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SITTING DAYS—2004

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FORTIETH PARLIAMENT
FIRST SESSION—SEVENTH PERIOD

Governor-General
His Excellency Major-General Michael Jeffery, Companion in the Order of Australia, Commander of the Royal Victorian Order, Military Cross

House of Representatives Officeholders
Speaker—The Hon. John Neil Andrew MP
Deputy Speaker—The Hon. Ian Raymond Causley MP
Second Deputy Speaker—Mr Harry Alfred Jenkins MP

Members of the Speaker’s Panel—Mr David Peter Maxwell Hawker, Mr Philip Anthony Barresi, Ms Teresa Gambaro, Mr Peter John Lindsay, the Hon. Bruce Craig Scott, the Hon. Dick Godfrey Harry Adams, Mr Frank William Mossfield AM, the Hon. Leo Roger Spurway Price, Mr Kimberley William Wilkie, Ms Ann Kathleen Corcoran

Leader of the House—The Hon. Anthony John Abbott MP
Deputy Leader of the House—The Hon. Peter John McGauran MP
Manager of Opposition Business—Ms Julia Gillard MP
Deputy Manager of Opposition Business—The Hon. Simon Findlay Crean MP

Party Leaders and Whips
Liberal Party of Australia
Leader—The Hon. John Winston Howard MP
Deputy Leader—The Hon. Peter Howard Costello MP
Chief Government Whip—Mr James Eric Lloyd MP
Government Whips—Mrs Joanna Gash MP and Mr Fergus Stewart McArthur MP

The Nationals
Leader—The Hon. John Duncan Anderson MP
Deputy Leader—The Hon. Mark Anthony James Vaile MP
Whip—Mr John Alexander Forrest MP
Assistant Whip—Mr Paul Christopher Neville MP

Australian Labor Party
Leader—Mr Mark Latham MP
Deputy Leader—Ms Jennifer Louise Macklin MP
Chief Opposition Whip—The Hon. Janice Ann Crosio MBE MP
Opposition Whips—Mr Michael Danby MP and Mr Harry Vernon Quick MP

Printed by authority of the House of Representatives
Members of the House of Representatives

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### Members of the House of Representatives

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<td>Tangney, WA</td>
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<td>Windsor, Antony  Harold Curties</td>
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<td>Zahra, Christian John</td>
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**PARTY ABBREVIATIONS**

ALP—Australian Labor Party; LP—Liberal Party of Australia; NATS—The Nationals; Ind—Independent; CLP—Country Liberal Party; AG—Australian Greens

### Heads of Parliamentary Departments

- Clerk of the Senate—H. Evans
- Clerk of the House of Representatives—I.C. Harris
- Departmental Secretary, Department of Parliamentary Services—H. R. Penfold, QC
HOWARD MINISTRY

Prime Minister The Hon. John Winston Howard MP
Minister for Transport and Regional Services and Deputy Prime Minister The Hon. John Duncan Anderson MP
Treasurer The Hon. Peter Howard Costello MP
Minister for Trade The Hon. Mark Anthony James Vaile MP
Minister for Foreign Affairs The Hon. Alexander John Gosse Downer MP
Minister for Defence and Leader of the Government in the Senate Senator the Hon. Robert Murray Hill
Minister for Finance and Administration and Deputy Leader of the Government in the Senate Senator the Hon. Nicholas Hugh Minchin
Minister for Health and Ageing and Leader of the House The Hon. Anthony John Abbott MP
Attorney-General The Hon. Philip Maxwell Ruddock MP
Minister for the Environment and Heritage and Vice-President of the Executive Council The Hon. Dr David Alistair Kemp MP
Minister for Communications, Information Technology and the Arts The Hon. Daryl Robert Williams AM, QC, MP
Minister for Agriculture, Fisheries and Forestry The Hon. Warren Errol Truss MP
Minister for Immigration and Multicultural and Indigenous Affairs and Minister Assisting the Prime Minister for Reconciliation Senator the Hon. Amanda Eloise Vanstone
Minister for Education, Science and Training The Hon. Dr Brendan John Nelson MP
Minister for Family and Community Services and Minister Assisting the Prime Minister for the Status of Women Senator the Hon. Kay Christine Lesley Patterson
Minister for Industry, Tourism and Resources The Hon. Ian Elgin Macfarlane MP
Minister for Employment and Workplace Relations and Minister Assisting the Prime Minister for the Public Service The Hon. Kevin James Andrews MP

(The above ministers constitute the cabinet)
HOWARD MINISTRY—continued

Minister for Justice and Customs
Senator the Hon. Christopher Martin Ellison

Minister for Fisheries, Forestry and Conservation
Senator the Hon. Ian Douglas Macdonald

Minister for the Arts and Sport
Senator the Hon. Charles Roderick Kemp

Minister for Small Business and Tourism
The Hon. Joseph Benedict Hockey MP

Minister for Science and Deputy Leader of the House
The Hon. Peter John McGauran MP

Minister for Local Government, Territories and Roads and Manager of Government Business in the Senate
Senator the Hon. Ian Campbell

Minister for Children and Youth Affairs
The Hon. Lawrence James Anthony MP

Minister for Employment Services and Minister Assisting the Minister for Defence
The Hon. Malcolm Thomas Brough MP

Special Minister of State
Senator the Hon. Eric Abetz

Minister for Veterans’ Affairs
The Hon. Danna Sue Vale MP

Minister for Revenue and Assistant Treasurer
Senator the Hon. Helen Lloyd Coonan

Minister for Ageing
The Hon. Julie Isabel Bishop MP

Minister for Citizenship and Multicultural Affairs and Minister Assisting the Prime Minister
The Hon. Gary Douglas Hardgrave MP

Parliamentary Secretary to the Prime Minister
The Hon. Jacqueline Marie Kelly MP

Parliamentary Secretary to the Minister for Transport and Regional Services and Parliamentary Secretary to the Minister for Trade
The Hon. De-Anne Margaret Kelly MP

Parliamentary Secretary to the Treasurer
The Hon. Ross Alexander Cameron MP

Parliamentary Secretary to the Minister for Foreign Affairs
The Hon. Christine Ann Gallus MP

Parliamentary Secretary to the Minister for Defence
The Hon. Frances Esther Bailey MP

Parliamentary Secretary to the Minister for the Environment and Heritage
The Hon. Dr Sharman Nancy Stone MP

Parliamentary Secretary to the Minister for Finance and Administration
The Hon. Peter Neil Slipper MP

Parliamentary Secretary to the Minister for Agriculture, Fisheries and Forestry
Senator the Hon. Judith Mary Troeth

Parliamentary Secretary to the Minister for Family and Community Services
The Hon. Christopher Maurice Pyne MP

Parliamentary Secretary to the Minister for Health and Ageing
The Hon. Patricia Mary Worth MP

Parliamentary Secretary to the Minister for Industry, Tourism and Resources
The Hon. Warren George Entsch MP
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<td>Shadow Minister for Trade, Corporate Governance and Financial Services</td>
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<td>Anthony Norman Albanese MP</td>
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<td>Shadow Minister for Veterans’ Affairs and Shadow</td>
<td>Senator Thomas Mark Bishop</td>
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<td>Shadow Minister for Industry and Innovation and Shadow</td>
<td>Senator Kim John Carr</td>
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<td>Shadow Minister for Children and Youth</td>
<td>Senator Jacinta Mary Ann Collins</td>
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<td>David Alexander Cox MP</td>
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<td>Assistant Treasurer</td>
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<td>Laurence Donald Thomas Ferguson MP</td>
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<tr>
<td>Shadow Minister for Mining, Energy and Forestry</td>
<td>Joel Andrew Fitzgibbon MP</td>
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<td>Shadow Minister for Health and Manager of Opposition Business</td>
<td>Julia Eileen Gillard MP</td>
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<td>Assisting the Shadow Minister for Health</td>
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<td>Shadow Minister for Information Technology, Shadow Minister for Sport</td>
<td>Alan Peter Griffin MP</td>
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<td>and Recreation and Shadow Minister for the Arts</td>
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<td>Shadow Minister for Homeland Security</td>
<td>Robert Bruce McClelland MP</td>
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<td>Robert Francis McMullan MP</td>
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<td>Shadow Minister for Housing, Urban Development and Local Government</td>
<td>Daryl Melham MP</td>
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<tr>
<td>Shadow Minister for Reconciliation and Indigenous Affairs and Shadow Minister for Tourism, Regional Services and Territories</td>
<td>Senator Kerry William Kelso O'Brien</td>
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<td>Shadow Minister for Agriculture and Fisheries</td>
<td>Gavan Michael O’Connor MP</td>
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<tr>
<td>Shadow Attorney-General and Assisting the Leader on the Status of Women</td>
<td>Nicola Louise Roxon MP</td>
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<td>Shadow Minister for Foreign Affairs and International Security</td>
<td>Kevin Michael Rudd MP</td>
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<td>Shadow Minister for Retirement Incomes and Savings</td>
<td>Senator the Hon. Nicholas John Sherry</td>
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<td>Stephen Smith MP</td>
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<td>Wayne Maxwell Swan MP</td>
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<td>Shadow Minister for Communications and Shadow Minister for Community Relationships</td>
<td>Lindsay James Tanner MP</td>
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<td>Kelvin John Thomson MP</td>
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<tr>
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<td>Senator George Campbell</td>
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<td>Kirsten Fiona Livermore MP</td>
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<td>Parliamentary Secretary to the Attorney-General and for Homeland Security; Manager of Business in the Senate</td>
<td>Senator Joseph William Ludwig</td>
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<td>Parliamentary Secretary for Northern Australia and Reconciliation</td>
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The SPEAKER (Mr Neil Andrew) took the chair at 12.30 p.m., and read prayers.

COMMITTEES
Economics, Finance and Public Administration Committee
Report

Mr HAWKER (Wannon) (12.31 p.m.)—On behalf of the Standing Committee on Economics, Finance and Public Administration, I present the interim report of the committee entitled Review of the Reserve Bank of Australia annual report 2003, together with the minutes of proceedings. In August 1996, the Treasurer and the Governor of the Reserve Bank, Mr Ian Macfarlane, agreed that the governor would appear before the House economics committee twice each year to report on the conduct of monetary policy. The public hearings are the only occasions on which the governor is obliged to publicly answer questions about bank policy, including on interest rates. The hearings have therefore played a valuable part in increasing community understanding of the Reserve Bank’s role.

This report is the first in the committee’s review of the bank’s current annual report. In support of the review, the committee conducted a public hearing in Brisbane last December. The hearing was well attended by the public, students and others and, as always, attracted considerable interest from the financial markets and the media. The hearing was held at an interesting time for Australian monetary policy. The value of the Australian dollar was rising rapidly, household debt had increased to an all-time high and there was continued growth in the Australian economy. Just before the hearing, the Reserve Bank increased interest rates twice—in November from 4.75 per cent to five per cent, and in December by another quarter of a per cent.

These were the first increases in 17 months. As reasons for the increases, the bank cited improving conditions in Australian and world economies, the possibility of rising inflation once the effects of the current high exchange rates faded and continuing expansion of domestic credit. Mr Macfarlane defended the rises at a time when other countries are holding their rates steady by pointing to the strong growth of Australia’s economy compared to other countries. He put it in the following terms:

... I know which one I would prefer to have—a good healthy economy with normal interest rates, rather than a sick economy with low interest rates.

Much of the focus of the Brisbane hearing was on the decision to increase rates this time and the tension between the rising exchange rate and the rapid rise in household debt when determining monetary policy settings. Happily, pressures on both these fronts seem to have eased slightly since the hearing. The exchange rate for the Australian dollar has recently retreated from the highs of US80c, and figures released last Tuesday show the biggest one-month decline in investment property loans since 1991. The committee has long been concerned about the high level of speculative investment in housing. The recent data would appear to confirm Mr Macfarlane’s judgment at an earlier hearing that ‘a degree of common-sense’ is finally returning to the housing market.

On other matters, an ongoing issue is whether voting at the board’s meeting should be disclosed. In Brisbane, Mr Macfarlane asserted that disclosing voting patterns would place undue pressure on board members to be advocates for their particular industry sectors rather than making decisions for the economy as a whole. The committee has not recommended any changes to the
composition of the board or publication of its deliberations.

Reform of the payments system has been a priority area for the Reserve Bank in recent years. In the area of credit cards, reforms which came into effect recently have achieved an almost 50 per cent reduction in interchange fees for Bankcard, MasterCard and Visa. The bank advised that it is now monitoring the flow-on of these savings to merchant service fees, and the committee will ask for an update at the June hearing.

In their previous report, the committee noted their concern with the apparently high level of interchange fee applied to BPay. We expressed the view that the bank should undertake an immediate review of this fee. The bank advised that it intends to conduct a thorough study in order to determine whether the current BPay interchange fee is reasonable or whether there should be a fee at all. The committee look forward to the conclusions.

Finally, I would like to thank all committee members—particularly the deputy chair, the member for Chisholm—for their active participation in these important public hearings. I would also like to thank the Governor of the Reserve Bank, Mr Ian Macfarlane, and his staff and to congratulate Mr Macfarlane on his recent appointment as a Companion of the Order of Australia. Also, I would like to thank the Governor for making himself available and to thank his team for the spirit in which they appear before the committee. I have noticed over my five years of appearing with this committee that the governor is becoming far more open and keen to engage in the public debate, and I think at the last hearing we saw him on numerous occasions expanding his comments to us. This can only be a good thing for the transparency and openness of our economy.

The hearing in December came hot on the heels of two recent rate rises that took the cash rate to 5.25 per cent—the first such move in over 17 months. These increases were met with howls of criticism from many quarters, especially from politicians and real estate agents. I am not terribly sure what that says about either profession, but somehow we are now lumped in together. The governor, in his opening address, commented on these criticisms and again tried to make it clear that interest rate rises are not put in place to smooth the housing market. I would like to quote from his opening address:

Ms BURKE (Chisholm) (12.36 p.m.)—I also rise today to welcome the interim report of the Standing Committee on Economics, Finance and Public Administration, entitled Review of the Reserve Bank of Australia annual report 2003. I want to start my speech by thanking the staff instead of being cut off at the end and never getting around to it. I want to sincerely thank all the staff from the committee—Russell Chafer, Susan Cardell, Ryan Crowley, Katie Hobson and Sheridan Johnson—for the phenomenal work they do, especially when we go on the interstate trips. A lot of work is involved in setting up the hearings and making them happen. I would also like to sincerely thank David Richardson from the Parliamentary Library for his work, because without that I am sure none of us would really know what the hell is going on. So I want to thank Dave for all the work he does.

I want also to thank the Governor of the Reserve Bank for making himself available and to thank his team for the spirit in which they appear before the committee. I have noticed over my five years of appearing with this committee that the governor is becoming far more open and keen to engage in the public debate, and I think at the last hearing we saw him on numerous occasions expanding his comments to us. This can only be a good thing for the transparency and openness of our economy.
two increases. I have explained in previous meetings the reason why this long gap occurred.

It is clear that, despite our best endeavours to explain ourselves, a number of people think that the bank tightened monetary policy to cool down the property market. In fact, I have more than once received unsolicited advice that it would be better for us to explain our action in this way because people could more easily identify with it. The overheated property market is something that people can see around them; it is much more concrete than such concepts as inflation targeting or returning interest rates to normal.

However, such an approach would not be consistent with the truth. For a start, signs of overheating in the housing market were clearly evident through the second half of 2002 and all through 2003, yet the bank did not change monetary policy. It was only when it became clear that good economic growth had returned both globally and domestically that rates were raised.

So the governor has gone to extreme lengths to demonstrate that rates have not risen to smooth the housing market, yet the rate rises have had that impact. There was a great deal of discussion about the impact of the rises on households and the governor’s desire to send a message to those speculative borrowers who are purchasing properties as investment instruments.

The warnings that the governor has been sounding about overexposure in the investment market, the influx of apartment developments and dubious lending practices—I cite deposit bonds as one example—have sadly all come home to roost with the collapse of Henry Kaye. The governor’s previous statements and his comments at that hearing about the lack of regulation in the property investment market still continue to be ignored, with the federal government trying to shift blame to the states and, sadly, with investors being left exposed. Things urgently need to be done in this area to ensure that there is a regulatory framework for property investors.

The governor would not be drawn on the actual discussions at the board meetings which resulted in the rate rises or on whether the decision to raise rates was unanimous. This again highlights the concern about the lack of openness of the board process. Given the Treasurer’s and the Prime Minister’s negative comments about the rate rises, and the presence of the Secretary to the Treasury on the RBA board, there is a perception of unease about the board process. Whilst the members of the board who are not from the RBA or Treasury are captains of their respective industries, they are not experts on monetary policy. As we know neither what transpires at board meetings nor the voting intentions of the members, we can conclude only that the debate about economic fundamentals or the forecasting relied on by the board is limited. I mean that there are fundamentally only two people on the board who can actually engage in that level of debate. The governor did state at the hearing that there was no disagreement about forecasting or fundamentals, but he would not expand on that.

Subsequent to the rises, rates have been put on hold, and again that decision was announced with deafening silence. The practice of providing no comment when rates are placed on hold is at odds with an open economy. There has to be a reason why rates are not moved and this should be provided to the market. The governor has now expanded on his notion of natural rates at several hearings. Given that the fundamentals seem to be in place for rates to return to those settings, it seems curious that the governor has not explained why rates remain on hold. The governor was quizzed about the impact of a rate rise of half a per cent on households. While the governor said that he did not believe the impact would be felt by many, he did say that some households would feel it. Again, we need to see more information about the level of household debt.
Ms GAMBARO (Petrie) (12.41 p.m.)—I too am delighted to have the opportunity to speak on the House of Representatives Standing Committee on Economics, Finance and Public Administration report on the Reserve Bank. I would also like to congratulate Russell Chafer and the committee on their fine work. I was absolutely delighted that on this occasion the committee came to my home city of Brisbane. One of the good things about these hearings has been that the Reserve Bank governor has now visited a number of areas around Australia. The hearings in Brisbane were very well attended by a large number of members of the community, as well as schoolchildren. Many members of the community who came along commented to me that it was a wonderful opportunity and it was not every day that one could go to a hearing and hear the Governor of the Reserve Bank of Australia speak about his economic forecasts and a variety of topics.

At those hearings I was very pleased to see that a number of issues were raised, including the economic forecasts. The world has seen terribly uncertain times in terms of SARS outbreaks and economic weaknesses in the first half of the year. In the June quarter most countries saw a decline in their GDP. That caused many central banks, including those in the USA, Canada and Europe, to reduce interest rates. The governor was very optimistic, however, about our domestic situation, and our forecasts for GDP are predicted to be higher in the second half of the year. When he spoke to us at a public hearing in Melbourne in 2003 he forecast that GDP would grow by three per cent in real terms. However, GDP in this country is now expected to grow by four per cent over the course of 2004. It is growing much more strongly than the Reserve Bank had anticipated.

Overall, inflation targeting and monetary policy were areas that were raised by the Reserve Bank governor. He was very happy to keep his objective of two to three per cent inflation in the consumer price index and to ensure that it was maintained within those manageable levels. A number of topics came up. From the viewpoint of many of my constituents who came along, interest rates clearly were an area of interest, particularly in the housing market. In the state of Queensland we have probably had one of the largest increases in housing prices. Where other states have tended to even out over long periods of time and have had gradual increases, we have had increases of between 30 and 40 per cent over the past year. This has particularly been the case in South-East Queensland, where we have had a large economic boom and a large number of people have moved up from southern states. It is an area that is causing quite a bit of contention.

The real estate industry itself and some of the practices that are occurring in that industry are currently under investigation by the ACCC. The member for Chisholm mentioned investors and property speculators such as Henry Kaye. I think that greater controls do need to be put on people like Henry Kaye, and the ACCC has clearly taken a very strong stance against the Henry Kayes of this world.

With regard to monetary policy, I want to quote the Reserve Bank governor. He said that the Reserve Bank had increased interest rates—and there were two interest rate rises that occurred over this period, taking the rate to 5.25 per cent. On the subject of why he had done that, he said that the Australian economy had been 'growing better than comparative countries around the world' and that that was something to be very pleased about. He continued:

I think we should in some sense rejoice in that rather than look on the gloomy side of things and
say, ‘Oh, but our interest rates are higher.’ The two things go together, and I know which one I would prefer to have—a good healthy economy with normal interest rates, rather than a sick economy with low interest rates.

That really says it all. We are in good shape, even though there are a few problem areas such as household credit. Credit debts have risen over a period of time, but our economy is going along very nicely. Our GDP is growing at a healthy rate and the Reserve Bank governor certainly did not indicate to the committee or the hearing that he was alarmed about any aspect of that. He indicated that we were trucking well. As I said earlier, I was particularly pleased that the hearing was held in Brisbane. I look forward to the next hearing, which will be held in Sydney, and I thank the secretariat once again. (Time expired)

Mr Griffin (Bruce) (12.46 p.m.)—The House of Representatives Standing Committee on Economics, Finance and Public Administration report on the Review of the Reserve Bank of Australia annual report 2003 highlights a number of areas where I believe the government has failed to act to protect the interests of consumers. Property investment advice or so-called wealth creation seminars have been a real matter of concern, particularly with some high-profile cases such as that involving the Victorian based Henry Kaye. At the Brisbane public hearing in December, the committee raised the issue of whether there is a need for both Commonwealth and state regulation in the area of property investment promotions.

In response to this issue, the RBA governor, Mr Macfarlane, has made a number of comments. On 8 December 2003 he said:

I am not sure what the final solution to the problem should be, whether it should occur at the federal or state level. But there has to be a means of regulating people who are essentially giving financial advice.

Earlier on, in June 2003, Mr Macfarlane called on the Howard government to fill the regulatory gap relating to property investments. He also said:

... I think there is a need to extend the capacity for ASIC—that is, the Australian Securities and Investments Commission—to do that.

Mr Macfarlane’s comments seem to have been ignored by the federal government, who have refused to take any responsibility for this issue. In light of this government’s refusal to take action to clamp down on property investment scams, the state and territory consumer affairs ministers met with me and Senator Stephen Conroy, our financial services spokesman, on Friday, 12 March in Sydney to look at this issue. This meeting was called due to concerns that the Howard government was hampering efforts by a joint working party to deliver a report into national regulation of the property investment advice industry. At the meeting, Senator Conroy said:

Currently, there is a gap in the regulatory framework. Federal Regulatory bodies such as ASIC, have limited powers to crack down on property spruikers. In addition, the Howard Government is trying to pass the buck on this issue to the states and territories. The result is that, in a buoyant property market, thousands of consumers are being ripped off by property spruikers. The Howard Government’s inaction on property spruikers has had a devastating effect on many Australians.

As a result of the meeting, Senator Conroy announced that a Labor government would introduce a national regulatory regime administered by the Australian Securities and Investments Commission to regulate the property investment advice industry. In addition to this, the state and territory ministers signed for the first time a joint consumer protection agreement under which they agreed to establish a national register of...
property investment scheme promoters, collate and exchange complaints against property investment promoters and assist ASIC once a national regulatory regime is introduced.

Another issue raised at the 8 December public hearing was the issue of bank fees, particularly credit card fees, which have risen rather dramatically since the RBA reforms to credit card interchange fees were introduced. Australian consumers were told that they would see real benefits from the cut in the credit card interchange fee announced two years ago. In parliament on 27 August 2002, the Treasurer himself said:

...it is estimated that this will reduce interchange fees which are charged by banks by $300 million to $400 million per annum. I call on the Australian banks to accept that decision and, as a consequence, to allow the users of credit cards the value of that reduction in their fees, which is estimated at $300 million to $400 million once the reforms take effect.

At the time, Labor raised concerns that the banks might seek to recoup lost revenue by increasing credit card and other bank fees. Labor’s predictions were proved right. We have seen the banks increase credit card fees and charges, swallowing up the savings that consumers should have received. The Reserve Bank believes that increased competition will bring down the fees and charges that consumers pay on their credit cards. So far, we have not seen much evidence of this. However, consumers need action right now. The government should immediately act on Labor’s repeated calls for the ACCC to be directed to monitor bank fees and charges.

The third issue I wish to raise is that of foreign ATM fees. I spoke on this issue before when the Joint Committee on Corporations and Financial Services report entitled Money matters in the bush and the supplementary report on ATM fee structures were released. At that time I raised concerns that the coalition members on the committee had signed off on a report that would allow banks to charge people in rural and regional areas a higher rate for using an ATM. Currently, banks charge their customers a foreign ATM fee when they use an ATM owned by another institution. This fee is the same whether you live in Melbourne or Bairnsdale. However, the Reserve Bank is proposing to allow banks to charge rural consumers higher fees to use an ATM. International experience has shown that, when differential fees have been allowed, people in rural and regional areas have been hit with massive price hikes. Foreign ATM fees have already risen 262 per cent since 1995. This is clearly an issue which needs to be dealt with. (Time expired)

DELEGATION REPORTS

Australian Parliamentary Delegation to the General Conference of the Council for Security Cooperation in the Asia Pacific, Jakarta, 7-9 December 2003

Mr BRUCE SCOTT (Maranoa) (12.52 p.m.)—On behalf of the delegation to the general conference of the Council for Security Cooperation in the Asia Pacific—CSCAP—held in Jakarta between 7 and 9 December 2003, I have pleasure in presenting this report to the House. The Joint Standing Committee on Foreign Affairs, Defence and Trade has for some time noted CSCAP’s work and achievements in promoting dialogue in the areas of security and international affairs in the Asia Pacific. In April 2003 the committee visited New Zealand as part of the New Zealand parliamentary committee exchange program. As part of that visit, the committee examined in detail the objectives and achievements of CSCAP. In addition, the committee received a briefing from Australia’s representatives to CSCAP about their work and the future program. CSCAP is seen as an ideal track two organisation to develop ideas and policies.
The committee considered that there would be merit in seeking approval for two members to attend the general conference of CSCAP, which was held in Jakarta between 7 and 9 December 2003. The committee was fortunate and thankful to receive support from the Minister for Foreign Affairs and from the Minister for Defence, and the approval for the visit from the Prime Minister. In addition, I would like to note the support of the Presiding Officers. The Joint Standing Committee on Foreign Affairs, Defence and Trade was represented by Mr Price, who is the Deputy Chair of the Defence Subcommittee, and me.

CSCAP was established in 1992-93 to provide ‘a more structured regional process of a nongovernmental nature to contribute to the efforts towards regional confidence building, and enhancing regional security through dialogues, consultation and cooperation.’ Mr Des Ball, a co-chair of Australia CSCAP, commented that CSCAP:

… confronts immense difficulties in promoting multilateral security cooperation in a world in which national interests count for more than the common good and power politics ultimately. But it is an organisation with enormous potential, comprised of representatives from the leading academic centres and other research institutes specialising in Asia-Pacific security matters, as well as government officials (retired and current) with great practical experience in international affairs involving the Asia-Pacific region. Membership of CSCAP includes almost all countries in the Asia Pacific region. CSCAP produces a series of newsletters which contain articles on a range of current issues. The working groups are the primary mechanism for CSCAP activity. The five working groups will address confidence and security building measures, concepts of cooperative and comprehensive security, maritime cooperation, the North Pacific and transnational crime. In addition to the efforts of the working groups, a general conference is held every two years. In 2001 the general conference was held in Australia.

The theme for the 2003 general conference was the strategic outlook for the Asia Pacific. The key sessions focused on the Indonesian defence white paper, the rise of China and its impact on the Asia Pacific, developments on the Korean Peninsula, security challenges for Timor Leste, the world after the Iraq war, comprehensive measures to counter terrorism, Islam in the region, and security challenges in South-East Asia and the South Pacific. The range of speakers was diverse and included people from academia, public servants and ministers. The keynote address was given by His Excellency Susilo Bambang Yudhoyono, the Indonesian Coordinating Minister for Political and Security Affairs. As part of the session on developments in the Korean Peninsula, the former Vice-Minister of Defence for the Republic of Korea, General Park Yong-Ok, addressed the conference. In relation to the security challenges facing Timor Leste, His Excellency Jose Ramos Horta, Minister for Foreign Affairs for Timor Leste, addressed the conference. Australia’s Minister for Foreign Affairs, Alexander Downer, gave a luncheon address on the world after the Iraq War, which was widely reported. The discussions dealt with a range of pressing issues which affect the security of all countries in the region and more widely.

Global security has been fundamentally changed since the events of 9-11 2001, and tragically the rise of terrorism has been experienced closer to home through the Bali bombings and other terrorist atrocities. The conference therefore focused on meeting and responding to terrorism through effective counterterrorism measures. A view was conveyed at the conference that, during the 1990s, governments and intelligence organisations did not understand the level of terror-
The challenge now exists to develop counterterrorism measures that are effective yet sensitive to cultural and religious needs and preferences. Australia’s Minister for Foreign Affairs, during his address to the conference, discussed counterterrorism and the role of Islam in the region. I present a copy of my statement. (Time expired)

Mr PRICE (Chifley) (12.57 p.m.)—I rise to support the remarks of the honourable member for Maranoa in relation to the CSCAP conference. CSCAP—the Council for Security Cooperation in the Asia Pacific—is a nongovernment organisation established to provide a dialogue on security issues in the Asia Pacific region. Basically, it was established to complement government discussions on security. As a nongovernment organisation it utilises the expertise of academics, private security experts and specialists.

