there is still no action.

The other great celebration was over train services. Last year we saw the train services to Queanbeyan stop overnight and there was a big hoo-ha from the state member there who said, ‘We’re going to get these train services back.’ He had petitions against his own government to get these train services back. People were jumping up and down. After all the hoo-ha—the ‘yes, I’m out there fighting for you’ nonsense that went on—finally there were big celebrations at the Queanbeyan Railway Station, with champagne—the works.

But the early morning train was not coming back; they brought back only part of the services. Queanbeyan residents still cannot get from Queanbeyan to Sydney and back in the one day, which is what they want. This was a celebration over their providing the services that were needed. I think it is just a disgrace. The New South Wales government need to get off their backsides and do both those projects around Queanbeyan. They need to do the bypass—we gave them the money for it a long time ago—they need to get the train services back, particularly that early morning one, and they need to do it straightaway. (Time expired)

Mr ORGAN (Cunningham) (6.49 p.m.)—I would like to take this opportunity in speaking to the Appropriation Bill (No. 3) 2003-2004, the Appropriation Bill (No. 4) 2003-2004 and the Appropriation (Parliamentary Departments) Bill (No. 2) 2003-2004 to challenge the spending priorities of the Howard coalition government, particularly in some key areas. Many Australians are concerned by the government’s priorities, and in my contribution to this debate I want
to examine three of those priorities—namely, welfare, health and defence.

Firstly, I think we should all be concerned about the complaints by charities and church welfare groups that the government’s clear responsibility to provide welfare support to Australia’s most needy is falling increasingly upon their shoulders. This is a serious complaint which goes to the heart of government responsibility, and this government is clearly failing in this core area. There is now ample evidence for this, including in my own electorate of Cunningham. Last year’s federal poverty inquiry brought the issue to the surface during a visit to Wollongong, and on 28 January this year I heard a rerun of an ABC Radio National Religion Report program entitled ‘Policing poverty in the era of Big Brother’. This program outlined a series of perspectives on poverty, as well as the shifting relationship between church welfare agencies and the federal government. Taking part in the discussion were Terry McCarthy from the National Social Justice Committee of the St Vincent de Paul Society; Nic Frances, former Executive Director of the Brotherhood of St Laurence; the Reverend Harry Herbert, Executive Director of the Uniting Church’s Board of Social Responsibility; and Jack Waterford, Editor in Chief of the Canberra Times.

The program, and the panel, succinctly considered the question of poverty in Australia. Terry McCarthy described how 28 per cent of Australian households have an income of less than $500 a week. He explained that this meant that 4½ million people in Australia are living on the margins. He then went on to say that 20 per cent of Australian households, or 3½ million people, earn less than $400 a week. He described this group as being ‘in real trouble.’ The issue of unemployment was then addressed, and Mr McCarthy went on to explain that at any one time there are 1.2 million people looking for work in Australia, whilst there are only 100,000 jobs available.

As well as there being few jobs available given the demand, there is also a substantial issue of underemployment for those people who do find work. For example, 86 per cent of jobs created in the 1990s generated income of $26,000 or less per year. And we should remember that people are listed as unemployed by the government only if they fail to work for less than one hour in any week. That is right—if you get one hour’s employment per week you are considered by this government to be off the unemployment list. What a disgrace! Nobody could survive on working one hour per week, and nobody does.

The statistics that we are presented with each month, and which the government likes to wave before us, do not present an accurate picture of what is really happening out there in the cities, suburbs and rural and regional areas of Australia. Mr McCarthy indicated that, out of the 1.2 million people looking for work, 650,000 have no work at all, and another 620,000 experience financial stress and are looking for more work than they currently have. He emphasised the point that ‘a job is the best way out of poverty’—a simple statement, yet one which the government needs to take on board.

In my electorate of Cunningham, which includes the city of Wollongong, we have, as at December 2003, the highest level of unemployment in this country: 9.6 per cent. That is 11,500 people out of work. Our youth unemployment rate has been hovering above 20 per cent for a number of years now. As a result, we experience all the social problems that go along with that level of unemployment—a level which is now long-term and intergenerational in some areas of the Illawarra.
We are a relatively rich country, and I cannot help but feel for those individuals in my community who absolutely struggle day after day to survive, with no real light at the end of the tunnel. They struggle to find and pay for a roof over their head, for food on the table or to send their kids to school. This situation should be unacceptable to any government. My own electorate has experienced a crisis of unemployment for many years now, and neither major party has ever seriously committed to addressing these problems for the city of Wollongong and the region—a region which has suffered heavily as a result of the downturn in the steel industry in the mid-eighties, the closure of clothing factories and other manufacturing industries as a result of the removal of tariff protection, and a change in the work force from localised blue-collar to commuting white-collar. The Wollongong to Sydney commuter corridor is now the largest in Australia, dealing with 18,000 people a day. As the member for Cunningham, it is my responsibility to speak up about this crisis and to do whatever I can to ensure a better future for the people of my electorate.

I was therefore somewhat dismayed when the government had the audacity at the last budget to announce a $4 a week tax cut—a tax cut which cannot really help any of us. At the same time, the government is allowing our essential public services to decline. The government is utterly failing on key issues such as dealing with the unemployment crisis in my electorate. On this subject, during the aforementioned Radio National program on poverty, Nic Frances said:

We’ve just had a budget where we have been pushing for years for the unemployment payment rate to be the same as the pension rate. Now, that’s an extra $50 per person. It would have cost $2.5-billion and the government consistently say “too expensive, can’t afford it”. And yet they’ve just given back, this time, in tax cuts, $2.5-billion, which we share at $4 a week each. Now, it makes no difference to us. The difference that that would have made to people living in poverty is extraordinary. We’ve got 20% of our society, maybe more, that have no jobs, that are reliant on charity, and haven’t got a government that’s committed to creating a place for them to work.

It is obvious from Mr Frances’s analysis that the government has misplaced priorities. Harry Herbert, who also participated in the discussion, took up this point. He said:

We’ve got a government that’s really pushed—and not only this government, previous governments—user-pays, take-individual-responsibility. We have to some degree lost the sense of community responsibility, and also, I think, governments look at electorates, they look at where the votes come from, and the people in Australia who are poor, are locked up in a handful of electorates that don’t really count for anything. And a lot of people who live in Sydney, for example, wouldn’t have a clue about the low income people of Sydney. I mean, the people who live in the northern suburbs and in the eastern suburbs of Sydney are culturally completely divided from the people out at Campbelltown and some of those low-income areas. So the agenda goes on, and the poor are completely forgotten.

The program went on to develop this point of how the government is failing to provide adequate support for those people who cannot find a job. They have adopted a punitive approach to the unemployed, which in my view is close to criminal, especially given that I am certain that no-one on the Prime Minister’s frontbench has ever experienced the degradation of long-term unemployment. Harry Herbert talked about the government’s clear responsibility in this area. In reference to the McClure report, which was released in 2000, he said:

It did talk about mutual responsibility, but of course the focus ever since from the government has been one-sided, all the time focusing upon the recipients, not ever focusing upon the government’s own responsibilities ...
Nic Frances also commented on the government’s commitment to mutual obligation, saying it is:

... mutual obligation to hit people who are unemployed over the head. It became punitive, it became vicious, and it’s used in that way. However, “mutual obligation” in the very title, implies something mutual, i.e. I will create a job opportunity for you; in return, you will prepare yourself for this job opportunity. Guess what? The way that we use mutual obligation in this country, it only has one side of that bargain: “I’m going to hit you over the head with a stick. If you don’t turn up to a meeting that I say you’re going to turn up to, I’ll breach you your whole week’s wages for not making that meeting. And yet I’ll do nothing—with all the power and responsibility I have as government, I will do not one thing about creating a job that’s there for you to fulfil.”

My office was recently contacted by a man who had his unemployment allowance withdrawn by Centrelink because of a breach. He was breached during mid-January for failing to attend an interview which was scheduled for mid-February—that is, for an interview some weeks into the future. This is the type of absurd and punitive system which the government has put in place and which has immediate, severe impacts upon ordinary Australians should there be an error or glitch in the system.

This government do not appear to be interested in doing much of anything for the genuinely needy in this country. The government are so eager to rid themselves of core responsibilities by increasing the trend towards privatisation of essential public services—such as health, education, welfare, Telstra and Australia Post—that they do not care how much money is spent unwisely in the meantime.

One of the most recent examples of poor decision making in regard to government expenditure came with the finding of a report on the private health insurance rebate, handed down just this week. My colleague in the other place, Greens Senator Kerry Nettle, has been working hard to expose the fact that the private health insurance rebate is not doing the health system any favours. The Greens have called on the health minister to justify the continuation of the $2.4 billion rebate in the light of findings that it does not encourage a significant take-up of health insurance and that it exacerbates pressures on public hospitals. As Senator Nettle pointed out, the minister would have us believe that the private health sector helps the public sector with its workload, when in fact its biggest influence is to strip resources from public hospitals. The study was released by Canberra University health economist Ian McAuley. It found that government subsidies to the private health insurance industry were not resulting in the expected increases in work done by private hospitals but that they were putting pressure on public hospital staffing levels. Those pressures were revealed on the front page of the Illawarra Mercury today, in a story on the $7 million operating deficit experienced by Wollongong Hospital, the major regional and teaching public hospital in the Illawarra.

The McAuley report also found that it is the lifetime health cover provision, not the rebate, which encourages membership of private health funds. The Greens believe that if the rebate does not help the take-up of insurance and does not relieve the pressure on public hospitals the government should repeal it immediately and invest the savings in public health care. The rebate further advantages the private sector in the competition for finite staffing resources, leaving public hospitals less able to tend to the health care needs of the overwhelming majority of Australians. In fact, the private health insurance rebate serves little purpose beyond buying the votes of so-called aspirational voters. The Greens have always opposed the waste of public funds on private insurance, and we
I would now like to turn my attention to the specific text of one of the bills before us today, the Appropriation Bill (No.3) 2003-2004. This bill refers specifically to the amounts of expenditure the government is seeking in the period 2003-04. We all know that this government has spent unprecedented amounts on defence, and in this bill $75 million is dedicated to defence indexation adjustments. No further explanation is provided in regard to this specific expenditure item. Some $80.4 million was allocated for defence indexation adjustments in the period 2002-03. More information about this expenditure would be appreciated.

On this point, many Australians are becoming increasingly concerned by the amount this government has allocated towards defence expenditure. This is happening at the same time that the government is crying poor on essential public services such as health, education and welfare. Many Australians would not feel that exorbitant expenditure on defence directly assists them in their daily lives. Whilst defence is undoubtedly important, ensuring that Australia is up to date with the latest military technology may not be as important in the minds of many Australians as ensuring that they can feed, clothe and educate their families and access affordable health care.

In my view, the government’s priorities are skewed in regard to these important issues. The Greens have been concerned by the government’s increasing financial commitment to defence. Currently, the government spends a whopping $16 billion on defence per annum, yet in 2003-04 the federal government’s total commitment to education in this country will be $13.44 billion, and it plans to spend only $75 million on welfare. The federal government recently released its $50 billion defence expenditure plan, and the defence minister was criticised heavily in the media for the expected blow-out of costs in relation to the plan. An editorial in the Australian Financial Review on 5 February this year suggested:

Even after the Australian dollar’s sharp rise against the greenback, the estimated cost of acquiring up to 100 Joint Strike Fighters has soared from $12 billion to $16 billion. The cost of three destroyers is up from $5 billion to $6 billion, and that of replacing the RAAF’s Orion reconnaissance aircraft has more than doubled.

Senator Hill and his colleagues have contributed to uncertainty by flirting with major changes to Australia’s strategic outlook and defence posture without explaining how this would be paid for. … If it’s going to cost more to defend ourselves and our allies … we should be told—election year or not.

Criticisms were also sparked when the Prime Minister announced that Australia may be involved in the ‘son of Star Wars’ missile defence system initiated by the United States. On 19 January the Adelaide Advertiser said:

In comes Son of Star Wars, out goes rational defence spending.

Technology may have moved on to make it more feasible, but the arguments for Australia’s participation have not.

While the role Australia might play in any US missile defence system is not nailed down, it will be an outrageously expensive commitment and not the best use of what would easily become a bottomless pit of money.

At the same time, while all this is going on the government cries poor, as I said, in relation to expenditure on education, health and welfare. The Howard coalition government wants these kinds of portfolios to become more financially self-sustaining by accelerating the shift towards privatisation. But
frankly I cannot see how defence is any more of an investment in our future than ensuring a well-educated, healthy and egalitarian Australia. The government’s willingness to spend on defence and its refusal to invest appropriately in other services is troubling at best.

I was interested in, and concerned by, comments made by the member for Curtin in June last year in relation to the government’s principal spending priorities. The member for Curtin said:

The fundamental responsibilities of any national government must start with the defence of its borders and the safety and security of its citizens, and this is reflected in the budget. Defence and security must be the No. 1 priorities for any national government, and for the second year in a row defence has been at the heart of budget spending. This year we have announced an increase in spending on defence of $2.1 billion over five years. That now represents $38 billion in new funding to defence since we came to office in 1996.

Although defence is important, in the view of the Australian Greens defence does not lie at the heart of government responsibility. At what cost must border security, an obsession of this government, come? The Greens believe that the welfare of the Australian people lies at the heart of the federal government’s responsibility. That may include defence, but ultimately it must include a raft of other considerations such as education, health, housing, the environment and ensuring there is equality of opportunity in access to services. In summary, in this appropriation debate I call on the government to reconsider what it believes lies at the heart of its responsibilities to this nation. I hope that in my speech I have reminded the government of just a few of those responsibilities.

Mrs GASH (Gilmore) (7.07 p.m.)—I rise to speak on Appropriation Bill (No. 3) 2003-2004 and cognate bills. The Australian government’s record on spending for road infrastructure is nothing less than impressive. Our commitment to getting transport solutions right reflects our understanding of how crucial transport systems are for business and local residents and how important roads are in the transport equation. On this side of politics we know that good roads mean business investment in the local area, which leads to jobs in our local communities. The national highway—that is, the Hume Highway and the Pacific Highway—continues to be a focal point as the major road link between the major centres of population in Australia. Most of us agree that it needs to be of an acceptable standard.

The enormity of the job means that, while we have seen significant progress, we still have a way to go in order to deliver and then maintain the road. The introduction of the AusLink program will see an effective integration of major transport infrastructure of road and rail. Gilmore is an electorate that only touches the national highway and the national rail link between Sydney, Canberra and Melbourne. The majority of the population of Gilmore exists along the coast, from Minnamurra in the north through to just north of Durras, near Batemans Bay, where the electorate joins that of my colleague the member for Eden-Monaro.

It is a region served only by the Princes Highway and an infrequent and remote rail system in the top corner of the electorate. In fact, there is no rail system south of Bomaderry, leaving the majority of the CBD of Nowra and Ulladulla, and all villages in between, without alternative transport. There are no commercial airports, no shipping terminals and no public transport. As a result, the Princes Highway is the linchpin of regional transport on the South Coast. The Princes Highway is a state government road, and back in 1992, when the Australian government acquired ownership and therefore the responsibility for the Hume Highway and
parts of the Pacific Highway, which were made RONIs under that federal government, the New South Wales government took responsibility for the Princes Highway.

The Princes Highway is a state government issue. This road is now in a deplorable state for the level of use it receives. The Shoalhaven local government area is the sixth fastest growing region in Australia, and it has consistently managed to miss out on state government attention. The township of Berry has a reputation for attracting tourists to its antique, craft and coffee shops, and every weekend the footpaths are full of pedestrians dodging the bumper-to-bumper traffic trundling down the main street—families with toddlers and babies in strollers mixing it with semitrailers without so much as a set of traffic lights to assist their safe crossing. Surely we do not need a fatality to emphasise the urgency of a township bypass.

Although there have been a record 13 deaths since September last year on this section of the Princes Highway, this only elicited a vague response from the New South Wales Labor government. If road trauma were not enough to bring about a plan to improve the highway, maybe the costs associated with the delays of road freight might bring forward a response—but it would seem not. Recently we have seen two transport groups join the call for improvements and greater transport efficiency on the South Coast. As reported in the Kiama Independent, the South East Australian Transport Strategy—SEATS—and the New South Wales Road Transport Association have both condemned the condition of the Princes Highway in relation to the road freight industry and the high cost to business.

There was a five-hour closure of the highway at Dunmore following the overturning of a truck recently, to be followed closely by a three-hour closure at Gerringong following a fatal accident, not to mention the many road closures south of Jervis Bay. Even though the location of the accidents did allow a detour to be established, there are other locations where no traffic bypass is possible or where the bypass cannot cater for heavy vehicles. The New South Wales Road Transport Association rightly points out that occupational health and safety issues for its member drivers are important. Road transport operators need to balance delivery schedules and driving hour regulations that apply to the heavy vehicle industry. The delays caused by closures of highways impose an additional burden on the affected drivers and their employers. It is a sorry picture, and one that is painted in stark contrast to the natural beauty of the South Coast of New South Wales that so many travel the Princes Highway to appreciate.

I must emphasise that the Australian government has not abandoned the residents and businesses of Gilmore or the South Coast in general. Since 1996 our road funding contribution to councils along the route of the Princes Highway stands at over $66 million. This includes federal assistance grants, Roads to Recovery and funding under the national black spot program. In January the government announced an additional $2 billion in land transport funding, including $1.2 billion to extend the Roads to Recovery program for four years, underlining our intention to deliver better roads.

The new funding will include a strategic component where councils can bid for funding based upon local needs. The key point here is that we deliver the funding directly to local councils. Since I was elected as the member for Gilmore in 1996, the Australian government has provided local councils in my electorate with almost $19 million in funding to fix their roads. But the funding does not stop there. On a broader scale, this financial year will see New South Wales re-
ceive $645.8 million in federal funding, $309.5 million of which will go to the national highway. In contrast, the New South Wales Labor government has only allocated $38 million per year to maintain the Princes Highway south of Kiama to the Victorian border.

New South Wales Labor are fond of the mantra that they are investing $380 million to upgrade the Princes Highway. They neglect to tell us that it is over 10 years. Even expenditure for the North Kiama bypass, which includes a $34 million federal contribution, is long overdue and will still leave many missing links. Recently we have seen an announcement for a $300,000 study to look at the options for upgrading the highway between Gerringong and Bomaderry—a 12-month study, mind you, following on from the previous 12-year-old study, one that has itself never been acted upon, let alone funded in any meaningful way.

So far there has been no commitment by the New South Wales Labor government to lay out a 10-year plan for this road—no allocation of funding, just another study. Give us a plan. Stop talking. Give us a plan to work with. Meanwhile they continue to play the political games of blaming the federal government for the lack of progress. ‘If only the federal government would match our funding, we could build the road now,’ they say. If only the federal government would fund every other area of state responsibility, imagine what they could spend their money on. Anyone would think that the state government had some sort of revenue crisis that meant that they cannot afford to carry out their duties as a government. With $36,000 million in GST and record stamp duty and land tax receipts, I fail to see any areas of shortfall. Of course, their costs are no doubt spiralling out of control, which is the downside of a publicity focused and lazy government such as we have in New South Wales.

Their message is clear: if you want anything worthwhile done and you do not live in Sydney or in a Labor electorate, the Australian government is the only one to look to for a solution. Pambula Bridge in Eden-Monaro is a prime example: $10 million is needed to build a bridge to effectively flood-proof the highway, and the New South Wales minister says he will contribute $5 million if the federal government will match it—yet it is their road. Imagine the outcry if, when we buy the next fleet of helicopters for HMAS Albatross, the federal government puts half the money on the table and then asks the New South Wales Labor government to cough up the other half! Somehow, New South Wales Labor can do just that with their roads, and even our local media lets them get away with it. It is just a ridiculous situation to have newspaper and radio commentary level accusations of buck-passing at the Australian government, as if we had the Princes Highway ‘buck’ to pass in the first place.