The idea for CSCAP first emerged in November 1992 when representatives of two dozen strategic studies centres from 10 different countries, including Australia, decided it would be in their mutual interest to establish ‘a more structured regional process of a nongovernmental nature to contribute to the efforts towards regional confidence building, and enhancing regional security through dialogues, consultation and cooperation.’ Just over eight months later, on 8 June 1993, CSCAP was formally established at a meeting in Kuala Lumpur. The CSCAP charter was endorsed at a meeting in Lombok in December of that year and subsequently amended in August 1995.

The 10 original countries with full membership status were Australia, Canada, Indonesia, Japan, South Korea, Malaysia, the Philippines, Singapore, Thailand and the United States, and in the intervening years they have been joined by China, New Zealand, North Korea, Russia, Vietnam, Cambodia, Papua New Guinea and the European Union, while India has associate member status and the Pacific Islands Forum is an observer. CSCAP activities are guided by a steering committee which meets twice a year and is co-chaired by one ASEAN and one non-ASEAN member nation, currently Singapore and Canada. I would like to congratulate our Indonesian hosts on the success of the CSCAP conference in Jakarta. As the member for Maranoa has said, the opening address was given by Bambang Yudhoyono, the minister for security.

The working groups of CSCAP are the primary mechanism for its operation. Topics include confidence- and security-building measures, concepts of cooperation and comprehensive security, maritime cooperation, the North Pacific and transnational crime. The key sessions of the conference that the member for Maranoa and I were able to attend were those on the Indonesian Defence white paper, the rise of China and its impact on the Asia-Pacific, developments on the Korean peninsula, security challenges for Timor Leste, the world after the Iraq war, comprehensive measures to counter terrorism, Islam in the region, and security challenges in South-East Asia and the South Pacific.

One of the great advantages of CSCAP is that it is a track two organisation, so ideas and solutions which are sometimes difficult for ministers and governments to embrace first off can be canvassed by the participants. It is a very successful organisation and one that is strongly supported by the Australian government. In that respect, I would like to thank the Minister for Defence and the Minister for Foreign Affairs for the opportunity to be in Jakarta.

The highlight for me was seeing our American friends and representatives from
North Korea in one session at the front table arguing strongly about what was happening in the Korean peninsula and, in the next session, sitting alongside one another and chatting quite amiably. One would never have thought that that was possible, given the earlier session. I strongly support the concept that Australia, through members of parliament, should be represented at the next CSCAP conference. I thought it was of great benefit both to me and to the honourable member for Maranoa.

PRIVATE MEMBERS' BUSINESS

World Food Program

Mrs MAY (McPherson) (1.02 p.m.)—I move:

That this House:

(1) recognises that:

(a) poverty and hunger remain the most important challenges facing the international community;

(b) the United Nation’s World Food Program (WFP) remains the most effective way of alleviating world poverty; and

(c) the WFP’s mandate and mission are strongly relevant to Australia’s overall humanitarian objectives;

(2) also recognises that:

(a) the alleviation of poverty assists the building of political stability, aids in the provision of education and training, and lowers levels of sexually transmitted diseases such as HIV/AIDS;

(b) the work of the WFP in its “Food for Work,” program assists in the provision of much needed infrastructure in some of the world’s poorest nations;

(c) the “Food for Life” program is the quickest and most effective way of providing displaced persons and those affected by natural disaster with lifesaving food when their own nation state is unable to provide assistance; and

(d) the “Food for Growth” program is a vital means of providing food to pregnant women, school children and babies who would not otherwise receive adequate food to aid their growth;

(3) understands that the Federal Government:

(a) has a large financial commitment to the World Food Program on both an ongoing and an occasional basis; and

(b) has committed $56.3 million since March 2002, including a contribution of $12.8 million to help ease the food crisis in southern Africa and a contribution of $1 million to assist the survivors of the Bam earthquake; and

(4) congratulates:

(a) the Federal Government on its ongoing support of the World Food Program; and

(b) the World Food Program on 40 years of fighting hunger and poverty.

It has been said that the single greatest issue facing the world in the modern age is hunger. Hunger affects nearly 800 million people worldwide and contributes substantially to increased incidence of the AIDS virus, civil unrest and an ongoing lack of infrastructure in some of the world’s poorest nations. Before beginning, I would like to thank my colleague the member for Pearce for seconding this motion. I understand that the member for Pearce, like me, has a longstanding interest in this area, and I congratulate her on joining me in recognising that the World Food Program is the world’s most important and effective tool in the war against hunger. The WFP was created for only one purpose—to fight hunger—but in its 40-year history this aid program has surpassed its initial mandate and surprised even its creators with the length and scope of its effect on the lives of some of the world’s poorest people.

In September 1960 the United States President, Dwight Eisenhower, proposed to the United Nations General Assembly that ‘a workable scheme should be devised for pro-
viding food aid through the UN system’. The World Food Program was scheduled to go into operation in 1963 as a three-year experimental program. The first session of WFP’s governing body, the intergovernmental committee, was held in February 1962. Two months later, Addeke Boerma was appointed as the WFP’s first executive director.

Recently, here in parliament, I had the privilege of attending a lunch with special guest Mr James T. Morris, who is the current Executive Director of the WFP—a remarkable man who, through his organisation, has achieved some remarkable results through three simple yet effective programs. The WFP has introduced far-reaching reforms and implemented a wide range of initiatives at the policy, strategic, administrative, program and project levels. Mr Morris and the WFP understand that productive communities cannot be developed when people are hungry, therefore the WFP has implemented some exciting and well-targeted programs for those special needs areas and communities. Today I would like to touch briefly on some of those programs.

There is the WFP food for work program. In this program, food is provided in exchange for work on the building of community assets and improving rural infrastructure. Food is often a more attractive form of payment for manual labour than cash in countries with poorly developed markets and sharply fluctuating food prices. Prior to this program, workers could be paid in the local currency and, by the time they could buy food, the local currency would have been devalued to such an extent that they might only buy a few morsels instead of the feast they had worked for. The food for work program has removed any problems the devaluation of currency causes by paying workers in food, allowing major infrastructure projects, which will be beneficial to the whole community, to be built much more effectively, with a great benefit to those who are employed on these projects. I believe the WFP is to be congratulated for helping poor people build and preserve productive assets—assets which will lead some of the world’s least developed countries on the road to self-reliance and diversification.

There is also the food for life program, which is the quickest and most effective way of providing lifesaving food to displaced persons and those affected by natural disaster, when their own nation or state is unable to provide assistance. Catastrophic events and natural disasters, sometimes on a daily basis—like an earthquake, a flood, civil unrest, armed conflict or drought—often require the WFP to act quickly and urgently to respond to these emergencies as they happen. From Armenia to Indonesia, from Bangladesh to Sierra Leone, from the Sudan to Afghanistan, the WFP has been there, because the WFP is an institution that for over 40 years has embodied the principle that food should reach people when they need it, wherever they need it.

There is also the food for growth program—a program that is vital in providing food to pregnant women, schoolchildren and babies who would otherwise not receive adequate food to aid their growth. It has been said that the future of all countries can be found in our children. It is for this reason that the WFP has school feeding programs in more than 60 countries around the world, helping some 15 million children per annum. That is some record. This program allows children to grow, attend school and eventually become productive members of society. Millions of people around the world would not have survived childhood and gone on to raise healthy children of their own had they not been fed, with the WFP’s assistance, at critical moments in their lives. But even with so many children helped, there are around 12 million deaths of children under the age of
five from malnutrition every year around the world. The food for growth program also targets expectant mothers, allowing pregnant women to have a much better chance of giving birth to a healthy child.

The WFP’s work is not just about food. It is about the future and the type of world we all want to live in. Too often we bury our heads in the sand. Life is very comfortable here in Australia. We are a wealthy country in many ways. We need to remind ourselves of our obligations to those in our world who do not enjoy the standard of living we do. Hunger is a tragedy that kills not only individuals but also the creativity, productivity and hope of those who continue to survive.

As I have said in my motion, the alleviation of poverty assists the building of political stability, aids in the provision of education and training and lowers levels of sexually transmitted diseases such as HIV-AIDS. I am sure it is easy to see how food programs are beneficial to political stability, which in turn is beneficial to the long-term development of a nation, but I would like to highlight an interesting aspect of the WFP which attempts to halt the spread of AIDS. The WFP has collaborated with its partners to implement 16 different HIV specific projects. Among them is a pilot project in Armenia, where the number of newly infected people is rapidly increasing. The WFP provided food as part of a package of services that includes counselling and medical examinations. Another program is in China where the WFP worked closely with UNAIDS to bring information about the AIDS virus to over 200,000 farmers. In both of these cases, these programs have been remarkably effective.

Mr Morris and his team deserve to celebrate the past 40 years of the WFP. They have a right to celebrate the many lives saved and the communities and countries that have been rebuilt with rehabilitation and development activities that help sustain populations after the onset of a disaster. But Mr Morris and the WFP need our support. They need the continuing support of countries around the world to continue this work. I am proud to say that Australia has contributed and will continue to contribute to the WFP. It is part of Australia’s aid program. In 2003-04 Australia is providing $61.1 million in core contributions to UN development and humanitarian organisations. To the WFP, we are contributing $31 million. Our investment in WFP is an investment in a hunger free world.

The statistics speak for themselves. There is enough food in the world today for every man, woman and child to lead healthy and productive lives, yet one out of every seven people on this earth is suffering from hunger. The WFP’s vision is a world in which everyone has access at all times to the nourishment they need for a full life. It believes that the issue of hunger belongs at the top of the international agenda. I too believe that is where the problem should stay. I have seen for myself the poverty, hunger and disease of developing countries. I have seen what happens to young children and nursing mothers when they do not receive the proper nutritional requirements they need for growth and development. Hungry children cannot be expected to learn—to sit in a classroom and achieve—and a nursing mother without proper nutrition will give birth to an under-developed child.

The WFP needs help from us all. It has waged a war against hunger for 40 years and I have no doubt this will continue for another 40 years. We all need to get involved, to become aware, and of course the Australian government needs to continue its support through our overseas aid program of the World Food Program. It is important for the future of our world, our children, that this...
support is not only rhetoric. Words will not feed a hungry child. Food, however, will build a strong, healthy child who will become a productive member of the world community; food will help an expectant or nursing mother raise a healthy child; food will help a society build vital infrastructure; and food will help stop the spread of AIDS and civil unrest.

Congratulations to the WFP on the occasion of their 40th anniversary. To James Morris and his team, I hope they enjoy another successful 40 years, but I hope they will have both moral and financial support from the international community, including Australia, so that the programs can continue to ensure a future for our children and the children of the world. (Time expired)

The DEPUTY SPEAKER (Hon. I.R. Causley)—Is the motion seconded?

Mrs Moylan—I second the motion and reserve my right to speak.

Ms HOARE (Charlton) (1.12 p.m.)—I thank the member for McPherson for moving this motion and bringing the work of the World Food Program to the attention of the House. This is an important debate and one where we must recognise that hunger and poverty remain the greatest challenge to face the world. We cannot ignore that the shortage of food and wealth among the majority of the world are a factor in heightened levels of terrorism. The United Nations World Food Program began 40 years ago to combat hunger in disaster areas and where poverty and illness act as an obstacle to socioeconomic development. While millions of people would not have survived childhood and grown into adults with families of their own without the assistance of the WFP, still too many millions of others continue to go hungry. The WFP’s 40 Years of Fighting Hunger publication states:

Hunger is a tragedy that kills not only individuals, but also the creativity, productivity and hope of those who continue to survive.

Today, in a world where wealth and economic growth prosper, it is a tragedy that millions of people still go hungry. The WFP continues to work to reduce levels of hunger and starvation. Success of the program’s efforts can be seen in the reduction in the number of children who die from starvation. In 2002 the WFP assisted 72 million of the world’s poorest people—14 million people were helped through development programs, 44 million people benefited from emergency operations and 14 million people were assisted through protracted relief and recovery operations. This included the provision of 3.6 million tonnes of food for hungry men, women and children.

In the 1960s almost one-third of children in developing countries died before reaching five years of age. Today this has been reduced to 10 per cent. However, this is still far too many. The WFP’s 40 Years of Fighting Hunger publication also cites other significant successes in combating hunger. The number of chronically undernourished adults has dropped from more than 950 million in 1970 to 815 million in 2000. The number of underweight children has fallen from 221 million in 1980 to 160 million today, with expectations of a further decline to around 120 million by 2020. This is rather remarkable given that the world’s population almost doubled during this period. However, we cannot forget that there are still around 24,000 people who die from hunger and related causes every day. In the developed world, where we waste so much food, it is time we reflected on the extravagance of such waste.

I will turn to comments made by the Executive Director of the World Food Program, James Morris, concerning the challenges that the organisation has faced in recent times:
Widespread drought and natural disasters … collapsing economic and political systems and HIV/AIDS have caused a dramatic increase in the demand for food aid. The numbers are telling: in 2002, the international community struggled to feed an additional 25 million people in Africa alone. WFP rose to this challenge, providing life-saving and livelihood-saving food to 72 million people in 82 countries. But the numbers do not tell the full story. Each number represents a person in need: a mother struggling to feed her family, a grandparent caring for orphans, a child hoping for a school meal, a returnee seeking new opportunities and assets. I have seen their faces and know that we can help.

Seventy-eight per cent of people helped by the World Food Program are women and children. The WFP runs the Into School, Out of Hunger program. Children are provided with meals at school to encourage those who go without food to attend classes. Children who attend school and have not had a good feed beforehand have a lower concentration level and are distracted by hunger. This can seriously affect their learning and over the long term it has a terrible effect on their life chances. Often they do not go to school at all—it is more important to a starving child to get enough to eat. In 2001, the World Food Program fed over 15 million children in schools in 57 countries.

Finally, I must comment on the last part of the member for McPherson’s motion. I cannot support a call that the House congratulate the government for its ongoing support for the World Food Program when it has failed to maintain its overall obligations to overseas development assistance and population program funding. Australia’s level of assistance is currently 0.25 per cent of GNI, having fallen from 0.36 per cent. The World Bank has advised that this figure needs to be doubled immediately if we are serious about addressing the issues of poverty, gender equity, women’s empowerment and global health. The goal for OECD countries is 0.7 per cent. We must all make that commitment—(Time expired)

Mrs MOYLAN (Pearce) (1.17 p.m.)—I would also like to join in congratulating the member for McPherson for bringing forward this motion to the House. It is, as my colleague has said, a very important issue. On this 40th anniversary celebration, the motion draws attention to the very high level of poverty and hunger in the world today and the terrible things that ensue from that. I think it certainly continues to be one of the most persistent and challenging problems that the world faces. The fact that there are 800 million chronically undernourished people in a world that actually does have the capacity to produce sufficient food for all people is, I think, the greatest tragedy of all. This problem could be solved if everyone took responsibility for it and if all of us who have food on our plates every day were willing to perhaps consider just sharing a little with those who do not have it. It is a very persistent and challenging problem. It is one that can be solved only if everyone participates in contributing to the solutions.

Australia is a significant contributor of food aid and, importantly, food security. One of Australia’s great strengths, I think, is in providing its agricultural expertise to many countries in the world to encourage them to grow their own produce. You will find Australians working in many parts of the world, some of which I have travelled to. There are some outposts in Tibet where Australian aid money was helping to provide water, because, without water and wells, people are unable to grow their own produce very successfully. So Australia’s contribution is not just in hard, cold cash and sometimes in produce; it is also in practical programs to help people to become self-reliant and self-sufficient. I know that is one of the major thrusts of the UN World Food Program. It promotes self-reliance through food for work
projects such as terracing hillsides, repairing irrigation and other major infrastructure works. I too join in congratulating James T. Morris, the Executive Director of the World Food Program. I also had the pleasure of meeting him recently, when he visited Parliament House. The work they do is immense. It started a long time ago, back in 1960, when then President Dwight Eisenhower set this program in train.

I spoke in this House earlier about the war in Iraq. I made the point then that if, in the longer term, we seriously think that we can tackle terrorism and maintain peace in the world, we will have to look deeper than we already have for some of the answers. I feel quite certain that crippled debt and poverty mean that the desperate and dispossessed provide easy targets for those who are intent on recruiting people from poverty stricken areas—those who play on that desperation and dispossession to create additional conflict and division between peoples, countries and religions. So a commitment by us to work towards the eradication of poverty has become vital, I believe, in ridding the world of the threat of terrorist acts and future wars.

Equally vital should be our commitment to rehabilitating countries like Iraq that have faced hard times. According to the figures that I got from UNICEF around the time of the Iraq war, almost half of Iraq’s total population are children, with 11.3 million under the age of 18. Of 3.5 million children under the age of five, more than one in eight died before their fifth birthday. This is in a country that is actually a wealthy one. A lot of that problem comes from not having an adequate diet, as my colleague has already very ably pointed out. There is much more I could say about this, but it is important that we all work together to eradicate poverty and food shortages throughout the world. I congratulate the World Food Program and James T. Morris on this 40th anniversary and for the contribution they make in fighting hunger and poverty in the world today.

Ms VAMVAKINOU (Calwell) (1.22 p.m.)—Despite rising poverty levels in Australia, extreme life-threatening hunger is almost invisible here. We rarely encounter it face to face. However, global problems of hunger and malnutrition are actually getting worse, not better. Roughly 10 million people die each year due to hunger and malnutrition. The vast majority of these victims are women and children. Tragically, in the next five minutes alone, 62 children will die from hunger and malnutrition. Fortunately there are many valuable organisations, such as the United Nations World Food Program, working towards alleviating this tragic situation. Established in 1963, the World Food Program is the United Nations’ front-line agency in the fight against global hunger, feeding over 72 million people in 82 countries every year, and providing millions more with much-needed education and infrastructure.

Labor supports and wholeheartedly congratulates the government for its financial support of such a worthy organisation. I would also like to congratulate the member for McPherson for introducing this motion and giving us the opportunity to speak about the world food bank in the parliament today. However, despite the government’s recognition that the World Food Program’s mission and mandate are strongly relevant to Australia’s overall humanitarian objectives, and despite the member for McPherson’s recognition that the World Food Program remains the most effective way of alleviating world poverty, fighting AIDS, promoting education and building political stability, the government’s overall financial support of this program and associated humanitarian agencies has decreased.
The government’s recent announcement to withdraw from the International Fund for Agricultural Development, a partner organisation of the world food bank and the only development bank with a specific charter to alleviate rural poverty in developing countries through agricultural development, is a good example of this. Such withdrawal is extraordinary, given the government’s vocal support for poverty alleviation and agricultural development. It is extraordinary, given that all other OECD nations have significantly increased their contributions to the International Fund for Agricultural Development, with the US boosting its funding of the fund by 50 per cent.

It would seem that much of the government’s talk on the value of humanitarian aid is in danger of being merely rhetoric. Even more extraordinary is the government’s lack of adequate assistance in the reconstruction efforts in Iraq and Afghanistan. Responding to these politically induced crises, which have left millions without essential food and infrastructure, has increased the demands on the World Food Program’s limited budget by some 20 per cent. Australia’s financial contribution to the World Food Program’s Iraq reconstruction fund has not increased by this same proportion.

The extent of the Howard government’s minimal commitment to the humanitarian and economic reconstruction of Iraq and Afghanistan was apparent at the international donors’ conferences following both conflicts. Seventy governments attended the conferences, each represented by ministers and senior government members. The Australian government, in contrast, sent only low-level and junior representation. This lack of high-level representation is reflected in the dimensions of its financial contribution to economic reconstruction. If the government is serious about humanitarian aid, and truly values the role played by the UN, it has to be consistent in its approach to aid and to the United Nations. Lip-service will not save lives, and will only diminish our international reputation as good citizens and good neighbours.

It is imperative that the government reprioritises humanitarian aid and the value of the United Nations. Fortunately, there are plenty of opportunities for it to do so. It is not too late to contribute more funds to the World Food Program or reverse our withdrawal from the International Fund for Agricultural Development. If the government is serious about liberating the people of Iraq it must increase its support of the reconstruction effort.

Labor recognises that it is both our moral responsibility and in our national interests to provide greater financial support to the WFP, and specifically to the reconstruction efforts in Iraq. We recognise that alleviating hunger and poverty is the most effective way of fostering stability, education and health in poverty-stricken nations. In this era of international political volatility, promoting stability in such nations is of more importance than ever. Indeed, it is a matter of national and international security, and our best weapon in the war against terror. Filling the stomachs and educating the minds of African or Middle Eastern children is our best weapon against recruitment by terrorist organisations, such as al-Qaeda, who use poverty and seeming Western arrogance and nonchalance as a major recruiter. The terrorist attacks on New York, Washington, Bali and now Madrid are a chilling indication of what can happen when prosperous nations ignore the plight of the world’s disadvantaged and marginalised people. It is in fact our moral responsibility as a stable and prosperous nation to look after those countries that are less fortunate. (Time expired)
Mr JOHNSON (Ryan) (1.27 p.m.)—It is a pleasure, as always, to speak in the chamber of the House of Representatives. First of all, I want to commend and congratulate the member for McPherson for bringing this motion to the parliament for discussion and debate. I also want to congratulate her on her unanimous endorsement for the seat of McPherson by Liberal Party members in her electorate. I want to speak on this motion wearing three hats. Firstly, of course, I want to speak as the federal member for Ryan, representing my constituency; secondly, I want to speak as the chairman of the All Party Parliamentary Group on Population and Development; and, thirdly, I want to speak as an Australian—a resident and citizen of this country. I think this is a fantastic motion and it is something that members of parliament must discuss, debate and provoke some discussion about in the community.

Poverty and hunger certainly remain an absolutely critical challenge for all countries of the international community and of course for this country as well. Over 800 million people are chronically undernourished in a world that can actually provide them with food. This world of ours does have the capacity and the resources to feed us all. But we see on many continents of the world people suffering through malnourishment and poverty. It is something that this government and this country must do something about in our own small way.

Poverty reduction is certainly a key objective of the Australian aid program, and the United Nations World Food Program is a vehicle by which this can be done. I understand that the World Food Program plans to assist some 65 million people in 2004, of whom an estimated 54 per cent will be women and girls. The corresponding projected food aid needs are estimated at 5.1 million tonnes and valued at nearly $US3 billion. As we know, the current world climate is not pleasant. In fact, it is an indictment of our world and all those who are leaders of governments and nations around the world.

As a citizen of this country, a member of the House of Representatives and the federal member for Ryan, I encourage all governments around the world to come together to address this issue because of the number of people that are afflicted by something that is completely unnecessary. It is an absolute shame. I want to call on those of us who are leaders in our community, particularly those of us who are leaders of governments and nations, to come together and maybe try and bring together something like the Marshall Plan, which the world witnessed after World War II. If we had a war on poverty and hunger we might not have some of the terrible issues that we face today. We might not be having a war on terror. If we try and address some of the root causes of poverty and hunger, we might be able to make a difference in our world.

This financial year, the Australian government announced a $1 billion food security pledge over five years. That is one way in which this country can make a difference, and I want to commend the government for that. Over one billion people—one-fifth of the world’s population—live in extreme poverty. Two-thirds of them live in our own Asia-Pacific region. Reducing poverty in our region is the key challenge for Australia’s aid program. As a small country with 20 million people we cannot do everything, but we can certainly play our part. As a member of the Howard Liberal government, I am certainly very much encouraging those that lead this government to continue to act very strongly and keep their eye on that important aspect of Australian government policy.

Australia has supported the World Food Program since its establishment over four
decades ago. We have been a good international citizen in that respect. I want to comment on one country in particular—Vietnam, where Australia’s regular contributions over the last five financial years have been substantial. I say that because I am the chairman of the Australia-Vietnam parliamentary committee and because it is something that we should be very proud of. There is, of course, much more that we can do—there is always going to be much more that we can do. I know that members of the parliament would want us to do as much as we can and to acknowledge that there is probably much more that we can do. Feeding the people of the world who are less fortunate and privileged than us is our obligation.

Mr JENKINS (Scullin) (1.32 p.m.)—The motion sponsored by the honourable member for McPherson gives the House an opportunity to discuss something which is very important if we are to achieve world peace. The eradication of poverty and hunger must be the utmost aim if we are to achieve that worthwhile goal. The work of the World Food Program is, quite rightly, acknowledged by this debate. Over its 40 years of existence the World Food Program has done quite a lot. In 2002, it assisted 72 million people in 82 countries. In its 40 years of existence it has invested something in the order of $US27.8 billion and has contributed more than 43 million tonnes of food to combat hunger and promote economic and social development and provide relief assistance in emergencies throughout the world.

But, despite that, the challenge is quite enormous and continues. In 2000, under the UN umbrella, 189 countries endorsed eight millennium development goals. The first of these was to halve the number of poor and hungry people by 2015. If we look at the progress three years on, much of this dream remains unfulfilled. In order to achieve the goal, the number of hungry people must be reduced by 24 million people each year from now until 2015—almost 10 times the pace achieved since the early 1990s. Simply put, in the 45 minutes allotted to this debate today something like 750 people will die because of hunger. We need to support the United Nations World Food Program. We need to support their work to give people a chance to break the cycle of daily deprivation, to encourage education, self-sufficiency and stability, to help refugees return home and to give children the chance to escape exploitation.

Last December, in a delegation led by you, Mr Deputy Speaker Causley, I visited two projects sponsored by the World Food Program in urban Jakarta. They were samples of the work that the World Food Program does which give an indication of its importance. In Jakarta, behind the streetscape that gives some image of prosperity, we found the slums beside the river in Cipinang Besar Salatan. We saw the work of the implementing partner—a non-government organisation known as PaRaM, or Food for Poor People. We saw the way in which the 600 or so families that lived in this area received subsidised rice. But importantly, the undernourished children that lived in the community were given a soy based nutrition supplement and mothers were given assistance through a nutrition program. We also went to a slum that, chillingly, was erected in a cemetery in Menteng Atas, where the dwellings were over graveyards. Here, a consortium called the Consortium for the Empowerment of the Poor is the implementing partner. Here, it tries to give some self-sufficiency to those people that find themselves as urban poor or internally displaced people.

This type of work, to which Australia has contributed funding, is very important, even in a near neighbour of ours such as Indone-
sia. As has been discussed in this debate, even though the World Food Program as a multilateral effort under the auspices of the United Nations is most important, regrettably, I suppose, each of the contributing nations needs to have a look at the way in which they can increase their contribution. Whilst it is acknowledged that Australia contributes to the World Food Program, regrettably the $31 million that will go to the WFP this financial year is a figure that indicates the way in which our support is tracking downwards from 1996-97, when it was nearly $54 million, and its peak in 2000-01, when it was $92 million. The percentage of GDP that is devoted to overseas development aid in total is now 0.25 per cent. This is down from a peak in 1974-75 of half a per cent of GDP and 0.32 per cent in 1995-96. The ALP’s national platform accepts the internationally agreed aid target of 0.7 per cent of GNP, but, in the interim, Labor hopes to go, as quickly as circumstances permit, back to the 1995-96 target of 0.32 per cent of GNP. This criticism is not only of the present administration; I acknowledge that the Labor government that I was a member of reduced this aid—(Time expired)

Mr FORREST (Mallee) (1.37 p.m.)—I would like to thank the member for McPherson for bringing this motion to the chamber’s attention, giving us all an opportunity to talk about our aspirations. The member for Scullin was quite right in his opening remarks: a world of peace cannot have such people enduring poverty and hunger in such large proportions. It is very much a substantial part of what we can do. I wanted to contribute to the debate, because I often hear a mean-minded spirit in the Australian community with the inference that charity begins at home. I have absolutely no support for that position at all. Surely from our position of affluence we can meet the needs of others, particularly of near neighbours, whose fortunes are not as prosperous as our own.

It is interesting to look over the 40 years of the history of the World Food Program. It was instigated in 1960 in an initiative of United States President Dwight Eisenhower. He proposed to the UN General Assembly that ‘a workable scheme should be devised for providing food aid through the UN system’. The WFP was scheduled to go into operation in 1963 as a three-year experimental program. The first session of the WFP’s governing body, the intergovernmental committee, was held in February 1962. Two months later Addeke Boerma was appointed as the WFP’s first executive director and it was on its way. Now, 40 years later, we can discuss its successes.