The hypocrisy of state Labor in this regard becomes even more obvious when you hear the views of federal Labor on the subject. No doubt this view is subject to change back and forth between now and the next opinion poll, but let us for a moment rely on the words on the public record from the member for Bateman, the shadow spokesperson for transport. He said, ‘The Princes Highway is a state responsibility.’ How much plainer can you get? So why, with such a clear message on who is responsible for this work, does the Australian government still find the state Labor government calling for the Princes Highway to be declared a Road of National Importance?

I truly believe in the adage ‘success breeds success’, and we have had our fair share in Gilmore. The declaration of Main Road 92 from Nowra to Nerriga as a Road of National Importance will open up our region. This is a strategic road link that has the potential to advance industry and employment
in the Shoalhaven and South Coast. But, in order to reach an agreement with the New South Wales Labor government on this new corridor, it became necessary to negotiate what is in effect a contra deal—matching an equal contribution to the construction of the North Kiama bypass. On the current lack of performance that the state is showing with regard to progressing Main Road 92, this strategy may prove to be a prudent one in continuing to provide leverage in forcing the New South Wales government to act. If the New South Wales Labor government could be relied upon to act based on principled commonsense, such a deal should not have been necessary.

These Roads of National Importance seem to each become political footballs. While I cannot dispute their importance to growing regional economies, the New South Wales government is constantly pressuring the Australian government to declare more and more of its roads to also be Roads of National Importance, with the main aim of winning federal money to upgrade them. Just remember who it was that introduced Roads of National Importance. It was the coalition government. And who was it at the last election that planned to dismantle RONIs? It was federal Labor. What hypocrisy!

So do we just give in and admit the futility of expecting the New South Wales Labor government to ever own their responsibilities for regional road funding? Understandably, many of our residents are becoming tired of their inaction and just want a solution. It is a lot easier to say it is election time and therefore we should fund it. Just remember: nowhere else in Australia are there two Roads of National Importance in one electorate, as there are in Gilmore. If the coalition were to yield to the pressure, we would all reap the rewards of political expediency. But for the Australian government to pick up the state’s responsibility on the South Coast would mean compromising our own responsibilities, particularly for the national highway, where there is still much work to be done.

What is even worse is the mounting evidence from other Labor state governments that they are reducing their roads funding at the same time as the federal government is announcing increases. How can the Princes Highway be beyond the financial capacity of the state? If the New South Wales government can afford to spend billions of dollars on a few kilometres of road tunnelling through the city of Sydney, what is stopping their commitment to the South Coast?

Desperate for some glimmer of hope on this issue, I organised a deputation of the Southern Councils Group to present a proposal to the Minister for Local Government, Territories and Roads, Senator Ian Campbell, just last week. Although Minister Campbell is a Western Australian, he has driven the Princes Highway on a couple of occasions in his previous communications portfolio. At that meeting, everybody accepted that the Princes Highway is a state responsibility. At that meeting the minister undertook to drive the road again and experience the conditions first-hand and to explore ways of leveraging the New South Wales government into living up to their responsibilities.

As a member fully committed to getting the job done for the people of Gilmore, I see this is a battle of principle that has the most practical of results, and I am happy to enter the fray for the sake of all those that are endangered by the New South Wales government inaction. But where are the calls from the media to bring to account the state government? Where are the calls asking what we can do without federal funding taking over the state’s responsibility? These are the issues I face as a local member. Should we forgo the plans for a medical school? Should we forgo further upgrades to HMAS Alba-
tross, which provides jobs and security? Should we forgo assistance to child care, social security, aged care—you name it? We all know that this is not how budgets are set, but it is an important principle to reinforce. Should we forgo all federal responsibilities in order to fund the state’s responsibilities? I ask the people of Gilmore to decide what is fair.

It is very easy to shift the focus from state shortcomings, such as the major mess in rail, lack of hospital beds and waiting lists, to the federal scene, especially in an election year. This is made all the easier as every state and territory is under Labor control. How about you face up to your shortcomings, Mr Carr and Mr Scully, and let me as the local member for Gilmore get on with our community vision for an even better, safer and economically secure Gilmore?

Ms BURKE (Chisholm) (7.21 p.m.)—I rise too to make a contribution to the debate on Appropriation Bill (No. 4) 2003-2004, Appropriation Bill (No. 3) 2003-2004 and Appropriation (Parliamentary Departments) Bill (No. 2) 2003-2004. In particular, I want to talk about the terrible toll the government’s health and higher education priorities are having on my community. In Chisholm, the percentage of services bulk-billed by GPs fell by more than 10 per cent from December 2000 to September 2003, tumbling from 82.4 per cent to 71.7 per cent. Of course, the Minister for Health and Ageing, Tony Abbott, does not like us knowing how many of our constituents are being turned away from what used to be a universally free service. Mr Abbott is now saying that electorate bulk-billing figures will no longer be provided each quarter. Instead, we will have to wait 12 months before receiving updates on how many people in our community are able to access one of our most fundamental services.

Given that figures have just been provided, the minister is effectively saying that there will be no more electorate-specific figures on bulk-billing levels provided until February 2005. How convenient is that! I dare say the election will be well and truly over by the time we can actually see the devastation of bulk-billing rates in our electorate. The minister, Mr Abbott, may think he is being smart; he may think he is being cute; he may think he is playing politics—but this is a problem affecting so many families in our communities that it will be impossible for him to cover it up during an election. You only need to come into any electorate office each day to find that people are finding it harder and harder to access bulk-billing doctors.

Combined with a fall in bulk-billing rates, the average cost to see a GP who does not bulk-bill has risen quite markedly during the government’s seven years in office—by 64 per cent. That is a massive increase for a fundamental service that most families access on a regular basis. It is not surprising, then, that in 2002-03 there were three million fewer GP visits than in the year before. So people are fundamentally not going to see their doctor or, worse, they are clogging emergency departments with non-emergency care.

At the same time, hospital emergency departments, including those in my electorate at Box Hill Hospital and the Monash Medical Centre, are being flooded by people looking for free GP style care. I know this first-hand from visiting these hospitals on numerous occasions. I certainly also know it through my husband’s account of his work as a paramedic with MICA, an emergency service, taking people to hospital who are not ambulatory care patients but who have no other alternative because they cannot afford, or do not have, access to a GP anymore.
We are hearing this straight from the horse’s mouth. One of my local newspapers, the Oakleigh-Monash Leader, ran a story a week or two ago about long waiting lists at Monash Medical Centre. The state opposition health spokesperson had been trying to make some political mileage out of figures contained in the hospital’s service report. According to the newspaper article, the report said that the number of people on waiting lists for semi-urgent elective surgery at Monash Medical Centre had increased by 988 from September 1999 to September 2003. The number of people on semi-urgent waiting lists for more than 90 days had increased by 710 over the same period. A spokesperson for Southern Health Care Network, which runs the Monash Medical Centre, said waiting times had increased because the hospital was treating 78 per cent more patients at Monash Medical Centre than in the same period four years ago. That is an amazing increase.

The Southern Health spokesperson, Andrew Williamson, told the Oakleigh-Monash Leader:

Our medical, nursing and allied health staff ...have worked tirelessly to cope with this increased demand.

The reduction in the number of GPs bulk-billing in our area has put significant pressure on our emergency departments — often for ailments that would be more appropriate for GPs to treat.

Having visited Monash Medical Centre in recent times, I can certainly say that the staff in the emergency department have gone to great lengths to try to accommodate these increases, setting up alternative centres for people to be dispatched to in fairly rapid time. They can tell you each time a doctor chooses to discontinue bulk-billing. We have also had some of our 24-hour clinics on Clayton Road, leading to the medical centre, close down. There are no alternatives for these people in my electorate, so they are putting pressure onto the hospital. I know that in the eastern health network that Box Hill Hospital falls into they have again seen massively increasing rates in their emergency departments, particularly at William Angliss Hospital where they have seen a massive take-up rate of people using the emergency department for what could, and should, be serviced by their GP.

I call on the government—and particularly on the Minister for Health and Ageing, Mr Abbott—to do the right thing to ensure that Medicare survives for the Australian community and to do that by adopting Labor’s $1.9 billion plan to get doctors bulk-billing again.

I also want to raise two public health issues on which the government, to its lasting shame, is dragging its feet. Hepatitis C transmissions in Australia have ballooned by 45 per cent over the past five years. The disease is Australia’s most common notifiable disease, with 16,000 new infections in 2001—90 per cent of which occur as a result of injecting drug use. With the heroin drought over and this insidious drug back on our streets in large numbers, the threat is real and dangerous. Last year, the government sat on its review of the national hepatitis C strategy before quietly releasing it. The review stated clearly that a harm reduction approach to drug use is very effective in reducing risk behaviour and the transmission of blood-borne viruses.

Yet, in light of the advice from experts in the field, the minister for health simply put his head deeper in the sand and reaffirmed the government’s blind commitment to its Tough On Drugs policy. The government ignored the review’s calls for funding to be urgently given to needle and syringe programs, medical detoxification and peer based education programs. I support funding of programs to provide young people and their
families with support, information and strategies to encourage people to reject illicit drugs. But I am also enough of a realist to know that, irrespective of these preventative programs, some young people—and some not so young—will always fall into using drugs. We should not close our eyes to the dangerous path that they are taking. We should provide them with enough support and information to give them options and minimise the harm they are doing to themselves. Stemming the spread of hepatitis C is an urgent national public health issue. What is needed are solutions which will work, not ideological posturing. The more we ignore this significant public health issue, the more we are endangering these particular people and the community at large. Hepatitis C is one of the most infectious diseases in our community. We should be doing something more about it.

Debate interrupted.

ADJOURNMENT

The SPEAKER—Order! It being almost 7.30 p.m., I propose the question:

That the House do now adjourn.

Australian Parliamentary Delegation to the United Nations General Assembly

Mr SNOWDON (Lingiari) (7.29 p.m.)—

Last year I was fortunate and privileged to be part of the Australian parliamentary delegation to the United Nations General Assembly, along with Senator Sue Knowles. My purpose this evening is not to regale the House with the intricate details of the delegation or to pass any comment on the UN, the need for its reform or, indeed, the very flawed foreign policy of the government. Rather, the purpose of my contribution is to make some observations on the role played by those Australians who represent the nation’s interests at the United Nations from the Australian mission in New York, including those providing the administrative and consular services.

The UN is a unique, peculiar yet special place, and Australia’s ability to get its point across and be an effective participant in this most important of international forums relies almost totally on the capacity and diligence of our diplomatic representatives in New York and those who support them. I am pleased to be able to report to the House that our New York based staff, those responsible for doing the business on behalf of all of us, do their jobs with aplomb, dedication, enthusiasm and professionalism. To a person, they are highly motivated, well educated and, most importantly, smart. I use the word ‘smart’ deliberately, because they are not just intelligent; they are much more than that. They are quick, flexible and innovative. They can adapt quickly to changing circumstances and, dare I say, to changing and sometimes questionable instructions from Canberra, and they can fill the void when instructions do not arrive.

I want to mention some of these people by name, simply because our role with the mission meant we worked closely with them on a daily basis. It is important that I record how welcoming and supportive were the head of mission, John Dauth, and his deputy, Peter Tesch, both of whom were a great source of advice, support and humour. Of course, their offsiders—Patti Robinson, Robyn Sunderland and the indefatigable Kiwi Natalie Ellengold—were ever helpful.

I worked very closely with a small number of people who were in many ways quite inspiring. They gave guidance and friendship and were extremely generous with their time. Australia’s military representative, Colonel Steve Jones, and his fellow military personnel were engaging, interested and helpful and were great networkers, as were the Austra-
lian Federal Police representatives, Dick and Nova Moses. All were great company.

Rebekah Grindlay, James Choi, Michael Bliss, Paul and Christina Stephens, David Dutton and Jessica Thorpe, as well as Fiona Guthrie, Lisa Brice, Mark Palu and Bassim Blazey, all gave freely of their time, as well as providing us with informed advice, friendship and a lot of laughter. Rebekah Grindlay was particularly patient and kind to me. Her work ethic, sense of grace, goodwill, style and professionalism were symptomatic of the way the whole team worked.

On the consular side, the consul general, Ken Allen, gave great help and sought to involve us in the wide range of activities that the consulate is required to engage in. His staff are an outstanding team and do a great job. His deputy, Bob Witynski, and Samantha Callinan were particularly kind. Bob and John Stanley, along with Steve Jones and our senior trade commissioner, David Howard, provided much advice on the ways of the world, at least insofar as New York is concerned, particularly on weekends. They were great advisers on the golf course and took much pleasure in fleecing me.

There were three other people who, like Senator Knowles and me, were guests at the mission. These were Nicole Bieske and Nicola Loffler—self-funding, voluntary interns at the mission who played an invaluable role alongside the mission representatives in the United Nations assembly and its many committees—and Adam Smith, who was Australia’s youth representative to the United Nations in 2003. He had a great impact and made an outstanding contribution. These three young Australians were a source of great pride in the way they fitted in and carried out quite demanding work, and together they are reason enough for all of us here to have great hope for the future. They made friends easily; in that regard, they took scant notice of national and cultural boundaries. In short, they were terrific ambassadors and are very good mates.

Very few of us in this place get to spend extensive periods of time with or work with those whose job it is to carry out the task of representing our national interests at the United Nations or other international fora. That is a pity, because if we did we would express far less cynicism about those public servants who, regardless of their own views or the stupidity of the instructions they might receive from their political masters, do their very best and carry out their directions with great dedication. They invariably carry themselves with style and panache. They are extremely well respected and thought of by their peers from other nations. We should be thankful for this and be proud of them for the work they do for all of us, regardless of who controls the Treasury benches in this place. I would also like to place on record my thanks to Sue Knowles and Michelle White for their counsel and companionship.

Dickson Electorate: Australia Day

Mr DUTTON (Dickson) (7.34 p.m.)—I want to take the opportunity to inform the parliament about the citizenship ceremony which took place in Dickson last month. Australia Day 2004 was celebrated across Pine Rivers, with local residents attending a number of events. In the morning at North Pine Country Park it was great to see a number of local residents recognised for their contribution to our local community. I took the opportunity after the ceremony to speak with Mrs Norma Butler from Dayboro, who was announced as the Pine Rivers Citizen of the Year. Mrs Butler is a wonderful person who has contributed to many community groups over many years. Also recognised for their community service were Rose Kling of Lawnton, Bronte Barratt of Wights Moun-
tain, Roy Mitchell of Ferny Hills and Fe Stokes of Lawnton.

For the second year running, I held a combined citizenship and community awards ceremony at the new Samford community hall, which saw 33 residents take up Australian citizenship. Dickson community awards went to Councillor Graeme Ashworth, Bert Baker, Steve Baudinette, Diana Cox, Joyce Dunwell, Alice ‘Goldie’ Gold, Wanda Grabowski, Charlie Kareta, Marilyn Kunde, Sue Langtree, Keith Madden, Vito Rosso, Dennis Silcock, Fe Stokes, Netta Townsend and Joan Trueman. Andrew Hutchinson received the youth achievement award and David Strickland was the recipient of the sports achievement award. Bunya Community Association, led most ably by Kim Pantano, was awarded the Dickson community award for environmental work. The Samford museum was a hive of activity at lunchtime, and, despite the heat of the day, plenty of visitors enjoyed the outstanding displays and stalls. My wife and I enjoyed a wonderful lunch at the museum, and I thank all of the volunteer staff of the museum and the community groups that provided for such a great day.

In the afternoon, the mayor’s citizenship ceremony was conducted at the Pine Rivers Community Centre at Strathpine. Another 35 people took up Australian citizenship, and it was great to see all the children proudly waving their Australian flags. Australia Day this year was a great celebration of the wonderful people in our local communities not just in Pine Rivers but throughout the country. Pine Rivers, our local community, continues to grow from strength to strength because of the local characters and the hard work done by so many local community groups.

I want to concentrate on a couple of recipients of the community awards. Mr Bert Baker was recognised for his long service to the Pine Rivers RAAF association. He is the chair of the Pine Rivers association and has recently been involved in fundraising for, and successfully opening, a new facility for the association at Murrumba Downs. Bert makes an important contribution to the veteran community by organising association visits to veterans in hospitals all across Brisbane. He also gives invaluable support to local air cadets. Bert Baker is a first-class person. He is a person whom many of the local cadets aspire to follow. He is a local leader, he does a tremendous job with our veterans community, and I take this opportunity to commend him tonight.

Steve Baudinette was also a recipient of one of my community awards in Dickson. Steve is the owner of L.J. Hooker at Albany Creek, and he uses his position in the local community to help an enormous range of clubs and schools in our local area. Steve proudly supports the Albany Creek Soccer Club, the Albany Creek Crushers Football Club, the Albany Creek Cricket Club, the Albany Creek Swimming Club, and the Albany Creek and Samford District Softball Club. He is also a major supporter of the Eaton’s Hill State Primary School and the Albany Creek police station.

I also make special mention tonight of Diana Cox. Diana is a volunteer who gives of her time to a range of local environmental causes. For the past three years she has given time to the Pine Rivers Community Nursery, Kumbartcho Sanctuary and the Pine Rivers Shire Council’s Osprey House. She has given up countless hours of her time to help others—particularly young people—to learn about native plants and bush regeneration.

Marilyn Kunde is a sensational person from my local community. She is a born motivator, and for the past five years she has been the area coordinator for her area’s...
Neighbourhood Watch. She uses her get-up-and-go to foster community spirit wherever she can, and she works very hard to make her community a better place. Marilyn is an incredibly strong supporter of Land for Wildlife and takes care of 10 hectares of council land, which has included the enormous and ongoing task of clearing acres of lantana from the site.

Keith Madden is the founder and current president of the Pendicup Community Centre Management Committee, and I commend him also. (Time expired)

Health and Ageing: Aged Care Facilities

Ms BURKE (Chisholm) (7.39 p.m.)—Tonight I would like to talk about the residents of the Inala Village in Melbourne and reflect on the heartache and anxiety they are feeling as we meet here tonight. The lives of the village’s 600 residents were thrown into disarray last week when the Salvation Army announced it would be selling the nursing home, together with its affiliated hostel and independent living units. One of the village residents, a 98-year-old, has lived there for 38 years, and another resident has lived there for 18 years, so it is their home. As the senior chaplain, Major Kevin Grigsbey, said last week, it is a community on its own. This is 600 residents we are talking about. Surely, these residents in their twilight years have earned the right to a stable and safe environment, quality care and a setting where they can enjoy their hobbies and visits from loved ones.

Many residents are veterans of World War II, to whom our society surely owes a great debt. But, instead of continuing to live as they are accustomed, these residents have had the rug pulled out from under them. While it was the Salvation Army that announced that Inala Village and another 14 nursing homes were being put on the market, the real architect of this catastrophe is the federal government. Responsibility lies at the feet of a government which has failed dismally to provide the necessary funding to ensure that quality care is provided to our elderly. This is a decision the Salvation Army did not want to make. It is one that they agonised over for more than one year. In the words of its communications manager, John Dalziel, ‘You don’t like to upset people that we’re caring for.’

I have only ever heard good reports from my constituents about the level of care and support provided by the staff at Inala. A constituent who contacted me some time back because her husband was not receiving appropriate rehabilitation services at the village was at pains to explain that it was not the fault of the staff or management; there was simply not enough funding coming in to manage what should be a basic service—helping our aged and frail elderly.