I am pleased to see that the WFP’s mandate and mission have been strongly relevant to the Australian government’s overall humanitarian objectives over the years. The WFP continues to perform well, under strong leadership that is committed to the reform process and improving efficiencies and the impact that food has in vital regions around the globe. Over the past 10 years the WFP itself has been through a period of major change and has transformed itself into a more strategic organisation, capable of responding flexibly and rapidly to emergency situations. It has introduced far-reaching reforms and implemented a wide range of initiatives at the policy, strategic, administrative and program level. In response to points that both the member for Calwell and the member for Scullin have made about Australia’s reduction of its regular contribution to $31 million, this has been done in order to assist that flexibility, so that where immediate crises occur—such as the earthquake in Bam or other crises that communities are confronted with—Australia can play its part in making contributions.
Australia has contributed $7.7 million to the WFP though the UN flash appeal for Iraq, including $3 million to support food distribution, $2.7 million to support logistic services and $2 million to support the UN humanitarian air service, which provides support for WFP and other UN agency operations. WFP fed the bulk of Iraq’s 27 million people for a period of seven years under the UN oil for food program, which used Iraqi oil revenues to purchase and manage $46 billion worth of humanitarian supplies and projects. Since 21 November last year the WFP has been assisting with the handover of the oil for food program to the coalition provisional authority and to new Iraqi ministries.

I am really pleased to see that Australia’s latest cash contribution of $12.8 million will be used by the WFP to provide urgent assistance to millions of Africans. Certainly, Africa—and you think of the Horn of Africa all the way down to the south—is vulnerable to severe drought, which we know a little about in Australia, having endured the worst of our own in 100 years; failed harvests; and, in some cases, very poor governance, particularly in Zimbabwe, which is the worst affected country, with 7.5 million people, including 65 per cent of the urban population, needing assistance. So things are bad under poor administrative governance—very bad government—in Zimbabwe.

So I join with other members to congratulate the WFP on 40 years of strong activity. They are well respected by governments around the world. I am pleased the Australian government places such a high priority on assisting developing countries with food security under the range and variety of programs that other members have described. I am proud to stand here and see that Australia and Australians are playing an important part.

Mr QUICK (Franklin) (1.42 p.m.)—Why do many in this House today support this motion regarding the World Food Program and why has the member for McPherson raised it in the House today? I would like to think that it is part of our social conscience to raise many of these issues which are not necessarily up there in our faces in the media at the moment. It is rather appalling that, despite the belief to the contrary, there is enough food in the world today for every man, woman and child to lead a healthy and productive life and yet, unfortunately, hunger is still dispersed around the whole world.

Some people in their speeches on this topic have mentioned some of the statistics: let me give you some appalling ones. According to the UN, nowadays hunger afflicts one out of every seven people on earth—more than 800 million people. Each day 24,000 people die from hunger and related causes. Around the world 77 million people were sustained by World Food Program food initiatives in 2001. The frightening thing is that 78 per cent of those were women and children.

The World Food Program’s vision is a world in which everyone has access at all times to the nourishment they need for a full and sustainable life. WFP believes that the issue of hunger belongs at the top of the international agenda. At present, the war against terrorism has centre stage in most international forums. In the case of Iraq, the agency will bring some 2.5 million tonnes of food aid into Iraq during the next six months, at a total cost of $US1.735 billion. That is the biggest challenge in the agency’s 40-year history. I am pleased to say that Australia has donated $US3.8 million to Iraq’s reconstruction.

The SPEAKER—Order! It being 1.45 p.m., the debate is interrupted in accordance with standing order 101. The debate may be
Electoral Roll: Fraud

Mr LEO McLEAY (Watson) (1.45 p.m.)—Last Wednesday, I wrote to the Australian Electoral Commissioner, Mr Andy Becker, drawing to his attention the fact that there are 14 people enrolled on the Commonwealth electoral roll at 43 Leylands Parade, Belmore, in my electorate of Watson. This address is not a block of flats or a boarding house; it is an ordinary suburban home. How can 14 people—who have three different family names and all of whom are of voting age—possibly reside in the same suburban house? Where do they sleep? Remember, these are all adults. What about the children under voting age? Where do they sleep? I have to say that the morning bathroom queue must be very busy.

One of the people enrolled at this address is Councillor John Koutsouras, who is standing as a candidate for the position of Mayor of Canterbury in the local government elections to be held this coming Saturday, 27 March 2004.

Dr Emerson—A rort.

Mr LEO McLEAY—This is a rort and it is electoral fraud. These are not itinerant voters or people in hospital. This is a cynical manipulation of the electoral laws by Mr Koutsouras. These people have been on the electoral roll at 43 Leylands Parade since before the last federal election was held. Did they vote then or are they just on the roll to vote for Mr Koutsouras in the mayoral election on Saturday? I urge the Australian Electoral Commissioner to take urgent action on this matter. Mr Koutsouras is a rorter and deserves to be publicly exposed.

Sport

Mrs GASH (Gilmore) (1.46 p.m.)—I rise to speak on behalf of women and men who deplore the jock culture that would seem to exist in some male sporting clubs. It would be improper to comment on matters involving criminal investigations; however, ruling that out should not stop us speaking out against what seems to be an attitude that accommodates unacceptable sexual behaviour in some sporting teams. At the same time, people like Steve Mortimer who have openly condemned such immoral behaviour should be wholeheartedly supported in the campaign to reform this shameful culture—and shameful is what it is.

Under no circumstances should anyone be tempted to write off such attitudes as boys just being boys. Any code of silence that results in the investigators of allegations having only scant evidence with which to proceed must also be condemned. With all this talk about the lack of masculine role models in Australia, we must hope that such scandals do not further impact on the raising of boys in our community, particularly as they participate in sport. There is no room—no room whatsoever—for silence. We must go on exposing such debasing and unloving practices, as they affect all members of our community in some way or another. We can be thankful that there are still those in our community who believe in virtues above the values that some amoral academics twist in support of deviant practices.

Immigration

Ms PLIBERSEK (Sydney) (1.47 p.m.)—I rise to draw the attention of the House to a visit undertaken by a group of young people last week to the parliament. They were young people from the group ChilOut. The visit involved three young Afghan people and a number of Australian students as well. During the visit they presented Senator Bart-
lett and me with a petition about the detention of children. The very special thing about this petition is that it is actually signed just by young people. All of the signatories on the petition, which I have here in my hands—almost 5,000—are people under the age of 18, and they come from all over Australia. They say that they are deeply concerned about the treatment of children in immigration detention centres and that they believe that the detention of any child should, in accordance with the International Convention on the Rights of the Child, only be a last resort and for the shortest possible time and they are petitioning the parliament to amend the 1958 Migration Act to exclude children and their families from mandatory detention.

I think what is particularly special about this is that we have a very dedicated group of young people who really have a vision of the sort of country that they want to live in and the sort of community that they want to build. They have gone out and put many hours into collecting these thousands of signatures from all over the country. I commend their work.

**Dobell Electorate: Public Schools**

**Mr TICEHURST (Dobell) (1.49 p.m.)**—I would like to take this opportunity to commend the quality of teaching values emanating from some primary schools in my electorate of Dobell. Last week I visited Wamberal Public School and Wyong Grove Public School. The visit to Wamberal Public School and Wyong Grove Public School was prompted by a letter I received from the school captains, Bridget Shepherd and Harry Hoolahan, who requested an Australian flag to display in their school hall. Wyong Grove Public School had also requested an Australian flag for their school. I think it is to be commended that the children of these schools think so much of the Australian flag that they wish to have it displayed so that they can really be involved as Australian citizens. I think this reflects the quality of teaching that they receive at these schools. As well, the behaviour of the students—their polite manners and presentation—is to be commended. I would like to make special mention of Mrs Ann-Maree Kelly of Wyong Grove and Mr Gary Crowther of Wamberal, who are the principals of the schools I attended. It is to be appreciated that these teachers are doing a great job. They are certainly bringing up students to be great Australian citizens, and I would like to wish them all the best.

**Kingston Electorate: Breakfast Clubs**

**Mr COX (Kingston) (1.50 p.m.)**—The government has abandoned two successful programs in Adelaide’s southern suburbs which have been providing breakfast to disadvantaged kids who would otherwise go through the school day hungry. The breakfast club programs at Hackham West and Christie’s Downs Community Centres will close on 30 June as a result of a federal government decision not to continue their funding. They were the southern component of a pilot program which has been evaluated and found to be an outstanding success. What could be more fundamental to a child’s education than having breakfast so that they will be able to concentrate during their day at school? The breakfast clubs also provide an important community link to services and support for the children’s families.

The Department of Family and Community Services funded the pilot program, but the federal government has not made provision for it to continue, despite its success. The federal government has let these kids and the local community down badly. The breakfast club at Hackham West has some important financial support from local business but needs about $28,000 to continue for the next year. The government’s only re-
response has been to suggest that the centre apply for an outside school hours care program as an alternative. This is not a child-care program and that ignores the fact that there is a major national shortfall in the provision of outside school hours care. This is a major failure to follow through on what was a commitment to support these kids. The local community has been doing their bit. The program is getting the intended results and you cannot just abandon it. I will be taking this matter up personally with the minister. (Time expired)

Deakin Electorate: Scoresby Freeway

Mr BARRESI (Deakin) (1.52 p.m.)—I rise to voice the anger of many in my electorate over the Leader of the Opposition’s stonewalling whenever he visits Melbourne and is asked about the Scoresby Freeway. No matter where I go in Deakin, regardless of the groups I am talking to, there is still an open wound that has not healed in the community—a deep gash caused by the ALP’s backflip on tolls on the Scoresby.

It seems that the Leader of the Opposition rubs salt into the wounds when he comes to Melbourne. He skips around the issue of correcting the wrongs of Premier Bracks. The federal ALP needs to start acting for the common good of the people of the east and south-east of Melbourne and to take a real interest in this issue. Instead the Leader of the Opposition cops out of the issue by saying that he will evaluate his position after the federal election. The feeling that I am picking up in the electorate is that the federal ALP’s stance on Scoresby is nothing short of pathetic. The so-called ‘ladder of opportunity’ is missing a few rungs. It is riddled with termites; it is hollow; there is no substance to it.

The Leader of the Opposition continues to treat the people of the east and south-east with contempt. He has an obligation to clearly explain his position on the toll-free Scoresby, but the Leader of the Opposition does not stand alone. What do his federal colleagues in the eastern suburbs of Melbourne say about the current policy position? No-one is more silent on this issue than the new invisible man, the member for Hotham. The residents in Deakin have a right to know what the federal ALP has to say about tolls on the Scoresby. I call on Mr Bracks and Mr Latham to review their position and build the Scoresby Freeway as agreed—without tolls. Nothing short of this will help heal the wounds of the constituents in Deakin. (Time expired)

Rankin Electorate: Kuraby Mosque

Dr EMERSON (Rankin) (1.53 p.m.)—I want to pay tribute to the wonderful contribution the local Islamic community makes in our area. The Kuraby Mosque was established in 1987. Around 2,000 people are associated with the mosque. Worshippers at the mosque were born in over 15 different countries, including South Africa, various European countries, New Zealand and Australia. General attendance at the mosque is around 100 for morning prayers, 150 in the evenings and 500 on Fridays.

The Islamic community embraces the local community and schools with open days at the mosque. Worshippers at the mosque were born in over 15 different countries, including South Africa, various European countries, New Zealand and Australia. General attendance at the mosque is around 100 for morning prayers, 150 in the evenings and 500 on Fridays.

The Islamic community embraces the local community and schools with open days at the mosque. Some members of the Kuraby Mosque belong to the local Islamic Women’s Association, which offers support to both Islamic and non-Islamic members of the community, including respite care and nursing care. A very successful Harmony Day was held recently, with many hundreds of non-Islamic visitors joining in and touring the mosque and enjoying a good old Aussie barbecue put on by the local Islamic community.

I want to express my appreciation for the contributions of the president, Sikinder Sabdia, otherwise known as Siki; the secretary,
Yusuf Limbada; and the Imam, Mohammed Abdullah. This is a vibrant Islamic community and its members make a wonderful contribution to and are marvellous citizens in our local area.

**Cook Electorate: Shark Island Ocean Swim**

**Mr BAIRD (Cook) (1.55 p.m.)—**Last weekend the Shark Island ocean swim was held over a 2.3 kilometre course in my electorate. This swim leaves from beautiful Cronulla Beach, goes around the Shark Island bombora and returns to Cronulla beach. The Shark Island swim began in 1987, with 64 competitors and no guiding buoys. Swimmers had to pick their own course, causing many to fear for their safety. There were no prizes awarded, but the race attracted attention, with long-distance swimmer and Australian Belt Champion David O’Brien winning the race.

From that time, the Shark Island swim gained popularity and now regularly has more than 750 entrants, ranging in age from 13 to more than 75 years. This year, the race organisers from the Cronulla Surf Life Saving Club paid tribute to John Kelsey and Donald Tierney, both of whom are 74 years of age and completed the 2.3 kilometre race with times of just 42 minutes and 44 minutes respectively, while Helen Evans, aged 73, won the 60-plus division with a time of 45 minutes.

The winner overall this year in the male category was Josh Santacaterina, aged 23, who completed the event in 26 minutes, 46 seconds, narrowly beating Grant Cleland. The winner overall in the female division was Chloe Abbott, aged 17, who completed the entire 2.3 kilometre course in just 29 minutes, 20 seconds. The Shark Island swim has become a popular event on the ocean swim calendar, with more than 933 entrants in this year’s race.

Once again, I would like to pay tribute to Mr Bruce Guthrie, the chairman of the Shark Island swim committee. I would also like to acknowledge the important work of the 140 members, their families and friends. *(Time expired)*

**The SPEAKER—**Before I recognise the member for Bass, I will just point out to the members for Cunningham, Braddon, Oxley and Greenway, that they have, with the member for Bass, been my most regular participants. Those who are unsuccessful on this sitting Monday will be given priority on the next sitting Monday.

**Health: Pneumococcal Vaccine**

**Ms O’BYRNE (Bass) (1.57 p.m.)—**The government’s refusal to fund the pneumococcal vaccine, as recommended by the Australian Technical Advisory Group on Immunisation, means that families are not only being forced to find between $400 and $600 to pay for the vaccine but are also having to wait up to four months to access the dwindling supply of the vaccine. The maker of the vaccine has confirmed it would have honoured a government contract for the vaccine but could not guarantee supply for a fluctuating private market. Not funding the vaccine is leaving babies exposed to a disease that kills and seriously disables more Australians than meningococcal C disease, for which the government does fund a vaccine.

There were over 80 cases of pneumococcal in Tasmania last year and its incidence appears to be on the rise. There is a 10 per cent to 30 per cent fatality rate associated with the disease. Last weekend, Senator Guy Barnett assured the Tasmanian community that the government was still looking at funding the vaccine and that it would be part of budget considerations. He said that it was obviously a funding issue and would need to be considered in the budget context. It is not just a funding issue and it is not good enough
to just consider the issue. This is the first time that a recommended vaccine has not been funded. The government must put the health of our children first and fund the vaccines recommended by the advisory group.

**Moncrieff Electorate: Sailability**

**Mr CIOBO (Moncrieff) (1.58 p.m.)**

One of the privileges of being a member of parliament is the opportunity to witness firsthand the tremendous contribution that so many volunteers make in our communities. On Tuesday, 16 March I had the privilege of seeing Sailability in action. Sailability Gold Coast is one part of a national program to ensure that physically and/or psychiatrically disabled young adults and older adults are able to participate in the joys of sailing. In this particular instance I had the opportunity to go to the Southport Yacht Club marina, which is located at Runaway Bay on the Gold Coast, where up to 70 children, as well as young adults, participate in the sailing programs offered by Sailability.

The reality is that this could not happen if it were not for the 30 or so regular volunteers who attend. I specifically would like to acknowledge the good work of Gail Dinneen; of Kevin, who showed me around; and of Bill, the safety officer for Sailability, under whose watchful eye a thoroughly wonderful day is ensured for all those who participate in Sailability each and every Tuesday.

**Iraq**

**Mr ORGAN (Cunningham) (1.59 p.m.)**

I would like to talk briefly about rewriting history. Last week it was revealed that the US Secretary of State, Colin Powell, and the National Security Advisor, Condoleezza Rice, had confirmed that in February and April 2001 Saddam Hussein had been disarmed and was no threat. America’s policy of containment and sanctions had effectively disarmed Saddam, and last week Hans Blix, the chief UN weapons inspector, confirmed that we went to war on the basis of a lie—there were no WMDs in Iraq. But, no, the government now says that we went to war to get rid of Saddam.

The rewriting of history continued last weekend, with 20 March being touted as the first anniversary of the invasion. But the truth is the war commenced on the evening of 18 March, when Australian SAS troops went into action in western Iraq, almost two days before the US deadline to Saddam to get out of Iraq. These facts make all the more shameful the behaviour by the government—

**The SPEAKER**—Order! It being 2 p.m., the time for members’ statements has concluded.

**SPAIN: TERRORIST ATTACKS**

**Mr HOWARD (Bennelong—Prime Minister) (2.00 p.m.)**

I seek the indulgence of the House to raise the horrific terrorist attack in Spain which occurred after the House rose. This terrorist attack should of course be condemned unreservedly—as I know it will—by all members of this House and all Australians. It was carried out in Madrid on 11 March 2004. It claimed 201 lives and caused injuries to more than 1,200 people—many horrific injuries. On behalf of the government and the people of Australia, I conveyed condolences to the Spanish government. Again I take this opportunity, I know on behalf of all members of the House, of recording our condolences to the people of Spain for the losses that they have suffered, particularly to those who have lost loved ones as a result of the attack.

It is important to note that, in the past 12 months, terrorist attacks have taken place in Indonesia, Saudi Arabia, Morocco, Turkey, the Philippines and now Spain. Those terrorist attacks have taken the lives of many hundreds of people without regard to their race, nationality, religion or political beliefs. In the case of Australia, in recalling the brutal ter-
terrorist attack in Bali on 12 October 2001, which claimed 88 Australian lives and the lives of three permanent residents of this country, this House must recognise that Australia remains at risk of a terrorist attack on our own soil. In expressing our condolences to the people of Spain, we should take the opportunity of reaffirming our strong support for all appropriate measures to protect our nation against such an attack.

Spain is a warning that it could happen here in Australia. There should be no doubt or equivocation on anybody’s part regarding that. We should also resolve to continue to participate fully with our friends and allies in efforts to combat and defeat terrorism both in our region and elsewhere. In expressing our sympathy with the people of Spain, let us also declare that under no circumstances will threats of terrorism alter the stance that this country, this government or these people take on any issue.

Mr Latham (Werriwa—Leader of the Opposition) (2.03 p.m.)—On behalf of the opposition, I join with the Prime Minister in expressing our condolences to the Spanish people. Australia has longstanding ties with Spain, born out of migration, trade and tourism. More than 12,000 Spanish people have made Australia their home. Many of them have come from the city of Madrid. Regardless of their ties with Spain, the thoughts of all Australians are with the Spanish people, with the families of the dead and injured and with the 11 million who poured onto the streets to show that they will not bow to terrorists. President Bush said it was their September 11; it was also their Bali—an evil act that appalled peoples around the world.

Madrid is one of the world’s great cities, with a heritage that belongs not just to Spain but to the world. In my experience in Europe, of all the European nations, Spain is the one that reminds me most of Australia—the open landscape, the brilliant sunshine, the fun-loving, open, generous people. Our two nations share many traits, and we share the sorrow of the Spanish people at this important time. As anyone who has travelled through Spain would know, the Spanish people have a love of family and a real love of life.

But, equally, the Spanish are proud and resolute. They have lived with the horror of terrorism for over 40 years. They have learned to cope with ETA and the violence they experienced during the Franco era. They know how to respond to terrorism, and that is why it was so special to see the millions of people gather in silent protest in the terrible days that followed the Madrid bombings. This is not a nation bowing to terrorism but very much a nation in defiance—a proud nation, well loved and respected by the Australian people. Today as a parliament and as a country we salute the Spanish and we offer them our friendship and support in the fight against terrorism and our condolences for the things they have suffered.

QUESTIONS WITHOUT NOTICE

National Security: Terrorism

Mr Latham (2.05 p.m.)—My question is to the Prime Minister. I refer him to comments on the Sunday program on 14 March by the Australian Federal Police Commissioner, who said:

The reality is, if this turns out to be Islamic extremists responsible for this bombing in Spain, it’s more likely to be linked to the position that Spain and other allies took on issues such as Iraq. Given that the Prime Minister immediately called his chief of staff and told him to contact Mr Keelty, what did the Prime Minister instruct his chief of staff to tell the commissioner?

Mr Howard—While I will perhaps not say I thank the Leader of the Opposition for the question, not surprisingly the Leader of
the Opposition has asked me a question on this matter and I will take a moment to reply. Could I start by saying that, as both the Leader of the Opposition and I said in our remarks a few moments ago, the Madrid attack has been a brutal reminder that all nations, irrespective of their stance on particular issues, are vulnerable to terrorist attacks. Madrid is another warning to Australia that it could happen here. Madrid in Spain has now joined Indonesia, Saudi Arabia, Morocco, Turkey and the Philippines as countries that have seen terrorist attacks on their soil in the past 12 months. In addition, there is of course Iraq. These attacks have, as I noted earlier, taken the lives of many hundreds of people without regard to their race, their nationality, their religion or their political beliefs.

As I know the Leader of the Opposition would appreciate, particularly at a time of greater focus on security issues, not only is there regular contact between my office, my department and the Commissioner of the Australian Federal Police but there is also extensive communication and collaboration between relevant agencies concerned with intelligence and security matters. Such contact is of necessity confidential. There were discussions last week between me, my chief of staff, the secretary of my department and the commissioner. Those discussions arose from the commissioner’s interview on Channel 9 on Sunday, 14 March 2004. There was nothing at all improper about those discussions. They respected fully the operational role and the independence of the Australian Federal Police. The Commissioner of the Australian Federal Police continues to enjoy the full confidence of the government. Under his leadership the Australian Federal Police have shown great professional competence. This was particularly the case in the investigations which followed the Bali attack.

It remains the government’s view that Australia was a terrorist target before we joined military operations in Iraq. Immediately prior to the war in Iraq the Australian Security Intelligence Organisation advised the government that, in the absence of specific and credible evidence, Australia’s involvement would not warrant a raising of the overall threat level in Australia. Threat levels in respect of some foreign interests in Australia were raised and so too in respect of some Australian interests overseas, especially in the Middle East. I put this on the public record here in parliament almost a year ago, on 24 March 2003. This is why at the time of the Iraq war the overall threat level in Australia was not lifted. At no time—and I stress this to the House—since the conclusion of the war in Iraq has the government received any contrary advice from any relevant agency. The Director-General of ASIO said last week:

... we ... know that al-Qaida had an active interest in carrying out a terrorist attack in Australia well before 11 September and that we remain a target. ASIO has informed the government that there is intelligence that Australia was a potential terrorist target before 11 September 2001. In 2001 a planned attack on our high commission in Singapore was uncovered. On 3 November 2001 bin Laden made reference to Australian involvement in East Timor. The Bali attack took place months before the war in Iraq. Whatever the causes of terrorism and whatever rationalisations terrorists may seek to ascribe to individual acts of terrorism for propaganda purposes, the reality of dealing with terrorism remains the focus of my government’s attention. I hope that I speak for all members of the House in declaring again that Australia will never be intimidated into altering its attitude on any issue by threats of terrorism.
Ms Gillard—I ask that the Prime Minister table the prepared statement from which he just read.

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

Mr HOWARD—Yes.

The SPEAKER—Is the document confidential?

Mr HOWARD—It is marked ‘confidential’.

National Security: Terrorism

Mr JULL (2.12 p.m.)—My question is addressed to the Minister for Foreign Affairs. In the wake of the Madrid bombings, would the minister inform the House what lessons there are for the Australian government and other governments in the war against terrorism?

Mr DOWNER—I thank the honourable member for Fadden for his question. I also express my sympathy to the Spanish people, to the families of the 202 who died and to those who were injured. More than 1,750 have now been reported as having been injured. It is not clear but it is now more likely, we think, that these attacks were the work of Islamic extremists with links to al-Qaeda. In answer to the honourable member’s question, I think it is very important that we all understand what the objectives of al-Qaeda and its South-East Asian variant, Jemaah Islamiah, really are. These are organisations which are trying to overthrow the moderate Islamic governments of the world—governments in our own region, in Indonesia, Malaysia, the southern part of Thailand, the southern part of the Philippines and Brunei. These are parts of the world they want to turn into fundamentalist Taliban style regimes. They want to do the same thing in the Islamic Middle East.

These organisations have been driven for a long time to achieve these objectives. They have mounted terrorist attacks for a long time in order to try to achieve these objectives. We have to defeat these organisations. I mean ‘we’ broadly: Australia and our friends and allies. Very importantly, included in ‘we’ are the moderate Islamic countries of our region and of the Middle East—and that is most of them. We all have to defeat these terrorists, and we have to unite and work together in order to do that. There is no doubt that these organisations will use any manner of arguments. They have focused very much on the Israeli-Palestinian dispute as a way of building support for their cause in the Islamic world. They have focused on Iraq, as we have been discussing. They have focused on East Timor. They have focused on a lot of different issues. But never lose sight of what their fundamental raison d’etre is: to establish fundamental, transnational, Taliban style Islamic regimes throughout the Islamic world. Amongst their enemies are what they perceive to be the apostate, moderate governments of Islam and the Western world, which they rather rudely describe as ‘infidels’. I make the point that we have to work together as a region and we have to work together as a world to deal with this.

On 4 and 5 February—just over a month ago—Hasan Wirayuda, the foreign minister of Indonesia, and I co-chaired a regional counter-terrorism summit. We brought together ministers from 25 countries. Foreign ministers, law enforcement ministers and US Attorney General Ashcroft were there. We took quite clear decisions to enhance the cooperation around the region to counter the problem of terrorism. This was building on the nine memoranda of understanding we have with countries in our region, from India right through to Fiji and especially in South-East Asia, to enhance the cooperation between our police, between our intelligence agencies and between our diplomats. No doubt the work is never done sufficiently, but
we certainly made a great deal of progress in terms of how we are addressing this problem.

As the Prime Minister said, in the end, as an international community—and I do not just mean Australia as a country; I mean the international community—we cannot afford to show weakness in the face of terrorists. We have to show enormous resolve and determination to defeat these people. We must not allow ourselves to become divided. We have to unite as an international community to fight this terrorism. I do not think the international community faces a tougher or more important task than to be united in its fight against terrorism, not to waiver, not to be weak and, above all, not to allow itself to be frightened out of dealing with terrorists by threats and blackmail. We should never allow that.

**National Security: Terrorism**

**Mr Latham (2.16 p.m.)**—My question is to the Prime Minister, and it concerns his last answer. What did the Prime Minister instruct his chief of staff to say to Mr Keelty on the morning of Sunday, 14 March?

**Mr Howard**—I have indicated in my earlier answer that there are numerous discussions between not only my office and the secretary of my department and also the commissioner but other people. I do not intend to break the confidentiality of those discussions.

**Defence: Military Involvement in Iraq**

**Mr Bruce Scott (2.17 p.m.)**—My question is addressed to the Minister for Foreign Affairs. Would the minister update the House on the situation in Iraq one year on from the start of coalition operations against Saddam Hussein’s regime? Are there any alternative views?

**Mr Downer**—I thank the honourable member for Maranoa for his question and for his interest. I know that his question reflects the interest of his constituents in this issue. The Australian government was right to take action against Iraq’s persistent breaches of Security Council resolutions—in particular, the Security Council resolution 1441 that was passed unanimously in November of 2002. Military action was the only way of ensuring that Saddam’s regime was disarmed, as the former head of the Iraq Survey Group David Kay has made perfectly clear. To quote Dr Kay, who was the head of the Iraq Survey Group until fairly recently, the Iraq Survey Group ‘learned things that no UN inspector would have ever learned given the terror regime of Saddam’. He went on to say, ‘Iraq was in clear material violation of United Nations Security Council resolution 1441.’

We are proud of the role we played in removing a brutal dictator—a man who we have discovered was responsible for some 270 mass graves containing between 300,000 and 400,000 remains; a man who sponsored terrorist organisations like the Mujaheddin-e Khalq and the Palestinian Liberation Front. Many members will be aware that Saddam Hussein’s regime used to provide $US25,000 to the families of suicide bombers.

Those who think it was a mistake to overthrow the regime of Saddam Hussein must consider what the alternative reality would have been. His regime would have still been in power with its record of torture, rape rooms and murder, with his pursuit of weapons of mass destruction—the fact that he had used these weapons against his own people, the fact that he obviously maintained weapons of mass destruction activities when they were barred by the United Nations Security Council. I do not think we would have secured the counterproliferation achievements
that have been achieved in relation to Libya’s abandonment of weapons of mass destruction, nor Iran and North Korea’s increased cooperation with the international community.

Let me also say, for those who support the American alliance, a strong international voice in the world, a backdown in early 2003 would have, of course, substantially weakened the authority and credibility of America and its allies. But, more than that, it would have weakened the United Nations very substantially. It would have shown that United Nations Security Council resolutions— including chapter 7 resolutions, which are mandatory resolutions—were but debating points and nothing more.

As I said, this government is proud of the role Australia and our defence forces played in the overthrow of Saddam Hussein’s regime. There will be much debate about this, no doubt, in Australia and the international community from now until the end of time. I think that, ultimately, there is one group of people whose views ought to be taken into account over and above our own. Those people are the people of Iraq. I do not think we should ignore them. And I think it is worth reflecting that not only are Iraqis glad to see the back of Saddam Hussein but a recent opinion poll commissioned by the BBC and conducted by Oxford Research International found that 70 per cent of Iraqis are optimistic that life is going to improve for them over the next year. Whatever we think in this country and whatever we say in this country, whatever arguments we may put in this country, let us not forget that the people who will be the ultimate arbiters of this issue—the Iraqi people themselves—are overwhelmingly delighted that we got rid of that brutal dictator and they look to the future with an optimism that they could never have had under the dictatorship of Saddam Hussein.

National Security: Terrorism

Mr LATHAM (2.22 p.m.)—My question is to the Prime Minister. Don’t the Australian people have the right to know about contact between the Prime Minister’s office and the Australian Federal Police Commissioner when this contact relates to public comments by the independent commissioner on a matter as important as our national security—the safety and security of the Australian people? What did the Prime Minister instruct his chief of staff to say to Commissioner Keelty on Sunday, 14 March?

Mr HOWARD—The Australian people have a perfect right to know of the security assessments that have come to this government regarding the threat levels to this country and to its people in the wake of certain international events, and at no stage have I disguised or held back on those pieces of advice. What the Leader of the Opposition appears to miss, and what some others appear to miss, is that at no stage over the last 12 months have we received advice from any of the relevant agencies suggesting that the threat levels to this country have changed as a consequence of our involvement in Iraq.

Mr Hatton—Answer the question.

The SPEAKER—I warn the member for Blaxland!

Mr HOWARD—In relation to the issue of the bombings in Spain, the reality is that at this stage it appears that those responsible are those referred to in the answer given by the Minister for Foreign Affairs. Beyond that, it is too early to make firm conclusions. I have not received any advice on altering threat levels to this country in consequence of what occurred in Madrid, in Spain. The Leader of the Opposition is perfectly entitled and perfectly correct to exhort me to share
with the Australian people the advice about threat levels that I receive in my capacity as Prime Minister, and I have done that. This is what the Leader of the Opposition does not like, because the advice that we have had from all of the relevant agencies over the last year has not altered the statement I made to this parliament on 24 March 2003. I will always share with the Australian people the advice regarding potential threats, and nothing that I have done in relation to this matter has in any way qualified that commitment.

National Security: Terrorism

Mr HAWKER (2.24 p.m.)—My question is to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister advise the House of measures the government is taking to address the risk of terrorist attack on our ports or shipping? Are there any alternative policies?

Mr ANDERSON—I thank the honourable member for Wannon for his question and note his interest in Portland. The government has been proactive for a long time on maritime security and in the fight against the possibility that terrorists might use ships as vessels in their evil objectives. Customs is operating its shipping container X-ray facilities. There are significantly tightened crewing identification arrangements: crew lists must now be received 48 hours ahead of any ship arriving in Australia. There has been the creation of the Office of Transport Security and the Transport Security Operations Centre, which are well funded by the Commonwealth government, and we are using increased intelligence to identify and thwart potential risks.

In addition, we are leading the way in implementing the new maritime security protocols—the ISPS Code, as it is known—and actively pursuing internationally the development of the international framework, the Ship and Port Facility Security Code, which we aim to have in place by 1 July this year. Legislation passed through this place last year. The regulations are in place. We have received over 90 per cent—and this reflects very well on industry; we thank them for their cooperation—of all maritime plans from port operators and ships. That is some 300 plans covering our 70 ports and the Australian shipping fleet. I note that this morning the Portland CEO, from the member for Wannon’s own electorate, stated on ABC Radio that Portland will have its plan up and running by July and that he is not at all surprised by the announcement of a review, as the ports have been working on security for some time. I should mention that Australia is also helping our Asia-Pacific neighbours to meet their requirements.

Yesterday I announced that the Secretaries Committee on National Security will also conduct an up-to-the-moment and overarching review of maritime security in Australia. We take this very seriously indeed. We are—and I say this with total conviction—one of the world leaders in transport security, but this review will identify any weak links in the chain and anything else that we need to address. It will draw on the international experience to pick up anything that might advantageously be used to better protect our ships and our ports and ships visiting our ports. We need to make certain that we are all the time responding to intelligence, new information, and new technologies and procedures as they become available.

I am asked about alternative approaches. I note that the opposition’s homeland security spokesman has had a few things to say. He thinks that we have done nothing on maritime security—that is the first thing he said yesterday—but he did not check with his transport spokesman.

Mr Crean interjecting—
Mr ANDERSON—The member for Hotham groans at the thought that the shadow minister for homeland security should have consulted with the member for Batman. He groans. He thinks the member for Batman might not have done his work. Of course, on this one, the transport spokesman over there knows very well what the government has been doing. He stood in here when we passed the legislation and went to some lengths to say that he actually thought we had done a good job and that the pulling of all of this together was an example of the parliament working well for the advantage and safety of the Australian people. That is what the member for Batman said some months ago, but unfortunately the shadow minister, who is the spokesman for homeland security, had not checked. He went on to say that their proposed coastguard would be of great value in combating terrorism.

Yesterday, in response to a question about that, I referred to the Minister for Foreign Affairs, who calls it a ‘coast guide’. I made the observation that, if I were a terrorist intent on doing something evil in Australia, I would far rather be intercepted by Labor’s ‘coast guide’—a water taxi with a couple of .303s up on the poop deck—than by the Australian Navy. I would far rather be confronted by Labor’s ‘coast guide’ than by the Australian Navy—well equipped and well resourced, with men and women able to tackle the situation.

But this did prompt me to go and have a look to see just what Labor’s maritime security policy was. The first thing that seemed logical to check was just what this ‘coast guide’ was actually for. The platform tells us that the ‘coast guide’ is to guard against these things: transnational organised crime, drug-running, gun-running and illegal fishing. Maritime terrorism is not mentioned. And when you search a little more widely you find that Labor’s platform not only does not contain any measures to address maritime terrorism; it does not even address the possibility that the threat might exist.

National Security: Terrorism

Mr LATHAM (2.30 p.m.)—My question is to the Prime Minister. What involvement did the Prime Minister, his staff or members of his department have in the preparation of the so-called statement of clarification issued by the Australian Federal Police Commissioner on 16 March?

Mr HOWARD—That statement was the commissioner’s statement. As to contact that may have occurred between the commissioner and other agencies or my office, I do not intend to go into it except to say this: it was the commissioner’s statement. As the commissioner himself has indicated, it was a statement that he issued and he stood by its contents.

Australian Customs Service: Border Protection

Mrs MAY (2.31 p.m.)—My question is addressed to the Attorney-General. Would the Attorney-General advise the House on the success of the government’s efforts to maintain the integrity of Australia’s borders?

Mr RUDDOCK—I thank the honourable member for McPherson for her question. The member for McPherson has been very interested in these issues over a considerable period, and given the nature of her electorate the question is of special significance. Of course, protecting the integrity of our borders remains a continuing and high priority for this government.

Mr Albanese interjecting—

The SPEAKER—Order! The member for Grayndler.

Mr Albanese interjecting—

The SPEAKER—The member for Grayndler now chooses to defy the chair, and I will deal with him.
Mr RUDDOCK—The number of boats attempting to reach our shores with unauthorised entrants has dropped to an almost insignificant number in the last three years. There are other aspects to border protection, including issues relating to drugs. The number of drug seizures that have occurred has resulted in a massive reduction of the supply of illicit drugs to the Australian market and, according to a survey under the national drug strategy in 2001, there were 23 per cent fewer Australians using illicit drugs. Since the launch of our Tough on Drugs strategy, Australian law enforcement agencies have stopped more than nine tonnes of serious illicit drugs from reaching Australia’s shores.

I am very much aware of proposals that impact upon our border security and particularly our capacity to deal with unauthorised border arrivals and drugs. Therefore I am surprised when I see proposals from Labor to set up a coastguard, drawing largely from resources of existing services but also having a policy of bringing unauthorised arrivals into the migration zone—something that I have noted is a ‘meet and greet’ policy. A coastguard with 13 patrol boats and using snipers in helicopters to shoot out outboard motors on boats attempting to breach our border security ought to be seen for what it is. It is a cheap take from the United States, where it is used to stop high-speed motorboats used by Colombian drug cartels from shipping narcotics into the United States. These boats are referred to as ‘cigarette’ boats or ‘go-fast’ boats because of their shape, and they have a speed of up to 50 knots. I am asked whether we have ever seen these sorts of vessels being used to smuggle drugs or people into Australia. The advice I have is that no such vessels have been used to smuggle drugs or people into Australia.

The vessels that we see are generally wooden fishing boats. On a good day they may reach five knots. The people smugglers instruct their passengers, if they are apprehended, to sabotage their motors so that the vessels cannot return those people to where they have come from. In fact, one of the major factors that has enabled us to deter people smugglers and people-smuggling operations is the fact that we have been able to secure vessels that have not had their motors damaged and have been able to ensure that they return to where they have come from.

So what do we have? We have the Labor Party now with a ‘meet and greet’ organisation—the ‘coast guide’—who also want to emulate Miami Vice and shoot out the engines of the boats coming to Australia. That is shooting out the engines of boats that move at about five knots an hour and are possibly carrying women and children. Now you do not need the smugglers telling people that they have to sabotage their boats; they can rely upon the Labor Party and their sharpshooters to do it for them.

National Security: Terrorism

Mr LATHAM (2.36 p.m.)—My question is to the Prime Minister. Did the Prime Minister or any member of his staff see Commissioner Keelty’s clarifying statement or any draft versions of it prior to the statement being made publicly available on 16 March?

Mr HOWARD—I have already indicated that there were discussions. I have already indicated that there is nothing unusual about that. The Leader of the Opposition carries on as if there is something extraordinary about communication between a Prime Minister’s office and the office of the Commissioner of the Australian Federal Police. I would remind the Leader of the Opposition that the commissioner has stood by the statement, the commissioner is totally supportive of the statement, it was the commissioner’s statement. It would not have been issued without
there being not only a statement that the commissioner believed correctly represented the facts—

Ms King interjecting—

The SPEAKER—The member for Ballarat always questions the authority of the chair and is about to discover what it is.

Mr Howard—but a statement that he has subsequently fully supported. The Leader of the Opposition refers to it as a clarifying statement. I point out to the Leader of the Opposition that on the Sunday evening of the day of the commissioner’s interview, which was 14 March 2004, the Channel 9 news bulletin in Sydney—which is the most widely watched news bulletin anywhere in Australia—carried this comment by the newsreader Mark Burrows:

... other allies, that includes Australia. Put another way, our top cop believes our involvement in the Iraq war has made us a possible al-Qaeda target.

Our top cop did not say that on the Channel 9 program when he was being interviewed, and that is an illustration of why clarification was needed.

Opposition members interjecting—

The SPEAKER—Order! The Prime Minister has the call.

Mrs Irwin interjecting—

The SPEAKER—The member for Fowler is warned!

Mr Howard—The reality is, as the Leader of the Opposition himself knows, because he said in an interview that he thinks there has been a risk since 11 September—and it is a new world—that that claim attributed to the Commissioner of the Federal Police by that newsreader was wrong, and that alone is reason why a clarifying statement was necessary.

Australian Labor Party: Superannuation Policy

Mr Charles (2.39 p.m.)—My question without notice is to the Treasurer. Has the Treasurer seen policy—

Ms Gillard interjecting—

Mr McMullan interjecting—

The SPEAKER—The member for La Trobe will resume his seat. Member for Lalor, Member for Fraser, I had recognised the member for La Trobe at least 15 seconds ago. The member for La Trobe has the call.

Mr Charles—My question without notice is to the Treasurer. Has the Treasurer seen policy commitments regarding the funding of retirement incomes and pensions? What is the feasibility of this policy and what does it indicate about economic credibility?

Mr Costello—I thank the honourable member for La Trobe for his question. I congratulate him on his wonderful news, which I believe he is going to announce shortly, if he has not done so already. I take this opportunity to congratulate him in the House. I have actually been referred to some recent announcements in relation to retirement incomes and age pensions. On 15 March, in a speech to the Investment and Financial Services Association, the member for Werriwa brought down his long awaited statement on superannuation reform.

Mr Tanner—it got a better response than yours.

Mr Costello—On cue the member for Melbourne comes in and tells us what a wonderful response it got. It contained the largest financial gaffe in Australian history. Not only in the speech but also in the policy, Labor made this commitment: ‘a commitment to ensure the basic government age pension does not fall below 25 per cent of male average weekly ordinary time earn-
ings’. That was a commitment to the pensioners of Australia of an 11 per cent increase in the age pension, costing the Commonwealth $8 billion over the forward estimates. I want to table that policy and have it on the parliamentary record, because if you go to the ALP web site today they have airbrushed it out of their policy. I want to also table the speech that was given by the Leader of the Opposition, because if you go to the web site the old airbrush has been at it again and it is not in the statement. It was the largest financial gaffe in Australian history, costing $8 billion.

During the week, we watched the member for Werriwa wriggle and wriggle and squirm as to how it was that he was so economically incompetent as to make an $8 billion unfunded promise which he did not even realise he was making. His first response was to actually blame the messenger. He went on Sea FM with Kim Geale and Dave Noonan and said:

Oh, we just had the wrong technical term in there. That was corrected as soon as it was drawn to our attention. I think, as ever, Mr Costello is grossly exaggerating.

So it was all my fault! It was not the fault of the super blooper; it was the fault of the party pooper. An $8 billion error and it is my fault for actually discovering it—silly old me! Then he went on 3AW with Neil Mitchell, where Neil Mitchell said:

There is no excuse for a budgetary announcement with an $8 billion mistake.

Latham: But there weren’t dollars involved. That’s the point. There weren’t dollars involved.

Mitchell: If that policy stood, it was $8 billion wrong.

Latham: Yeah, well, it didn’t stand because it was wrong and we fixed it up.

Who fixed it up? If it had not been for the government, which bothers to actually read the policies of the Australian Labor Party, it would not have been fixed up. As it turns out, it is not actually the job of this government to be fixing the errors of the opposition. I will take responsibility for this if you send me your policies before you announce them in future. I make an open offer to fix Labor’s error if they send the policies around before announcement.

I want to point this out to the House: the member for Werriwa came to this place because his predecessor as Treasurer was unable to say what GOS stood for in a press conference. In those days, when the Labor Party had economic credibility, if somebody like the member for Werriwa was trying to discharge a high office of the Crown and they did not know what GOS was, they were dismissed from office. I make this point: John Kerin never entered into an $8 billion unfunded commitment when he was the member for Werriwa. The idea that you can survive in a high office when you do not know the pension benchmark, when you can stand up at a superannuation conference and enter into a commitment without knowing what you say and then afterwards rely on the government to fix up your errors, quite clearly means this: a person who is able to do that—

Ms King interjecting—

The SPEAKER—I warn the member for Ballarat!

Mr COSTELLO—could not be trusted with the economic management of the Commonwealth. If a person who is able to do that were ever in office, there would not be a government picking up their mistakes. They would be entered into as commitments, the pensioners of this country would be entitled to rely on them and the taxpayers would pay the price. I have always said this: the Labor Party is policy weak. It does not do the homework, it does not understand the economic concepts and it cannot be trusted.
with the mortgages of millions of Australians.

**National Security: Terrorism**

**Mr Latham** (2.46 p.m.)—My question is to the Prime Minister. Why won’t the Prime Minister tell the people of Australia whether he or his office saw Commissioner Keelty’s clarifying statement or any draft version of it prior to the statement being made publicly available on 16 March?

**Mr Howard**—I have already indicated to the Leader of the Opposition that, in the ordinary workings of government, there are numerous communications necessarily of a confidential kind. The stance that I am taking on this is no different from the stance that has been taken by my predecessors on both sides of parliament. Where I do have an obligation to the Australian people is to tell them of the advice that comes to this government regarding threat assessments in relation to potential terrorist attacks.

I would refer the Leader to the Opposition again to his interview with Neil Mitchell which was conducted on 19 March, only a few days ago. In answer to a question from Neil Mitchell, this is what the Leader of the Opposition had to say:

I think the risk has been there since September 11.

If I may correct the Leader of the Opposition, according to our intelligence agencies the risk has in fact been there since before September 11. He goes on to say:

It’s a new world. We had that horrific attack and Western nations are obviously part of this shocking campaign.

Then, importantly, Neil Mitchell asks a question:

But don’t you think it’s wound up a notch?

And this is what the Leader of the Opposition has to say:

Well, the threat has been there, to our knowledge, since September 11. In terms of the level of threat, that is something that is best left to our intelligence agencies passing on the information to government and with the alert system if need be passing it on to the Australian people.

Let me say that, on that issue, I totally agree with the Leader of the Opposition. We should rely on our intelligence agencies. I can tell the Leader of the Opposition and the Australian people that the position we have taken in relation to the threat levels to this country consequent upon our involvement in the war in Iraq has been entirely consistent with the advice that we have received from all of our agencies. None of the agencies—and this goes to the very kernel of what is important to the Australian people—have moved away from the advice that they gave last year that there was no need to lift the general level of threat as a result of our involvement in Iraq. If we received contrary advice, that advice would be made available immediately to the Australian people. The suggestion implicit in the Leader of the Opposition’s question that I have in some way held back vital information from the Australian people is totally wrong.

**Health: Medicare**

**Mrs Moylan** (2.50 p.m.)—My question is to the Minister for Health and Ageing. Would the minister inform the House when the government’s new safety net came into operation and how it acts to protect all Australians from major out-of-pocket medical expenses? Is the minister aware of any alternative policies?

**Mr Abbott**—I do very much thank the member for Pearce for her question, and I know how much her constituents have welcomed the government’s $2.9 billion investment in strengthening and extending our Medicare system. Let me say to the member for Pearce and all other members that the
MedicarePlus safety net is the biggest single improvement to our health system since Medicare commenced back in 1983. What it means is that people in the safety net will have access to much higher rebates based on the actual fee and not the scheduled fee. The very heart of Medicare is affordable access to high-quality health care. Thanks to this safety net, 450,000 Australians will benefit every year, but all 20 million Australians will have the peace of mind and the security of knowing that the safety net is there if they need it.

I can inform the House that, as of last Friday, nearly 52,000 individuals and families had incurred out-of-pocket, out-of-benefit expenses over $300. Nearly 5,000 individuals and families had incurred out-of-pocket, out-of-hospital benefits over $700. These people are benefiting from the Howard government’s MedicarePlus safety net. By contrast, just 1,900 individuals and families were in a position as of last Friday to benefit from Labor’s discredited MBS safety net. What is more, of the 52,000 individuals and families who had incurred more than $300 in MBS out-of-pocket expenses, only 15 per cent of those expenses were due to GP costs. The vast majority were due to day procedures, sophisticated diagnostics and specialist visits. These procedures have never been widely bulk-billed.

I have been asked about alternative policies. Let every member of this House know, let every one of the 450,000 Australians who will benefit from the safety net know, let all 20 million Australians know: Labor’s policy is to repeal the MedicarePlus safety net. That means that 450,000 people a year are going to be left in the lurch because of Labor’s commitment to old-fashioned ideology. I call on the Australian Labor Party to accept that out there in the real world not everyone is going to the bulk-billed for all services all the time and to end this threat to the safety net that 450,000 Australians need.

**National Security: Terrorism**

Mr LATHAM (Werriwa—Leader of the Opposition) (2.53 p.m.)—My question is to the Prime Minister. After all his previous answers today and his attempts to avoid the truth is the Prime Minister now expecting the Australian—

The SPEAKER—Order! The Leader of the Opposition will resume his seat. Preambles are not normally a part of a question, certainly not preambles like that. The Leader of the Opposition will come to his question.

Mr LATHAM—My question is to the Prime Minister. After all his previous answers—

Mr Abbott—Mr Speaker, on a point of order: under the standing orders I simply point out that the Leader of the Opposition made an offensive suggestion and that he should be required to withdraw it.

Opposition members interjecting—

The SPEAKER—Order! There are a number of people who seem to have forgotten their status in the House, including the member for Fowler. I listened closely to the Leader of the Opposition’s question. I was unhappy about the preamble; I do not believe it contained a reflection that should be withdrawn. It was a preamble that was inappropriate and I asked him to rephrase the question and he was in the process of doing so when he had the call.

Mr LATHAM—After all his previous answers today, is the Prime Minister now expecting the Australian Federal Police Commissioner drafted his clarifying statement on 16 March absolutely alone?

Mr HOWARD—I have indicated the processes that were involved in the operation of the government in the context that has
taken place. I ask the Australian people to accept the words of the police commissioner himself—not my words, not the words of the Leader of the Opposition, but the words of the police commissioner himself—when he said that he stood by that statement and he had nothing to add to it.

**Economy: Performance**

Mr SCHULTZ (2.55 p.m.)—My question is addressed to the Treasurer. Has the Treasurer seen comments from the OECD regarding the economic management of the Australian economy? What does the OECD say about the importance of consistent and disciplined policy in creating jobs and better living standards?

Mr COSTELLO—I thank the honourable member for Hume for his question and I refer him to an article which was published in the *Financial Review* last Thursday by the chief economist of the OECD, Jean-Philippe Cotis—I do not know if I said that correctly, I was a victim of a modern education so my French is not as good as it should be. In this article, the chief economist of the OECD said:

> Australians were once used to observing their ranking decline in GDP per capita. This is no longer so. Indeed, experts in other economies are looking to Australia as a role model.

How has Australia managed to achieve higher and sustained economic growth? Why has Australia withstood better than most Organisation for Economic Co-operation and Development economies the global slowdown...

In this article, the chief economist went on to talk about the importance of the structural policies of economic reform, which have contributed to the flexibility of the Australian economy. He said that those structural reforms have to be done in the context of sound macroeconomic policy.

It was sound macroeconomic policy which led this government in 1996 to take the Australian budget out of deficit and to balance it. It was sound macroeconomic policy which led the government to reduce Labor’s debt by over $60 billion. It was sound macroeconomic policy to put monetary policy in a medium-term inflation-targeting framework.

It was sound policy to reform Australia’s taxation system and to introduce a broad based indirect tax and to lower company taxes and capital gains tax. It is the sound policy of increasing the flexibility and openness of the Australian economy which will give us the opportunity to compete and to be up with the top economies of the world in the economic race which is now taking part in our region, Europe and elsewhere. These are the important points of economic management: durability, sustainability, concerted purpose and the determination to do the hard work and to get things right.

I also refer the House to another statement that was made on 3LO in Melbourne this morning:

> The economy is going very well. GDP growth is around 4 per cent a year, inflation is quite low. Employment growth has been reasonably strong and unemployment has fallen ...

Do you know who said that on Melbourne radio this morning? Greg Combet, the Secretary of the ACTU. They are the words that no-one on the other side of the House, including the member for Rankin, have been able to utter. Have you heard the member for Werriwa, the member for Hotham or the member for Fraser stand up and say, as Greg Combet did, that GDP growth is at four per cent, inflation is low, employment growth is good and unemployment falling?

This is not an accident. This is the point: economic management does not come by accident. It does not come from haphazard thought bubbles which are produced one day and airbrushed away the next day. It comes from determined action and determined and
disciplined policy. We are not out of the woods yet. The Australian economy has not passed all of the challenges. If people think that the Australian economy has passed the challenges they might think that we are ready for a return to Labor government—we are not. There is still work to be done: we have to reform Australia’s labour market; we have to make sure that we reform the disability support pension; and we have to make sure that we get more people into work. We have to make sure that we take on those structural issues and make them our own and that we set young Australians up for the ageing of the population in a way that will give them a start that people in no other Western developed country will have. These are the challenges of economic management, and they are the challenges which this government is focusing on. The reform of the past has set us up for today and it is the reform of today which will set us up for tomorrow.

National Security: Terrorism

Mr LATHAM (3.00 p.m.)—My question is to the Prime Minister. I refer to other comments made by the Australian Federal Police Commissioner on 14 March on the Sunday program, when he told the Australian people:

... there's a level of honesty that has to exist here in terms of what the problems are here, not only in Australia but in our region.

Prime Minister, given the need for honesty to properly defend ourselves against terrorism, why was the police commissioner rebuked for expressing his honest opinion? What guarantee can the Prime Minister give that no independent statutory office holder involved in Australia’s national security will be treated this way in the future—that they will not be publicly rebuked and shamed for simply telling the truth?

Mr HOWARD—I thank the Leader of the Opposition. I notice that the Leader of the Opposition has developed a new reverence for holders of statutory office! He did not have much reverence for the holder of a very high statutory office—namely, the head of ASIC—on 25 September 2001, when he was prepared to use the privilege of parliament to traduce the reputation of an honest citizen. But I shouldn’t mention that, should I?

Government members interjecting—No!

Mr HOWARD—That was in 2001! What an outrageous thing! But when he went in to bat for Nick Whitlam he did not care about the reputation of David Knott—he could not care less. So the last person in this parliament who has a right to give me lectures about treatment of statutory office holders is the Leader of the Opposition.

I will say this about our security agencies. Over the last several years, because of the tragic security circumstances that the world has faced, I have worked probably more closely with the leader of the Australian Federal Police, the leader of ASIO, the leader of ASIS and the Director-General of the Office of National Assessments than any of my predecessors. That is no reflection on any of my predecessors; rather, it is a statement of the obvious. It is fair to say that over that period of time the greatest attacks that have come on our agencies have come from the Australian Labor Party, not this side of the parliament.

I have stood up for the reputation of the Office of National Assessments. I have stood up for the reputation of ASIO. I have a great regard for the Director-General of ASIO and I have a great regard for the Commissioner of the Australian Federal Police.

Ms Gillard—Oh yes!

The SPEAKER—The member for Lalor, for the fourth time!

Mr HOWARD—He continues to enjoy my very strong confidence. I do not accept
for a moment the categorisation that the Leader of the Opposition has put on my conduct. All of the exchanges that have taken place over the last week have been entirely proper and entirely consistent with the normal exchanges that would take place in similar circumstances. If the Leader of the Opposition has any more questions or a censure motion, please bring it on.

**PRIME MINISTER**

**Censure Motion**

Mr LATHAM (Werriwa—Leader of the Opposition) (3.04 p.m.)—I seek leave to move the following motion:

Mr McMullan interjecting—

The SPEAKER—Is the member for Fraser aware of the fact that I have already warned him? Leave is granted.

Mr LATHAM—I move:

That this House censures the Prime Minister for:

(1) political interference in the work of the Australian Federal Police, in an attempt to compromise the public standing and independence of its Commissioner;

(2) failing to rule out further political interference with the Australian Federal Police in the future; and

(3) jeopardising Australia’s national security by playing politics with the Australian Federal Police, rather than putting Australia’s national security first.

This is a desperate government led by a desperate Prime Minister who will say and do anything to get himself out of trouble, even muzzling and trying to humiliate the head of the Australian Federal Police. What happened to Mr Mick Keelty last week was an absolute national disgrace that compromised the role and independence of Australia’s chief law enforcement officer. Even worse, it compromised the integrity of those who purport to make Australia’s national security policy. It compromised the right of the Australian people to know the truth during these troubled times and to know the truth about the threat to Australia and the foreign policy failings of the Howard government.

And what was Mick Keelty’s sin at the end of the day? His sin was nothing more than honesty. His sin, in the eyes of this Prime Minister, was nothing more than telling the truth. What was it that drove the Prime Minister to reach for the phone and tell his chief of staff to get on the phone and harangue and complain to the Commissioner of the Australian Federal Police? What was it that was so offensive to this Prime Minister that came from the mouth of Mick Keelty on that Sunday morning? This is what the Commissioner had to say on the *Sunday* program on 14 March. He said:

The reality is, if this turns out to be Islamic extremists responsible for this bombing in Spain, it’s more likely to be linked to the position that Spain and other allies took on issues such as Iraq. That is all: the simple, plain truth—simple, plain honesty in what the commissioner would have thought was in the best interest of the Australian people. And it is a truth that the Australian people themselves understand. If you went to any shopping centre in this country and read those words out, people would say, ‘That is a statement of the obvious.’ If you went to any playgroup around Australia and read those words out, people would say, ‘Well, that’s fair enough.’ That is a totally unremarkable thing for someone like the Australian Federal Police Commissioner to say. If you went to any workplace in the country, they would say, in Australian language, ‘Oh, Mick Keelty’s being fair dinkum. He’s being fair dinkum. He’s calling it as he sees it. He’s doing nothing more than that.’ Yet this was the thing that was so offensive to the Prime Minister.

The commissioner had not even left the green room—he had barely got his make-up
before he received the haranguing, complaining call from the Prime Minister’s chief of staff. And what was it that was so offensive to this government? Well, Commissioner Keelty said it himself in the same interview a few sentences later. He said:...

I think there’s a level of honesty that has to exist here in terms of what the problems are ... not only in Australia but in our region.