Last week’s announcement by the Salvation Army highlights the difficulties aged care providers have in providing quality care while being grossly underfunded. Rod Young, the Chief Executive of the Australian Nursing Homes and Extended Care Association—which represents aged care employers—made some comments last year which, sadly, have turned out to be prophetic. Mr Young was speaking after the then Minister for Ageing, Kevin Andrews, announced that residential aged care subsidies would be increased by 2.2 per cent in the 2003-04 financial year. Mr Young said:

... it was amazing that the Commonwealth Government expected quality aged care services to be provided to frail older Australians with a 2.2% increase when the Government’s own CPI index as at 31st March 2003 was 3.3%.

... over the past five years Government increases had amounted to 10.6%, whilst the cost of providing care has risen on average by 26%.
Mr Young continued:

It is obvious, that residential care services cannot continue to suffer this type of cost reduction—that is, funding reduction in real terms—and still maintain quality of care, build quality buildings and operate within a positive budget framework. ANHECA calls upon the Minister and the Government to rectify this situation immediately, before aged care facilities start having to close their doors because they are simply unable to operate with a positive financial outcome...

And so it has come to be. The Victorian Association of Health and Extended Care has warned that, if aged care continues to be gravely neglected, the community can expect an avalanche of closures in Victoria. According to the association, at particular threat are 400 facilities of fewer than 40 beds, which are the least viable of all.

Our aged care system is in crisis. The Salvation Army’s decision to sell 15 homes—and the potential closures of other nursing homes—has occurred in a climate where we already have a shortage of aged care beds. Indeed, when the Salvation Army announced its decision last week, there were 200 people on the waiting list for beds at Inala Village. Government figures released last year revealed that my electorate of Chisholm had a shortfall of 239 beds and that we were in need of that many beds just to meet the government’s already inadequate target of 90 beds per 1,000 people over the age of 70.

Given the government’s predicted $7.5 billion surplus, this aged care crisis is clearly avoidable. If only the government would get its priorities right and put the welfare of our elderly at the top of the list. If elected to government, Labor will invest in aged care, because we recognise that it is an investment in everybody’s future. Meanwhile, my thoughts are with the residents of Inala Village, which lies just outside my electorate. The Salvation Army has promised that the existing residents’ accommodation rights and the maximum retention of existing staff will be amongst the conditions of sale. The organisation said, optimistically, that a major benefit of the sale for residents and staff would be the ‘increased potential of new owners to commit the necessary capital expenditure to further develop the existing facilities and services’. I can still understand the anxiety felt by the residents, whose representative, Lloyd Rust, said that concerns about the future were understandable, given the cynicism about the way big business operates. (Time expired)

**Australian Labor Party: Policies**

Mrs DRAPER (Makin) (7.45 p.m.)—I can only say to the previous speaker, the member for Chisholm, that she must be very grateful that she was not part of the Paul Keating Labor government pre-1996, when there was a shortage of 10,000 nursing home beds. When we came into government in 1996 we had to fix that shortfall of 10,000 beds. Our target of 55,000 new places is now on track. This is an achievement of the Howard coalition government. In the aged care sector we have doubled our spending, from $3 billion in 1995-96 to $6.8 billion. As I said, the member for Chisholm should be very grateful that she was not a member of the Keating Labor government, which left us 10,000 places short. We did not have accreditation, and the aged care sector was in crisis. The situation was absolutely hopeless, and the Keating Labor government did not give a damn about our elderly in aged care homes.

I turn to the subject I want to speak on tonight. It concerns me greatly, and it should concern every Australian, that should the Labor Party ever be elected to office they are planning to abolish funding to local community groups in my electorate. They may rest assured that the people of Makin are being made aware of Labor’s callous disregard for
them. Labor will scrap funding for local community grassroots projects that strengthen families and support communities. The Labor Party has stated that, should it win office, it would scrap the government’s successful Stronger Families and Communities Strategy and replace it with a couple of nondescript national programs. That is doublespeak for ‘more centralised control by Canberra Labor bureaucrats and less money for the community’. Labor is threatening to turn its back on local communities, like Modbury, Valley View and Tea Tree Gully, which have received funding from the Howard government to help strengthen families and increase the capacity of local communities by working at the grassroots level.

Mark Latham’s Labor Party believe they know what local communities need. They want to scrap the Stronger Families and Communities Strategy, which has committed more than $200 million to help local communities to find local solutions to their problems, and introduce a program where they dictate—dictate, as the Labor Party do—what people need in their communities across the country. Local communities are diverse and are best placed to identify and respond to local problems. Lasting solutions are more likely to be found if governments work in partnership with communities, just as the Howard government is doing. I quote from the Age of 8 January 2004. Labor spokesman Wayne Swan said:

If the money had all been put into a couple of strong national programs, we would have got a better bang for our buck.

That is what the Labor Party is all about—just a better bang for their buck. Since the Stronger Families and Communities Strategy was announced in 2000, 616 family and community projects have been approved for funding. Of these projects, 406 have targeted regions identified as having high levels of disadvantage. The Latham Labor Party may want a so-called better bang for their buck, but for the local communities of Makin their policy is a real fizzer!

Community groups in Makin which have received funding from this strategy include the Lions Club of Modbury, the University of the Third Age at Tea Tree Gully, the Australian Breast Feeding Association and Neighbourhood Watch groups in Valley View and Ingle Farm, among others. Unlike Labor, the Howard government remains fully committed to supporting and strengthening family and community life by working at the grassroots, community level. The funding for the Stronger Families and Communities Strategy is in addition to the record $19 billion annual assistance to help families with the cost of raising their children through family payments, child-care assistance and parenting payments.

I welcome the news today that, compared with the same time last year, some 12 per cent more families have received top-up payments. It is a fact that the average top-up payment to families has increased from $740 to $785 when compared with the same time last year. In the first six months of this financial year, almost half a million Australian families received an average of nearly $800 in top-up payments. (Time expired)

Grayndler Electorate: World War II Memorial

Mr ALBANESE (Grayndler) (7.50 p.m.)—I rise tonight to congratulate Marrickville Council on its initiative to establish a monument to World War II veterans in Steele Park, in my electorate of Marrickville. The ceremony for this memorial took place today. Unfortunately, because of parliamentary duties, I could not be there, but I am pleased to place on the record tonight my respect for Australia’s veterans. This memorial to World War II veterans is in the grounds of the new Debbie and Abbey Bor-
gia Centre. That centre, which was opened last year and named after two of the Bali victims, is a reminder that the nature of war has moved from war between countries to the current war against terrorism.

In the early part of this century there were memorials to World War I all over my electorate—in Ashfield, Camperdown, Newtown and Marrickville—but in the post-World War II period we stopped building memorials. We built RSL clubs and had monuments and plaques that paid tribute to our war veterans. I think it is important to recognise that there are not many memorials—certainly not around Sydney—paying tribute to World War II veterans. The Debbie and Abbey Borgia Centre is built on the site of an old RSL bowling club and hence is a very appropriate venue.

It is also appropriate in terms of the timing because 15 February is the anniversary of the fall of Singapore, on 19 February Darwin was bombed for the first time and on 20 February the Japanese landed in Timor. In 1942 Australia was very much under threat. It was particularly pleasing to note that today there were present representatives of the RSL movement from Petersham, Newtown and Marrickville, and representatives of Marrickville Anzac Club. It was also pleasing to note also that the Singapore Consul General, the New Zealand Consul General and the Timorese Consul General were all present at today's ceremony.

I also want to note the importance of giving recognition to our veterans. It is now more than a year since New South Wales judge John Clarke presented his report to the government on veterans’ payments. A government response was due yesterday. It is unfortunate, given that veterans were flown into Canberra from all around Australia in expectation of that response, that it was shelved because of its inadequacy, because of its failure to look after TPI pensioners and because of its inadequate allowance for benefits for prisoners of war and the wives of veterans.

Blue Ryan, from the Total and Permanent Incapacities Federation, said it all today when he said:

Oh, well, this has been an ongoing fight for a long time. The Cabinet, that is the Federal Cabinet, had not been taking any notice of this Minister for Veterans’ Affairs or the previous Minister for Veterans’ Affairs. You know, all we’re asking for is some fairness. The TPI special payment that we get has been eroded in real terms, there’s no debate about that. It’s just an ongoing battle.

It is important that we recognise the contribution of our veterans. I am very proud to regard Tom Uren, a great Australian, as my mentor. I was very privileged to meet Weary Dunlop in his company while going to the opening of the memorial at Hellfire Pass on the former Burma-Siam railway. That was an incredible experience for a young man, as I was then. It is important that all parliamentarians never forget that the freedom we enjoy in this democratic parliament is due to the sacrifice of those veterans who were prepared to fight for our democracy and for our freedom. (Time expired)

Internet Bank Fraud

Mr KING (Wentworth) (7.55 p.m.)—I wish to draw the attention of the House—and the nation, indeed—to a new bank fraud which appeared today. The fraud takes the form of an email. In this case, it is a very authentic looking email with a National Australia Bank notation and logo. It is entitled, ‘Online banking: protect yourself from Internet fraud.’ The first paragraph of this email states:

Financial institutions around the world have always been subject to attempts by criminals to try and defraud money from them and their customers. These attempts can occur in a number of ways (eg credit card fraud, telephone banking or Internet scams).
That seems pretty clear. If you received an email like that, it would sound as though the National Australia Bank was warning you about a particular problem that as one of its customers you should be aware of. This is what appears in the next two paragraphs:

As a part of our ongoing commitment to provide the “Best Possible” service to all our Members, we are now requiring each Member to validate their accounts once per month. To validate your personal National online banking account follow the link below ...

Then a link is set out. It is: http://national.com.au/validate.asp. Then the email states:

These security measures are necessary to protect the integrity of your account.

The problem with this email, authentic as it appears and purporting to come from the bank, is that it is audaciously fraudulent. The aim of the email is to get hold of the customer’s identification number and password.

Then the email continues with a warning about the potential consequences of this fraud:

The extraordinary thing about this email is that it actually explains precisely what is going on and pretends to protect the recipient of the email from the very fraud that the email itself is perpetrating. It is, as I have said, audacious in the manner in which it carries out the fraud.

Perhaps I should read one further aspect of this email because of its importance so that people can be warned of this problem. It provides on the third page as follows:

Two examples of common Internet scams include:

- Attempting to steal a customer’s login details by sending out emails which appear to be from a financial institution, and requesting personal details (eg Customer number and password)
- Creating a website, which looks similar to a financial institution’s, but acts as a ‘ghost website’ capturing customer details and using them to transact on the customer’s account.

The extraordinary thing about this email is that it actually explains precisely what is going on and pretends to protect the recipient of the email from the very fraud that the email itself is perpetrating. It is, as I have said, audacious in the manner in which it carries out the fraud.

Perhaps I should read one further aspect of this email because of its importance so that people can be warned of this problem. It provides on the third page as follows:

Every time you connect to Internet banking, the service sends your browser a piece of information called a ‘digital certificate’. This certificate securely identifies the site you are connecting to, and is used to establish the encrypted session.

It then goes on:

You can view the contents of the certificate when you are connected. For Microsoft Internet Explorer 5.01 and above, the certificate details can be obtained by double-clicking on the icon displayed on the status bar ...

And so on.

It is a most important matter that the integrity of our bank accounts—whatever bank—is maintained. It is for that reason that I wished to draw the attention of the House to this new bank fraud, which appeared this very day. I am told that some banks are reluctant—cautious, indeed—to advise their customers and warn them of this problem. I suppose the reason for that is they are concerned there may be a lack of trust that will perhaps cause a lack of usage in respect to those accounts. They are certainly used in a widespread fashion; I use them. But it seems to me that a bank has a responsibility to draw the attention of its customers to these matters in every possible way. I have done so in the House tonight. *(Time expired)*

**The SPEAKER**—Order! It being 8 p.m., the debate is interrupted.

*House adjourned at 8.00 p.m.*
NOTICES

The following notices were given:

Mr Abbott to present a bill for an act to amend the Medical Indemnity Act 2002, and for related purposes. (Medical Indemnity Amendment Bill 2004)

Mr Ruddock to present a bill for an act to amend the International Transfer of Prisoners Act 1997, and for related purposes. (International Transfer of Prisoners Amendment Bill 2004)

Mr Ruddock to present a bill for an act to amend the Telecommunications (Interception) Act 1979, and for other purposes. (Telecommunications (Interception) Amendment Bill 2004)

Mr Williams to present a bill for an act to amend the Australian Sports Drug Agency Act 1990, and for related purposes. (Australian Sports Drug Agency Amendment Bill 2004)

Mr Slipper to present a bill for an act to make provision in relation to the number of members of the House of Representatives to be chosen in the Northern Territory in the next election, and for related purposes. (House of Representatives (Northern Territory Representation) Bill 2004)

Mr Ross Cameron to present a bill for an act to amend the Trade Practices Act 1974, and for related purposes. (Trade Practices Amendment (Personal Injuries and Death) Bill (No. 2) 2004)

Mr Hardgrave to present a bill for an act to amend the Migration Act 1958, and for related purposes. (Migration Amendment (Duration of Detention) Bill 2004)

Mr Price to move:

That this House:

(1) congratulates the congregation of Blacktown Seventh Day Adventists on the occasion of the anniversary of seventy years of continuous service at their Church at Newton Road, Blacktown;
(2) notes that the first SDA church in the Blacktown area was constructed at Church Lane, Prospect;
(3) notes that the Church Lane Church was the third SDA Church in NSW, established ten years after Adventism first came to Australia; and
(4) expresses appreciation to the Blacktown SDA for their fine and continuing contribution to the city of Blacktown. (Notice given 18 February 2004.)
The DEPUTY SPEAKER (Hon. I.R. Causley) took the chair at 9.40 a.m.

STATEMENTS BY MEMBERS

Foreign Affairs: Taiwan

Mr ORGAN (Cunningham) (9.40 a.m.)—On 17 and 18 January, I attended the first international parliamentary forum on Asia-Pacific peace and security in Taiwan, with other parliamentarians from around the globe. I would like to thank the Taipei Cultural and Economic Office in Australia and the Australian Commerce and Industry Office in Taipei for their assistance in making the trip a success.

It was a timely visit. On 20 March, the people of Taiwan go to the polls to elect a new president and to vote in their first ever referendum calling for peace with China. Taiwan, with a population of some 23 million people, has in recent years made major strides in human rights and is emerging as a vibrant democracy. It is a significant economic and technological player in the Asia-Pacific region and has the potential to become a major tourist destination. In 2001-2002, Taiwan was Australia’s eighth largest trading partner and export destination, with two-way trade totalling almost $9 billion.

Regrettably, however, our government does not formally recognise Taiwan, nor do we have any official dealings with it. We are dealing at arms-length with a like-minded democracy based on a decision taken back in 1972—the so-called One China policy. That is a policy that needs to be reassessed in the light of our changing relationship with the People’s Republic of China and the emergence of Taiwan as a democratic country. The One China policy offers a false legitimacy to the ongoing torture, imprisonment and denial of basic freedoms for the Tibetan people; it labels the Dalai Lama as a terrorist; it excludes Taiwan and its people from membership of the World Health Organisation; and it threatens the peaceful, democratic life of the people of Taiwan.

The One China policy may well not be working in the best interests of regional peace and security and our own economic interests. The diplomatic and political maze surrounding relations between China, Taiwan and us is reflected in the fact that, while Taiwan was made a member of the World Trade Organisation—the WTO—in January 2002, it has been trying without success to be readmitted to the World Health Organisation. It seems to me that Australia should reconsider its decision not to support Taiwan’s membership of the WHO, especially in light of the SARS epidemic and the more recent bird flu outbreak affecting Asia. Equally concerning is the continually aggressive attitude of the People’s Republic of China towards Taiwan and the 496 ballistic missiles presently targeted on Taiwan by China. This does not aid stability in the region.

As an independent, sovereign nation proud of its open and free democracy, Australia could help persuade China that it has nothing to fear from Taiwan, making its present aggressive stance unwarranted. I wonder if there might not now be an opportunity for Australia to use its influence to encourage dialogue between Taiwan and the People’s Republic of China, to help bring an end to the friction between these two important members of the community of nations.
Murray Electorate: SPC Ardmona Factories

Dr STONE (Murray—Parliamentary Secretary to the Minister for the Environment and Heritage) (9.43 a.m.)—Many of you have heard me say before in this place what a devastating drought we have had in the Murray electorate, particularly in the Goulburn and Murray valleys, where the worst drought on record and, more recently, the worst frosts on record have taken an absolutely enormous toll on the fruit. Given that the area is also the major fruit manufacturing sector in Australia, can you imagine a more devastating impact than the unions, with the numbers of members they have in the two factories of SPC Ardmona, choosing exactly this time to go on strike, to demand basically more pay for less work. The metalworkers, as we speak, are insisting that they should get more than their current average $78,000 salary, knowing full well that the strike, as it continues—and it will particularly affect the Shepparton factory—could mean that orchardists will walk away this year with no income at all; fruit will simply rot on the trees.

Also, each year at the SPC Ardmona factories, hundreds of part-time workers, particularly women, take this casual work over summer. It is their main means of supplementing their income for the rest of the year. These part-time workers are totally useless, of course, if the factories are blockaded by the union bosses. They have been told that their work is not needed at this time. At the moment we have the Electrical Trades Union, the CFMEU, the Australian Workers Union and the Australian Manufacturing Workers Union blockading these factories and, while Mooroopna has chosen to go back, at Shepparton the metalworkers are still picketing out the front and making it difficult for the other members of the unions to walk through.

I want to remind people that in the suburb of Melton fairly recently there was a major Japanese company, Saizeriya, which wanted to start a greenfield site—a multimillion dollar food-manufacturing enterprise with lots of new jobs for that part of Melbourne. They found themselves caught up with a major union fight over demarcation. It went on for so long, despite Bracks’s ham-fisted attempts to intervene, that it reached the point where the Japanese company simply walked away. Today there is no factory, there are no new jobs for that part of the world and food manufacturing is the poorer in our part of the country.

I call upon the union bosses to think a bit harder about what they are trying to do to the fruit industry of Australia, in particular in the Goulburn and Murray valleys. This is bloody-minded. It is an extraordinary example of extortion of the worst kind, given the season that has confronted the orchardists and manufacturers, the dependency of this region on fruit manufacturing, the difficult times when they have to export into corrupt and subsidised markets overseas and the difficult times our domestic fruit manufacturers have when there is such a retail sector power imbalance and they find their own domestic prices are constantly under pressure. I insist that we have a show of some gumption here, with federal Labor members calling on Premier Bracks to tell his union bosses to get their members back to work. (Time expired)

Family Services: Child Care

Mr RIPOLL (Oxley) (9.46 a.m.)—The Howard government is not committed to delivering any real assistance to Australian families. Instead, the government’s approach to addressing work and family issues which many Australian families face on a daily basis throughout the country has been put, quite clearly, in the too-hard basket. This is no more evident than in what has been revealed recently by a leaked 130-page cabinet document which was presented...
to the federal government nearly 14 months ago. In this government we see a government that are prepared to tackle the political issues—for example, like superannuation. They can do that. They have been sitting on that for many years but they can do that in 48 hours if the Prime Minister thinks his political hide is on the line. But when it comes to assisting families—and when we have the documentary evidence of the assistance they need—the Prime Minister just does not seem to find the time to be able to deal with it.

Mr Ripoll

The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! The member for Parramatta.

Mr Ripoll—It is just too hard. So 14 months go by and they have a 130-page document, but the government refuse to act because, at the end of the day, they have their own political interests at heart, not the interests of ordinary Australian families. I think that, no matter what the government say in here or what the cabinet or the Prime Minister says, ordinary families out there in the street actually understand this issue. They know that they have been taken for a ride by this government.