That is the thing that this Prime Minister finds so offensive. That is what has driven him to harangue and try to publicly humiliate the Police Commissioner: a level of honesty he has not got himself and has not got in the attitudes and policies of this government. The truth is that Mick Keelty has earned the right to speak publicly on these matters. He, more than any other Australian, has earned the right to speak honestly about these matters. He is a fine police officer respected right around the country. He played a magnificent role in the Bali investigation—a magnificent role in every respect. He is, indeed, one of our national champions, and he did not deserve to be treated this way by a government that did not like the truth, that did not like honesty, that wanted to put its own narrow political interests ahead of Australia’s national interest, and that wanted to play politics with Australia’s national security.

It is a level of honesty that has offended the Prime Minister, but, quite frankly, it is no great surprise in this place, because this is a Prime Minister who finds it hard to handle the truth. We know that from the kids overboard; we know that from the ethanol scandal; we know that from the ministerial scandals that have led to the junking of the code of conduct; and we know that from weapons of mass destruction in Iraq. It is a pattern of behaviour by this Prime Minister. With this Prime Minister there is always a missing piece to the puzzle; there is always something that he never tells the Australian people. He is always loose with the truth. That is the defining characteristic of his prime ministership—

**Fran Bailey interjecting—**

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

**Mr LATHAM**—and the way in which his government tries to run national security: always loose with the truth. In this case, it was something that he did not want Commissioner Keelty to say to the Australian people—not something that was surprising to the Australian people, not something that they would have regarded as out of the ordinary, but something that he did not want Commissioner Keelty to tell the Australian people—and that is that, while Australia was a target at the time of September 11, the government’s policy on Iraq has made things worse. That is the thing that this Prime Minister did not want the Australian people to be told by the commissioner: that, while Australia was a target at the time of September 11, his government’s policy on Iraq has made things worse.

The Prime Minister did not want the truth out there publicly, so he attempted to muzzle and disparage the Commissioner of the Australian Federal Police. Within minutes of the commissioner being on the program, the Prime Minister reacts, his gut instinct: ‘Let’s cover up the truth. Let’s try and manipulate the situation, manipulate the information for narrow political advantage.’ It is the reflex action of someone who has been in politics too long, playing an old style of manipulating and trying to control the truth and the flow of information at any cost. So he is straight on the blower to his chief of staff and within moments the chief of staff calls, complains and harangues the Commissioner of the Australian Federal Police to try and make him retract, to try and make him toe the government line. He had not even left the
green room. And by Tuesday the commissioner had been forced into a so-called clarifying statement about which we are still trying to get answers. Was it urged by and perhaps even written in the Prime Minister’s office? These are the questions the Prime Minister would not answer in question time today.

In fact, it is a funny thing: I read in Alan Ramsey’s column on Saturday in the Sydney Morning Herald a more revealing account of what happened, straight out of the Prime Minister’s press office, than what the Prime Minister gave the parliament today. What has happened to our democracy when there is a higher level of accountability in an Alan Ramsey column on a Saturday than from the Australian Prime Minister in question time in the House of Representatives? This is what Ramsey wrote:

And when this column phoned Howard’s senior staff spokesman, Tony O’Leary, later that day, he confirmed Sinodinos had phoned Keelty about the Iraq remark - a “potential media problem”, he called it - and said Sinodinos had made the call only after a “conversation” with Howard.

There is greater accountability from Alan Ramsey in the Sydney Morning Herald on a Saturday morning tossed on your front lawn than from the Australian Prime Minister in question time in the House of Representatives? This is what Ramsey wrote:

He nods his head in agreement. Why then, Prime Minister, has the Attorney-General placed the following answer in the Hansard today? The Attorney-General has said in answer to a question from the member for Barton that Australian Federal Police officers seconded to the National Threat Assessment Centre will be ‘fully integrated NTAC analysts and, as such, will be directly responsible for the preparation of threat assessments’. That appears in the Hansard today, directly contradicting the Prime Minister’s statement last Monday when he said that the Police Commissioner and his organisation are not involved in intelligence judgments. No, they are involved in the preparation of threat assessment on the admission of the Attorney-General in the House Hansard today. And, of course, after Bali and after the outstanding work of the Federal Police in Bali, they received extra intelligence analysis that confirm the point that Mr Keelty was well qualified and well capable of making these comments off his own bat—well qualified and well capable in the eyes of the Australian people in making these comments.

Then the campaign of criticism of and disparaging a good man, Mr Keelty, continued into the Tuesday. If you had to run a lot-
tery, if you had to guess, about who was going to be the lowest of the low, of course you would turn to the Minister for Foreign Affairs. When they need to go in for the low blow, when they need to go in for the lowest of all comments, they can always rely on the member for Mayo. This is what he said on Tuesday before the issue of the so-called clarification statement:

I think he—

Keelty—

is just expressing ... a view which reflects a lot of the propaganda we’re getting from al-Qaeda.

What a disgraceful thing to say about a good man. Here is a man, Mick Keelty, dedicating his working life to stopping al-Qaeda, being compared by the foreign minister to their propaganda.

Mr Downer—A complete misrepresentation. That is a disgraceful thing to say.

Mr Latham—A man who is dedicating his working life to protecting the Australian people from al-Qaeda—

Mr Downer interjecting—

The Speaker—Order! The Minister for Foreign Affairs!

Mr Downer interjecting—

The Speaker—I warn the Minister for Foreign Affairs!

Mr Latham—and he is being compared by the foreign minister to their propaganda. You disgrace, you rotten lousy disgrace, to say that about a good man—Mick Keelty. It is an absolutely shocking thing to do.

The Speaker—The Leader of the Opposition! I will not tolerate remarks being addressed other than through the chair. I would point out to a number of members on both sides of the House the obligations under standing order 55.

Honourable members interjecting—

The Speaker—The Leader of the Opposition will resume his seat. The Minister for Foreign Affairs will resume his seat. I have already had occasion to warn the members for McEwen, Blaxland, Ballarat, Fowler, Lingiari, Fraser and Swan.

Mr Latham—And Mayo.

The Speaker—and the Minister for Foreign Affairs. I would point out to the House that whoever has the call is entitled to be heard, as standing order 55 provides. I have applied the standing order fairly and have not prevented members from being supportive of speakers, but I will not have people interrupted by interjection. I intend to continue to apply that fairly.

Mr Downer—Mr Speaker, on a point of order: I think, through previous precedents as well as commonsense, it is perfectly clear that for the Leader of the Opposition to descend to such vile language as calling somebody a ‘rotten lousy disgrace’ definitely demands a withdrawal, is way over the top and is language that demeans this parliament.

Honourable members interjecting—

The Speaker—The minister will resume his seat. If it is necessary for me to remove one of the people I have warned, including those on the frontbench on both sides, in order to get order I will do so. The Leader of the Opposition will withdraw the reflection on the Minister for Foreign Affairs.

Mr Latham—At your insistence, I will withdraw, Mr Speaker, but I do point out that I do regard it as a disgrace that the Minister for Foreign Affairs would compare Mick Keelty to the propaganda we are getting from al-Qaeda. That is a disgrace, and it should be condemned in the strongest possible terms. This is someone who has dedicated his working life to stopping al-Qaeda and he ends up being compared to their propaganda by the Minister for Foreign Affairs. It is indicative
of a government of control freaks—muzzling, disparaging, all about a statement of the obvious. The only sin that has been committed by the Police Commissioner is the sin of truth in the eyes of the government. He got outside the Liberal Party line. He got outside the Liberal Party line, and they are still at it.

Not having learnt from the experience of last week, there was the Attorney-General on the Meet the Press program yesterday, and when he was asked about the public having a right to see the Police Commissioner as an independent figure, not just like any other public servant, and to hear from him direct, the Attorney-General said, no, the Australian Federal Police Commissioner has no right, no public role, he is just an adviser to the government with no independent role and he has spoken directly to the Australian people. That is unlike every single Police Commissioner in this country. Independent statutory officers have the right to speak directly to the Australian people on matters of concern when it lies within their judgment. And the great irony in this is that it is all about the government’s decision to send Australia to war in Iraq, and they did that in the name of freedom and democracy. Freedom and democracy was the justification this government gave for going to war in Iraq. Yet now the Commissioner, Mr Keelty, has not got the freedom to speak publicly in his own country. They have denied him the basic democratic freedom of speaking his mind directly and honestly to the Australian people. It is an absolute disgrace and it is being condemned by police commissioners and former commissioners around the country.

Why is it that this government has so much trouble facing up to the reality of its Iraq policy? Australia was a target on September 11, but the government’s decision making in relation to Iraq has made the situation worse. We know that the situation has worsened. The member for Warringah, the Minister for Health and Ageing, the third-ranking Liberal in the House of Representatives, said prior to the conflict:

I have no doubt that there is a sense in which our actions have put us more clearly on the radar screen of terrorists.

Why is it so hard for the government to acknowledge that truth when it came from the mouth of the minister for health, the third-ranking Liberal in the House of Representatives, prior to the conflict? Then just last Tuesday, Paul Wolfowitz, the US Deputy Secretary of Defense—wouldn’t you think he knew something about it?—and one of the architects of the war in Iraq, said:

So Spain has been a real standup country, and I suppose maybe that’s one of the reasons why they came under attack.

So this is a truth that is acknowledged around the globe by people on the conservative side of politics, but it is not a truth that this Prime Minister will allow Commissioner Keelty to utter on national TV for the benefit and information of the Australian people. It is a truth that has been repeated in this country by Ken Moroney, the New South Wales Police Commissioner. So why can’t the government face up to reality? Why is it that they always need to put politics into our national security? Our national security in fact needs to be based on the truth. It needs to be based on an honest assessment. The truth is that the government did not go to war with Iraq for regime change—the Prime Minister said as much at the National Press Club on 13 March last year; they went to find and destroy weapons of mass destruction that do not appear to exist. It is a failure of intelligence and a failure of policy.

This was the side of politics, the neoconservative side, that said that they had one big thing to offer in the war against terror—the doctrine of pre-emption. It is a policy failure
now barely mentioned—hidden away in the attic like a mad uncle. The doctrine of pre-emption is barely mentioned by any of the neoconservatives. All the rhetoric about the axis of evil—

Mr Randall interjecting—

The SPEAKER—The member for Canning is warned!

Mr Latham—was their big neoconservative contribution to the war against terror, and now they cannot stomach the truth. They cannot stomach the truth of their policy failings. Having committed Australia for a core purpose that was not realised—a core purpose that was not true in Iraq—they now cannot stomach the truth when it comes from the mouth of the Australian Federal Police Commissioner.

The real truth, Prime Minister, is this: the war against terror is primarily an intelligence war. It is not a war primarily against nation states. We have to target the terrorists. In fact, the conflict in Iraq diverted resources away from that process of targeting the terrorists—al-Qaeda and bin Laden. The capacity of intelligence to track them down and do something about them is the key to winning the war against terror. It is not the folly of Iraq; it is not the errors that this government made in committing Australia to that conflict. Now the government should simply accept the truth of what Commissioner Keelty has been saying—the truth that, sure, Australia was a target at the time of September 11 but the conflict and policy making for Iraq has made the situation even worse.

This is the thing that we need to appreciate. This is the reason why the Prime Minister should be censured by the House. You cannot trust the Howard government with Australia’s national security. It is always playing politics, instead of putting the national interest first. The Prime Minister’s actions have disgraced the high office that he holds. He should not put narrow political interest ahead of the national interest—never. That is never in the best interests of our great country, and he should be censured by this parliament accordingly.

Mr McClelland—I second the motion and reserve my right to speak.

Mr Howard (Bennelong—Prime Minister) (3.25 p.m.)—This is the first censure motion that has been moved by the Leader of the Opposition in his new capacity, and of course it is a new experience for him and a new experience for me. It is a censure motion from the Leader of the Opposition—

Mr Crean interjecting—

The SPEAKER—The member for Hotham is warned!

Mr Howard—which will be best remembered for a red-faced, over-the-top denunciation of my colleague the Minister for Foreign Affairs. This House will remember that the crescendo, the piece de resistance, of the Leader of the Opposition’s attack was to go red in the face, lose control, hurl abuse at the Minister for Foreign Affairs, and then, of course, proceed in a very repetitious way and go over and over again, using essentially the same language, the same accusation for 20 minutes.

Let me go to the essence of what the Leader of the Opposition had to say. What the Leader of the Opposition is obsessed with—and what many of those opposite who sit with him are obsessed with—is not the reputation of the Federal Police Commissioner, not the independence of our intelligence agency, not the role of the Australian Federal Police in providing protection to the Australian people but the decision that this government took to commit Australian military forces to the coalition operation in Iraq.
The one phrase that the Leader of the Oppo-
sition used that really leapt out at me was ‘the government’s policy on Iraq has made things worse’. If you look at the substance of this debate, that is a statement that bears a certain amount of examination, because it really goes to the basis of the obsession that the Leader of the Opposition and the Labor Party have with this issue.

Before I come to that, let me say some-
thing of the Australian Federal Police Com-
missioner. It is predictable, of course, that the Leader of the Opposition should flounce in here and say what a magnificent person the commissioner is. The Leader of the Op-
position should go through the motions of saying how magnificent the Australian Fed-
eral Police are. Lest there be any doubt about it, I hold the Federal Police Commissioner in very high regard. I have enormous respect for the work that he has done. Over the last 16 or 18 months, in the wake of the tragedy in Bali, nobody has done more in a leader-
ship role in any of the government agencies to prosecute the will and indeed the wishes of the Australian people than the Commis-
sioner of the Australian Federal Police. The operational cooperation that occurred be-
tween the Australian Federal Police and the Indonesian police in tracking down those who murdered 88 of our number in Bali de-
serves the gratitude of this country and par-
lament and has received that gratitude through me on numerous occasions. Let us put aside any suggestion at the beginning of this debate that I as Prime Minister, or any-
body in this government, is anything other than enormously respectful of the role of the Australian Federal Police as an effective op-
erational force.

But let us also understand that, as the Leader of the Opposition well knows, in ad-
vising the government there are different roles for different agencies. There can be no argument that the prime adviser to the gov-
ernment on security assessment issues is the Australian Security Intelligence Organisa-
tion. In asserting that, I am not in any way denigrating the role of the police.

Ms Jackson interjecting—

The SPEAKER—I warn the member for Hasluck!

Mr HOWARD—I am not saying that Mick Keelty is not up to his job; I am simply stating the obvious. Everybody knows the difference between operational police work and intelligence work. The Leader of the Opposition is quite correct when he says that, in fighting terrorism, your most impor-
tant weapon is intelligence.

Mr Kerr interjecting—

The SPEAKER—The member for Deni-
son!

Mr HOWARD—in making judgments as Prime Minister about the threat assessment that might be important to this country—

Mr Kerr interjecting—

The SPEAKER—Under standing order 304A, the member for Denison will excuse himself from the House.

The member for Denison then left the chamber.

Mr HOWARD—in making judgments about the threat assessment, the organisation that I will listen to most is the Australian Security Intelligence Organisation. But let me remind the Leader of the Opposition yet again that, when the government took the correct decision, in my view—a decision I will never apologise for and never retreat from—to commit this country to military operations in Iraq, we sought the advice of the Australian Security Intelligence Organi-
sation. We asked whether, as a consequence, we had to lift the general threat level in this country. We were told: ‘No, you do not lift the general threat level in this country. You lift the threat level for certain foreign assets
You lift the threat level for Australian assets overseas in certain parts of the world. But you do not lift the general threat level in Australia. That is what I was told by the Director-General of ASIO back in March 2003. Nobody in the intelligence or security community dissented from that advice. ASIS did not dissent. ONA did not dissent. The Australian Federal Police did not dissent. That advice has remained constant ever since. At no stage have I received contrary advice. I say to this House: the moment I receive contrary advice, the Australian people will know about that contrary advice. I reject completely the suggestion that in some way, to protect my political position, I am holding back from the Australian people information which is vital to their security. Let us be very clear that at no stage has that advice been altered.

It has not been altered since the tragedy in Madrid. We have not received any advice from the Australian Federal Police—I say this again: we have not received any advice from the Australian Federal Police—that, as a result of what happened in Madrid, we are more at risk of a terrorist attack. We have not received that advice. We have not received that advice from ASIO. We have not received it from ONA. In other words, the general threat level has not altered as a result. That does not mean to say that we are not all feeling a little more nervous. Of course we are. Any attack on any of our number anywhere in the world naturally makes us all feel more insecure. That is only natural.

But our responsibility at a government level is to deal with threat assessment. That is the view that was taken by the Leader of the Opposition himself. When he was being interviewed only four days ago on the Neil Mitchell program, he said, ‘You’ve got to listen to the intelligence agencies when it comes to threat assessment.’ I have listened to them. I have listened to the Federal Police, I have listened to ONA, and I have listened to ASIS. And none of them is saying that the assessment made a year ago—that the threat level should not be raised as a result of the involvement in Iraq—should be altered. None of them has come to me and said, ‘As a result of what has occurred in Spain, we have credible evidence that there is going to be an attack in Australia.’ None of them has said that. It is against that background that this issue has to be assessed.

It is against that background that you see, in everything the Leader of the Opposition has said, this overweening preoccupation of the Australian Labor Party with the military operation in Iraq. I am glad that the Leader of the Opposition said at one stage in his speech that going into Iraq was meant to be about democracy and liberty. In fact, the people of Iraq have more hope of democracy and liberty as a result of what we did in Iraq. They would not have had any democracy or liberty if they had listened to the Australian Labor Party. They would have had no democracy or liberty at all. I have no doubt that the people of Iraq, a year on, have a brighter future. They feel that they have a better hope of a life for their families and for future generations than was the case before that operation.

The Leader of the Opposition has, not surprisingly, given me many character references in his censure motion. He has said that I have heavied the police commissioner. He has traduced members of my staff. I remind the Leader of the Opposition that, in dealing with these issues, I have behaved no differently in terms of communication with the police commissioner from any of my predecessors. The proposition is that every time there is some kind of communication about a sensitive issue between a Prime Minister, a minister and a police commissioner or the
Director-General of ASIO or the Chief of the Defence Force—name any number—it has to be documented and it has to be paraded. I do not notice the Leader of the Opposition parading the discussions in shadow cabinet, for example, on parliamentary superannuation, and I do not notice the Leader of the Opposition running around giving us chapter and verse on what he said to Nick Sherry after the superannuation bloopers. It is perfectly normal and perfectly proper for there to be communications between them and me, and I do not deny those for a moment.

But the Australian Federal Police Commissioner was not rebuked. The Australian Federal Police Commissioner was not treated improperly. The Australian Federal Police Commissioner made a statement which he subsequently indicated expressed his view of the situation. When you look again at the sequence of events—particularly if I can return to what he said on the *Sunday* program and what was subsequently said by one of the major news bulletins in Australia—you can see the need for clarification. This is what was said—and I invite the Leader of the Opposition to listen to this carefully:

Well, I think we’ve said all along this is an uphill battle. This is a marathon, not a sprint. The reality is, if this turns out to be Islamic extremists responsible for this bombing in Spain, it’s more likely to be linked to the position that Spain and other allies took on issues such as Iraq.

That prompted the following, that evening on the Channel 9 news bulletin, which has the largest audience of any news bulletin anywhere in Australia. The newsreader had this to say:

... other allies—that includes Australia—and he went on to say, crucially—

Put another way, our top cop believes our involvement in the Iraq war has made us a possible al-Qaeda target.

I repeat to the Leader of the Opposition that our top cop had said no such thing. Our top cop had not said that. The Leader of the Opposition knows it is inaccurate—and he himself has said it is inaccurate—to say that our involvement in the war in Iraq made us an al-Qaeda target. On the Neil Mitchell program he acknowledged that we have been a terrorist target since 11 September. The truth is that we were, according to ASIO, a terrorist target before 11 September 2001. It is in that context that the reference to a clarification was both understandable and, I think, desirable.

I said last Friday and I repeat here today that the Australian Federal Police Commissioner will be fully entitled to express his views, within his areas of responsibility, in any way that he thinks appropriate. There has been no muzzling of the Australian Federal Police Commissioner. There has been no interference with his operational independence. There have been no improper exchanges between me and the Australian Federal Police Commissioner or anybody acting on my behalf or with my authority. It is a perfectly normal, natural thing in relation to issues of this kind that there should be discussion and communication with the police commissioner.

The Leader of the Opposition is the last person who can come into this House with any kind of real authority and start lecturing us about standards, honesty and values. We heard the Leader of the Opposition talking last Friday about parliamentary standards. Today he gave a dramatic illustration of what needs to be done to lift parliamentary standards in this place when he went completely over the top with his attack on the Minister for Foreign Affairs. The great challenge that we have in this country is to effectively fight terrorism. The causation of terrorism is important, but the causation of terrorism is less important than the unity of the fight and the
effectiveness of the fight against terrorism. In that we need the united support and professional commitment of all our intelligence and security agencies. We have them now, we have had them in the past and we will continue to have them in the future. I reject the censure completely.

Mr McCLELLAND (Barton) (3.40 p.m.)—I rise to support the motion. The Prime Minister’s speech would have us characterise this incident and these events as simply a debate as to whether we have specific—I underline the word—advice to lift the general—and I underline that word as well—threat level facing Australia. We have heard for the first time that other specific levels may have been lifted as a consequence of Australia going into the war in Iraq—namely, the threat level faced by foreign interests in Australia and Australian interests abroad. Apparently, those specific threat levels are not regarded in the Prime Minister’s description of a general threat level.

We have also heard the Prime Minister say that he acted entirely appropriately and that he did not interfere with the operational independence of the commissioner for police. Again, we are seeing some of the propaganda that is demonstrated by those comments. Take the words ‘operational independence’. Take out the word ‘operational’ and what we see effectively is an admission that what occurred last week was political thuggery towards the Commissioner of the Australian Federal Police. Why? It was simply because he expressed his honest opinion, effectively to tell the people of Australia that we had to take the incidents that occurred in Madrid very carefully because there may have been a correlation of factors that applied to that event and circumstances faced in Australia. Not to do so, one would legitimately argue, would have been grossly irresponsible. But he was subject to political thuggery because he departed from the script.

If Australians could choose whom they wanted to protect their families and if the choice were between someone of the calibre of Commissioner Mick Keelty or those sitting opposite, I know whom they would pick every time. They would pick Commissioner Keelty every time, and justifiably so. As the Leader of the Opposition said, he is one of our nation’s real champions. Indeed, the Prime Minister acknowledged Commissioner Keelty’s tremendous achievements in terms of not only his general policing responsibilities, his toughness and his determination but also the impact that he had as a national figure in the terrible events that confronted the nation in the form of the Bali bombings.

To see a man of Commissioner Keelty’s character driven to consider his resignation is, quite frankly, appalling. Consider the comments and the approaches that were made to this man last week when he was in the middle of participating in a vitally important conference with the most senior police officers of the land. Consider the number of phone calls that he must have received and the dilemma that he was in. He actually considered resigning from his position. If the approach to him was so appropriate, why would a man such as Mick Keelty consider resigning from his position? The fact that such a man was placed in that position is nothing short of an outrage. Indeed, I echo my disgust at the comments of the Minister for Foreign Affairs when he said:

Now, Mr Keelty makes a point that, you know ... al Qa’eda are running around saying that this is all because of the Spanish position in relation to Iraq—effectively accusing the Australian Federal Police Commissioner—the highest law enforcement officer of the land and someone who, as the Leader of the Opposition has
said, has devoted his career to protecting the security of Australians and Australian families—of espousing propaganda. To accuse a man such as that of mouthing al-Qaeda propaganda is nothing short of disgusting. The Minister for Foreign Affairs stood up and asked the Leader of the Opposition for a retraction of his comments condemning the Minister for Foreign Affairs. The Minister for Foreign Affairs should stand up and be man enough to withdraw his comments and apologise to Commissioner Mick Keelty for that suggestion. It was nothing short of an outrage.

Commonsense says that, if you connect the dots, you would be naive to dismiss a connection between the role of the Spanish government in the war in Iraq and the events that occurred in Madrid. But Commissioner Keelty was not saying whether it was a good thing or a bad thing that Australia participated in that conflict. That was not his turf. He was saying: ‘Let’s look at the dots. If they are connected, we have to be aware.’ For him to do other than that would have been to ignore his responsibility to the Australian people. His comments echoed those of Mr Pistole, the head of the FBI’s counter-terrorist mission in the United States, who was also out here last week at that important conference, and they echo comments by the deputy secretary of the Department of Defense in the United States. Those comments have also been supported by a number of people.

I note that, at one stage in an answer to a question today, the Prime Minister suggested that the issue was something that would be left open. Of course, it would be naive, as I say, not to draw the dots and to try and consider the Australian people by silencing the Commissioner of Police. To prevent him from making such comments was grossly irresponsible. The Prime Minister said in an answer today that the focus of the government was dealing with the reality of terrorism. If that was the focus of the government, why didn’t they allow the commissioner for police to participate unimpeded, unhindered and not harassed at a time when he had a responsibility as Australia’s prime law enforcement officer to participate with the leading law enforcement officers of this nation and with myriad experts who had come out to Australia at a crucial time—that is, immediately after the Madrid bombing? Why wasn’t he allowed to participate in that conference unimpeded? You can imagine the pressure on that man starting not with this all-important news bulletin at 6 p.m. on Sunday night, as the Prime Minister suggested, but immediately after he stepped out of the studio on Sunday morning to express his honest opinion to the Australian people. If the government’s focus was on dealing with the reality of terrorism, why didn’t they get out of the way and leave an honest and determined champion of Australia’s security interests to participate in that conference without being harassed? The fact that they did not do so shows what this government’s priority is. Their priority is their propaganda, not the security of the Australian people. The government’s priority is spin, over protecting the families of Australia. There is no other conclusion that can be drawn from these events. It is unquestionably the case that what we have seen are political standover tactics of the very worst kind.

As I said, the pressure of the government was such that they were prepared to sacrifice Commissioner Keelty because he dared utter words that were inconsistent with the government’s spin. But, to justify those standover tactics, the Prime Minister talks about ‘operational independence’ or ‘operational responsibilities’. We know what the Australian Federal Police’s operational responsibilities are, because we heard of them as recently as 18 March of this year, when
the Attorney-General answered my question on notice. With regard to the Australian Federal Police’s involvement in the new National Threat Assessment Centre—which I understand will be starting up next month—he said that the Australian Federal Police will be fully integrated in the National Threat Assessment Centre analysis and, as such, will be directly responsible for the preparation of threat assessments. If the Prime Minister says, ‘I will listen to ASIO and no other about the threats faced by Australia,’ why have we even set up a National Threat Assessment Centre at all? Why have we brought experts in these agencies together to advise the Australian people of threats faced by the Australian people because of myriad circumstances, including events overseas such as those in Madrid? Clearly, it is part of the operational responsibilities of the Australian Federal Police to participate in those national threat assessments, to consider the likelihood of a terrorist event in Australia as a result of a number of factors. To dismiss that, as the government has sought to do, as not being part of Commissioner Keelty’s operational responsibilities is simply wrong and it is, again, misleading the Australian people.

You have to ask whether this was simply pressure exerted on Commissioner Keelty, who you have to say is probably one of the toughest of all public servants. It was a statement and a warning shot across the bows of all public servants to toe the government’s line in this election year. That is what it was about. It was the intimidation of someone who can probably be regarded as the toughest of our public servants in order to warn other public servants that they had better toe the government’s line or wait and see what will happen to them.

I ask the government: how can Australians, in those circumstances, have confidence in the impartiality, frankness and sincerity of Australian Federal Police officers—and, indeed, others—confidence that they will give their honest and frank advice in the national threat assessment process, given the consequences if they dare utter words that are inconsistent with the government’s spin? How can the people of Australia have confidence that this government’s priority is their security rather than the government’s spin? If you look at the government’s response with respect to security issues, you see that that is what it is about.

Mr Downer interjecting—

Mr McCLELLAND—I was just prompted by the minister at the table. Under regulations in his portfolio, over 400 individuals and terrorist organisations have been listed as terrorist organisations, to make it illegal to contribute to those organisations and to be able to confiscate their assets. How many organisations have had their assets confiscated? Two: one case involved a Melbourne record company called Shining Path—they had to withdraw from that; the other case involved a grand sum of $2,100. In the context of other countries confiscating and freezing over $100 million of assets, this government has frozen some $2,100. We have passed—and we have seen tremendous debate and fanfare, as part of this government’s rhetoric—a myriad of legislation. How many terrorists have we seen prosecuted in Australia, despite dramatic headlines regarding the activities of Willie Brigitte in Australia? Not one terrorist has been prosecuted in Australia.

This government is about the propaganda of security—muzzling, restricting, intimidating—and, indeed, writing statements of retraction for a very decent and dedicated man. The national security of Australians should be above politics. Our national security depends on the dependability and independence of those charged with our national security.
That independence has been fundamentally breached and so too, potentially, has our national security. This government should be ashamed of the pressure and the intimidation that it applied to a very decent, determined and dedicated man. It should apologise to that man and it should apologise to the Australian people for attempting to pull the wool over their eyes.

Opposition members—Apologise!

The DEPUTY SPEAKER (Mr Jenkins)—Order! The honourable member for Barton was heard in relative silence. The fact that the Minister for Foreign Affairs is rising is not an excuse for that sort of behaviour from my left. Those who wish to listen to the debate shall do so silently. Those who cannot see that way clear should remove themselves from the chamber under their own volition, or I will act.

Mr DOWNER (Mayo—Minister for Foreign Affairs) (3.56 p.m.)—The first observation I would make is this: he is back. The old Leader of the Opposition that we knew three months ago is back with us again today—a man who aspires to be the Prime Minister of our country but does not have the presence of mind and the calmness needed to run this country. I think that has been very clearly demonstrated today with the extraordinary outburst of the Leader of the Opposition. If we wanted to get hold of a conversation and see what was in it, the conversation we would like to see is the one between the Leader of the Opposition’s advisers and the Leader of the Opposition. It is clear that they have given him advice to calm down, try to relax and bring himself under control, because otherwise, politically, it might be damaging. We have had three months of him listening to and adhering to this advice, and then suddenly, today, on 21 March, he breaks out and the old Leader of the Opposition comes back. Why do I think this is important?—

Mr Latham—Today’s the 22nd.

Mr DOWNER—The 22nd, is it? I think this is important—

Honourable members interjecting—

Mr DOWNER—Yes, of course, he is back again. I think this is important because the great negative about the Leader of the Opposition was that he would not have the calmness, he would not have the personality, to be able to carry off the job of being the Prime Minister of Australia. Today we have had it revealed for all of us in the House of Representatives and for those who were watching the House of Representatives that, indeed, the Leader of the Opposition does not have the essential calmness that is needed for the job, that just bubbling beneath the surface is this tempestuous personality. His Kurtz—we read about it in the Age; out it comes. This is an extraordinary revelation and it is an important day from that point of view.

Secondly, we have a Leader of the Opposition who said he wanted to bring higher standards to the parliament. That is what the member for Hotham said as well when he became the Leader of the Opposition. I remember it only too well. He was going to bring higher standards, and we had the ranting and the raving from the dispatch box for two solid years. It sounds as though we are about to get it for one more year, in the lead-up to the next federal election—the ranting and the raving of the opposition from the dispatch box, the party political points.

Mr Rudd interjecting—

The DEPUTY SPEAKER—Order! Member for Griffith!

Mr DOWNER—The opposition are accusing the government of playing politics with national security, while they have
moved a censure motion today that is playing politics with national security! I do not think that would be lost on anybody with a triple-figure IQ. I think anyone would be able to work out that that is exactly what the opposition are doing today. The fact is that the Leader of the Opposition has abandoned his apolitical position—the position he took when he once rose way above politics for three long months. He is back where he was last year, making all sorts of grotesque allegations, sinking into the political gutter and pretending that somehow I am associating Mick Keelty with al-Qaeda. As if Mick Keelty would believe that of me. Nobody is going to believe that. No-one does believe that.

Everybody knows that I have worked day in and day out with Mick Keelty ever since he became the commissioner of the police. We have had a very close and—if I may say so—a very important relationship for this country, particularly because of the work we have done in South-East Asia and in the South Pacific. The relationship between me and Mick Keelty has been very important to our foreign policy. As if I would think Mick Keelty was somehow associated with al-Qaeda. For the Leader of the Opposition to suggest that is to remind me of some of the more loathsome statements that I have heard from the opposition while I have been in this parliament and is to sink to an extraordinary new low in party political debate.

Mr Rudd interjecting—

Mr Downer—Yes, just like the McClellands and the Beazleys and all those people. And what a disgrace you think that is, as well, I suppose—but I thought his father was a pretty good senator. Former Senator McClelland was the President of the Senate. He was the High Commissioner in London. I reckon he was a good man. As for his son—well, I do not always agree with his politics, but he is not a bad bloke. So, excuse me, but do not be rude to the member for Barton. He is not a bad bloke, and I encourage the gallery to believe me.

Mr Murphy—Mr Deputy Speaker, I rise on a point of order. What has this got to do with the motion before the chair?

The Deputy Speaker—The honourable member will resume his seat.

Mr Downer—The point that I have been making that I think the House needs to understand—and I think it is the point that Mr Keelty makes as well—is that there are people, in particular al-Qaeda people, who are out there—

Mr Rudd interjecting—

Mr Downer—The member for Griffith, who has been benched again for this debate, who is not even allowed to ask questions in question time, asks them by way of interjection, which is disorderly—

The Deputy Speaker—Order! It is quite disorderly, and I hope that the minister will ignore the interjections and that the member for Griffith will cease interjecting.

Mr Downer—It is very hard to ignore the member for Griffith because he is so gar- rulous, although what he says is very seldom associated with the truth. My point is this: people like Mr Keelty, me, the Prime Minis-
ter and the head of ASIO are all perfectly aware that al-Qaeda and associated organisations are running around there at the moment, running a line. The line is that acts of terrorism—in particular, the Madrid bombing—occur because Spain, for example, participated in the war against terrorism. That is the only point I am making.

Ms Macklin—Mick Keelty said that—

Mr DOWNER—But I say exactly the same thing. I say that al-Qaeda are going around and making this claim. That is what I say. Of course he says it, and so would the head of ASIO. Mick Keelty knows I am not accusing him of being a member of al-Qaeda. That is a rather fanciful proposition. The point that I make is very important: we need to understand the facts here. One of the facts is that Spain was not actually a member of the coalition of the willing. Spain did not have troops in Iraq. The second thing is that Spain was one of 48 or so countries that supported the overall effort of the coalition of the willing, and we welcome its support. It has troops in Iraq now. It is one of 35 or so countries that have some troops in Iraq now, and I think it says a lot for the international community that so many countries are prepared to do that.

This is the point we are making: when it comes to terrorist organisations, al-Qaeda is the most egregious. Al-Qaeda will use any argument it can to push its cause, but you do need to remember what al-Qaeda is fundamentally about and what Jemaah Islamiah is fundamentally about. These are organisations that were not established to deal with the issue of Iraq—or East Timor, for that matter—or Israel and Palestine. These are organisations that were established to try to achieve a fundamentalist vision of Islam throughout the Islamic world—in Indonesia, our next-door neighbour; in the southern part of the Philippines; in Malaysia; in Brunei; and in the southern part of Thailand. That is what these organisations were set up to do and that is their objective. They see the moderate leaders of these countries as apostates, as people who are betraying the message of Islam. That is how these people see them, and they see apostates as worthy of death. They also see infidels—that is, of course, predominantly but not exclusively Westerners, non-Muslims, nonbelievers, as they would say—and heretics. They say these people—

*Opposition members interjecting—*

Mr DOWNER—Well, you may think it is funny, but these people thinking that infidels are worthy of death is not, for me, a laughing matter.

Mr Rudd—Mr Deputy Speaker, I rise on a point of order. The inference by the Minister for Foreign Affairs—and I was laughing at his last remark—is plainly inaccurate and an offence, and I ask that he withdraw it.

The DEPUTY SPEAKER—Order! The honourable member will resume his seat.

Mr DOWNER—The fact is—

Mr Rudd interjecting—

The DEPUTY SPEAKER—Order! The honourable member for Griffith will sit there in silence and avoid the necessity for any comments across the table.

Mr DOWNER—The fact is that is that is what these terrorist organisations are out to achieve, and it is very important that we understand that. I also think it is very important that we show a great deal of strength when we confront these organisations. I know we can have our debates in Australia, and we can have debates between and within countries, and that is perfectly legitimate, but the aim of al-Qaeda, amongst other things, in order to achieve its objectives, will be to weaken our resolve in the war against terror-
ism. We have to be careful that we do not do that.

I think it is enormously important that we remain strong and resolute in everything we do to fight terrorism, that we remain united as much as we can with countries in the European Union, with America, with Canada and with our Asian neighbours—the Japanese, the Chinese and importantly the moderate Muslim leadership in Asia—and that we do not allow arguments being pushed around the world by all sorts of organisations to be used to divide us and to weaken our resolve.

I made it clear last week that I did not think it would be a good message if Spain withdrew their troops from Iraq. I do not think that would be a good message. Even if the government does not hold this view—and to be fair to them, the incoming government made it clear that they had this policy long before the Madrid bombing—I would like them to reverse their policy because they are in danger of sending a message to the international community, particularly to al-Qaeda and their fellow travellers, that a bomb can have effect, and we do not want to see that.

Let me conclude by saying what I said in question time on Iraq. I appreciate that the Leader of the Opposition thinks the war to overthrow Saddam Hussein’s evil regime was a mistake. I just do not happen to share that view, and nor do the people of Iraq, importantly. It is important what the people of Iraq think about these things, and the people of Iraq are delighted that Saddam Hussein has gone. We have found over 250 mass graves with between 300,000 and 400,000 bodies in those mass graves.

Mr Murphy—So are we.

Mr DOWNER—My response to the member for Lowe is: yes and no. Yes, of course you are not in favour of the brutalities committed by Saddam Hussein, but if your policy had been pursued he would still be in office. That is the point. That is not a problem we have on this side of the House. We do not wear the incubus of having pursued a policy which would have kept Saddam Hussein in power. Do not get too sensitive. I am not accusing you of supporting him, but I am accusing you of supporting a policy which would have kept him in power.

The DEPUTY SPEAKER—Order! The minister will address his remarks through the chair.

Mr DOWNER—The fact is that he did have weapons of mass destruction programs. That is perfectly clear. The Iraq Survey Group has made that perfectly clear. It is true that the stockpiles have not been found, but he certainly did have programs and activities—and there is no question of that. This is a man who has used these weapons against his own people and he has still got programs in defiance of Security Council resolutions. Mr Speaker, excuse me if I say so, but I do not think that is all right. I do not think that is acceptable.

I think it is a great thing that we got rid of this regime, and I think history will judge us as having done the right thing and a strong thing. We did not do a populist thing. Remember populist? We did not do a populist thing. No, we did the right thing. Sometimes the right thing is not very popular. Sometimes it requires a bit of courage and you have got to be tough. Going down to Tasmania and saying ‘I’m all in favour of trees and the environment’ and ‘I’m all in favour of chopping trees down and logging jobs’ is not strong. That is playing both ends against the middle, walking both sides of the street, trying to create images and perceptions which belie a truth which is a vacuum. When it comes to Iraq, we have made no secret of the fact that this was a tough decision and we
have made no secret of the fact that it was the right decision.

Question put:
That the motion (Mr Latham’s) be agreed to.

The House divided. [4.15 p.m.]

(The Speaker—Mr Neil Andrew)

Ayes…………… 59
Noes…………… 75

Majority………. 16

AYES

Adams, D.G.H. Albanese, A.N.
Bevis, A.R. Breereton, L.J.
Burke, A.E. Byrne, A.M.
Corcoran, A.K. Cox, D.A.
Crean, S.F. Danby, M. *
Edwards, G.J. Emerson, C.A.
Evans, M.J. Ferguson, L.D.T.
George, J. Fitzgibbon, J.A.
Gillard, J.E. Gibbons, S.W.
Griffin, A.P. Grierson, S.J.
Hatton, M.J. Hall, J.G.
Irwin, J. Hoare, K.J.
Jenkins, H.A. Jackson, S.M.
Latham, M.W. King, C.F.
Livermore, K.F. Lawrence, C.M.
McClelland, R.B. Macklin, J.L.
McMullen, R.F. McClelland, J.
Mossfield, F.W. Melham, D.
O’Byrne, M.A. Murphy, J. P.
O’Connor, G.M. O’Connor, B.P.
Plibersek, T. Price, L.R.S.
Quick, H.V. * Ripoll, B.F.
Roxon, N.P. Rudd, K.M.
Sawford, R.W. Sciaccia, C.A.
Sercombe, R.C.G. Sidebottom, P.S.
Snowdon, W.E. Swan, W.M.
Tanner, L. Thomson, K.J.
Vanvakinou, M. Wilkie, K.
Zahra, C.J.

NOES

Brough, M.T. Cadman, A.G.
Cameron, R.A. Causley, I.R.
Charles, R.E. Ciobo, S.M.
Cobb, J.K. Costello, P.H.
Downer, A.J.G. Dutton, P.C.
Elson, K.S. Entsch, W.G.
Farmer, P.F. Forrest, J.A. *
Gambone, T. Gash, J.
Georgiou, P. Haase, B.W.
Hardgrave, G.D. Hartsuyker, L.
Hawker, D.P.M. Hockey, J.B.
Hunt, G.A. Johnson, M.A.
Jull, D.F. Kelly, D.M.
Kelly, J.M. Kemp, D.A.
King, P.E. Ley, S.P.
Lindsay, P.J. Lloyd, J.E.
Macfarlane, J.E. May, M.A.
McArthur, S. * McGauran, P.J.
Moylan, J. E. Nairn, G. R.
Nelson, B.J. Neville, P.C.
Panopoulos, S. Pearce, C.J.
Prosser, G.D. Pyne, C.
Randall, D.J. Ruddock, P.M.
Scott, B.C. Secker, P.D.
Slipper, P.N. Smith, A.D.H.
Somlyay, A.M. Southcott, A.J.
Stone, S.N. Ticehurst, K.V.
Tollier, D.W. Truss, W.E.
Tuckey, C.W. Vaile, M.A.J.
Vale, D.S. Wakelin, B.H.
Washer, M.J. Williams, D.R.
Worth, P.M. * denotes teller

Question negatived.

Mr Abbott—Mr Speaker, could I just point out for the benefit of the members that the Prime Minister was absent from the division just taken not because he wanted to be but because he has been involved in a telephone hook-up with the state premiers as part of the Mercury 04 exercise. That explains his absence from that vote.

Mr Speaker, I ask that further questions be placed on the Notice Paper.
QUESTIONS WITHOUT NOTICE:
ADDITIONAL ANSWERS

Australian Customs Service: Border Protection

Mr RUDDOCK (Berowra—Attorney-General) (4.19 p.m.)—Mr Speaker, I seek the indulgence of the chair to add to an answer.

The SPEAKER—The minister may proceed.

Mr RUDDOCK—I seek to add to an answer simply to say that I referred to nine million tonnes of drugs; it is nine tonnes of drugs.

QUESTIONS TO THE SPEAKER

Members of Parliament: Free Promotional Gifts

Mr MURPHY (4.20 p.m.)—Mr Speaker, my first question is whether you have seen a notice to all senators and members today from the Sergeant-at-Arms and the Usher of the Black Rod saying that Ecofibre Industries has provided a 10-kilogram bag of hemp mulch for each senator and member as a free promotional gift and inviting each member and senator to indicate whether they would like the product to be delivered to their Parliament House suites. The second question is: bearing in mind an article which appeared in the Canberra Times on Saturday by David McLennan entitled ‘Free hemp on offer for pollies as our Parliament goes to pot,’ which concluded, ‘No decision has been made on what happens with any left-over hemp mulch, although there would be a good chance it ends up on Parliament’s gardens rather than at any Canberra parties,’ and bearing in mind also that I do not intend to collect my 10 kilograms of hemp, what guarantee can you give—or, dare I suggest, can one of the joint house committees give—that any uncollected hemp be safely disposed of?

The SPEAKER—Let me point out to the member for Lowe that, whilst I will follow the matter up, my understanding is that we are talking about hemp which is an industrial product. In fact, I understand that, at a research centre within 10 kilometres of my electorate office, this material is being developed and grown for industrial purposes. It bears very little or no relationship to hemp in the drug form and it poses no hazard to anybody or it would not be tolerated. That is my understanding. If I am in error, I will let the member for Lowe know. But I think that if he were to consult with some of his colleagues—including the member for Blaxland, who appears to be well informed on the matter—he will be reassured that I am right.

LEAVE OF ABSENCE

Mr LATHAM (Werriwa—Leader of the Opposition) (4.22 p.m.)—I move:

That leave of absence for the remainder of the current period of sittings be given to the honourable Members for Stirling and Brand, on the ground of ill health.

For those members who know of their circumstances, I am sure good wishes from both sides of the parliament will be extended to the two members and we look forward to seeing them back here in the budget sittings in May, fully recovered.

Mr ABBOTT (Warringah—Leader of the House) (4.22 p.m.)—If I may—on indulgence—simply support the motion moved by the Leader of the Opposition and say, on behalf of all government members, that we very much wish the members good health, speedy recovery and swift return to this place.

The SPEAKER—I thank both members. I report to the House that quite coincidentally the Clerk of the House and I were in Perth early last week and had an opportunity to call to the member for Stirling’s office—we were unaware at that stage of the member for Brand’s ill health—and we were able to pass on the regards of the House to the member
for Stirling. And of course we all wish the member for Brand well.

Question agreed to.

PETITIONS

The Clerk—Petitions have been lodged for presentation as follows and copies will be referred to the appropriate ministers:

Australian Defence Forces: Medal

To the Honourable the Speaker and the Members of the House of Representatives assembled in Parliament:
The Petition of certain citizens of Australia draws to the attention of the House:
That a citizen who serves to defend the country does so with the highest patriotic motives in mind. They know they could be called to serve in war and lay down their life. After that commitment they may leave the service without any tangible recognition being given to them. Unless a member receives a medal for overseas service their first chance of gaining a medal is for long service after 15 years service, if the member serves that long.
The medal sought is not for service in the sense of long service but more for the individual who makes a commitment to serve the Nation.
Your Petitioners pray that the House will institute a medal for two years full-time or part-time service in the Australian Defence Force from 1 January 1946 to the present and future servicemen and women who serve and protect our Nation.

by Mr Anthony (from 140 citizens)
by Mr Farmer (from 40 citizens)
by Mr Fitzgibbon (from 55 citizens)
by Mr Sidebottom (from 19 citizens)

Immigration: Asylum Seekers

To the Honourable the Speaker and the Members of the House of Representatives in Parliament assembled:
Whereas the 1998 Synod of the Anglican Diocese of Melbourne carried without dissent the following motion:
‘That this Synod regrets the Government’s adoption of procedures for certain people seeking political asylum in Australia which exclude them from all public income support while withholding permission to work, thereby creating a group of beggars dependent on the Churches and charities for food and the necessities of life;
and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil and Political Rights.’
We, therefore, the individual, undersigned attendees at the United Church Parish of Chelsea, Vic, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Ms Corcoran (from 19 citizens)

Immigration: Asylum Seekers

To the Honourable the Speaker and the Members of the House of Representatives in Parliament assembled:
Whereas the 1998 Synod of the Anglican Diocese of Melbourne carried without dissent the following motion:

‘That this Synod regrets the Government’s adoption of procedures for certain people seeking political asylum in Australia which exclude them from all public income support while withholding permission to work, thereby creating a group of beggars dependent on the Churches and charities for food and the necessities of life;

and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil and Political Rights.’

We, therefore, the individual, undersigned attendees at Anglican Church of St James, Pakenham VIC 3810, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Dr Kemp (from 10 citizens)

Immigration: Asylum Seekers

To the Honourable the Speaker and Members of the House of Representatives in Parliament assembled:

Whereas the 1998 Synod of the Anglican Diocese of Melbourne carried without dissent the following motion:

‘That this Synod regrets the Government’s adoption of procedures for certain people seeking political asylum in Australia which exclude them from all public income support while withholding permission to work, thereby creating a group of beggars dependent on the Churches and charities for food and the necessities of life;

and calls upon the Federal government to review such procedures immediately and remove all practices which are manifestly inhumane and in some cases in contravention of our national obligations as a signatory of the UN Covenant on Civil and Political Rights.’

We, therefore, the individual, undersigned attendees at All Souls Anglican Church, Sandringham VIC 3191, petition the House of Representatives in support of the above mentioned Motion.

AND we, as in duty bound will ever pray.

by Mr Zahra (from 7 citizens)

Roads: Geelong Bypass Road

To the Honourable the Speaker and Members of the House of Representatives assembled in parliament:

The petition of certain citizens of Australia draws to the attention of the House the perilous well being of the citizens of the Federal electorates of Corio and Corangamite, arising from the large volume of heavy transport travelling through residential areas, and the detrimental impact on the financial well being of industry in the Federal electorates of Corio and Corangamite, caused by the failure of the Federal Government to provide Federal funding to match the funds allocated by the State Government of Victoria to enable the construction of the Geelong Bypass Road.

Your petitioners therefore request the House that during the term of this current Parliament it provides immediate funding to enable the construction of the Geelong Bypass Road by matching the funding of the State Government of Victoria.

by Mr McArthur (from 238 citizens)

Health and Ageing: Aged Care

To the Honourable the Speaker and Members of the House of Representatives assembled in parliament:

We the undersigned, concerned citizens of Australia, draw to the attention of the House the dire need to address current issues in Residential Aged Care resulting from insufficient funding and the lack of accountability for how that funding is distributed. Nurses fear that as a result of the above, they will not be able to continue to provide quality care to our frail aged in Aged Care facilities. Our senior citizens deserve to be cared for by appropriately qualified nurses.

Your petitioners therefore request the urgent attention of the House to review current funding arrangements to allow appropriate nursing hours that will ensure quality care to these residents, and will ensure parity of wages for nurses working in either the public or aged care sector.

by Mr Andren (from 1,049 citizens)

Superannuation: Same Sex Couples

To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:
We, the undersigned, draw the attention of the House to the discrimination experienced by same sex couples in the provision of many government benefits, including superannuation and veterans’ entitlements.

We also draw the attention of the House to the recent decision of the United Nations Human Rights Committee that Australia is in breach of international law and its human rights obligations.

Your petitioners therefore ask the House to urgently rectify the situation, by recognising same-sex couples, and eliminating government discrimination on the basis of sexual preference.

And your petitioners, as is duty bound, will ever pray.

by Mr Danby (from 362 citizens)

Medicare: Bulk-Billing

To the Honourable Speaker and Members of the House of Representatives assembled in Parliament:

The petition of certain citizens of Australia draws to the attention of the House:

The need to restore bulk billing in Melbourne Ports, where it has fallen by 12% in two years.

We therefore pray that the House opposes the introduction of an upfront fee for GP visits.

by Mr Danby (from 32 citizens)

Medicare: Bulk-Billing

To the Honourable Speaker and Members of the House of Representatives assembled in parliament:

The petition of certain citizens of Australia draws to the attention of the House:

• That under proposed changes to Medicare, families earning more than $32,300 a year will miss out on bulk billing, and doctors will increase their fees for visits that are no longer bulk billed;
• That the rate of bulk billing by GPs has plummeted by 12% under John Howard;
• That more than 10 million fewer GP visits were bulk billed this year compared to when John Howard came to office;
• Bulk billing is at an all-time low of 69.9% in McMillan (compared to 82% in John Howard’s electorate of Bennelong on Sydney’s North Shore)

• That the average out-of-pocket cost to see a GP who does not bulk bill has gone up by 55% since 1996 to $12.68 today;
• That public hospitals are now under greater pressure because people are finding it harder to see bulk billing doctors.

We therefore pray that the House takes urgent steps to restore bulk billing by general practitioners and reject John Howard’s plan to end universal bulk billing so that all Australians have access to the health care they need and deserve.

by Mr Zahra (from 59 citizens)

Education: Higher Education

To the Honourable Speaker and members of the House of Representatives assemble in Parliament:

We the undersigned oppose Howard’s plan to:

Allow unis to increase the cost of HECS fees by 30% and double the number of full fee paying university places, costing up to $100,000 or more.

We call for a fair system of higher education that allows students from all backgrounds equal opportunity to study.

by Mr Danby (from 31 citizens)

Medicare: Office

To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament.

The petition of certain electors in the State of Queensland draws to the attention of the House that a Medicare Office is not located in the western suburbs of Logan City.

In the main, these signatories are from residents of the suburbs of Logan, the northern suburbs of Beaudesert Shire and the southern suburbs of Brisbane.

This area has been consistently recognised in consecutive censuses as being amongst the highest population growth areas in the country.

This area contains a large percentage of young families who have indicated that a Medicare Office in the area is important to them. In addition, the residents of this region have indicated that the office should be located in the Grand Plaza Shopping Centre which is a major regional centre and is the hub of retail, community and social interaction for the western suburbs of Logan City Council, together with the residents and signatories to the petition, believes it to be an ideal location for
the establishment of this desperately required service.

Your petitioners therefore, request the House and, in particular, the Federal Minister for Health and Ageing, Senator the Honourable Kay Paterson, to carefully consider establishing a Medicare Office in the western suburbs of Logan, preferably in the shopping centre precinct known as Grand Plaza.

by Dr Emerson (from 682 citizens)

Health: Codex Guidelines

To the Honourable the Speaker and Members of the House of Representatives assembled in Parliament:

The petition of citizens of Australia draws to the attention of the House.

Requesting the Members of the House of Representatives to rescind the legislation whereby Australia implements the Codex guidelines directed to prevent the sale of supplements and herbs, defining them as drugs to be manufactured solely by drug companies.

Your petitioners therefore pray that the House will not eliminate our freedom of choice in healthcare.

by Mr Tollner (from 41 citizens)

Health and Ageing: Funding


Dear Parliamentary Representatives,

We, the undersigned petitioners, being citizens of Australia, wish to express our concern at the current inadequate level of aged care funding which is being made available to provide residential aged care. The recent funding increase of just 1.01% for Victorian aged care facilities will not cover increasing costs, with wages having just increased by at least 4% for most of those facilities. This inadequate funding increase seriously threatens the viability of aged care providers and is putting the provision of aged care within our communities at risk. We ask that you increase aged care funding as a matter of urgency.

by Mr Zahra (from 46 citizens)

Petitions received.

PRIVATE MEMBERS’ BUSINESS

Federal Parliamentary Press Gallery

Mr BEVIS (Brisbane) (4.25 p.m.)—I move:

That:

(1) the House, noting that all Members and Senators are required to make declarations of relevant interests and those of their spouses and dependent children, and believing that it would be in the public interest for members of the Federal Parliamentary Press Gallery (FPPG) (including broadcast and press journalists and those who write or present news and current affair items but not camera crew, sound technicians or other support staff) to make similar declarations, resolves that, within 28 days of being issued with a photographic pass enabling a person to have access to Parliament House as a member of the FPPG, the person must provide to the Serjeant-at-Arms a statement of:

(i) the person’s registrable interests, and

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

in accordance with the resolution adopted by the House and in a form determined by the Speaker from time to time, and shall also notify any alteration of those interests to the Serjeant-at-Arms within 28 days of that alteration occurring.

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

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

(b) family and business trusts and nominee companies—
(i) in which a beneficial interest is held, indicating the name of the trust, the nature of its operation and beneficial interest, and
(ii) in which the person, the person’s spouse, or a child who is wholly or mainly dependent on the person for support, is a trustee (but not including a trustee of an estate where no beneficial interest is held by the person, the person’s spouse or dependent children), indicating the name of the trust, the nature of its operation and the beneficiary of the trust;
(c) real estate, including the location (suburb or area only) and the purpose for which it is owned;
(d) registered directorships of companies;
(e) partnerships indicating the nature of the interests and the activities of the partnership;
(f) liabilities indicating the nature of the liability and the creditor concerned;
(g) the nature of any bonds, debentures and like investments;
(h) saving or investment accounts, indicating their nature and the name of the bank or other institutions concerned;
(i) the nature of any other assets (excluding household and personal effects) each valued at over $7500;
(j) the nature of any other substantial sources of income;
(k) gifts valued at more than $750 received from official sources, or at more than $300 where received from other than official sources provided that a gift received by the person, the person’s spouse or dependant children from family members or personal friends in a purely personal capacity need not be registered unless the person judges that an appearance of conflict of interest may be seen to exist;
(l) any sponsored travel or hospitality received where the value of the sponsored travel or hospitality exceeds $300;
(m) membership of any organisation where a conflict of interest with the person’s duties could foreseeably arise or be seen to arise; and
(n) any other interests where a conflict of interest with the person’s duties could foreseeably arise or be seen to arise.
(3) the Speaker make arrangements for copies of declarations of interest made under this resolution to be made available for inspection by any interested person.
(4) a FPPG pecuniary interests committee (consisting of the Speaker or his nominee, who shall chair the committee, and one member of the House of Representatives nominated by the Chief Government Whip, and one member of the House of Representatives nominated by the Chief Opposition whip, and two members of the FPPG selected by a ballot of those members of the FPPG to whom this motion applies) may order the cancellation of the Parliament House pass of a person to whom this resolution applies if that person has;
(a) knowingly failed to provide a statement of registrable interests to the Serjeant-at-Arms by the due-date;
(b) knowingly failed to notify any alteration of those interests to the Serjeant-at-Arms within 28 days of the change occurring, or
(c) knowingly provided false or misleading information to the Serjeant-at-Arms.

Transparency and accountability are essential features in a democratic and free society. That is the basis for requiring members of parliament to make public disclosures of their pecuniary interests. This motion creates an obligation on members of the Federal Parliamentary Press Gallery to make a disclosure of their pecuniary interests in the same way as MPs and for the same matters. That register would be open to public scrutiny as is the MPs register.
Similar requirements are applied to people in occupations outside politics, usually where one or more of the following applies: where someone is in a position of trust; where someone has the capacity to affect others either directly or indirectly; where someone plays an influential role in the democratic process or in our financial or social institutions; where a real or perceived conflict of interest would result in a detriment to others to whom they owe a duty; or where a person stands to gain by exercising their role in a particular way, especially where that would at the same time disadvantage others to whom they have an obligation.