We are yet to see any real work in this area to try and redress those issues. How are families expected to balance the pressures of work and family without the assistance of the government? The government is there to assist families and the government should actually do that. We have a crisis in child care, child-care places and after- and before-school care. All of these are issues that the government just treats as too hard. Whether we look at the way that Centrelink operates, the way that the government operates or the way that it deals with its payments system, no matter which way we turn it makes life more difficult for families. What the government should be doing, and what Labor is committed to, is assisting young families: assisting families to get properly funded child-care places, making sure that they can balance that struggle between work and family that is so important to them, looking at ways to assist new families with the birth of a child, looking at parental leave and looking at all of those issues that, once again, the government has decided are just too hard. They get shelved while the government prefers to deal with political issues—issues more about re-election than about assisting ordinary Australian families.

Mr Ripoll interjecting—

The DEPUTY SPEAKER—Order! The member for Parramatta.

Mr Ripoll—I acknowledge government members on the other side laughing. They laugh, but it is a nervous laughter. It is a laughter that acknowledges the concern they have, not the concern they have for ordinary families but the concern they have for their own hides politically.

Mr Ripoll interjecting—

The DEPUTY SPEAKER—Order! The member for Parramatta! If you want to contribute to this debate you will remain silent.

Mr Ripoll—That is the nervous laughter that I hear on the other side of the House right now, and the louder they get, the more nervous they are.

Cook Electorate: Kirrawee Brick Pits

Mr Baird (Cook) (9.49 a.m.)—I wish to bring the attention of the House to a matter of great concern within my electorate—that is, the plans to redevelop the Kirrawee brick pits site.
in the Sutherland Shire without giving due consideration to the needs of the community in the area. Sutherland Shire Council has recently released its draft ‘People’s LEP’ for the rejuvenation of the Kirrawee shopping precinct and Kirrawee. This People’s LEP includes plans to redevelop the brick pits site, which is currently open space, into a high-density development of up to six storeys in height. Amazingly, this same LEP currently contains plans to compulsorily acquire nine family homes just around the corner from this area. Shamefully, these plans are supported by the state member for Miranda, Barry Collier MP, and are proposed by Sutherland Shire Council, which was elected on an antidevelopment platform.

To make matters worse, only one-quarter of the land available has been allocated for use by the community. Kirrawee and Sutherland North already lack adequate open space for community needs and, with many home unit developments already in the area, the need for quality community space is far more pressing than the need to build another 1,700 apartments. The residents of my electorate deserve better than this from their elected representatives and they certainly deserve the playing fields and public space they have been waiting for for so long.

This council has an opportunity to turn the brick pits into quality parklands for all the shire to enjoy. Sutherland Shire Council has admitted, in a report sent to me recently, that there is a critical shortage of playing fields and public space within the shire and have estimates that say the capacity of current facilities is being exceeded by 80 per cent. Competitions are being re-organised, games are being cut and yet again the community and our youth are forced to lose out. The Kirrawee brick pits are a perfect opportunity to rectify this situation, but that opportunity is fast going to waste.

There is a distinct lack of facilities for junior soccer teams in my electorate. We have some 14,000 junior soccer players in the Sutherland Shire and the numbers are growing rapidly. We have the largest number of teams in an area anywhere in Australia. These teams are desperately looking for playing fields, and the Kirrawee brick pits provide the perfect environment to build those facilities. Last year we sent out a letter to the residents of Kirrawee asking them what they wanted to see happen to the land. Over 1,200 residents signed a petition requesting that the land be given over to the community for use as sporting fields and public space.

There is overwhelming support within the community for this land to be handed back to the residents, and yet Macquarie Street continues to ignore their request. It is time the council and the government recognised the needs for increased playing space within the Sutherland Shire, the needs of junior soccer, junior rugby league, junior rugby, netball and the whole vast array of sporting activities. There is a fight against obesity in young people and it is time to reverse this policy and turn the brick pits into open parkland.

**Taxation: Policy**

Mr MURPHY (Lowe) (9.52 a.m.)—If Australians need any more evidence that the Howard government is worn out, arrogant and well past its use by date, they need look no further than the inexcusable hypocrisy of Treasurer Costello robbing more than half of the overtime income of middle-income earners while at the same time ignoring serial bankrupts and millionaire tax avoiders who enjoy permanent income tax exemption.

Recent media reports and the shadow minister for family and community services, Wayne Swan, have exposed the fact that one million Australian families on incomes between $30,000 and $85,000 are losing more than 60c out of every dollar of overtime in tax and lost family
payments. Six hundred and fifty thousand hardworking Australian families, many from my electorate of Lowe, have been slugged with debts of nearly $1,000 each since the family tax benefit scheme was introduced with the GST. Even worse, Australians learned this week that many months ago the Prime Minister secretly wrote to his Treasurer and Senator Vanstone to fix the problem because the government’s policy is hurting Australian families, but nothing has been done to address this problem.

What most Australians would not be aware of is that Treasurer Costello and the Australian Taxation Office are not serious in explaining to the people of Australia the failure of this government to pursue the tax avoiders. Mr Deputy Speaker Causley, you know that for probably more than 12 months I have been pursuing members of the legal profession over their failure to lodge tax returns and their use of family law and bankruptcy to avoid paying tax. We have had the celebrated cases of John Cummins QC, a member of the New South Wales Bar Association, and Clarrie Stevens, a senior counsel and member of the New South Wales Bar Association, not paying any tax. In the case of Mr Cummins it was for 45 years, and in the case of Mr Stevens it was for 15 years. In the case of Mr Stevens I put a further question to the Treasurer on the Notice Paper last Monday. Mr Stevens was employed by the tax office for eight years as a counsel, and the tax office were unaware that he had not paid any tax during that period, even though he had been paid for doing that work for them. And he did not pay any tax for 15 years.

I am sick and tired of Treasurer Costello telling me, when I put my questions on the Notice Paper, to read the annual report. I am asking him in my latest question, question No. 3016, which appeared on the Notice Paper last Monday, to explain to the people of Australia how our income tax system could be such that someone could be employed by the Australian Taxation Office—and we are not talking about a fly-by-night taxidriver working in the cash economy under a false name; we are talking about someone who was a former senior counsel and a member of the New South Wales Bar Association who worked for eight years with the tax office—and not pay any tax and the tax office did not know about it. Scandalous! (Time expired)

Parramatta Electorate: Toongabbie

Mr ROSS CAMERON (Parramatta—Parliamentary Secretary to the Treasurer) (9.55 a.m.)—Students of Australian history will be familiar with the great significance of Toongabbie in modern Australia as the third European settlement after Port Jackson and Parramatta. It is an area which has a quite distinctive sense of identity and history but which is at the same time subject to all the pressures that those in the Sydney metropolitan area are experiencing—the mixed blessing of rapidly rising house prices, increased density of development, rapid influx of new migrants and a loss of a sense of community. Wanting to respond to people’s sense of loss and lack of control over their own future, I invited 40 of the leaders of the Toongabbie community to come together in what has been known as the Toongabbie forum to discuss the problems and possibilities of the area and to find local solutions to local problems.

In the context of that discussion, we went around the circle and each person had a few moments to express their concerns about the area. Frankly, it was a little bit discouraging. People talked of the problems of high-density dwellings next to the railway station not supported by other social infrastructure; of graffiti around the neighbourhood; of needles being found in local parks; of antisocial behaviour; of the 24-hour licence for the local tavern, which
produced bad consequences for neighbours; and of the problem of the pressure that the strip shopping centre is going to be under when a new mall style development goes ahead.

The last person to speak was a gentleman named Mohamad Conteh, who is a recent migrant to Australia from Sierra Leone. He related the story of how he had stood cowering and shaking behind a building as he watched the military junta which had overthrown the government line up 12 senior members of the government of Sierra Leone and shoot each one of them, firing a volley of bullets into the body of his father. He then took his wife and fled. As a refugee, he spent a year in a camp without electricity or running water in Guinea-Bissau until finally—to him, miraculously—the UN intervened and took him to the Australian high commission, I think in Kenya, and they found a place for him to come and live in Toongabbie.

He said: ‘I arrived here in this country. Somebody took me to Centrelink and I said, “Why does your government give someone money for nothing?” I fell about laughing. They took me down to the Salvation Army Job Placement Centre and found me a job at the local blind factory, where I still work to this day.’ He said, ‘They found me a lovely apartment and I now have the money, since I got my job, to pay the rent.’ He said, ‘I do not know what your life experience has been, but I am here to tell you today that Toongabbie is a paradise.’ That was the end of the discussion.

We had a great gathering of 300 people on Australia Day, inviting all the new migrants to Toongabbie over the last two years. That day was dedicated to the spirit of Mohamad Conteh. I urge all Australians to work to welcome the refugees and humanitarian arrivals to this country. 

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

POSTAL SERVICES LEGISLATION AMENDMENT BILL 2003

Second Reading

Debate resumed from 12 February, on motion by Mr McGauran:

That this bill be now read a second time.

upon which Ms O’Byrne moved by way of amendment:

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

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

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

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

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

Mr ORGAN (Cunningham) (9.59 a.m.)—The Postal Services Legislation Amendment Bill 2003 is clearly part of the government’s privatisation agenda and its tendency to cater to vested interests—vested interests which recent events suggest may well include some big overseas players in our local postal market. The Australia-US free trade agreement, which the
government has been trying to sell to an increasingly cynical electorate over the last week or so, seems to open up an avenue for US operators to break into our local market. The summary of the free trade agreement published by the Office of the United States Trade Representative tells us:

Australia will accord substantial access across to US service suppliers, subject to very few exceptions, based on the so-called ‘negative list’ approach. Australia’s commitments apply across a wide range of sectors, including but not limited to express delivery services.

This sounds to me like FedEx and similar high-powered operators could soon be a familiar sight on Australian streets. The Postal Services Legislation Amendment Bill 2003 is just another part of this government’s headlong rush to privatisation. Judging by the Prime Minister’s comments overnight and this morning in relation to Telstra’s moves on Fairfax, the Howard coalition government is more interested in generating shareholder returns than working in the best interests of each and every Australian, whether they live in the city or country, whether they are rich or poor and whether or not they are shareholders. Australia Post needs to be protected from this government’s attempt to privatise it via this bill. For this reason the Greens cannot support the bill. (Time expired)

Mr DANBY (Melbourne Ports) (10.01 a.m.)—However inadequately prepared I am to speak on the Postal Services Legislation Amendment Bill 2003, I will attempt to do so until my colleague the member for Chifley can join us. This is a bill for an act to amend legislation relating to postal services and for related purposes. The short title of the bill is the Postal Services Legislation Amendment Act 2003. Each act that is specified in a schedule to this act is amended or repealed as set out in the applicable items in the schedule concerned.

The application and saving provisions of this act include reports in relation to prescribed performance standards. Despite the repeal of section 28D of the Australian Postal Corporation Act 1989 by item 10 of schedule 1, the Auditor-General’s obligations under that section continue to apply, in relation to the financial year in which this act commences and each previous financial year, as if that repeal had not happened. The first financial year for which the Australian Communications Authority must report to the minister under section 50B of the Australian Postal Corporation Act 1989, as inserted by item 21 of schedule 1, is the financial year after the financial year in which the act commences.

The calculations of the cost of complying with community service obligations include the first financial year for which the Australian Communications Authority is required to make a calculation under subsection 50F(1) of the Australian Postal Corporation Act 1989, as inserted by item 21 of schedule 1, is the financial year after the financial year in which the act commences. The detail of this bill gets more fascinating, but I feel the need to retire in deference to my colleague the member for Chifley.

Mr PRICE (Chifley) (10.04 a.m.)—I rise to speak on the Postal Services Legislation Amendment Bill 2003. As always, I am ever indebted to the honourable member for Melbourne Ports, who, as an opposition whip, looks after me in so many different ways that I cannot enumerate them here this morning. I guess there are few people in this parliament who can claim to have once worked for the Postmaster-General—it is a long time since we used that term—but I happen to be one of them. I have to say that post has not been my strength; rather telecommunications is the area in which I worked for 17 years.
From the outset, I want to make some points about Australia Post and the proposed legislation. Firstly, I want to place on record my thanks to the thousands of postal workers who do an outstanding job. Mr Deputy Speaker, you might ask: ‘Why would you say that?’ Compared with other postal organisations internationally, Australia Post is the one organisation that actually makes a profit—it is profitable; it delivers world’s best practice. Some might say that that is down to management—and I am sure that management have a role to play in it—but in the end it is really down to the men and women who work, day in and day out, to ensure our mail is delivered.

I also want to point out that in this reform process, and that is what this bill is all about, there is one glaring omission in my view. We have all seen in the past how organisations like PMG and Australia Post have been corporatised and even made public companies. That has been done to reflect the fact that the management being applied to the organisation should wherever possible model private enterprise. I do not necessarily think that is a bad thing—I am not against corporatisation or indeed making these organisations public companies. What I do object to is that we have put more and more demands on organisations like Australia Post in terms of their service delivery and competition while at the same time governments—and, I have to say, governments from both sides—have on occasion raped and pillaged the organisation financially. We have had special dividends and special capital repayments. No private company or organisation is subject to the tyranny of an annual review of their organisation. How is it possible to do long-term planning for an organisation when the board and management do not know what special dividend will be imposed to make a federal government budget bottom line better? How can you possibly do that, and how is competition that has been introduced for Australia Post fair when the organisation is fighting financially with one arm behind its back?

My other point, Mr Deputy Speaker Causley, is that when we look at organisations like Australia Post, particularly from the perspective of a government of your persuasion, we want to open them up to competition. The assumption is that competition is good and that Australia Post will therefore be a better organisation if it has more competition. In a continent the size of Australia the idea that we should open up this organisation to more competition and that this will somehow benefit all Australians is just flawed. It is a huge continent, and I reserve the right to assume that, if I post a letter from Canberra—or from Mount Druitt, where I live—it will reach its destination.

We call the reserved services of Australia Post its community service obligation. With the Howard government we went through this crazy period of the notion of contestability. We had it in telecommunications and it is certainly alive and well in Australia Post. The idea was that you have to open up everything to competition, even community service obligations. In fact, the reverse is true. If you have a dominant or near monopoly supplier, you actually want to
have it engaged in community service obligations. You certainly do not want to have that tendered out, as the former department was trying to do—and, indeed, succeeded in doing—in telecommunications. I hope that that folly will not be repeated in Australia Post.

This bill provides the Australian Communications Authority with responsibility for oversighting and reporting on Australia Post’s supply of postal services. I certainly agree with that. It requires the Australian Competition and Consumer Commission to keep record-keeping roles for Australia Post to demonstrate clearly the separation between Australia Post’s reserved and competing services. It is a very fine theory and it should be supported. I believe it is a little harder to implement. We say ‘Australian Competition and Consumer Commission’, but I have yet to have it adequately demonstrated to me that the interests of consumers are at the forefront with the Australian Competition and Consumer Commission. In fact, I think there has been much harm done by those zealots who have rigorously pushed competition policy per se. Mr Deputy Speaker Causley, you know only too well that the state government of New South Wales are facing financial penalties, not because they are not involved in implementing competition policy but because, in some instances, they have considered the impact on our social fabric to be far more important than the devil of competition policy. I think it is an outrage. The bill also provides the ACCC with an ability to inquire into disputes and make recommendations in relation to the terms and conditions of Australia Post’s bulk interconnection service.

There is one other issue that I wish to raise and I think it is a serious one. It concerns the old street mailing boxes. We all have them in our electorates. We have all suffered the tyranny of having them removed. There is something we are publicly encouraged not to talk about in any particular forum, and that is the vandalism of these street posting boxes. I have been through that. At Woodcroft one was removed because of vandalism. I must say that Australia Post was most helpful to me and to the community and we got one put back in, but, if it is vandalised again, it goes. The reason Australia Post does not want to have any public airing of this vandalism is because of copycats—the fear that others will try the experiment. There is a fundamental difference between Australian law and the law in the United States. In Australia, if someone vandalises these post office boxes, it is merely considered a state offence and vandalising property. In the United States there are federal penalties and they are severe. Anyone who vandalises those boxes is interfering with the delivery of mail. It has been fundamental to our society that you should be able to post a letter and know that it will get through.

I want to know why the Howard government is soft and compliant on this type of vandalism. Every member of this parliament would have a situation where these boxes have been removed because of vandalism. We have given in to the vandals. When I was on council, we used to have a lot of vandalism, particularly of trees and plants and what have you. I always had the philosophy, and I still do, that you should never kowtow to the vandals. Why are we doing it in relation to the mail?

Mrs Gash—Because there are not enough police in the states.

Mr PRICE—That is the point I am making. I welcome the interjection. I am saying that we should not just treat this as an instance of vandalism to property; this is a gross interference in the delivery of mail. It ought to be a federal offence and very severe penalties should be brought against these people who vandalise these boxes. It should not be a state offence. There is a state offence relating to the vandalism, but I think the more serious issue is that of
interfering with the mail, and I think there should be jail terms for that. I make no apologies about it: I think there should be jail terms. I say that we are trying to sweep this problem under the carpet. I think we have to stand up as federal members of parliament and say that this is not good enough. We should not just be complicit in the thrill seeking which leads to these post office boxes being vandalised and blown up. It is a very serious matter, and we have to halt the slide in the availability of these post office boxes to the people of Australia. Why shouldn’t little shopping centres have this facility? In most cases they no longer have an official post office—they do not even have a licensed post office, and they cannot even post their mail there. The great irony is that you can go to the newsagent and buy stamps to put on your letter but at the same location you cannot post the mail. It is a ridiculous situation, and I think it needs to be addressed. I hope the honourable member for Gilmore, because I know she is a very influential backbencher, will take the issue up.

Mr Danby—I hope she is not leading the revolts.

Mr PRICE—I would never accuse the honourable member for Gilmore of doing that, but I know that she is an influential member within the government.

I repeat that I believe we have to see this not just as mere vandalism but as interfering with the delivery of mail, and it should be a very serious offence which should result in jail terms for those people who do it. If we have to change the legislation to do it, I for one will support it, and I will do everything I can to convince the powerful people in my party—like the shadow parliamentary secretary and the whip here—of the virtues of such an action.

In conclusion, I do not have any great difficulty with this legislation. I do think there is a serious omission in not providing financial certainty to corporatised organisations like Australia Post. As responsible members of parliament, we should bring pressure to bear to ensure that there are no special dividends or special capital repayments levied on organisations like Australia Post.

Again, I congratulate all those thousands of ordinary men and women—I know I have a lot of them who live in my electorate—who go off and work for Australia Post. They are very proud of the organisation. They are proud of the job they do, and I think they should be. I am proud of them, because Australia Post is an exemplar in the international arena. As I said, let us not roll over on street posting boxes, let us not give in to vandalism; let us say, ‘Enough is enough.’ People have a right to be able to post their letter at their neighbourhood shopping centre. Federal members of parliament should not suffer the indignity of Australia Post continually removing these boxes from the people in their electorate.

Ms LIVERMORE (Capricornia) (10.20 a.m.)—The Postal Services Legislation Amendment Bill 2003 seeks to amend the Postal Corporations Act 1989 and other acts to implement various consumer and regulatory reforms to Australia Post and the postal services industry. The bill contains some major provisions which the Labor Party will oppose. While considering this latest bill, it is timely to review the Australian postal regulatory framework and the background to this government’s ongoing attempts to deregulate our postal services. Since 1989, Australia Post has been a corporatised government business enterprise. It operates under legislation and a government appointed board and has commercial objectives supported by its community service obligations. Australia Post receives no funding from the government and has consistently returned significant profits in recent years. This is in no small part due to the
record productivity improvements achieved by the employees of Australia Post, with the cumulative total over the last decade doubling the national industrial average.