We see these principles applied in the disclosure obligations placed on companies in reporting to their shareholders; on company directors exercising their powers; on financial advisers who are required to disclose commissions and payments; and on parliamentarians who must disclose pecuniary interests. Only last week, Labor leader Mark Latham spoke of the need for a similar system to apply to lobbyists—another worthwhile initiative in improving transparency and rebuilding public confidence in our system.

The need for this transparency to apply to those in the media, who play a central role in the political process and in informing the public, rests on these same principles and is at least as important as the application of similar accountability in other professions. For example, if a journalist writes about the benefits or problems associated with a particular business venture surely the public have a right to know whether that journalist has shares in the companies in question, is being paid by them, has a loan with them or one of its competitors or some other interest that may give rise to a conflict of interest. If a journalist is given a first-class airfare, five-star accommodation and feted for a weekend trip to a corporate event and then writes an article about that product, the need for tax concessions for it or public infrastructure associated with it, the public surely have a right to know.

The independence and freedom of the press is vital. But with that independence and great influence come obligations and responsibilities. These are not simply obligations of employees to their employer; they are obligations to the society whose members rely on them for information. None of this in any way restricts what a journalist can write or say. It simply imposes a transparency in their conduct so that their readers or audience are able to make better informed judgements about the matters they report on. Indeed, if any journalist believes that disclosure provisions would inhibit what they would write or say they should take a long hard look at whether they already have a conflict of interest.

Some members of the gallery have suggested that this motion is wrong because, unlike MPs, they are not paid by the taxpayer—excluding, I assume, those employed by the ABC—and because, they claim, the journalist’s code of conduct upholds standards that make this unnecessary. As one head of bureau wrote:

Journalists are not elected public officials. Their only responsibility, apart from their responsibility as citizens to uphold the law, is to their employer and their own conscience.

Such a view ignores even their own code of conduct and journalist ethics. It demonstrates why this motion is necessary. It also ignores the realities of disclosure already applying in private enterprise and is clearly bogus. Strangely, the same person also noted:

Media bias or corruption can take place at any stage leading up to publication or broadcasting. Your motion addresses only the initial stage. It is far better to start here with this small measure than either place our collective
heads in the sand or run from the issue for fear of criticism or revenge from aggrieved media identities. How many times in the last 10 years has a journalist been disciplined for breaching their code? I understand the answer is zero.

This motion gives some transparency to those journalists who work most closely and directly with national political affairs. Members of the gallery have special access throughout this parliament. It is a privilege not extended to other journalists let alone the public. The sanction my motion proposes is removal of the pass that provides that special access, to be enforced by a five-person committee including two members of the gallery. It does not, nor could it, prevent someone outside the parliament ignoring the disclosure requirements. Some will see that as a shortcoming, others as a blessing. It will establish a benchmark for journalistic best practice—a standard that serious minded journalists throughout Australia should all want to adopt. It will increase public confidence in the media. I encourage all members to support the motion. I am indebted to the Herald Sun editorial today that says:

What makes the news media different from all other industries is that it lives by disclosure, by stimulating debate and a free flow of ideas. I encourage them to practice that in their backyard. (Time expired)

The DEPUTY SPEAKER (Mr Jenkins)—Is the motion seconded?

Mr Price—I second the motion.

Mr CHARLES (La Trobe) (4.30 p.m.)—This is a seemingly innocuous measure and a seemingly innocuous resolution but, let me tell you, Mr Deputy Speaker Jenkins, it has huge implications: there is indeed a sting in the tail. The simple argument from my side of this debate is, ‘Why not?’ MPs disclose their ownership of shares, their interests in bank accounts and mortgages and therefore, by implication, they disclose who might have some influence over them. Since we do that, why not, as the member for Brisbane proposes, have those that report on us and comment on our words and policies do the same thing? Let me ask these rhetorical questions: why not have our security staff in Parliament House do the same thing too? Indeed, why not have the deputy clerks at the table do the same thing, and the cleaners as well? What about the people in the gallery before they come in—perhaps they should declare their interests in other places before we let them into this House, just as we make sure they do not have weapons of any kind of destruction. There is no question that this is a bit over the top.

A complex argument put very simply is this: a democracy, founded on essential freedoms, only works well, as has been proven over and over again around the world, if you have freedom of the press. That is one of the basic foundations of our democracy. I would maintain that Australia probably has the most outstanding, pre-eminent example of a functioning democracy in all the world, and we have never put limits on our press—never ever—and I sincerely pray that we never do.

The fourth estate must be able to report openly and without threat to their independence. I ask you: suppose a member of the gallery—and there are not many of them up there at the moment—has shares in NAB, the Commonwealth Bank, Westpac, Western Mining or BHP, if they report favourably, what implication does that have and, if they report unfavourably, what implication does that have? The pressure you would put on the fourth estate would be absolutely intolerable.

I point out to the member for Brisbane that there are reports that democracy has a good chance of working in Iraq today because springing up all over that country now is free and independent reporting. It may not
be right, but it is free and independent for the first time that we know of in modern history. There is no Saddam Hussein to tell them what to say—none at all. I also remind members that the resistance in Afghanistan to terrorism actually began with TV. Now that they have television openly through the country, people can see that Westerners like us debate these kinds of issues and they are coming more rapidly to democracy. I remind you that the fall of East Germany began with East Germans watching on television scenes from the West. That is very important imagery.

I interviewed a few journalists before I came in to do this debate. That is a bit unusual, and I will make sure that I quote them accurately if they want to be quoted. Gerard McManus, of Melbourne’s Herald Sun, said:

Journalists are not paid public officials and have only one fig leaf to hide behind and that is the maintenance of their own independence. Journalists are judged on their trustworthiness, integrity and the accuracy of reporting and not on what they own or don’t own.

Malcolm Farr, of Sydney’s Daily Telegraph, said:

The way Mr Bevis has proposed this makes it look terribly close to registration of journalists. If you start saying who can and who cannot report on parliament you leave open abuse of powers and the censoring of reports on parliament.

Perhaps someone on the other side who supports the member for Brisbane can explain why this motion should not apply to journalists who do not reside in Canberra. I mention John Pilger, Robert Manne—(Time expired)

Mr PRICE (Chifley) (4.35 p.m.)—It gives me great pleasure to second this motion and I would like to commend the member for Brisbane for bringing it before the House today. It has long been the practice of this House for members to declare any pecuniary interests they, their spouses or dependent children might hold. In fact, it was the Keating government who introduced the members’ register back in 1984. There was greater reluctance from coalition senators regarding the introduction of a similar register in the other place, but by 1994 even they finally relented and adopted their own register system. The reasons for these initiatives were abundantly clear.

I should start by saying that I have the utmost respect for the press, television and radio journalists based here in Parliament House. Their role is critical. Some suggest that there is a symbiotic relationship between politicians and journalists. However, there is a strong argument to suggest that those who report on the happenings of the federal parliament should abide by the same rules as MPs and senators and declare all registrable interests, including those of their spouses and dependent children. Their reporting should not only be free from any conflict of interest but also from any perception of a conflict of interest.

The role of a journalist in this place is a critically important one. It is through them—through their newspaper articles, their television packages for the nightly news, their radio crosses and their news reports—that most Australians learn what is going on in this place. For that very reason, it is in the interests of fair and unbiased reporting that they should declare any interests they might have. I have every confidence that the great majority of press gallery members would not allow a pecuniary interest to impinge on their journalistic integrity under any circumstances, in the same way that I am confident that the vast majority of members and senators would not attempt to derive a personal benefit by abusing the powers of their office. However, as we have seen on the odd occasion since the introduction of registers of interest in both houses of parliament, it can and does happen. Similarly, it can happen in the media.
As hooked-on viewers of the ABC’s Media Watch program would know, failure to disclose sponsorship arrangements has been a bugbear for Australia’s commercial radio industry for nearly four years now. The Australian Broadcasting Authority’s cash for comment investigation back in 2000 has been widely described as the biggest scandal in Australian commercial broadcasting history, and justifiably so. The ABA found that 2UE presenters Alan Jones and John Laws failed to disclose major sponsorship deals to their listeners and then gave those companies favourable treatment on air. The ABA has since made it a licensing condition for commercial radio stations to establish pecuniary interests registers outlining all deals between their announcers and sponsors. It is still subject to criticism for not proceeding against the new arrangements at 2GB. ‘Why?’ you might ask: because it is an abuse of that licence if they do not. Equally, it is an abuse of a listener’s trust. Many listeners would take a talkback host at his or her word. If, for example, he or she was defending a particular company from media or public criticism, or talking up a new commercial offer from that company, or even attacking one of its competitors, the listener would assume, rightly or wrongly, that these opinions were the announcer’s own and that he or she had not been unduly influenced.

In the same manner, readers, listeners and viewers should be able to expect unbiased, even-handed reporting from the press gallery. When they pick up their newspapers of a morning and read a story on the full privatisation of Telstra, they should be able to find out if the author holds Telstra shares or is on a retainer from Telstra. Perhaps an even better proposal would be to create a pecuniary interests register for their bosses, the wealthy media proprietors. While I am confident in the independence of the bulk of our friends in the press gallery from their billionaire bosses, it is entirely possible that a journalist—particularly an inexperienced or aspiring scribe or reporter—would shy away from writing pieces that might directly or indirectly impact on the interests of their bosses or boss. As anyone who has worked in the media would know, job security can be tenuous at best. The Prime Minister has made his feelings known on this issue in an answer to a question on notice from the member for Lowe. He rejected the idea of a register for press gallery journalists, because the 1979 Bowen inquiry had rejected it, instead recommending self-regulation. A lot has changed since 1979, and it is about time we looked at having a register for all members of the press gallery.

Mr WAKELIN (Grey) (4.40 p.m.)—Freedom of the press is vital to a democracy, and no-one argues with that. The great thing about Australia is that there is very little corruption in public life. We all understand the profound influence of the media. There are probably not many of us who have not felt the sharp and cruel hand of a journalist who has either got their facts wrong or in a minority of cases has had some other vindictive approach. But generally our media works very well. I thank the member for Brisbane for the opportunity to canvass these issues again, because I think it is a wonderful opportunity to discuss them, bring them out into this chamber and perhaps, if nothing else, allow MPs to rethink them a bit.

I can remember very well being attacked on page 3 of the Adelaide Advertiser and then taking it to the Press Council, and getting a retraction about four months later on—on page 26. That is what we are dealing with all the time. The media have the luxury in this country of never really having to provide the solutions. I will not say they sometimes create them, but they certainly only ever have to report on them in a somewhat colourful way from time to time to ensure the
commercial success of their respective operations or, in the case of the ABC, to ensure its continued funding. That is a little too cynical—I accept that—but nevertheless there is a reality and a marketplace out there in the public that we need to be conscious of.

As I say, there is very limited corruption in this country. Therefore I do not support the full registry concept. But I do think we need to have further discussion about what we should be doing to bring the media into better balance. Where it is actually within the material that they write and report on, they have the requirement to declare their interests immediately, as they write it. I accept that some of them do, but I am sure that in many cases they do not.

I really enjoyed the mention Mr Price, the member for Chifley, made of the issue of radio and cash for comment, which is clearly an excessive and wrong use of the media, in my view. I do think that sort of thing needs a much stronger hand and there need to be stronger laws which actually have some teeth and which create an opportunity for people to have greater respect for the truth. We have gone from the 1979 inquiry and the rebuttal or rejection of the need for this sort of regulation—let’s have a code and let’s have a more gentle approach and something not too draconian. I do not think that that is sufficient, but I cannot offer the chamber today a sufficiently strong alternative.

I do not favour this very regulatory method, because I agree with the member for La Trobe that having a very regulated system is not acceptable at all. But I do know that we do need a significantly stronger brake on the media so that they at least have greater respect for the parliament in which they have the privilege of working—as we do. To conclude, I believe that the standards of the media are probably bumping around where they have always been, I think the commercial interests are stronger than they have ever been, I think there is a need for further discussion on this subject and I think there is a much stronger need for the media to have far greater respect for the laws of the land and for the people who endeavour to represent Australians in this place.

Ms HALL (Shortland) (4.45 p.m.)—I would like to congratulate the member for Brisbane for bringing this very important motion to the House. In doing so, I wish to place on record my absolute support for the independence and the rights of the media to print, write and put out there to the public whatever they believe is the right thing. This motion is not about attacking the press—it is not about any of those issues. It is not about placing any restrictions on what they write—it does not discuss any of those issues whatsoever. Rather, it is about the credibility of the media and the removal of the scepticism that often surrounds the media. I see this as an excellent opportunity for us in Australia to adopt practices similar to those overseas. It also gets around any perception of conflicts of interest.

As I mentioned, this is a very important motion. It places on journalists who work within this place requirements similar to those placed on those of us who are members of parliament. I do not have a problem with that, because they are involved in the intricate workings of this place and, as I mentioned earlier, I think all members of the gallery should actually support the provisions of this motion. It is about improving the way we operate here in parliament, it is about transparency, openness and accountability and it is about making sure that here in Australia we have the best operating democracy that is possible.

As I mentioned, the underlying principle of this motion by the member for Brisbane is the fact that, just as we, as members of par-
liam, are accountable, so too those who report on us should be. We should—and the Australian people should—be able to understand if there is a conflict of interest and, alternatively, be able to see that there is no conflict of interest, that what is being put forward is the opinion of the journalist or what that journalist believes is fact. In such a way, it ensures that we have a better informed constituency.

I referred a little earlier to similar situations overseas. Since 17 December 1985, journalists in the House of Commons have been required to register their pecuniary interests. I want to refer to something I took from the web site of the UK parliament. It says:

... those holding permanent passes as lobby journalists accredited to Parliamentary press Gallery or for parliamentary broadcasting be required to register not only the employment for which they had received their pass, but also any other paid occupation or employment where their privileged access to Parliament is relevant.

If it is good enough for the United Kingdom—for the House of Commons—I think it is good enough for us in Australia. I believe that it will improve our system. We only have to look at company directors outside this parliament; they also have to be prepared to disclose their interests.

I think that this motion fits in very nicely with what the Leader of the Opposition released last week—a proposal for lobbyists to disclose their pecuniary interests. I think that this is a natural progression. It is a system that I think is best practice, as outlined by the member for Brisbane, and it is a fair system. Any changes to a system should improve it and make it better. The proposal set out in this motion by the member for Brisbane does just that. The media—as we all are—are in a very privileged position, being able to work in this parliament. I believe that that privilege places obligations and responsibilities on all of us—the obligation to be accountable and for transparency. The structure outlined in this motion will ensure both accountability and transparency and improve the operation of this parliament. This motion puts in place a structure that will ensure that accountability and transparency. (Time expired)

Mr FORREST (Mallee) (4.51 p.m.)—In my willingness to speak to the motion, I want, firstly, to thank the member for Brisbane—his motion has opened up the issue. I have some reservations about the structure that is proposed in the motion as it stands, but at least it opens up the debate. We do live in a tremendous democracy in Australia, and we should be grateful to those who went before us to ensure that we had freedom of speech and liberty and, most particularly, freedom of the press—and independence of the press. These are cherished safety valves, if you like, of democracy, and we ought to be very careful about any measures that undermine those. My problem with the structure of the motion that the member for Brisbane has put to the House is that it seems to focus entirely on the reporting of events that happen in the chamber. For example, it is only for journalists who attend in the press gallery and report on the events of the chamber. The problem with that approach is that it creates a them and us situation; whereas we are all in this together.

Members of parliament rely on the media to accurately report the things they do and say. If that does not occur, the parliament offers processes in order for an individual member or senator to correct that. The standing orders provide for that, so I am uncomfortable with a situation that creates a them and us approach and further separation between the reporters of what is said here and the members who attend and speak here.
My purpose in speaking to the motion is, in a sense, to make a kind of a plea. We have all been subject to some quite inaccurate—and in my case, a few times, some quite malicious, inaccurate—reporting. There are measures available to me to correct that, but it hurts. When the reporting is not quite true and based on inaccurate information, it hurts. And it hurts our families. I can remember an incident not long after I had been in this place when my children refused to go to school because the local comment in the media had followed them through the school gate. It makes it pretty tough when you are involved in public life, but nobody champions more than me the capacity of the press to have that liberty. It is a safety valve, and it does enforce accountability, and for any members or senators feeling impugned they have a process by which anything that is reported inaccurately can be corrected.

My plea to the gallery is for unbiased reporting. It seems that the nature of journalism has changed over the last 10 or 20 years. It is not so much about reporting events that occur—not only in this place but at sporting events or anywhere else; it is a matter of expressing opinion. You see this more and more, and the most well-read articles in some of our newspapers are those where the journalist is expressing an opinion. These are the things that we cherish, as long as that opinion is respected as opinion and not reported as the so-called opinions of other people.

The Australian populace are wise enough to see through the kinds of things that I think the member for Brisbane and other speakers have highlighted and are worried about. For example, the member for Chifley made mention of reporting on the activities of Telstra. I have enormous respect for the members of the journalistic profession who do write on Telstra and have made, voluntarily, a comment that they do hold shares. I think that is a safety valve that is more self-regulated. If there is going to be an exchange between the gallery and us—and I am disappointed that there aren’t a few more journalists around; I have no doubt they are listing on monitors—our plea is for unbiased and fair reporting. My position would be that we need to rely on the journalistic profession to monitor that amongst themselves.

The DEPUTY SPEAKER (Hon. J.R. Causley)—Order! The time allotted for this debate has expired. The debate is therefore adjourned and will be made an order of the day for the next sitting.

Pneumococcal Vaccine

Ms GEORGE (Throsby) (4.56 p.m.)—I move:

That this House:

(1) notes the cost of providing pneumococcal vaccine would be approximately $60 million per year;
(2) notes that in 2002 there were 1,897 cases of pneumococcal across Australia and 168 deaths;
(3) notes that to date the Government has only agreed to fund pneumococcal vaccine for a small proportion of children at risk;
(4) notes that the cost of pneumococcal immunisation of around $500 per child is prohibitive for many families; and
(5) calls on the Government to act urgently upon the recommendations of the National Health and Medical Research Council to provide pneumococcal immunisations free to all children.

I have submitted this motion because I believe it is time for the federal government to urgently act on the recommendations of the National Health and Medical Research Council to provide pneumococcal immunisations free to all children. Back in September 2003, the council recommended that all children under the age of two be vaccinated against the disease.
This deadly disease kills and seriously disables more Australians than meningococcal C for which there is, as we know, a government funded vaccine. Regrettably, pneumococcal does not seem to have had the kind of public attention and awareness that meningococcal has received across the nation. Yet in 2002 there were 1,897 cases of pneumococcal across Australia and 168 deaths from it. It takes only a sneeze, a cough or a kiss to transmit pneumococcal. Half the children who contact pneumococcal at a young age are left permanently disabled by it. Survivors of invasive pneumococcal can sustain severe brain damage, cerebral palsy, deafness and blindness.

The federal government’s decision not to fund this vaccine for all young children just does not make sense. The council recommended that pneumococcal vaccine be placed on the official schedule of recommended vaccinations to be administered as a three-dose series at two, four and six months of age. Yet, for the first time that I am aware of, the government has not followed the recommendations of this council. Currently the vaccine is only available on the government program to a limited number of children most at risk. I am pleased at least that it has been identified that large numbers of children are very much at risk. But there is a gap in the government’s procedures, because it leaves the vast majority of Australian families and parents facing a bill of around $450 to $500 to purchase the vaccine.

The government’s stated position up until now has been that a universal program is still under consideration. A press release issued by the government earlier this year said:

The Australian Government is providing $21.23 million over the next four years for free pneumococcal immunisation programs for 91,000 children at most risk, including all children living in central Australia, all children of Aboriginal and Torres Strait Islander descent, and children with medical conditions that place them at increased risk from the complications of pneumococcal disease. As previously announced funding for a universal program is under consideration.

That has been the official government response to date but one has to ask: why is there this delay? In the view of a lot of people in the community, and on this side of the chamber, there is no excuse for not providing the immunisation and vaccination to all young children. The estimated cost is about $60 million per annum, which is a small sum indeed, in a budget of many billions of dollars, to save lives and to spare children from the prospect of permanent disability. I repeat that this is a potentially fatal disease which kills and seriously disables more Australians than meningococcal C, for which there is currently a government funded vaccine.

Last week, the Illawarra Division of General Practice wrote to me expressing their concerns about the inequities in the national immunisation program. The letter states:

The funded program—
They argue—clearly disadvantages low-income families, as parents will have to choose whether to pay for the additional recommended vaccines that have not been funded. … many families will simply not be able to afford these costs. This situation essentially places these lower-income children at greater risk of acquiring some preventable childhood diseases.

(Time expired)

The DEPUTY SPEAKER (Hon. I.R. Causley)—Is the motion seconded?
Ms Hoare—I second the motion and reserve my right to speak.

Dr WASHER (Moore) (5.01 p.m.)—I would like to thank the member for Throsby for presenting this important motion to the House. Since taking office in 1996, the Howard government has done much to rectify the previous Labor government’s neglect
of immunisation. When Labor was in office, Australia was ranked 68th in the world, with immunisation levels below countries such as Vietnam, Algeria, India and China. Since then, the Australian government has increased expenditure on vaccines 11-fold—from $13 million in 1996 to an estimated $143 million this year. This has coincided with a rise in the infant vaccination rate from 53 per cent to 91.4 per cent, which means Australia is now ranked as one of the leading countries in the world for vaccination coverage.

The Australian government has been active in the prevention of invasive pneumococcal disease in accordance with expert advice. There are a number of immunisation programs for children and adults which target pneumococcal disease. There are two different forms of pneumococcal disease: invasive pneumococcal disease, or IPD, and non-invasive pneumococcal disease. IPD is a life-threatening form of the disease which can present as meningitis, septicaemia or pneumonia. Pneumococcal disease cases and deaths occur most frequently in adults over the age of 65 years and in young children under the age of two years.

Of the 2,271 cases of IPD across all age groups notified in 2002, 175 cases resulted in death, including nine children under the age of five years. Since 2001, the Australian government has provided free pneumococcal vaccine to children considered to be most at risk of contracting or suffering the complications of pneumococcal disease. In November 2002, the Australian Technical Advisory Group on Immunisation, ATAGI, made a series of recommendations for the inclusion of new vaccination programs under the national immunisation program. The government acted swiftly on a number of these recommendations, resulting in the expansion of the National Childhood Pneumococcal Vaccine Program, or NCPVP, to provide free pneumococcal vaccine to additional groups of children with identified predisposing medical conditions—including all premature infants with chronic lung disease, all infants born at less than 28 weeks gestation, and children under five years with medical conditions such as Down syndrome, insulin dependent diabetes and cystic fibrosis. Total federal government funding for NCPVP will amount to $21.23 million over four years and will provide free vaccine for more than 91,000 children in that time.

Last year saw a large number of recommendations made by ATAGI on immunisation, both for inclusion on the Australian Standard Vaccination Schedule and for funding consideration under the national immunisation program. Vaccines listed on the Australian Standard Vaccination Schedule are available for use in Australia, but not all are provided free through the national immunisation program. Australia is not alone in this respect. Both the United States and Canada have schedules which act as a guide to immunisation providers separate from nationally funded immunisation programs that provide free vaccine to specified target groups.

The federal government is currently reviewing funding arrangements for pneumococcal and other vaccines in light of recommendations from ATAGI and the National Health and Medical Research Council. One of the recommendations is the expansion of targeted NCPVP to include vaccinations for all children at two, four and six months of age. This recommendation remains under consideration by the Australian government.

Despite a relatively low public profile, the federal government recognises the seriousness of pneumococcal disease. Pneumococcal infections are the most common bacterial cause of serious disease in Australian infants and young children, resulting in hospitalisations, disability and death. Prevenar is the
first and only vaccine specifically developed to help protect against invasive pneumococcal disease in infants under the age of two years. A report published on 1 May 2003 in the *New England Journal of Medicine* showed a 78 per cent decline in invasive pneumococcal disease among children under two years of age caused by the seven strains targeted by the vaccine. Significantly, this report was the first to show evidence of ‘herd immunity’, or reduced disease in the adult population as a result of vaccinating young children—an additional benefit of the vaccine’s introduction. Clearly the government, when presented with a competing range of vaccine options, has to—(Time expired)

Ms HOARE (Charlton) (5.06 p.m.)—I am pleased to second this motion, and I congratulate the member for Throsby for bringing the issue of pneumococcal vaccine to the attention of the House. Pneumococcal disease is caused by an infection of streptococcus pneumoniae. It is responsible for significant worldwide illness and death, especially in the very young, the elderly and those with predisposing risk factors, such as Indigenous people. Pneumococcus is the leading cause of bacterial pneumonia and middle ear infections, and it is an important contributor to bacterial meningitis. Pneumococcal infections are a common reason for presentations to doctors. Pneumococcal disease is deadly, and it kills and seriously disables more Australians than meningococcal C disease. I defer to my colleague the member for Moore’s medical knowledge in this area, and I thank him for that.

A major difference between these two deadly diseases, though, is that the government funds a vaccine for meningococcal C and refuses to put up the approximately $60 million to ensure vaccinations are available to families. As it is now, parents face a heart-breaking choice: do we pay around $500—almost impossible to come up with for most struggling families—to fully immunise our child or do we take the risk that our child will not contract pneumococcal disease? This is a reality for a lot of families who simply cannot afford to pay for the vaccine. It is yet another example of the Howard doctrine on health: you can have great care and access to great services if you can afford them; if you are poor and more susceptible to illness, then too bad.

Dr Michael Rice, the chair of the AMA’s child and youth health committee, has described this appalling and miserable approach in the government’s refusal to universally fund the vaccine for children as setting up a two-tiered system based on those who can afford to pay for their vaccinations and those who cannot but are equally at risk. In 2002 there were 1,897 cases of pneumococcal across Australia, which claimed 168 lives. The government has agreed to fund vaccination for only a small number of children who are considered to be at risk. In September 2002 the Howard government’s technical experts—the Australian Technical Advisory Group on Immunisation—recommended to the minister that a vaccine for pneumococcal disease be funded. Last year the National Health and Medical Research Council recommended that pneumococcal vaccine be available for all Australian babies. The NHMRC listed the vaccine in the Australian standard vaccination schedule. Still, though, the government seems to think it knows best when it comes to vaccinations: ignore the experts and Dr John will make the decision. This is the first time the committee’s recommendations have been ignored by any government.

The government showed some initiative a few years ago in encouraging parents to immunise their kids. While there is debate among parents as to whether they should immunise their children, the evidence is there to suggest that in most cases children
are better off. In any case, the pneumococcal vaccine should be available to all children. If parents choose not to immunise their children, that decision should be based on conscience and not the ability to pay. Those families on low incomes who cannot afford the $500 and whose children will remain unvaccinated face pneumococcal disease rates where approximately 300 newborn babies every year can be expected to develop serious infections. With declining bulk-billing rates and rising copayments the last thing parents need is another choice between paying the bills and paying for health care.

I would like to pay tribute to the efforts of parents and families of children who have died from or survived the effects of pneumococcal disease and their campaign to convince the government that all children should have access to this vaccine. Kathleen Houldsworth of Nowra lost her 11-month-old daughter, Lilyanna, to this dreadful disease. She was reported in the Daily Telegraph on 8 December last year as saying:

I couldn’t think of anything worse than a parent suffering the loss of a child, like I did, and finding out there was a vaccine they could have got.

Parents are pleading with the government to provide a free vaccine and to ensure it is available to all children. Labor continues to strongly criticise the government’s decision not to fund these vaccines. The decision goes against the advice of Australia’s best experts and was made for budgetary rather than public health reasons. Our children are the most precious things we have. How dare a government allow funding considerations to put our children at risk of a largely preventable disease. (Time expired)

Mr CADMAN (Mitchell) (5.11 p.m.)—The expert committee, the Australian Technical Advisory Group on Immunisation—ATAGI—has made a number of recommendations over the last 12 months. They are very significant and there are four factors that the experts and the Australian government need to consider. The first is IPV—inactivated polio vaccine—to replace oral polio vaccine. That is a product of Aventis Pasteur and GSK. Also there is Prevnar, the conjugate pneumococcal vaccine for all infants, from Wyeth. There is varicella, a universal chickenpox vaccine for children aged 18 months, and there is Pneumovax vaccine for people over 65, which is a CSL product. They are all recommended by ATAGI.

The Australian government will spend $21.23 million over the next four years on free pneumococcal vaccine for at risk children, which will provide free vaccine for over 91,000 children. Contradictory to the previous speaker’s comments, the Australian government has targeted the most at risk children and is continuing to examine the program for its further extension. The medical factors that indicate a high incidence or high severity of pneumococcal infection are: congenital immune deficiency, immune suppressant therapy, compromised splenic function, HIV infection, renal failure, Down syndrome, cardiac diseases, all premature infants with chronic lung disease, all infants born at less than 28 weeks gestation, cystic fibrosis, insulin dependent diabetes, proven and presumptive cerebrospinal fluid leak, intracranial shunts and cochlear implants. All of those factors predispose patients to the prospect of pneumococcal disease.