Currently, the Australian postal service is regulated by legislation which specifically reserves a portion of the postal market for the national public sector postal organisation, Australia Post. This reserves to Australia Post the incoming international mail and the standard letter market, which is defined as letters weighing up to 250 grams. Competitors who wish to offer mail services to this portion of the market are required to charge no less than four times the Australia Post rate, which is currently set at 50c. All other sections of the postal market in Australia, such as mail over 250 grams, parcels, courier services, financial transactions and stationery provisions, are open to full competition. The reserve service, however, is worth approximately 50 per cent of Australia Post’s current revenue.

This reservation is made to ensure that Australia Post has sufficient financial resources to fund its legislative community service obligation. This is to provide uniform and affordable access to the standard letter service across Australia. This universal service obligation translates as a requirement to provide a mail delivery service throughout Australia for mail weighing up to 250 grams at a uniform standard rate, which is currently 50c. Recent years have also seen the community service obligations of Australia Post strengthened to some extent. Following a parliamentary review in 1996, the Vaile report—which recommended amongst other measures the expansion of the existing community service obligations to encompass post office numbers and the provision of financial services—Australia Post and the government established a range of performance standards to be met as part of a new Australia Post service charter. This included on-time delivery standards and post office outlet and posting boxes minimum standards. However, these new standards were to be met as a commitment by Australia Post to government rather than as a legally binding standard set by legislation and reported to parliament, as is the case regarding the CSO.

It was the new Howard government in 1996 that subjected Australia Post and the Australian people to the most radical postal deregulation plan ever attempted in Australia. It needs to be stressed that the push for postal deregulation by the Howard government is in the context of its overall and sustained privatisation agenda. This government has fought for the full privatisation of Telstra and has achieved a 49 per cent self-off. Since beginning its push to introduce similar moves to the postal services and to introduce postal deregulation, this government has used all sorts of subterfuge to hide from the Australian public its true agenda when it comes to the deregulation of Australia Post.

Firstly, the government commenced its deregulation push by establishing a so-called independent review of the postal regulations. This was conducted by the National Competition Council between 1997 and February 1998. The NCC is chartered with recommending opportunities for deregulation and full competition to the government. The Competition Council’s new postal review was directed at identifying opportunities for further competition in the postal market, although the full privatisation of Australia Post was exempted from its considerations. This review by the NCC was tightly controlled, with limited opportunities for public involvement. Along with a range of other regulatory changes, the key recommendations of this review included the full deregulation of all business and incoming international mail, with the new regime to be introduced by January 2000. If that was not enough, a further review of the reserved service was recommended for 2005. Australia Post estimated that this
would have increased competition in postal services, from 50 per cent of its current revenue to 93 per cent. Indeed, Australia Post senior management at the time felt compelled to publicly attack the NCC report recommendations, stating that they ‘would have substantial financial impacts’ and would go:

… further and faster than we believe is practical with no safeguard review of the impacts to ensure that any unintended consequences of reform are avoided.

Clearly the Howard government’s first attempt to privatise Australia Post was in serious trouble. However, despite obvious public concern, the government continued with its intention to introduce its postal deregulation agenda by putting the required legislative changes to the federal parliament. As the magnitude of the government’s changes required changes to the regulatory regime governing Australia Post and its operations, new legislation was required. As a result, the Postal Services Legislation Amendment Bill 2000 was introduced into the parliament in April 2000. This bill effectively sought to implement the government’s response to the NCC report recommendations. It had two major provisions: firstly, giving effect to the reduction in the reserved service; and, secondly, providing a more liberal access regime for Australia Post’s competitors seeking to use Australia Post’s network.

We on this side of the House opposed the government bill and mounted a series of parliamentary debates on the matter. We were delighted when, after four years of being unable to gain sufficient Senate support to have the postal deregulation plans adopted, the Howard government finally withdrew its original postal deregulation bill from the parliament on 29 March 2001. But we have been under no illusions regarding the future. The Howard government, despite the legislative defeat in 2001, remains publicly committed to postal deregulation.

In contrast, I point out that the Labor Party has been very strong on its policy position for the future security of Australia Post. We have been consistently critical of the Howard government’s deregulation agenda for the Australian postal services. Labor’s platform clearly differentiates Labor from the government’s deregulation approach. The key commitments by Labor include: opposition to postal deregulation; commitment to full public ownership of Australia Post; support for Australia Post as the sole carrier of standard letters; support for the existing cross-subsidy arrangements, which ensure it costs just 50c to post a letter anywhere in Australia; commitment to expanding the range of services provided by Australia Post; and seeking to legislate minimum service guarantees, including access, delivery and affordability to both existing and additional services. Labor is not just opposed to the deregulation of Australia Post; Labor is now committed to expanding the services offered by Australia Post.

It is electorates like mine, Capricornia, which are most negatively affected by this government’s passion for deregulation. I have just this week received written advice from Australia Post of their intention to franchise their Longreach services. In his letter to me, Australia Post’s business development manager writes:

Australia Post is changing the status of the Longreach Post Office from a Corporate owned Post Office to Licensed or Privately Owned Post Office. This change is required to improve the operational and financial results at this location and to secure the viability of the long-term provision of services to the Longreach Community.

It is a question of whether the long-term security of postal services in Longreach would be better if the business were owned by a business person or by Australia Post itself. I believe that the security of the staff employed at the Longreach Post Office and the long-term security...
of Longreach’s postal services would be better served if this post office remained in the hands of Australia Post.

We can see from this example that this government has not given up on its plans to sell off Australia Post and will do it piece by piece if necessary. It should not be a surprise to anyone that this government has now introduced the Postal Services Legislation Amendment Bill 2003. This bill represents a further step in the process of liberalisation of postal services within Australia. The changes proposed in this bill are modest when compared to the more sweeping changes to the existing powers and functions of Australia Post which were proposed in the Postal Services Legislation Amendment Bill 2000. As I have just said, that bill was withdrawn in the face of community and parliamentary opposition. A subsequent legislative initiative aimed at enlarging competitive opportunities within the postal market, the Communications and the Arts Legislation Amendment Bill 2000, did not go beyond the draft stage. The fact that both of these attempts at so-called postal reform were aborted suggests that the Australian people are yet to be convinced that deregulation of postal services will benefit the community at large as opposed to the commercial interests seeking to enter the more profitable sectors of the postal market.

The provisions of this new bill which extend the legal rights of certain categories of postal service providers are therefore of concern. The immediate beneficiaries of the amendments—mail aggregators and document exchange service providers—already operate successfully in competition with Australia Post. By guaranteeing them new rights, however, the bill enlarges the legislative space in which these companies operate and hence levers open a section of the business mail market. I acknowledge that the proposed bill contains safeguards designed to restrict the operations of such companies to what is, in practice if not in law, the status quo and to prevent them establishing rival public networks. Aggregators will now be able to collect bulk mail from small customers but will have to lodge it at mail centres. These provisions, if effective, should limit the scope for cherry picking of the business mail market and hence protect Australia Post’s financial standing and the integrity of its reserved service operations.

The fact remains, however, that the bill extends the legal opportunities for activity in profitable sections of the postal market while imposing no obligations on Australia Post’s competitors to contribute to the cost of unprofitable services. These arrangements are fundamentally unfair and only tolerable while the market share of aggregators and document exchange providers remains small. Should the new arrangements lead to a major growth in the activities of these alternative providers they will soon begin to undermine the financial foundations of Australia Post’s reserved service operation. The question therefore arises as to how the new arrangements will be monitored and enforced to prevent these niche services mutating into fully fledged delivery networks. Already providers of such services are known to operate outside the letter of the existing legislation. The bill proposes no mechanisms or sanctions to address this danger other than those provided by the existing act—that is, Australia Post’s ability to apply to the Federal Court for relief in the event of an infringement of its rights.

If it is the government’s intention to restrict the opportunities for competitive entry into the business mail market, as opposed to allowing deregulation by stealth, it should signal this by providing more certain penalties for infringements. The Postal Services Legislation Amendment Bill 2003 extends the powers of the ACCC and creates a new role for the Australian
Communications Authority in postal regulation. However, while generally supporting this new role for the ACCC, it would appear that these new provisions may create some compliance costs for Australia Post while in fact failing to deliver any certain benefits to the industry or its customers throughout Australia. In conclusion, Labor wants to improve this bill to ensure that Australia Post retains the ability to deliver the best possible services to the people of Australia.

Mr WILLIAMS (Tangney—Minister for Communications, Information Technology and the Arts) (10.34 a.m.)—The Postal Services Legislation Amendment Bill 2003 implements decisions of the government to address regulatory and consumer issues relating to the current postal regime. The bill is a stand-alone package of postal reforms. Despite what the opposition has suggested, the bill is not intended as a precursor to further deregulation of the postal sector. The principal objective of the bill is to optimise the delivery of postal services to ensure that they best meet the needs of consumers, including small businesses. The legislation when enacted will provide greater consumer and social benefits by providing independent oversight of Australia Post’s service performance and operational activities and by legitimising a number of existing practices within the postal services market. The benefits to consumers, including small businesses, and the need to legitimise existing document exchange and aggregation services warrant the implementation of the legislation as soon as possible. The legislation has been developed in consultation with Australia Post, the Australian Communications Authority—the ACA—the Australian Competition and Consumer Commission—the ACCC—and industry, including the Major Mail Users Association, and document exchange operators. All are supportive of the proposed amendments, particularly Australia Post.

I note the opposition has expressed some concern about certain aspects of this bill. I wish to address these concerns first. As I previously stated, this bill does not amount to privatisation by stealth. The government remains committed to maintaining Australia Post in full public ownership. The amendments relating to document exchange and aggregation services are simply intended to legitimise the current activities of these services. They are not intended to extend the operation of Australia Post’s competitors. The amendments will not result in Australia Post losing a large chunk of its business, as suggested by the member for Ballarat. The government has gone to great lengths to include significant and specific safeguards to ensure that this does not happen. There will be no erosion of Australia Post’s services as a result of these amendments. These safeguards relate to the way a document exchange operates and will not, as suggested by the opposition, result in the establishment of a two-tier system. The safeguards are intended to ensure that document exchange services cannot establish alternative end to end delivery services. For example, a member must choose to become a member of the service by applying directly to the provider of the service. In addition, the member must be given a unique identifier that is not a postal address and does not include a street name for the purpose of sending and receiving letters carried by the service. Further, the member must be entitled to send and receive letters carried by the service. There must be a separate receptacle at a service centre of the service for the lodgment and collection of letters for the member. And the member must not be carrying on business or other undertakings that are of a private or domestic nature. Australia Post has been fully consulted in the development of these amendments and is supportive of the proposed measures.
The second concern raised by the opposition relates to the proposal to transfer the monitoring role of Australia Post services from the Auditor-General to the ACA. Contrary to suggestions made by members of the opposition, the bill does not remove a monitoring role from an independent body to a non-independent body. Rather, the proposed role for the ACA in overseeing the supply of postal services by Australia Post will provide independent monitoring and assessment of the supply of these services. Further, despite claims to the contrary by members of the opposition, the cost recovery arrangements proposed in this bill are broadly consistent with those imposed upon the telecommunications regime. For example, the cost of the ACCC’s regulatory role in the telecommunications industry, including the accounting separation provisions for Telstra, is recovered through the carrier licensing arrangements. Of course, unlike the telecommunications regime, Australia Post has a monopoly within the postal regime and it is therefore appropriate for the levy to be imposed upon Australia Post as the sole operator affected by this legislation.

The opposition speakers also expressed concerns that a postal industry ombudsman scheme had not yet been implemented. The opposition will be pleased to know that, following a comprehensive consultation process, the government announced back in October last year its intention to establish a postal industry ombudsman within the office of the Commonwealth Ombudsman. Amendments to give effect to the government’s decision are currently being drafted with a view to introducing legislation this year. The government does not apologise for taking the time to ensure that appropriate consultation occurs in relation to important proposals such as this. Rather, we want to get the job done and get it done right.

I now turn to the major provisions of the bill. Since Australia Post still maintains a considerable monopoly over the delivery of letters, it is important to safeguard the interests of the users of the postal system and to ensure that the highest quality of service is being provided to the public. Part of the ACA’s functions will include taking over the Auditor-General’s role of monitoring Australia Post’s performance against prescribed performance standards. I note that the Auditor-General currently outsources its function of monitoring of Australia Post’s performance against performance standards. This function is more appropriately carried out by the ACA, which performs a similar role in relation to the telecommunications industry, rather than an agency whose principal function is that of auditing.

Further, by giving the oversight function to the ACA in addition to the function of monitoring compliance with the performance standards, the change will also enable a more cohesive approach to overseeing Australia Post’s supply of postal services. Currently, it is Australia Post itself which estimates the cost of carrying out the community service obligations which are set out in the Australian Postal Corporation Act 1989. This cost, as identified by Australia Post, is funded by means of an internal cross-subsidy within the letter service and from a lower than otherwise return on the business. For several reasons, it is more appropriate that this function should be carried out by an independent body such as the ACA. The community service obligations are legislated obligations and not just services provided by Australia Post of its own volition. In addition, as the government is the only shareholder of Australia Post and because the cost of the community service obligations has some impact on the recorded returns on the business, it is appropriate that these costs be determined by someone other than Australia Post.
The ACA has been selected to carry out these functions because of its experience in monitoring and regulating other agencies within the Communications, Information Technology and the Arts portfolio and because of its experience in costing the telecommunications universal service obligation. Furthermore, and contrary to claims made by the opposition, the ACA has a commendable track record of managing its functions with professional independence and integrity. There is no reason to assume that it would be any different in the context of its proposed postal functions. To suggest that it is inappropriate to have the same minister responsible for both the agency being oversighted and the agency responsible for that oversight is absurd. This is a common practice as it is often the case that expertise in a particular area will be vested in one portfolio, one portfolio minister and one department. For example, within the immigration portfolio the minister has responsibility for the department which makes decisions about applications for immigration and for the panels which review those decisions.

I am pleased that the opposition speakers have indicated their broad support for amendments in the bill relating to the ACCC. Although Australia Post already separately accounts for its non-reserved and reserved services, this has not been sufficient to satisfy some of its competitors that it is not cross-subsidising its competitive services with profits from its reserved services. To address these ongoing concerns, the ACCC will have the power to make record-keeping rules for Australia Post. This measure will ensure independent oversight of Australia Post’s accounting of reserved and non-reserved services and provide an opportunity for the ACCC to identify any possible cross-subsidisation issues.

By virtue of its legislative monopoly over the carriage of letters, Australia Post is in a strong position to set the terms and conditions of its services to its customers. By extending the ACCC’s power to inquire into disputes about any of the terms and conditions applied by Australia Post in relation to bulk interconnection services and not just its rate reductions, customers will now be able to dispute any unfair or unreasonable terms and conditions stipulated by Australia Post. The additional costs incurred by the ACCC and ACA as a result of these new functions will be recovered from Australia Post by means of a levy. This is consistent with the government’s cost recovery policies. The costs will be reviewed at the end of the first 12 months of operation of the ACCC and ACA functions.

Australia Post has provided absolute assurances to the Senate committee inquiring into the bill that it will directly meet all costs associated with the implementation of the amendments and that none of these costs will be passed on to licensees in the form of reduced commissions or payments. Australia Post has also provided assurances that there will be no impact on current arrangements relating to the availability of products and services through licensed post offices. In addition, Australia Post has provided assurances that there will be no reduction in services to rural customers as a result of the amendments, irrespective of any changes in the administration costs.

Document exchanges—or DXs, as they are sometimes called—offer important services to small businesses, including professional services, by arranging for the exchange of documents between their members. Often, because of the nature of the business of DX members, the documents are time critical or of non-standard dimensions. The amendments in the bill are intended to legitimise the current activities of DX services to allow parties, other than the members of the DX or Australia Post, to legally carry documents between a member and a DX centre. This is crucial to ensure the ongoing commercial viability of these businesses and
the continued provision of these valuable services. Currently, this carriage continues to be a part of Australia Post’s reserve service, although the carriage within a DX centre or between DX centres is not. Many customers are small businesses, and the service being supplied by the DX operator is generally not provided by Australia Post as part of its normal letter delivery service.

These amendments therefore facilitate the practical operation of document exchange services, including their interaction with Australia Post. To address concerns that the amendments may facilitate the establishment of end to end letter delivery networks in competition with Australia Post, the bill contains a number of safeguards which must be satisfied before the mail can be legitimately carried between members of a DX and a DX centre. Australia Post has been fully consulted in the development of the safeguards and has given its support to the proposed measures. A major DX service was also consulted to make sure that the safeguards would not impinge on the current legitimate operations of DX services. Compliance with the new arrangements will be regulated in the same way that all other elements of Australia Post’s reserve service are regulated. Thus, should Australia Post consider that, for example, a DX service is operating in an area reserved to Australia Post, Australia Post can apply to the Federal Court for relief in the form of an injunction against the action being performed and seek damages.

At present, Australia Post polls communities to determine whether or not residents wish to receive a ‘to the property’ delivery service. Because of some criticism of the method of polling, Australia Post has agreed to change its arrangements to make it clearer to residents that only those wishing to receive a ‘to the property’ delivery service need respond to the poll and that all nonresponses will be counted as a vote against such a service. In the event that these changed arrangements do not prove to be satisfactory, the proposed amendments will allow regulations to be made to prescribe the procedures Australia Post must follow in polling communities to determine whether or not they require ‘to the property’ services. However, the government does not intend to make these regulations unless they prove to be necessary.

The bill also provides the minister with a power to exempt Australia Post from the current requirement to prepare service improvement plans when it has failed to meet a prescribed performance standard. However, the exemption will be applicable only if the minister considers it unnecessary in the circumstances—for example, if the cause of the failure is due to circumstances beyond the control of Australia Post, such as a natural disaster, or if Australia Post has already taken steps to address the reasons for the failure before it is identified by the ACA. I believe that the issues raised in debate here today and previously have been well covered in the drafting of the bill. I thank all those who contributed to the debate. I commend the bill to the Main Committee.

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

Question agreed to.
Original question agreed to.
Bill read a second time.
Debate resumed from 3 December 2003, on motion by Mr Ian Macfarlane:

That this bill be now read a second time.

Dr Emerson (Rankin) (10.50 a.m.)—I can advise the Committee that Labor will be supporting this bill. We see it as an improvement in the administration of research and development in this country and as a response to the fiasco that developed about the R&D Start program, about which I will say quite a bit in my remarks. But, before I proceed further, I wish to foreshadow that I will be moving a second reading amendment in the following terms:

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 notes the importance of research as a driver of economic growth and the Government’s failure to stimulate private sector investment in R&D and to invest in public R&D”.

The Industry Research and Development Amendment Bill 2003 seeks to make significant changes to the administration of the Industry Research and Development Board. The key amendment removes the power of the board itself to commit, approve or recommend government expenditure on research and development. That power exists at present under the Financial Management and Accountability Act 1997, but under the act it is the executive officer of the Department of Industry, Tourism and Resources who is ultimately responsible for funds administered and appropriated to the department, not the Industry Research and Development Board. So this bill formally changes that responsibility in terms of the power of the board to commit or approve or recommend government expenditure on R&D. It changes that to the chief executive officer of the department.

There are a couple of other changes in the board’s function in the bill. One is an expansion of the board’s role to include the encouragement of innovation programs as well as R&D programs. A second change is to the definition of technical assessment with respect to an assessment of the eligibility and merits of a proposal for R&D or to the assessment of the progress of a proposal that has received approval. A third change is a change in the minister’s power to direct the board to provide a technical assessment in relation to programs administered by the department.

But really it is the first amendment that is the key to this bill. It is worth asking why this amendment has become necessary. The answer to that is that the amendment is necessary to ensure that the department controls and is accountable for money expended. In making the department accountable under our Westminster system that then makes the minister accountable, which we think is a good thing. Under the Westminster system, ministers should not be able to say, ‘I don’t know; it’s the role of an independent board to make decisions on funding.’ That is not right. Under the Westminster system it should be the responsibility of the minister, and this amendment does in fact return responsibility to the minister and make the minister accountable.

The amendments are necessary to allow the Industry Research and Development Board to focus on its key functions where it has expertise and also to safeguard individual board mem-
bers from any personal liability from their membership of the board. Finally, amendment is necessary to ensure that the R&D Start program fiasco does not recur. It is about that that I wish to speak.

Expenditure on the R&D Start program is capped at $180 million a year and is supplemented from the budget. In April 2002, the R&D Start program was suspended due to what the government said was an overcommitment of funds. No new applications were considered and new approvals were suspended until additional funding became available. The program resumed in November 2002, so that is a very lengthy period—from April to November 2002—when no further applications for the R&D Start program were considered by the board. The minister at that time announced a review of the disbursement of the R&D Start grants by AusIndustry, and this bill is a direct result of that review. It fixes up the problem that existed where it was the board that was making decisions and allocating funds—and, certainly in the government’s view, allocating too many funds. That resulted in what the government claims was an overcommitment of R&D Start funding, leading to a very regrettable situation where from April to November no new applications were considered.

It became quite farcical because the minister at the time, when asked whether the R&D Start program had been frozen, indicated that, no, it had not been frozen; it was just that no new applications would be considered. Moreover, as it transpired, those applications that had been lodged in the lead-up to and during that period had to be resubmitted. So small companies, which in many instances provide a lot of the impetus to research and development in this country, were left in a situation where they were making plans and financial commitments on the basis that they would be eligible for R&D Start program funding and then realised that they would not—that they were going to be left in the lurch.

This sent a very bad signal to the research and development community in Australia. That signal was that the government was not fair dinkum about supporting research and development in Australia. It was especially regrettable that that should have happened, because—and I now refer to the second reading amendment—in Australia business spending on research and development as a share of gross domestic product had declined in each and every year of the Howard government until 1999-2000, when it started to pick up again. I will now quote from the ABS publication Research and experimental development, businesses, Australia, which is catalogue No. 8104.0 for the year 2001-02. It says:

Australia’s business expenditure on research and development, as a percentage of gross domestic product, increased to 0.78 per cent in 2001-02, the second successive increase following decreases between 1995-96 and 1999-2000. The percentage remains well below the high of 0.87 per cent in 1995-96.

What is the significance of the year 1995-96? That was the last year of the Labor government. As a result of various far-sighted measures adopted in the Hawke and Keating years, business spending on research and development increased as a share of GDP in each and every one of those latter years. But as soon as the government changed, when the new government was installed, one of its very first decisions in its very first budget was to cut the R&D tax concession from 150 per cent to 125 per cent. You could plot business spending on research and development against that decision. Business spending on research and development, upon the election of the government and the announcement that it was cutting the R&D tax concession, began to fall and fell away in each and every year until the year 2000.
Interestingly and very importantly, while all that was going on, the rest of the world was not standing still. The rest of the world appreciated the importance of business spending on research and development, and it is a fact that business spending on research and development in the OECD countries, as a share of gross domestic product, was rising in each and every one of those years. I have just had figures prepared for this debate which show that the gap between Australia’s business spending on research and development and that of the major OECD countries has continued to widen. That means that this knowledge gap is getting bigger, year by year. It is true that in the last two years business spending on research and development in Australia as a share of GDP has risen slightly, but not at the same rate as the increase in business spending on research and development in the other OECD countries. Certainly, as the ABS publication notes, the percentage remains well below the high of 0.87 per cent in 1995-96. So the government not only cut the R&D tax concession; it then, in the year 2000, when it was looking as if it was in fairly significant electoral danger—

Mr Nairn—Mr Deputy Speaker, I ask if the member for Rankin would take a question.

Dr Emerson—I would be delighted to take a question.

The DEPUTY SPEAKER (Mr Mossfield)—You may ask the question.

Mr Nairn—I ask the member for Rankin if he has actually read last year’s report by the Standing Committee on Science and Innovation, Riding the innovation wave: the case for increased business investment in R&D. If so, why has he misinterpreted the effect of changes in the R&D tax concessions to be as he says rather than as explained by that unanimous report?

Dr Emerson—I am aware of the contents of the report and I am aware of submissions that were made by major companies in Australia who were pleading for extra government support for research and development in this country. I have to say that their pleas have gone unheeded, because of this program, of the year 2000, called Backing Australia’s Ability—the acronym of BAA perhaps suggesting that we are following other countries. But the problem is that we are following from too far. It would be great if for once we were leading the rest of the world in terms of business spending on research and development, but we are lagging badly, following well behind.

Mr Danby—It is called BAA?

Dr Emerson—That is right: Backing Australia’s Ability, or BAA. The true name of this program should be ‘Back-ending Australia’s Ability’, because when you look at the five-year expenditure pattern, something like three years after the release of this policy initiative only 20 per cent of funds will have been expended. That was a period when the Howard government was in full propaganda mode, pretending that it was doing something new to support research and development, both private and public, in this country but committing precious few funds. Then, not long after that, the R&D Start fiasco began in earnest and the terrible signal was sent to our small and medium enterprises that they could not rely on this R&D Start program to support their initiatives in research and development because the government might well freeze it again with no notice and keep it frozen for an undefined period. That is no basis at all for small and medium businesses to make their decisions.

The fact is that this country desperately needs a lift in its business spending on research and development. Why? The answer is that there are two major sources of productivity growth in the 21st century. This is recognised around the world, but sadly it is not well recognised by
the Howard government. The first major source of productivity growth in the 21st century is skills development, and the second is ideas. The fact is that this government has dropped the ball in terms of investing in and supporting skills development in Australia. Its entire industrial relations policy is devoted to taking working Australians down the low road of low skills and low wages. There is another award simplification bill in the parliament which would remove from awards any undertakings in relation to skills development. We are talking about bad signals. A bad signal is sent to the business community through the freezing of the R&D Start program. There is about to be a very bad signal sent to the entire Australian community in that this government considers that awards should not contain provisions related to skills development.

I now turn to the second source of productivity growth: ideas. That is what we are discussing here: investment in ideas. The fact is that, in the 21st century, for Australia the imperative is to innovate or perish. If we do not innovate continuously, we will not be able to compete against the countries of East Asia in particular. There is no basis for us successfully competing on wage costs against the countries of East Asia, especially China. China is becoming the manufacturing powerhouse not just of our region but of the world. The government’s strategy is a deeply flawed one. It will have tragic consequences for the Australian people in the future, because the government considers that the best way of dealing with that competition is to compete on wage costs, remove hard-won working conditions that have been achieved over a period of more than 100 years, remove the safety net that protects the wages and conditions of working Australians from falling to the floor and enter and continue working Australians—especially vulnerable Australians—in this race to the bottom of low skills and low wages.

The alternative is the Labor way, and that is the highroad to high skills and high wages. In order to achieve that we must invest in new ideas in this country. We must continue investing and substantially lift our investment in research and development. That is the greatest protection for Australian industry in the 21st century: our skills and our ideas. I want to illustrate that point by reference to a number of companies that I have visited in the last couple of years. There is an operation in the Hunter Valley called Cowan Manufacturing. Cowan began by developing decompression chambers for divers and it sold those to the Navy. As a result of the expertise that Cowan developed in varying its designs, it has now become a world leader in modifying decompression chambers and has moved into such areas as MRI scanning using the same sorts of chambers.

I asked the managing director, Mr Cowan, how he felt about competition from overseas and he said, ‘China and India, in particular, do provide pretty stiff competition, but I am always one step ahead.’ How is he always one step ahead? By innovating, by continually changing and improving his product—not by trying to compete on wage costs or paying his staff less as they confront competition from China and India but always by innovating, being one or two steps ahead. The moral of that story is that imitation is the sincerest form of flattery. While China and India are continually trying to copy a version of the Cowan decompression chamber, Mr Cowan is working on his next model, keeping one step ahead. That to me is the future for Australia—keeping one step ahead with our good ideas and our skills.

There are other examples in the Macarthur region in south-west Sydney, again involving small to medium sized manufacturers. The key advantage that they possess is a skilled workforce and their capacity to continually innovate. They are supported by local TAFEs and their

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relationships there. Their products do not involve big production runs but contain an enormous skills content and an enormous content of new ideas and new thinking. That is why, on very small production runs—as small as one unit at a time—companies in south-west Sydney can compete around the globe.

Another example is in Tasmania where a lady had a relative who, in a very sad experience, fell off a yacht. I do not know whether that accident was fatal but it was certainly very alarming—her jacket did not have the necessary safety equipment. This lady learnt from that and she started to sew in attachments, making sure that there was plenty of flotation and that there were whistles, torches and so on. Again, her product is not cheap—there are cheaper products around the world and cheaper products coming into Australia—but she has still been able to compete on her knowledge, content and skills, and there is the moral of the story. If you own a yacht, you are probably going to say, ‘I think I could afford a $250 jacket rather than an $80 jacket,’ and that is how she competes against cheap imports.

There are three examples of the way forward for manufacturing in this country, but this does need support from government. There is a very respectable economic argument for government support for private sector research and development. It is associated with the concept of externalities, whereby each private business considering whether or not to invest in research and development will know that, sooner or later, the knowledge created through that investment in research and development will flow to other businesses. That originating business cannot therefore appropriate all of the benefits of that knowledge. As a consequence, each individual business, making its own profit-maximising decision, will underinvest in research and development from society’s point of view.

That spill over effect, that positive externality, of research and development needs to be supported. Therefore, in a market economy there is a completely valid role for public support for expenditure on research and development. I have said that the two sources of modern productivity growth around the world in the 21st century are skills development and new ideas. Unless we invest in both of those, the government’s own prognosis for productivity growth in this country will become a reality. Its own prognosis is contained in its Intergenerational Report.

Members may recall the release of the Intergenerational Report by the Treasurer. He said, ‘This is my vision for Australia. It is all contained here in 40-year projections as to how the population is going to develop and how productivity is going to develop.’ The only purpose to which the government has put the Intergenerational Report is to seek to create an argument for increasing pharmaceutical costs for Australian consumers through a double dissolution bill, which is in the Senate at this moment. So it used an important report as a pretext for a straightforward budget saving that it wanted to extract out of the hides of Australian consumers through prescription medicines. We oppose that. The Intergenerational Report should be used for genuinely visionary policy development.

What does the Intergenerational Report say about productivity growth in this country? We know that productivity growth in Australia over the last 10 years has been at record levels because of the far-sighted economic reform program of the previous Labor governments under Prime Ministers Bob Hawke and Paul Keating. The fact is that this government has been harvesting the yield from those productivity gains. But it has failed to invest in the new sources of productivity growth—skills development and ideas. As a consequence, the Inter-
generational Report forecasts that, by the middle of this decade—one year away in 2005—productivity growth in this country will slump back to its mediocre 30-year long-term average. This would be a tragedy for Australia.

A tragedy is unfolding because of the failure of this government to invest in skills development and new ideas in Australia. The fact of the matter is that today’s productivity growth is tomorrow’s prosperity. We are enjoying prosperity from the productivity growth of yesterday and the last 10 years but, with productivity growth set to taper off—even under the government’s own official forecast—you would think that, instead of obsessing about pharmaceutical prescription costs, the government would say, ‘What is necessary now to ensure that our forecast does not become a reality?’ If it does become a reality then tomorrow’s low productivity growth will mean a failure of prosperity to continue beyond 2005.

If you combine a slowing of productivity growth with the ageing of the population, you will have a genuinely poisonous cocktail. The government also should be aware that the ageing of this country’s population is forecast to be so rapid that, by the year 2035, our population will start to decline. If there is a smaller proportion of people of working age who are in a position to support young and older Australians, they will have to either work harder or become more productive. They are not going to become more productive under this government, because it is not investing in sources of productivity growth.

Where is the thinking of the government and the Prime Minister on this matter? Are they thinking beyond the next term of government? No, they are not even thinking about this term. The fact is that this government does not even have a third term agenda, let alone a fourth term agenda. While we support these very minor changes in this legislation, there was an opportunity for this government to recognise the deficiencies of its policy development, to recognise that it is not investing adequately in skills development in this country and that it is not investing adequately in new ideas in supporting research and development both in the private sector and in the public sector. It is for these reasons that I will move the second reading amendment.

Labor support this bill, but we also support the second reading amendment that I am moving. We are asking the government to wake up to the fact that it is failing Australia by failing to invest in productivity growth for the future. When today’s productivity growth is tomorrow’s prosperity, the prognosis is not good. It is harder to be believed about that when living standards generally are reasonable in Australia. We believe that the prosperity that has been developed in this country has not been fairly shared. But there is prosperity. We cannot share prosperity in the future if prosperity does not continue to grow, and it will not grow under the government’s policies.

It is time for this government to get out of the way. It has now had eight years to recognise that it should be investing in skills in this country and in new ideas, but it is against its philosophy to do so. The government does not believe in a high skill, high wage society. Since it came to office it has been working assiduously to ensure that there is no skills development in this country. If you ask independent economic commentators and look at relevant statistics, it is plain that skills development has not accelerated in this country in the last few years.

So the government should get out of the way. Its philosophy is completely hostile to skills development and new ideas. Elect a Labor government when the election is called and we will see continued productivity growth, not a slump in productivity growth back to its mediocre
long-term average of the last 30 years. There will be continued productivity growth, continued prosperity and, very importantly, a decent and fair sharing of the prosperity for all Australians. 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 notes the importance of research as a driver of economic growth and the Government’s failure to stimulate private sector investment in R&D and to invest in public R&D”.

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

Ms Jann McFarlane—I second the amendment.

Mr ENTSCH (Leichhardt—Parliamentary Secretary to the Minister for Industry, Tourism and Resources) (11.16 a.m.)—I rise to speak on the Industry Research and Development Amendment Bill 2003. First of all, I would like to thank the honourable member for Eden-Monaro for his timely intervention. I respect his views on this. As the Chairman of the House of Representatives Standing Committee on Science and Innovation, he certainly is very knowledgeable on these issues. I would also like to thank the member for Rankin for his contribution. I would suggest, however, that, before he considered moving the amendment, he should have taken a bit more time to read in detail the outstanding unanimous report by the honourable member for Eden-Monaro’s science and innovation standing committee entitled Riding the innovation wave. In particular, I would suggest that he look at the case for increased business investment in R&D. He would have also noted, had he read it in detail, the very strong endorsement of all members of the committee for the great work that has been done by this government through the Backing Australia’s Ability program.

We have a range of programs to support investment in R&D and innovation. We have the R&D Start program, the R&D tax concessions, the COMET program, the new P3 and the Innovation Investment Fund. Business investment in R&D has increased, actually, by 13 per cent in the last financial year, with increases in all major sectors. Something in the order of $5.54 billion was spent in 2001-02. Business investment in GDP has in fact increased from 0.73 per cent to 0.78 per cent from 2001 to 2003. I note that the honourable member had actually noted that point. The BAA funding ramps up to $1 billion per year in 2004-05 and 2005-06. There is no doubt about it—government investment in public sector R&D is amongst the highest in the world. There is no question about that. In 2001-02, Australia’s total growth in expenditure in R&D corresponded to 1.53 per cent of GDP. When you compare this to just under one per cent in 1981, you can see that there has in fact been very significant growth.

I hope that in presenting those facts we will now see agreement to this bill which amends the Industry Research and Development Act 1986. Under the existing act, the Industry Research and Development Board has the power to commit Australian government funds to research and development programs. However, in practice it has been the Department of Industry, Tourism and Resources that has managed program funds on behalf of the board. The bill corrects this administrative anomaly by removing those financial powers and clarifying that it is the department that controls and is accountable for the financial management of programs established under the act. This will allow the board to concentrate on the assessment and prioritisation of applications where its expertise lies and not on financial management. In practice, these amendments will result in little difference in the existing operational procedures of programs, as they simply bring the statutory regime into line with the practical position under
which departmental officers manage program finances on the board’s behalf. This bill also clarifies that the board provides advice on innovation programs, such as those related to commercialisation, in addition to research and development programs.

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

Question agreed to.

Original question agreed to.

Bill read a second time.

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

COMMITTEES

Family and Community Affairs Committee

Report

Debate resumed from 12 February, on motion by Mrs Hull:

That the House take note of the paper.

Ms VAMVAKINOU (Calwell) (11.22 a.m.)—I am pleased to be speaking to the Standing Committee on Family and Community Affairs report entitled Every picture tells a story: report on the inquiry into child custody arrangements in the event of family separation. Like many members here, on a regular basis I have to grapple with constituents dealing with the difficult consequences of divorce and separation and the catastrophic impact that they have on families, particularly on the lives of some one million children who live in separated households. My electorate office, like many other offices, has seen many aggrieved parents. Usually they are fathers, who constantly complain about a system that they believe is obstructing and violating their parental rights. Passionate complaints about the Child Support Agency and the family law courts are common, as is the call for justice and the need to fix a system that in their experience and opinion is broken. Women constituents who come to visit us tend to report men minimising income to reduce or avoid paying maintenance. Male constituents, on the other hand, are more likely to complain of a lack of time with their kids, and breakdown in an agreement on visitation rights, the child’s schooling, residence and general welfare. However, almost all fathers will highlight the inadequacy of the Child Support Agency’s maintenance payment formula, particularly in regard to second jobs and overtime and its effects on the welfare of their second families.

Dealing with these situations is difficult because sometimes there is an expectation from the constituent that you have to take sides. In many cases, we are the last port of call for desperate parents and their anguish is visible and difficult to address. Our staff find that they are shoulders to cry on and our offices are places where frustration and anger is vented. Therefore, the report is timely and relevant to the issues confronting separated families today. What is most significant about its findings and recommendations is that they seek to create a less adversarial environment, where disputes and conflict between couples are resolved in a way which is in the best interests of the children. It is important to emphasise that the long-term
interests of the children must be the single overriding factor in managing divorce and separation for families that have children.

We all know that divorce can sometimes be dominated and absorbed by the acrimonious nature of the breakdown of the relationship between the two adults. This is especially difficult if one party feels cheated and aggrieved. Unfortunately, in many relationships the feelings of children are not spared and their needs do not prevail. Certainly evidence to this report indicates that; so does anecdotal evidence and my own personal experience with friends, neighbours, constituents and the community in general.

Community expectation has traditionally tended to favour the idea that, in a separation, custody of the children is automatically given to the mother. Certainly this happens in a great majority of cases settled both in and out of court, but community attitudes towards the role of fathers is changing. More and more it is being recognised that fathers have as much of a nurturing role to play as mothers do. Dads no longer want to be typecast in the role of provider and breadwinner alone in defining their relationship with their children. It is important to adapt to the changing nature of a father’s role. Many of the dads that I see, who come to my office and whom I know, want to be actively involved in the lives of their children. In fact, it is quite obvious, and evidence suggests, that the presence and commitment of both parents is vital to the stable development of children.

The traditional assumption that children should automatically go to their mum has also been challenged, with the committee reaching a position of shared responsibility. It is in the interests of children to have a healthy relationship with both parents. As children’s lives become more complicated, so too does the need to have both parents around to participate in nurturing their development. This is especially so in the case of young boys, and there is plenty of evidence around to prove or to suggest that kids growing up in unhappy or incomplete families tend to develop more problems as they get older. Certainly there is evidence to suggest that they become problems to their school community, neighbourhood and society in general. I therefore welcome the report’s emphasis on shared parenting, but, as mother myself, I also understand and have my own reservations about unqualified shared parenting and what that means. The form of shared parenting becomes important if the arrangement is to be successful, not just for the parents but, more importantly, for the welfare of the children.

The report’s recommendation to create a clear presumption that can be rebutted in favour of equal shared parental responsibility is a sign that the evidence submitted to the inquiry recognised the importance of both parents making an equal contribution to the lives of their children by sharing responsibility for their emotional care. The report’s concept of shared parenting, I believe, facilitates this process. However, there will be cases where shared parenting is not in the best interests of the child, so the recommendation to create a clear presumption against shared parental responsibility with respect to cases where there is entrenched conflict, family violence, substance abuse or established child abuse, including sexual abuse, is a responsible way of protecting children from the more hostile and dangerous acts of domestic violence. Every year in Victoria close to 20,000 children under 16 years of age are witnesses to reported domestic violence events. In fact, a submission to the inquiry by the Broadmeadows Community Legal Service, in my electorate of Calwell, points out that a large part of their workload regarding separated or divorced families relates to domestic violence, so
they were particularly keen to ensure that shared parenting was not permitted if kids were at risk.

If we are to be involved in helping people deal with separation, then let us be so in a fair manner. Often the experience that people have with authorities such as the family law court and the Child Support Agency will determine their ability to cope or not cope with their circumstances. Dads who feel harassed, used, unappreciated and pursued by the system are more inclined to be hostile, especially if they feel that someone else is telling them when they can and cannot see their kids. This does little to assist and often emotionally heightens situations. It is welcome to see that the report recognises and addresses these sensitivities. Taking the adversarial element out of highly charged personal and emotional situations is wise and sensible.

The report’s recommendation to strip the family law court of the power to resolve conflict based disputes and keep lawyers away from emotionally charged custody disputes is welcomed; so too is the prospect of putting an end to the high cost of legal representation. Many constituents tell me that judges and lawyers have no business telling them how to run their lives while hitting them with exorbitant legal fees. Thankfully, however, 95 per cent of family separation cases currently heard in the Family Court do not result in contested hearings. Overwhelmingly, parents agree to cooperate in the rearing of their children, but there is that small number of cases that cannot be resolved amicably and therefore mediation is required. The report’s recommendation to establish a two-stage process of first point mediation and then the establishment of a family tribunal with powers to decide disputes about shared parenting responsibilities is welcomed because it has a better chance of diffusing conflict and encouraging consensus by virtue of the fact that it does not involve the adversarial action of lawyers, who seem to be driven by the desire to score a win for their clients.

I am surprised that the Prime Minister has indicated that he may not support the idea of a family tribunal. I believe it is the key to minimising the effect that the adversarial and financially prohibitive nature of the legal system has on custody disputes, and should be supported as a better alternative to the current model. I urge the Prime Minister to read the submissions made by some of his coalition members, such as the members for Dawson, Grey and Kalgoorlie, all of which point to the benefits of moving away from an adversarial system.

The recognition and consideration of the child’s grandparents and extended family in proposed parenting planning is also welcomed because it quite rightly seeks to broaden the positive influences and support of the extended family. As someone who grew up with an extended family, I can attest to the great sense of security that I felt knowing that there were a lot of people looking out for each other. There was always someone around for you. After the mum and dad, it has always been the grandparents who have played a vital role in raising children. One only needs to recall what Hillary Clinton famously stated—‘It takes a village to raise a child’—to appreciate the fact. As someone who comes from a traditional Greek background, I know that the Greek culture has been practising the art of the extended family for years.

Many of the submissions to the inquiry were from men’s groups who pressed for automatic fifty-fifty joint custody—a notion that has been rejected by the committee because, as other submissions and witnesses stated, this option is unworkable and not in the immediate interests of the child. I commend committee members who did not buy into the divisive agenda put
forward by the more antagonistic and unreasonable demands of groups such as the Black Shirts Brigade, who have waged campaigns of intimidation against women, justifying their actions on the grounds that they are aggrieved dads denied access to their children. You have to wonder how they can claim to be acting in the interests of their child when they stand outside the mother’s house harassing and intimidating the family.

The Child Support Agency has long been a source of contention for many non-custodial parents. Initially, as we all know, it was set up to ensure parental responsibility in financially raising a child. It has played an important role in tracking down those non-custodial parents who try to avoid maintenance payments. However, it has resulted in a formula of calculating payments which leaves many non-custodial parents in a financially difficult position, especially in the circumstances where they have formed new families and are struggling to provide for the old and the new family. Constituents of mine, almost always dads, tell me that the Child Support Agency makes them feel as if their sole purpose in the child’s life is to make the financial contributions, without rights to anything else. It is understandable then that they feel resentment for a system that defines their relationship with their children in terms of the maintenance paid.

Many of these non-custodial parents want to do the right thing but feel that they cannot get anywhere with the inflexible nature of the Child Support Agency, so any recommendations to fix or change the formula are welcomed by my constituents. Reform is needed in this area, because the many previous attempts and inquiries conducted into the Child Support Agency have not managed to deal conclusively with all outstanding issues. Finding a better formula to improve the way maintenance is calculated is important because frustration with the Child Support Agency does have an impact on the relationship between the family and the non-custodial parent.

It is common knowledge that the source of tension in families is more often than not a financial one. This is the case in families that are intact and it is certainly the case in separated families. Eliminating the link between child support payments and the amount of time spent with each parent and shielding second jobs from child support while capping the level of income on which payments are calculated will go a long way to alleviating the stress felt and conveyed by many non-custodial parents who, even though they love and support their children, feel that they are being preyed upon, rightly or wrongly, by the Child Support Agency. Of course, this has a negative impact on the non-custodial parent and, subsequently, on the kids. So any recommendation that seeks to provide a more equitable reform to the Child Support Agency will be welcomed by all. In particular, the six week moratorium on child support payments will also help take the sting out of the perception that non-custodial parents are financial contributors only. The recommendation to raise the minimum payment from $5 to $10 is also welcomed, as is lowering the income cap on which child support is calculated. Pursuing self-employed parents is also welcomed, because that is also a source of great concern for many mothers who feel that they cannot get maintenance from their ex-spouses because they claim to be self-employed which therefore makes it difficult to calculate their incomes.

In conclusion, this report is not just about mums and dads or adults; it is about children. My constituents will welcome the focus on the child’s welfare, the establishment of a system of mediation and parent planning, and reforms to the child support system. I am certain that this report and its recommendations will make a difference, but we have a duty as parliamentari-
ans to translate these words and recommendations into action. Bipartisan support is vital, because people’s lives and, in particular, the lives of children are too precious to play politics with. I know that, for our part, the opposition will build on the very important issue of community relationships through the appointment of the member for Melbourne to the newly created community relations portfolio. In closing, I would also like to commend the report and I look forward to the government’s and the PM’s support and implementation of its findings.

Mrs HULL (Riverina) (11.37 a.m.)—by leave—Today I have an opportunity to speak about the issues within the report entitled Every picture tells a story: report on the inquiry into child custody arrangements in the event of family separation. I have not prepared a written speech for this, because I think it is an opportunity for me to reiterate the feelings that I had during the inquiry and perhaps those that have come on board since the inquiry has been closed and the report has been tabled.

When we started this inquiry, I felt that there would be very little opportunity for the committee to act as a united committee that would perhaps be able to bring down a unanimous report. However, I am pleased to say that during the process, and after a rocky start, we had the opportunity for all members to consider that this was the right time for decisions to be made for and on behalf of Australian families. This was a time when they would put aside all political persuasions, party politics and personal feelings to determine that this was such a significant issue for the Australian people and Australian children in particular that they were going to be united, form themselves an alliance, debate, discuss, negotiate and compromise to some degree if they felt that they had to in order to get the best result for Australian children, and that is exactly what this committee did.

Members of the House also supported and assisted the committee in various ways. During our travels, we encountered a whole host of different experiences of separated mums and dads. At times the committee was surprised and at other times those experiences just reinforced the same message that we, as members, receive across our electorate desks every day in relation to the issue of family separation, which would be one of the biggest issues that we all deal with as members of parliament. Each and every one of us had a lot of experience prior to starting this report, because we deal with the issue on a daily basis in our electorate offices throughout our constituencies. Some of the members have been in the House for many years and have dealt with it in many forms over the years through the different circumstances and changes that have been made. I think each and every person made a great contribution to that.

One of the questions that I ask myself and that is asked of me is: do I feel sorry for the men who are not seeing their children and who may be being exposed to an 80-20 rule in disputes on contact and where a child might reside? Yes, I do, is my answer. I feel very sorry for those men, because men play a very valuable role in the upbringing of their children. Sometimes that role is not recognised by the people who are making decisions. When a man enters into a marriage and then when children enter into that relationship, a man thinks that he is doing the right thing if he is the sole breadwinner. He goes forward and becomes the hunter and gatherer and provides a roof over his family’s head. He provides the money for the children to attend school and for medical purposes. For a whole host of livelihood reasons, the man in the family might be out providing an income, and he thinks he is doing the right thing.

Then, for one reason or another, the partners decide that they are unable to live together any longer and we see a clear-cut case of the man being disadvantaged because of the oppor-
tunities that he has provided for his family by working consistently—and maybe sometimes
working two jobs. He is then discriminated against at the time of separation, because he has
not been there spending so-called ‘quality time’ with his children or because he would be un-
able to spend the average number of hours that would be required with his children. So deci-
sions are made that penalise that male parent for having provided comforts or the best living
that he possibly could for his family.

So I do feel sorry for him. I think the system does not recognise the role that a dad plays,
except to order him to continue to play that role by paying child support—child support for
his children, whom he no longer sees. No real consideration is given to the fact that at the
time that a dad comes home, maybe late at night from work, his solace is to walk into his
children’s bedroom and see his sleeping children and to watch them and get a sense of love,
belonging and attachment to those children as they sleep in their beds. There is no denying
that in every relationship with a child the best thing about it and the most loving time is when
a child has woken up early in the morning and is at their lovely sleepy-eyed best or when they
have gone to sleep at night and look like a small angel. That is a great feeling that nobody can
replace when it is taken away from you.

So my answer to that question is that I certainly do feel sorry for men in separated families
where this has happened—men who want more contact but cannot get it, simply because the
life that they led prior to separation and the work hours that they had discriminate against
them and penalise them. Then, in the future, their only form of involvement with their child’s
life is some limited contact and the payment of child support.

The next question that I am asked is: do you feel sorry for the women? Yes, I do feel sorry
for the women as well. Some women are doing it extraordinarily tough and are not receiving
adequate child support. Forty per cent of payers of child support are within the $5 per week
range, regardless of whether there is one child or four, five, six or 10 children in that family.
That payment of $5 a week makes it significantly difficult for a woman to be able to raise her
family and provide her family with what they require. Also, some dads will go to the end of
the earth not to pay child support at all. They will hide their income: they will put it in their
current partner’s name so that their estranged partner is not able to access that income and
they will go to every length that they can in order to not be responsible for the children that
they have brought into a relationship prior to separation. I think that is an indictment on those
men. Some men say, ‘That is because we are denied contact,’ and I really do feel for those
people who have been denied contact, but you have to feel sorry for a woman who has the
primary roles of breadwinner and full-time carer for her children, if a dad does not turn up for
contact when he promises the children he will. That to me should be one of the most severe
offences for any partner—whether male or female—who is not the resident parent. To not
come for contact when they have promised the child they will is as serious an offence as
withholding contact from the non-resident parent. Each offence is as serious as the other, in its
own right.

So there are significant areas of concern that I have for women in the circumstances where
their life with their former partner may not have been perfect—and it may continue to be a
disruption in their life. I do have concerns for them; I do feel sorry for them.

The next question is: do I feel sorry for the children? Yes, I feel sorrier for the children than
for anybody else. Children did not ask to be born into this world. Children have had no say in
where their voice should be registered. It is clear that in the Family Court scenario these children’s voices are not being heard. We watched children behind two-way screens—children aged between seven and 11—who clearly indicated they were quite capable of deciding how much time they wanted to spend with mum and dad, and they clearly wanted to spend as much time with each parent, without being torn in two. We then spoke to older, more impressionable young adults who had been through this process. They also indicated that their voices were never heard, no matter how much advocacy took place within the Family Court system, because people did not listen to their voices. They begged the committee to recognise that children’s voices must be heard. It is for this reason that there are many initiatives that have been brought up in this report.

But the detractors of this report would say that there is one sentence that is not in there; that is, that the committee recommends the legislation of fifty-fifty joint rebuttable custody. They would say that, because that sentence is missing from this report, the report is not valuable and should be thrown out. I say to those detractors: if you had that sentence in this report and it was the only sentence you had in this report, it would change nothing. The circumstances you find yourself in now would not have changed. The status quo would remain. We cannot operate retrospectively, so that would not change any of the contact orders that you currently have in place or that are being denied to you now. You would have to go back to court. We cannot make this retrospective. We cannot say that nothing that was ordered in the courts applies, that things cease from the time we legislate fifty-fifty joint rebuttable custody. It does not work like that. It is not retrospective.

I say to those detractors: you would find yourself going back into the same court system that you have just advised us has dealt you a cruel and bitter blow by giving you an 80-20 result—whether you are a non-resident male or a non-resident female. You would be put back in that system. You would be back there with the lawyers. The lawyers would now be out to rebut the clear case of 50-50 joint rebuttable custody. You would have that rebuttal taking place. Determining that you are a fit and proper person to have that joint rebuttable custody would cost you an enormous amount of money, and you would still be in the system that you tell us delivers you an 80-20 result. What would have changed? Nothing would have changed. The detractors of this report have not thought this through. Without a complete change to this system and the way in which the Family Court operates, nothing has changed for those people who would dearly like to spend more time with their children and nothing has changed for the children who would dearly like to spend more time with an individual parent, whether it be a male or a female parent.

This committee has gone further than it was ever required to. It had the courage to go further. Some groups that disagree with the report have told me that it did not take courage: yes, it did. It took an enormous amount of courage, and it is a unanimous report. Each of the 10 members of this committee has signed off on this report, saying, ‘Australia’s children deserve better. Australia’s parents deserve better.’ Australia’s parents deserve to have control and to have the right to stand in front of a single-member tribunal and argue their case individually, without having one partner run another partner through a costly legal situation that they know they have no control over. It is parents that should be sitting down and talking about where their children reside in the future; it is parents that should have equal say about where their children reside in the future.
This report in its entirety can deliver a tribunal to people who determine that they want to go back and try to get fresh orders. A tribunal could deal with existing cases, providing that they could come through de novo with fresh evidence in front of them—a tribunal set up with the specific purpose of making shared parenting, shared residence and shared parental responsibility the norm rather than the exception. This has every opportunity to give lives back to Australian children, because it is Australian children who are missing out in their lives.

It is not a whole host of other people that we should be taking into consideration here; it is whether or not a child has the right to know and love both of its parents equally, all things being equal—providing that that child is never put in danger. That is what this report has had the courage to do, and that is what this committee has had the courage to do: to challenge the status quo, to challenge the system and to challenge the people out there who would detract from us and perhaps be seriously aggressive towards us. Our challenge is yet to be heard. We says that this was a very brave report to undertake and deliver. I commend all the members of the inquiry who went out there as the committee of inquiry. I am sure they were on the receiving end of some interesting entertainment and were subject to some abuse.

One of the bravest things I have done in my life as a federal member of parliament was to host a child support forum in my electorate. Child support runs out of the ATO in Box Hill, just down from my office, and I deal with them extensively. They decided they would run a program of education out in the community, and they invited along a panel of individuals to present and give information—people from relationships groups, the court system, child support and me. I was chair of the panel, and I was also, at the end of the day, the bunny who accepted the abuse and criticism about the failures of the system. At the end of the day, to be honest, a lot of the criticism is about the legislation that covers how this works.

What transpired at the end of that evening, after three hours of torrid abuse, was that most of it is about relationship failures. Most of it is about people’s inability to accept that their relationships have failed, to accept blame for that or to see it rationally in the light of day. The thing that upset me most about that evening was that a lot of the discussion was about them—the parents. That was what got to me at the end of it. A lot of the people who come into my office find it difficult to get beyond their needs and do not move into what the needs of the child are. I think it is highly revealing that the report, too, has struggled with this aspect. They have tried at every level to say, ‘Look, it is about the needs of the child,’ but at the same time most of the evidence the committee heard was about the impact on the parents and the grandparents.

Admittedly, the report goes into evidence from people that says quite clearly that if you cannot resolve the issues about the parents and the grandparents you cannot help the child. So there is a basic realisation that there is a dichotomy there. But one of the things that upsets me in some respects about this report is the need for it—that we need to have a report about this, that we need to be doing this and that we are not doing more to support families before they break down.

There was a fantastic report delivered in this House in 1998 by another joint select committee. It was entitled To have and to hold. It was about supporting people within marriages. There were 55 recommendations from that report. I am not sure how many of them have been introduced. There were recommendations in respect of civil celebrants, and I think some of those have been brought forward. But there were a whole lot of recommendations in that.
Again, it was a fairly gutsy report—to go out to the community and ask, ‘How do we sustain marriages?’ is fairly gutsy—but I think one of the depressing things about both reports is that we have redefined marriage. Marriage is now talked about backwards. This is how the To have and to hold report starts:

Marriage has been substantially redefined in recent times. In the words of Dr Don Edgar, the former director of the Australian Institute of Family Studies, marriage has been defined backwards by reference to divorce over the past two decades.

We are constantly defining marriage by marriage breakdown.

So we had a great report from this House in 1998 that recommended support and encouragement to ensure marriages did not break down, and I am not sure that has gone anywhere or that there has been substantial support for that. Again a lot of the recommendations in this are about support—about mediation, about counselling, about providing those services. We will not stop marriages breaking down, and in some respects we should not. Some marriages are so destructive you do not want children to continue in them. My parents are separated. I shared their lives and in some respects I think they should have separated a lot earlier than they did. Marriages are not always going to succeed. But a lot of pressures are put on marriages, and marriages could be supported and helped along the way, with little interventions. Sadly, we have seen an absolute decline in the basic support services out there—basic counselling and help.

I think it is interesting in the debate about work and family that most of the stuff talked about in both reports relates to the pressure on families—the pressure to support the family, juggling the work-family balance. Some of the families that we have dealt with and that I have dealt with in child support are not in the work force, but they are still juggling with the management of day-to-day lives. So we need to be doing more at that end—I suppose at the front end—so that it is not always about the rear end and rearguard action. We need to ensure that once they have got there the system is not so adversarial and confronting.

I, like most members in this place, have people coming to see me, and you always get the flood just before Christmas. It is always on Christmas Eve that you hear the most tragic stories about the intervention orders that have not been met. Two years ago I probably had one of the worst stories I have heard come through the door. There was a father who was a non-custodial parent. He had access rights for that Christmas, and he was dying. It would be his last Christmas. His parents were there—he was living at home with his parents—and the mother of the child had decided that it would be too traumatic for her son to spend Christmas with his father. Of course, the father and his parents had a different perspective—they thought that it would be too traumatic for the son not to spend his last Christmas with his father. The father had court orders, and I sat in that room and had to say to him: ‘My hands are tied. I actually cannot do anything for you, except tell you to go back to the court, or have your son picked up by the cops on Christmas Day to bring him round to spend your last Christmas with you.’ Everyone in the room was in tears by the end of this. This Christmas I had a mother who is a non-custodial parent turn up and say: ‘I have been a bit of an absconder, I’ll admit this. The last two times I’ve taken off with him, but they won’t let me have him for Christmas.’ Again I said sadly, ‘There is Buckley’s I can do for you in this situation.’

But it is generally about access orders that people come to see you. Occasionally people come to see you upset about child support payments, but most of it is about having an order
and how to actually get it enforced. I would love the answer to that one, because that is what I—and I am sure most of the people in this room—get, time and time again: ‘Yes, I can go back to court, but no, I can’t get legal aid for it, so I can’t have the resources to do it.’ So those are the things we need to address. It is frustrating, as members of a parliament that has enacted laws, to have to say, ‘How do you actually see those laws enforced?’ So I commend the report for addressing that issue, for looking at it, and for saying, ‘There is no simple answer to this, because you will be back in the court system time and time again.’

Like other people, I have of course seen the litigants out there who seem to enjoy taking these matters to court. They have got so caught up in it that it is part of their daily life. We need to stop that vexatious litigation in this respect because, at the end of the day, the child is the bunny in the middle. Parents need to be constantly reminded about whose interests they are representing—theirs or their child’s. So again, I commend the report for looking at the issues of the child. We need as a society to reflect and think about our children more than we do.

It is also a changing world in which we are in respect of the family dynamic. I represent a very different family dynamic: I am in Canberra and my husband is at home with two very small children—a four-year-old and a two-year-old. This is not what people see as the norm. But with no disrespect to my endearing husband—who I describe as a saint, because he is—I would still do the majority of the housework. I still go home on the weekend and do all the washing. He is fantastic, but he is no good at getting the clothes off the line. You just do not leave them there—and women in this room can identify with this. They will manage to get them out of the machine, but somehow—between washing, drying, folding and putting them away—there seems to be a blockage in a male’s brain. So I will still go home and do those things. In many cases, there is still not a complete sharing of the parenting responsibilities inside the family unit, so why do we expect people who have separated to somehow be reborn and understand all of those parenting responsibilities?

We had a crisis last Monday: we forgot—and I dispute to this day whether the kinder told me—that Madeleine should have had her lunch box packed. Madeleine turned up at kinder traumatised because every other kid had their lunch box packed but she did not have hers packed. I thought she was not staying for lunch. So you do these things and you cause absolute trauma for your child. This may seem a silly thing, but she has now talked about it for three days. So I am not sure how you translate all those requirements to people who are separated. We are together and fairly responsible—we overcompensate because I am not there—and we manage to do all that inside a unit that is not separated.

We need to think about those things and give parents more skills in parenting. It is not a god-given understanding that you somehow know what to do; it is not a god-given skill that you can explain everything to your child. My endearing four-year-old, whose every sentence now starts with a what and a why, wanted to know recently if girls could marry girls and boys could marry boys. We had a very mature debate. I heard that someone from Northcote had two mummies but that people, in my neck of the woods, in Surrey Hills may not always accept the idea of two mummies. We had a very interesting conversation.

Mr Neville—I bet it was!

Ms BURKE—I am not going into how we resolved it! But you are confronted with those questions from your child. There is then the parent in a separated situation—mum gives one
explanation one week and dad gives another explanation another week. They have never dis-
cussed what explanation they are giving to that child. We recently had to deal in our home
with the concept of death: I lost my mother-in-law. Although it happened two years ago,
Madeleine is still coming to terms with the fact that she is not here. There are still photos of
her and now she is inquisitive. How do you grapple with those sorts of things? I do not know
how you deal with it. If we are not giving people the resources, skills and abilities to do that,
both within marriage and in a separated situation, I do not know how their children will sur-
vive and grow.

One of the things about shared parenting gets down to economy—your ability to have and
run two separate households. I know friends of mine who do it, but they are professionals.
They are earning very good incomes and they can support two households—they can support
travel and other things. I certainly know that a lot of my constituents living on Centrelink
benefits who are coming to see me are not in a position to run two households—to drive and
do those sorts of things. So we need to look at the support for that.

I certainly think there are some anomalies within the child custody and child support ar-
rangements that need to be addressed. But at the end of the day my query back to the individ-
ual is whether this is about their bank balance or the needs of their child. If we could actually
demonstrate what it costs to raise a child in some meaningful way to dispute some of these
things, I think that would be very beneficial. Someone said to me: ‘Why do they need that
much money?’ I asked them if they had bought kids’ shoes lately. I have a two-year-old who
has had to have three pairs of shoes. They are anywhere between $60 and $80 each—and that
is not for top-of-the-range shoes; that is just for a decent Clarks-style shoe to ensure that the
feet of your growing child are okay. Are those things understood? It is not that they do not
want to do these things; it is that they may never have done them. They may never have pur-
chased these things or understood matters. Raising children is difficult enough—it is harder
when you are doing it separated. I commend the report, and I call upon the government to act
upon it and not leave it on the shelf like the To have and to hold report, where we have seen
no action.

Debate (on motion by Ms Jann McFarlane) adjourned.

Main Committee adjourned at 12.06 p.m.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Aviation: Laser Anti-Missile Defence System
(Question No. 2258)

Mr Danby asked the Minister for Transport and Regional Services, upon notice, on 14 August 2003:

(1) Further to the answer to question No. 1212 (Hansard, 4 February 2003, page 10881), is the Minister’s department still considering the purchase of laser anti-missile defence systems; if so, (a) which systems, (b) from whom would they be purchased, (c) what is the price per unit, (d) how many units is the Government considering purchasing, (e) who would they be for, (f) which airlines would use them, (g) which aircraft would use them, (h) would they be purchased for commercial aircraft, and (i) would they be purchased for RAAF aircraft.

(2) If the Minister’s department is not still considering the purchase of laser anti-missile defence systems (a) why not, and (b) what conclusions did the Minister’s department come to when deciding either not to consider the purchase or not to proceed with the purchase of the technology.

(3) Is the Minister able to say whether any commercial airlines flying within Australia have considered purchasing such technology.

(4) Would the Government assist commercial airlines with the purchase price.

(5) Is the Minister able to say whether any airline proceeded with the purchase; if so, (a) which airline, (b) which systems, (c) from whom were they purchased, (d) what was the price per unit, and (e) how many units were purchased.

Mr Anderson—The answer to the honourable member’s question is as follows:
Further to the answer provided to Question on Notice 1212(3), it should be noted that the Government is considering purchasing laser anti-missile defence systems, but not for use by commercial airlines. Specific queries about the purchase of this particular technology by the Government should be directed to the Minister of Defence. Further, my Department is not considering purchasing such systems for use by commercial airlines. As before, my Department continues to liaise with the Department of Defence and the United States Transport Security Administration, as well as the industry, in respect of developments concerning anti-missile defence systems.

It is not my Department’s role to purchase such systems. Government policy is that any such purchases by airlines would be matters for the airlines themselves to address, based on their own risk assessment processes. I am not aware of any such purchases by any Australian airline.

Community Legal Services Information System
(Question No. 2317)

Mr McClelland asked the previous Attorney-General, upon notice, on 21 August 2003:

(1) Which community legal services are now using the Community Legal Services Information System (CLSIS).

(2) Which of these services use PCs and which use Macs to operate CLSIS.

(3) Does his department maintain a help desk for CLSIS; if so, (a) who provides the help desk services and (b) how many calls, complaints and faults have been logged by the help desk in each month since it began operating.

(4) Is his department aware of concerns about the stability of the Mac version of CLSIS; if so, what are these concerns and what steps has it taken to act on these concerns.
(5) Is his department aware of concerns about the report-writing tool in CLSIS; if so, what are these concerns and what steps has it taken to act on these concerns.

(6) What was the original budget for CLSIS.

(7) What has been spent on CLSIS to date.

(8) How much has been paid to Borland Australia.

(9) Who negotiated the contract with Borland Australia.

(10) Who signed off on the contract with Borland Australia.

(11) Is he able to provide a copy of the original contract with Borland Australia; if not, why not.

Mr Ruddock—The answer to the honourable member’s question is as follows:
The Community Legal Services System (CLSIS) is currently in the process of being released to all Commonwealth-funded community legal services. CLSIS is intended to provide more accurate statistical information on the legal services provided to the disadvantaged, to assist policy development in this area and to achieve greater accountability in the use of Commonwealth funds. At the same time, CLSIS is designed to provide individual community legal services with internal management information to assist their caseload management and with the development of appropriate policies and strategies at service level to meet demand for legal services to the disadvantaged.

(1) and (2) CLSIS is in the process of being released in a rolling program which commenced in July 2003. The community legal services using CLSIS and the operating system used by each service provider are listed in the table following.

Community Legal Service Providers Using CLSIS at 22 October 2003

<table>
<thead>
<tr>
<th>Service Provider</th>
<th>System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albany Community Legal Centre</td>
<td>WA</td>
</tr>
<tr>
<td>Albury/Wodonga Community Legal Service</td>
<td>VIC</td>
</tr>
<tr>
<td>Broadmeadows Community Legal Service</td>
<td>VIC</td>
</tr>
<tr>
<td>Caxton Community Legal Centre</td>
<td>QLD</td>
</tr>
<tr>
<td>Central Highlands Community Legal Centre</td>
<td>VIC</td>
</tr>
<tr>
<td>Coburg &amp; Brunswick Community Legal &amp; Financial Counselling Centre</td>
<td>VIC</td>
</tr>
<tr>
<td>Community Legal and Advocacy Centre</td>
<td>WA</td>
</tr>
<tr>
<td>Consumer Credit Legal Service Inc</td>
<td>VIC</td>
</tr>
<tr>
<td>Eastern Community Legal Service</td>
<td>VIC</td>
</tr>
<tr>
<td>Environmental Defender’s Office</td>
<td>QLD</td>
</tr>
<tr>
<td>Far West Community Legal Centre</td>
<td>NSW</td>
</tr>
<tr>
<td>Fitzroy Legal Service</td>
<td>VIC</td>
</tr>
<tr>
<td>Geelong Community Legal Service</td>
<td>VIC</td>
</tr>
<tr>
<td>Geraldton Community Legal Service</td>
<td>WA</td>
</tr>
<tr>
<td>Goldfields Community Legal Centre</td>
<td>WA</td>
</tr>
<tr>
<td>Gosnells Community Legal Centre</td>
<td>WA</td>
</tr>
<tr>
<td>HIV/AIDS Legal Centre</td>
<td>NSW Inc</td>
</tr>
<tr>
<td>Illawarra Legal Centre</td>
<td>NSW</td>
</tr>
<tr>
<td>Immigration Advice and Rights Centre</td>
<td>NSW</td>
</tr>
<tr>
<td>Kingsford Legal Centre</td>
<td></td>
</tr>
<tr>
<td>Macarthur Legal Centre</td>
<td>NSW</td>
</tr>
<tr>
<td>Macquarie Legal Centre</td>
<td>NSW</td>
</tr>
<tr>
<td>Marrickville Legal Centre</td>
<td>NSW</td>
</tr>
<tr>
<td>Monash-Oakleigh Legal Service</td>
<td>VIC</td>
</tr>
</tbody>
</table>
(3) (a) The Attorney-General’s Department provides a Help Desk facility for CLSIS. In the initial (developmental) phase of the project this was maintained by Borland Australia Pty Ltd. Since 23 February 2003 this facility has been maintained by Software AG Pty Ltd.

Until July 2003 the Department also maintained a service through which service providers participating in the pilot testing phase recorded faults, raised queries and made suggestions for improvement of CLSIS as an alternative to contacting the Help Desk.

(b) Calls, complaints and faults recorded:

<table>
<thead>
<tr>
<th>Month</th>
<th>Help Desk</th>
<th>Departmental service</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 2002</td>
<td>1</td>
<td>28</td>
<td>29</td>
</tr>
<tr>
<td>December 2002</td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>January 2003</td>
<td>-</td>
<td>34</td>
<td>34</td>
</tr>
<tr>
<td>February 2003</td>
<td>8</td>
<td>84</td>
<td>92</td>
</tr>
<tr>
<td>March 2003</td>
<td>20</td>
<td>66</td>
<td>86</td>
</tr>
<tr>
<td>April 2003</td>
<td>13</td>
<td>27</td>
<td>40</td>
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<tr>
<td>May 2003</td>
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<td>-</td>
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<td>June 2003</td>
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<td>35</td>
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</tr>
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<td>July 2003</td>
<td>38</td>
<td>3</td>
<td>41</td>
</tr>
<tr>
<td>August 2003</td>
<td>56</td>
<td>-</td>
<td>56</td>
</tr>
<tr>
<td>September 2003</td>
<td>58</td>
<td>-</td>
<td>58</td>
</tr>
</tbody>
</table>
The Departmental and, in July and August 2003, the Help Desk systems were used to record faults found in tests of pre-release versions of the software. The figures above include these test fault records.

In September 2003 an additional 17 community legal services converted to CLSIS, with a corresponding rise in queries received from centres by the Help Desk.

(4) I am advised by the Department that investigation of the incidents where doubts were raised about the stability of networked Macs running CLSIS has revealed the problems were caused by incorrect user installations. Steps have been taken to improve the levels of education and training for personnel involved in such procedures.

I am also advised that the current release of Mac systems incorporates dual operating systems, Mac OS9.2.2 and Mac OSX. In rare circumstances an occasional malfunction may occur when running Mac OS9.2.2. This anomaly has been reported to Apple Computers for advice and, in the interim, users have been advised to use the Mac OSX operating system instead to ensure the malfunction does not re-occur.

(5) The Department has delivered a reporting tool that meets the previously agreed user-defined requirements. It has been made aware of additional needs but has not received any documented requirements.

The Department is in the process of developing a reporting interface that is intended to allow community legal services personnel without specialised report writing skills to design reports to their requirements.

(6) The Department’s original estimated budget for CLSIS was $1.8m over three years from 1999-00 to 2001-02. This did not include a number of additional cost items, for example, that of system changes requested by community legal services, the costs of more extensive consultation with the stakeholders, and upgrading computing equipment across the community legal services sector to ensure all centres are able to operate the new system effectively.

(7) The amount spent on CLSIS to 22 October 2003 is $3,331,888.

(8) Under the contract dated 1 March 2002 the Commonwealth paid to Borland Australia a total amount of $1,032,447. This comprised:

- $859,777 for payments under the contract
- $170,602 for changes and other additional services provided by Borland, and
- $2,068 for travel and related expenses incurred by Borland in completing contracted services.

Prior to this contract the Commonwealth held a contract with Community Link Australia to develop and implement CLSIS. Community Link Australia subcontracted Borland Australia to develop the software, and Borland Australia may have received payments from Community Link Australia under this arrangement. The Department does not know the amounts paid by Community Link Australia to Borland Australia for its software development work for CLSIS.

(9) Officers from the Family Law and Legal Assistance Division, with advice from the Department’s Information and Knowledge Services Group and the Australian Government Solicitor, negotiated the contract with Borland Australia.

(10) The Secretary, Attorney-General’s Department, signed off on the contract with Borland Australia.

(11) A copy of the original contract dated 1 March 2002 has been provided to the House of Representatives’ Tabling Office with those parts of the contract that contain commercially sensitive material deleted. The contract also makes reference at Schedule 1 and 3 to a CD which contains detailed information relating to the Schedules. A copy of this CD has not been provided in view of the commercially sensitive information included in the contents.
Transport: Diesel Fuel
(Question No. 2793)

Mr Martin Ferguson asked the Minister for Transport and Regional Services, upon notice, on 26 November 2003:

(1) In respect to the Government decision to mandate Euro 4 and 5 engines and ultra-low sulphur diesel (50 ppm sulphur) and sulphur-free diesel (10 ppm sulphur) fuels, is it the case that from 2006 a number of European-sourced trucks will require urea (liquid ammonia) to meet the levels for nitrogen oxides prescribed by ADR 80/01; if so, what action has the Government taken to address storage and dispensing facilities for urea.

(2) Will trucks need to carry urea tanks and dispensing units and will this impact on current maximum limits on axle capacities and any other associated truck design rules; if so, what is the Government doing in response.

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

(1) The Government expects a number of engine manufacturers to use urea based catalyst technology to meet stringent new vehicle emissions standards. However, it is important to note that the standards do not mandate this approach and not all manufacturers will use it. The Government is aware of the storage and dispensing issues. Discussions are planned with the Truck Industry Council, the Australian Trucking Association and other relevant industry bodies as part of the current Motor Vehicle Environment Committee’s Vehicle Emissions and Fuel Quality Standards Review. The National Transport Commission is also commissioning a baseline study into this issue to inform the discussions.

(2) These issues will be examined in the context of the discussions referred to in (1).

Aviation: Sydney (Kingsford Smith) Airport
(Question No. 2831)

Mr Murphy asked the Minister for Transport and Regional Services, upon notice, on 2 December 2003:

(1) Further to the answer to question No. 2013 (Hansard, 8 September 2003, page 19475), will he confirm that the 31 recommendations of the Long Term Operating Plan (LTOP) can be achieved without reaching the LTOP targets.

(2) Is it the case that the LTOP will be successfully implemented without achieving the LTOP targets; if so, how; if not, why not.

(3) By what criteria does he assess the successful implementation of the LTOP.

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

(1)-(3) I have already dealt with these matters exhaustively in response to questions previously asked by the honourable member.

Transport and Regional Services: Regional Partnerships Program
(Question No. 2845)

Mr Martin Ferguson asked the Minister for Transport and Regional Services, upon notice, on 3 December 2003:

(1) In respect of the Media Release of 6 November 2003 in which the Parliamentary Secretary announced that an additional $5.5 million is available from the Regional Partnerships Program, what is the total allocation for the Regional Partnership Programme for 2003-2004.
(2) Can he explain why the Portfolio Budget Statement 2003-2004 for the Transport and Regional Services Portfolio stated that Estimated Actual Expenditure for 2002-2003 for a range of programs, including the Foundation for Rural and Regional Renewal, Regional and Rural Development Grant, Regional and Rural Research Information and Data and the Regional Partnerships Program totalled $82,823,000 whereas his department’s 2002-2003 Annual Report, stated Actual Expenditure for a range of programs including the Foundation for Rural and Regional Renewal, Regional and Rural Development Grant, Regional and Rural Research Information and Data and the programs that make up the Regional Partnerships Program (Dairy Regional Assistance Program, Regional Assistance Program, Regional Solutions Program, Rural Transaction Centres, Structural Adjustment Program for the Wide Bay Burnett Region of Queensland and the Special Structural Adjustment Package for the South West Forests region of Western Australia) totalled $73,903,000 indicating that under-expenditure totalled $8,920,000.

(3) Is the $5.5 million additional allocation for 2003-2004 part of the $8,920,000 underspent in 2002-2003; if so, what has happened to the remaining $3.42 million; if not, from where did the additional 5.5 million come.

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

(1) The total allocation for the Regional Partnerships programme for 2003-04 is $99,099,000 as stated on page 64 of the Portfolio Budget Statements 2003-04 for the Transport and Regional Services Portfolio.

(2) The figure for estimated actual expenditure for the range of programmes shown in the Portfolio Budget Statements 2003-04 for the Transport and Regional Services Portfolio was the estimated expenditure at the time of publication. The lesser figure appearing in the Department’s Annual Report 2002-03 reflects the final actual expenditure for these programmes following the finalising of all related financial transactions for the 2002-03 financial year.

(3) The $5.5 million is not an additional allocation. This $5.5 million is now available for additional new Regional Partnerships projects in 2003-04 as a result of individual project adjustments as part of careful on-going administration of the programme. Any movement of unspent funds from 2002-03 to 2003-04 would be considered in the context of relevant Additional Estimates Appropriation Bills, which have yet to enter Parliament.