Wyeth, which is the producer of the Prevnar vaccine, has been very active in promoting the significance of pneumococcal disease, and I want to pay tribute to the Wyeth team for bringing it to the attention of the parliament. However, there is a worldwide shortage of this vaccine at the moment, and even if the Commonwealth were to make a decision it is not at all certain that Australian children would benefit. But Wyeth has con-
firmed that it will continue to meet orders for the supply of Prevnar for the Australian government’s $21.23 million national childhood pneumococcal vaccination program.

My colleague the member for Moore, a learned medical practitioner, wishes me to indicate his strong support for the immunisation program, and I think most members would agree with him. There are four recommendations up at once and the process of government is one of competing priorities. The government’s considered approach is to provide support for those most in need.

In conclusion, I point out to the House that, unlike the partly political theme picked up by some of the members opposite, the Australian government has increased expenditure on vaccine elevenfold since it has come to office. That is a wonderful record, of which we are proud. We have increased it from just over $13 million to an estimated $143 million this year. That is a massive investment in preventative medicine that this government has made. We are proud of this increase and will not accept criticism for things we are proud of. We know there is still more to be done and the government is taking the steps to put the recommendations of ATAGI, the Australian expert body, into practice. All people should have the maximum possible protection, whether from polio, chickenpox or pneumococcal disease, available to them under the best possible conditions.

Ms BURKE (Chisholm) (5.16 p.m.)—I rise in support of this private member’s motion and call on the government to urgently act on the recommendations of the National Health and Medical Research Council to provide pneumococcal immunisation free to all Australian children. I do not know how this government can live with its cold and irresponsible decision to reject the council’s well-founded advice. I am very concerned that its failure to act places our young children in a perilous position. Pneumococcal disease is a substantial cause of death and disease among Australian children. Between 1993 and 1997, 25 Australian children aged under five died from pneumococcal meningitis and septicaemia. In 2001, there were more than 500 reported cases of invasive pneumococcal disease in Australian children under five years. Pneumococcal is the leading cause of meningitis in Australian children under five years of age and can cause a range of other serious childhood illnesses, including pneumonia and acute inflammation of the middle ear.

So that we all get a feeling for how horrific this disease can be, I will relate a case study of a Melbourne toddler’s ordeal with pneumococcal meningitis. The case study, prepared by the Meningitis Centre, a meningitis support group, begins in July 2000 when Helen Nicholls received a call from her creche to inform her that her eight-month-old grandson Jordan had developed a temperature. Helen picked up her listless grandson and took him to her local doctor, who recommended that he be taken straight to hospital. At the local hospital, Jordan was diagnosed with an ear infection, given paracetamol and sent home with antibiotics. Over the next few days Jordan’s fever continued. He was vomiting and his stomach was bloated. His family continued to seek medical care; however, the antibiotics masked the infection. After slipping into unconsciousness at home, Jordan was rushed to hospital, underwent a lumbar puncture and was diagnosed with pneumococcal meningitis. Helen recalled:

Within five minutes of this diagnosis the doctor told me Jordan had less than two hours to live and suggested I call a priest. Jordan survived the night but was placed on life support. To relieve the pressure on his brain, he was operated on and a hole drilled...
in his skull to drain fluid off his brain. A few days later, Jordan began fitting and had to undergo another operation to remove fluid from the other side of his brain.

A routine CAT scan revealed a blood clot in Jordan’s brain. To thin the blood clot, Jordan had to take blood-thinning drugs twice a day for three months. Helen reported that her grandson’s development regressed: he no longer crawled but ‘just lay like a rag doll’ which, she said, ‘was a blessing in disguise’. This was because the drugs caused him to bruise easily so that, if he bumped himself seriously, he would harm himself. In July 2001, Jordan suffered a further setback when he lost his hearing. Jordan had surgery to correct the problem and underwent speech therapy to help him make up lost ground. Helen said it was a miracle that Jordan had survived.

What a horrific experience, but one which today is thankfully preventable. When Jordan was infected with pneumococcal meningitis back in July 2000, the disease was not vaccine preventable in Australian children under the age of two. Only five months later in December 2000, a seven-valent conjugate pneumococcal vaccine was approved for use in Australia by the Therapeutic Goods Administration. It is a vaccine which the National Health and Medical Research Council has recommended be provided at no cost to all children under the age of two. There is clear evidence that this vaccine works. Data collated over three years in the United States has shown that vaccination reduced by 78 per cent the rate of pneumococcal disease in infants under two years of age. The benefits were also passed on to the wider community, as fewer children transferred the disease to adults.

Unfortunately, the government’s decision to ignore the advice of experts means that this result is unlikely to be replicated in Australia. We simply do not know how many parents will be able to immunise their children against this disease. Parents of children who are not eligible for a free vaccination face a bill of $500 to have their child immunised. This is a heavy impost for many families, and many will no doubt consider taking the risk that their children will not contract pneumococcal. Why should some children receive better protection against illness because their parents can afford to pay for a vaccination? Surely there is a basic level of protection and care to which all children are entitled, regardless of their family’s ability to pay. Even if your family can pay, there is about a three- to six-month wait to get hold of the vaccine anyway. Parents choosing to vaccinate their children against this disease will also have to go through the bureaucratic jungle of getting a prescription from their GP, buying the vaccine from the chemist and returning to the GP for the child to be vaccinated. If the vaccine were part of the free schedule, it would be available immediately and without fuss.

I commend the Australian Medical Association for withdrawing its support for the booklet of the Department of Health and Ageing, Understanding Childhood Immunisation, in protest at the government’s failure to fully fund the Australian Standard Vaccination Schedule. I also appreciate the stance of the South Australian parliament, whose members voted in a bipartisan manner to call on the federal government to immediately fund universal pneumococcal immunisations for all Australian children. The Minister for Health and Ageing, Tony Abbott, has been quoted as saying the government will consider funding this vaccine ahead of the budget. Will this be another issue which the government ignores until the very last minute, before suddenly coming to its senses on the eve of the election? It will be too late then; it should be done now. (Time expired)
Mr CIOBO (Moncrieff) (5.22 p.m.)—I can think of nothing worse than for a parent to lose a child. That loss would be especially profound if a parent lost a child to a preventable disease. In this day and age, thanks to many modern medical marvels, parents increasingly have the opportunity to vaccinate their children against preventable diseases, including pneumococcal disease. I take this opportunity to congratulate the member for Throsby on bringing this private member’s motion to the House. It is important that this has been listed for discussion and it is important that this debate takes place, as far as possible, in a bipartisan way. The reality is that there are many on both sides of the chamber who strongly support and urge for the expansion of a pneumococcal vaccination program to be available to all families.

There are many examples of ways in which government, if it were willing to provide free and comprehensive cover, could provide for and ensure increased safety for children. There are many examples of ways in which government could ensure through using taxpayers’ funds that our children had a better start in life and an opportunity to go forward with good health. However, the reality is that it is not always possible for government to provide each and every one of those opportunities through taxpayers’ funds. It is regrettably a consequence of competing priorities. One thing is for certain and that is that more is available through good economic management and the solid surplus that this government has been running since 1996 to ensure that when Australian taxpayers pay their taxes they know that that money is no longer being wasted on interest payments and instead can go into important programs such as a national immunisation program.

I am very proud of the Howard government’s record with regard to the national immunisation program. I have been somewhat disappointed to hear the poison tongues which some members opposite have brought to this debate. That seems to be unnecessary and a little self-indulgent. Since the Howard government was elected, immunisation rates have increased significantly. In fact, the Australian government has increased expenditure on vaccines 11-fold, from just over $13 million in 1996 to an estimated $143 million this year. Since the introduction of the Howard government’s Immunise Australia Program, immunisation coverage rates have increased to an all-time high, with over 90 per cent of children at 12 months of age being fully immunised. This is an important threshold to have met and I am pleased that the Howard government, through careful economic management, a balanced budget, and one which ensures that taxpayer funds can be used most effectively, is able to ensure that most Australians have access to the kind of program that we would like.

In this debate I would also like to clarify the fact that under the national immunisation program, and in particular the limb entitled the National Childhood Pneumococcal Vaccination Program, this government has been providing the pneumococcal vaccine to those children most at risk. The reality is that 91,000 or so children have been eligible to access the free vaccine. Under the NCPVP, free pneumococcal vaccine to children considered to be most at risk of contracting or suffering the complications of pneumococcal disease has been there. It has been there through the conjugated vaccine Prevenar for the primary course and the polysaccharide vaccine Pneumovax 23 for booster doses. The vaccine is provided free through the national immunisation program, and three doses of Prevenar are required to fully immunise a child under the age of 12 months. The Australian Technical Advisory Group on Immunisation, or ATAGI as it is known, made a series of recommendations in November 2002. (Time expired)
The DEPUTY SPEAKER (Hon. I.R. Causley)—Order! The time allotted for private members’ business has expired. The debate is interrupted in accordance with standing order 104A. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting. The member will have leave to continue speaking when the debate is resumed.

GRIEVANCES

Question proposed:
That grievances be noted.

Education: Funding

Mr SAWFORD (Port Adelaide) (5.26 p.m.)—The current Prime Minister of Australia is the No. 1 enemy of anything public in the lexicon of contemporary Australian politics. He hates—he loathes—‘public’ in all forms, whether they be education, health, transport or communications. Of course, on all four he has considerable form, but today I would like to concentrate on just one—education. I will use a quote:

The baseless attack launched by the Prime Minister on public schools shows the extent to which the government is out of touch with the realities of schools.

Now, who said that? Was it Jenny Macklin, Rod Sawford, the AEU or the state Labor education minister? No, it was none of the above. To the government’s eternal shame, the statement came from the Independent Education Union of Australia, which represents 55,000 members in 2,600 non-government schools and other educational institutions.

Who said this:

Did Mark Latham say that? Was it said by Kim Carr or Pat Byrne? No. Again it was the Independent Education Union of Australia. Lynne Rolley, the secretary of that union, said that it was time for the government to treat its central institutions and the people who work within them with respect: hear, hear to that. In fact, Lynne Rolley had some good advice for the government. She said:

Instead of criticising schools for doing their job, the government should concentrate on developing fair and just policies that include equitable funding and support for all schools.

That cannot be achieved by increasing support for the richest non-government schools by up to 240 per cent or by keeping increases to the majority of poor non-government schools to around 30 per cent while basically ignoring public education altogether.

This nation does not need a mindless debate about public or private schools. As Lynne Rolley says, the debate ought to be about equitable funding for all schools. The Prime Minister has a case to answer. His divisive policies, biased against public education, are evident from 1977, when he was then Treasurer in the Fraser government. Then the public-private ratio of Commonwealth funding for schools was 63 to 37. It probably should have been 70 to 30, as that would have closely matched the numbers in each sector. Nevertheless, on a per capita basis it was roughly a nonpartisan approach to public and private schools. What did the current Prime Minister, in his former life as federal Treasurer, do to the 63 to 37 public-private ratio? He did what he does now: he applied the wedge, he exercised deliberately divisive politics, he damaged public education, he damaged this nation’s future and he damaged cohesion in this nation.

Based on no educational rationale whatsoever he changed that 63 to 37 public-private ratio to 46 to 54 by the beginning of 1983.
But just prior to the 1980 election, Treasurer Howard momentarily increased public education funding back to the 1977 level for opportunistic, cynical electoral reasons only. It was the first and only time John Howard, in any capacity, increased funding for public education. However, that was all a brief aberration. The Independent Education Union has stated that since 1996 federal government education policies have exacerbated divisions within the Australian community. It has stated that the enrolment benchmark adjustment wrongly penalised government schools and that the SES model of funding non-government schools was flawed, in that it ignored the actual capacity of individual schools to generate resources and income and provided large amounts of additional funds to the most highly resourced schools in the country.

Those who were saying this were the people who knew non-government schools inside out—not us, not public education teachers, but non-government teachers. Responsibly, they want measures introduced to enhance cooperation across schools rather than the growing culture of competition. But what John Howard did on resuming power as Prime Minister in 1996 had no subtlety whatsoever. He reverted again to the wedge. He reverted again to divisive policies between public and private education. He took the existing ratio, then 46 to 54, which had been maintained during the Hawke-Keating years, and changed it to 33 to 67. And what was the educational rationale? There was absolutely none. There was no educational rationale whatsoever. But there was a rationale, and the Independent Education Union of Australia has rightly recognised it as divisive and of no connection whatsoever to the intrinsic worth of education, whether public or private.

This government believes in blurring the distinction between public and private schools. Its central strategy has been the establishment of an education quasi-market, according to a former associate professor of the University of South Australia, Alan Reid. This government believes that one of the impediments to the operation of an education market is the existence of both public and so-called private sector education systems. The current government policy is to create a single market where all schools, public or private, compete for custom. That means that any consolidated education system, public or Catholic, is in grave danger—and that is despite the plugging of the Catholic system a couple of weeks ago.

If this government’s logic of marketisation were to be followed, all government and Catholic schools would be abolished, as a dollar spent in a so-called private school could be argued as being more cost-effective. The language of the simple market in education is simply wrong. Choice in its raw form means segregation, not freedom. Choice means according to the ability to pay. That is the only choice. It has nothing whatsoever to do with freedom. Schools do not operate under similar circumstances. Private schools select students; public schools cannot. Schools that cater to location, socioeconomic disadvantage and intellectual, physical and behavioural disabilities require affirmative action, not a simple market. A simple market in education means the abandonment of rural children, and people in the country know it. It means the abandonment of children in financial disadvantage, and people know it. And it cruelly means the abandonment of non-mainstream disabled children, and their parents damn well know it.

A single market in education is antidemocratic. The supporters of a single market argue for what they call the freedom of maximum choice. It is no such thing. It sets parents and their children into competition with each other so there are winners and losers—
and the big losers are the poor, the rural and the disabled. The marketisation of education values education only in financial terms. The only sector of the community that can be advantaged when that is the case is that of the privileged elites—and they are of course the great beneficiaries of this government. The government does not appear to understand that encouraging competition between inadequately resourced schools will simply result in alienation, resentment and anger.

Markets have an obvious important role in our economic system, but the rules of the market are simply insufficient for the government of a society—particularly one of a social democratic variety. That private schools get assistance from the federal government is not argued. So they should. That exclusive private schools for the rich—those that charge twice the public cost of tuition—receive assistance is simply criminal. To argue that these parents pay taxes too is the height of financial arrogance. They pay taxes for lots of things—public transport to name one. Do they receive subsidies for private transport and chauffeur driven vehicles? Do they receive subsidies for communication costs—phones, faxes and so on? Of course not. If private single market purposes are allowed to be determinants of education, democratic purposes and the recognition of merit in this country will be seriously compromised and undeliverable.

So that is it. The intrinsic worth of education for all citizens under this government is simply sidelined. And who has achieved that in the end? None other than the soulless lawyer we knew as the federal Treasurer in the Fraser government and who is now the current Prime Minister. Some achievement.

Trade: Live Animal Exports

Mr HAWKER (Wannon) (5.36 p.m.)—In his classic, extraordinarily underrated but hugely influential book written nearly 80 years ago, called Propaganda, Edward Bernays wrote:

If we understand the mechanism and motives of the group in mind, it is now possible to control and regiment the masses according to our will without their knowing it.

Bernays is credited as the leading founder of the public relations industry. He saw public opinion as being shaped by a small, educated group—and, if enough money and tactical skill were employed, opinion could be manipulated.

There are numerous examples that support his thesis. The tragedy is that, despite these thoughts being freely available, they are employed with ever-increasing sophistication on an unsuspecting public. This happens in a way that can lead to motivated minorities manipulating others to their views in a way that would never normally succeed if impartial and factually based decision making were employed.

Today I want to outline one such case. A protest was held in Portland in my electorate last September, attended by about 25 demonstrators and a larger contingent of media. The protesters claimed they were there to close down the live sheep trade, because of their concern for animals. The media were so enthralled that helicopters were used to fly in crews, who salivated at the thought of hot news. ABC radio even ran live broadcast crosses all afternoon. Unfortunately for the media, bad weather stopped the live sheep ship from docking, so the stories that were filed had to be modified. However, given the investment in flying crews into Portland and
the setting up of satellite dishes et cetera for transmission, stories had to be reported, and the handful of protesters could not believe their luck at the national one-sided coverage provided free.

That day, as the local federal member, I received a phone call from one of the protesters, lecturing me on the justification of their case in trying to interfere with others trying to earn a living and going about their business in a law abiding manner. After a few minutes I interrupted this man to ask him if he was a vegetarian. His response, while refreshingly honest, rather stunned me. ‘Oh, yes’, he said proudly, ‘we all are; in fact, we have two carloads of vegans who have driven from interstate.’

Never once did I hear this reported. Never once did I hear the media mention how one of the leaders of this protest is already facing charges of breaking the law over sabotage of property of pig farmers and, similarly, for attacking chicken farms—all run by farmers lawfully trying to earn a living. And rarely was it reported how important this export trade from Portland is for the region. This same person is now facing charges of having tried to deliberately contaminate with pig meat the feed troughs of sheep in a nearby feedlot—something alleged to have occurred last November. Again, there was no mention of these prior charges.

I guess the obvious question is: is it okay for a vegetarian to feed meat to sheep and yet as a vegetarian express concern about the welfare of the sheep? Again, few seemed to notice the irony. But the Melbourne Age did, and put it succinctly in an editorial on 25 November which said:

... the irony of animal liberationists using dead animal flesh to taint live animals poses questions about what it is they stand for and whether or not feeding meat to herbivores is not in itself cruelty.

In case there is a misunderstanding that it is only extremists who actively oppose live exports, let me quickly dispel this: as well, some commercial interests are also beating the drum.

In an extraordinary but frank address to a seminar in Werribee earlier this year, Mr Roger Fletcher of Fletcher Meats told the gathering that live exports not only were holding back the processing industry but also were a threat to a farmer’s viability, posed a disease risk, were a threat to the environment and created virtually no jobs for Australian communities. Mr Fletcher went on to imply that live animal exporters were avoiding taxes and did not have problems of payroll tax, superannuation, workers compensation, insurance and so on.

No-one would deny that Mr Fletcher is a very successful meatworks operator—but talk about dressing up self-interest with a coat of many colours! One thing he did not mention was that live exports are pushing stock prices higher than to his liking. He also did not mention that this might actually help farmers stay in business and he did not mention all the jobs that this creates—for example, 300 direct jobs just around Portland for a start. Just for good measure, Mr Fletcher had a solution to what he feels live exports are doing to his processing business—he wants a tax on live exports. As the old saying goes, when you see self-interest running in the race, back it because you can be sure it is trying. And what interesting bedmates: vegetarians and an abattoir owner!

As a wool grower, my message today is that, contrary to the grossly misleading case put by a very small minority, we have in live exports a major export industry generating in excess of $1 billion in export earnings and creating thousands of jobs in Australia. It is an industry that not only underpins wool growing but also opens up exciting new
prospects from as far away as China and across to Mexico. Furthermore, the sheep and cattle exported are carefully selected, healthy, in good condition and are vaccinated against diseases. Veterinarians supervise this preparation. Once on the ship, the stock are well cared for; well fed; inspected daily by qualified stockmen; and they have sufficient room to move about freely. In fact, the sheep actually put on weight while being shipped—hardly a sign of a stressed animal.

In other words, when it comes to animal welfare, the stock are well cared for and, with the use of a sophisticated computer model in place for the loading of ships, together with a science based heat stress program, as part of the government’s risk management initiative, the risks of losses at sea are low. It is no wonder that the Victorian Stock and Land newspaper ran a story in January this year headlined ‘Portland’s record better than the rest’. This article pointed out that, during last winter, the loss of stock being exported from Portland was barely over one per cent, which is well below the industry standard setting of two per cent.

The conclusion of all this is that we have an industry that not only is worth a lot to many parts of regional Australia but also is certainly getting its act together—and, in my view, it must continue. But a small vocal group is doing its best, as Bernays put it, to control and regiment the masses without their knowing it. As I said earlier, Bernays wrote:

If we understand the mechanism and motives of the group in mind, it is now possible to control and regiment the masses according to our will without their knowing it.

This message is one that we really must be putting very firmly in front of the whole community, not just on this issue but on a number of others. The danger to the community is that if these people succeed other minorities will try to manipulate and control the majority, often to the detriment of the community. To give you another example of the way some of those people operate, Mr Deputy Speaker, there was an advertisement in the Sunday Age of 23 November 2003 headed ‘All we are saying is give sheep a chance’, with a line at the bottom saying, ‘Ban live export.’ It had a picture of an extremely sick animal of the sort that would never be put on a live sheep carrier. It would not even be considered for sending off the farm in that state.

In conclusion, I want to say that for the sake of the future livelihood of many farmers, shearsers, truck drivers, port workers, stock agents and myriad others in the community, not to mention over $1 billion of export earnings, this trade must continue—not in an unfettered manner but in a responsible manner and free of unreasonable restrictions. Clearly, small and vocal minorities cannot be allowed to impose their prejudices. I call on my colleagues, the media and Australians from all walks of life to resist this pervasive and dangerous manipulation by the extremists to deliberately mislead the community with, in many cases, disgusting stunts. Their efforts to try and destroy the livelihoods of so many others trying to lawfully earn a living must be resisted and at no stage can they be allowed to succeed.

**Aviation: Sydney Airport Master Plan**

Mr ALBANESE (Grayndler) (5.46 p.m.)—I rise today to again put on the record my absolute opposition to the Sydney airport master plan. The Minister for Transport and Regional Services received a draft of this plan at the end of last year. Since then there has been a public consultation process. The overwhelming majority of hundreds of submissions, of thousands of petitions and of hundreds of letters which I delivered to the minister just last week indicate absolute op-
position to this plan. The minister has to make a decision by 30 March, and that decision can only be to support or to reject the plan. I call upon the minister for transport to reject it.

It paints a devastating picture for the residents living in the suburbs, particularly those to the north of Kingsford Smith airport. According to the figures released in the draft master plan, there will be a 295 per cent increase in the number of air passengers moving through Sydney airport. In the year 2023-24 there will be 68 million passengers, compared with 23 million in the year 2001-02. The draft master plan also states that there will be a 180 per cent increase in the number of aircraft movements at Sydney airport, seeing an increase from 225,200 movements per year in 2001-02 to the projected number of 412,000 movements per year. The argument by Sydney Airports Corporation Ltd that such an increase in passengers and movements can be achieved by the airline industry using much larger, less noisy aircraft is fanciful, dishonest and just not on. It is fanciful for SACL to argue that the increase in flights and passengers can be accommodated without the construction of a second airport for Sydney.

It is one thing for Max Moore-Wilton and the private owners of Sydney airport to argue to maximise their profits; it is another thing for the government to simply acquiesce to that narrow agenda. As figures 6.4 and 6.5 of the draft master plan show, the majority of aircraft movement and passenger increases will be related to domestic air travel. This occurs using smaller, noisier aircraft than international class aircraft, meaning far more regular movements to cope with it. It is clear that the massive increase in passenger movements and aircraft movements would result in the following. Firstly, it would mean the removal of the cap on aircraft movements set at 80 per hour, in place as a result of the private member’s bill that I moved in this House upon my election in March 1996. It would result in the removal of the 11 p.m. to 6 a.m. curfew first introduced in 1963 by agreement but enshrined by legislation thanks to the Keating Labor government in the Sydney Airport Curfew Act 1995. It would mean the cancellation of noise-sharing arrangements in the long-term operating plan even though the targets have not been reached. There is also significant pressure on the government to remove the curfew and caps on air movements from sectors of the airline industry, and the increase in numbers outlined above only gives credence to these arguments.

It also means a massive increase in insulation and the acquisition program because of the severity of the effect on people of aircraft noise. It would need the acquisition and demolition of houses in my electorate in the area north of Sydenham Green—already 151 homes have been demolished—right across Sydenham station and into the suburb of Marrickville, having a devastating impact on my community. As shown in figure 16.4 of the draft master plan, the following boundary widening would need to apply for insulation. It would see the boundary extending all the way directly northwards from Stanmore right to the shores of Iron Cove Bay in Lilyfield. Slightly westwards, it would see it extended to cover the whole of Marrickville as well as the majority of Lewisham and the western end of Petersham, and the boundary would be required to be extended eastward to cover properties in Newtown and Camperdown, more properties in Stanmore—and perhaps as far as Erskineville.

This radical increase in the insulation program would have a very disruptive impact on the lives of people around the airport. Under the long-term operating plan, just 17 per cent of movements from Sydney airport should be to the north. We have already seen that figure
average above 25 per cent, but it can sometimes be around 50 per cent. There is no escape from the fact that if you increase the capacity of the airport as envisaged by this master plan you effectively will need to close the cross-runways. The airport will operate simply on the main two north-south parallel runways, having a devastating impact such as occurred after the opening of the third runway.

The master plan suggests there will be no need for a second Sydney airport in the next 20 years. I believe this is dishonest and motivated by the profit-taking needs of Macquarie, who own Sydney airport. There is no doubt that, unless a second airport is built for Sydney, the inevitable pressure will be on to move the regional flights to Bankstown and other regional airports, thereby having a devastating impact on Sydney.

We know that the government have to respond by 30 March, and we will see whether their agenda is synonymous with the agenda of Sydney Airport Corporation. What is Labor’s agenda? At its national conference, Labor unanimously outlined an alternative agenda, which took into account the needs of Sydney, New South Wales and Australia—the economic needs of having a viable airport policy—but also took into account the needs of residents. The Labor resolution has at least seven major parts. The first is a commitment to the legislated cap, and the second is a commitment to fully implementing the long-term operating plan. Fourth is a commitment to ensuring that all those eligible for noise amelioration measures receive them.

Fifth, Labor will consider the particular needs of schools. Schools such as Fort Street High School and Tempe High School in my electorate of Grayndler should be insulated. There is no reason why any young Australian should have their education and learning disrupted every 50 seconds due to the accident of where they live. Sixth is a commitment to support slot allocation and priorities that preserve access for regional airlines, while giving preference to larger aircraft. We will not abandon regional New South Wales and regional Australia. Most importantly, upon coming to government Labor will do a new, comprehensive EIS into a preferred site south of the Nepean River through to the Southern Highlands. Labor will work with the New South Wales government and local governments to draw upon their best advice to identify specific sites within this corridor and ensure that we get on with building a second airport for Sydney.

But there is another alternative. The Greens say on the one hand, when they are in my electorate and campaigning in local government elections, that they do not support a second airport; they support closing Kingsford Smith airport. But down in Cunningham, on the other hand, the member for Cunningham says the Greens do not support a second airport either. What do they support? People parachuting from planes to get out? What an absolutely dishonest, nonsensical position from the Greens. But you can expect nothing more from them, given the dishonest and unprincipled way in which they have conducted themselves in my electorate.

Sylvia Hale, a New South Wales MLC, ran and was elected for the No Aircraft Noise Party in the last local government election. Yet, when returns came out, it was found that she donated $5,000 to the Greens campaign—that is, $5,000 to her major opponent. And guess what? When the state election came up, she suddenly converted, found herself a Green at No. 2 on the ticket and got elected to the legislative council. Talk about privatisation! The Greens have privatised positions on their ticket for the legislative
council in New South Wales. In terms of local elections, they are running a campaign locally about who is donating to what party. I can assure you that the Marrickville Council Labor team have received no donations above $500, unlike the wealthy people who have $5,000 in their kitty to donate to another political party. (Time expired)

Dunkley Electorate: Scoresby Freeway

Mr BILLSON (Dunkley) (5.56 p.m.)—I grieve, and will continue to grieve, with my community for the unprincipled deception perpetrated on the constituents of Dunkley and the communities of eastern and southeastern Victoria, particularly in Melbourne. Of course, I am talking about the Scoresby Freeway. I raise this because there is no single endeavour that could enhance the vitality, the viability and the living standards of our region more than a toll-free Scoresby Freeway. It was a cause of great celebration when we finally persuaded a state Labor government that had been initially elected opposing the project to address the facts, the arguments and the pressing needs and aspirations of communities like the one I represent and to change their position from being opposed to the Scoresby Freeway to being in support of it. I said at the time that I was wary about that conversion. And, ever since that stated conversion, the state Labor government in Victoria have behaved as very reluctant converts, finding every opportunity, every wiggle, every move, every slither, to try to move away from that commitment and to dishonour their election promises to the people that I represent and almost a million Melburnians.

On the weekend I was happy to support and participate in a public rally—a statement of both the desperation and the frustration of the local business community. The rally included a convoy of motorists and citizens of the wider area of the Mornington Peninsula, Greater Frankston and beyond. It was a ‘no tolls, freeway not feeway’ rally, which started at the Mornington race club. Motorists, truck drivers, community leaders, employers, families and elected representatives turned out in force to support the Scoresby ‘no tolls’ convoy and the protest rally organised by the Frankston, Mornington and Rosebud chambers of commerce. The convoy stretched for kilometres along the Nepean Highway as it moved from its starting point at the Mornington racecourse to the Frankston Pier forecourt, where participants gathered to hear from event organisers, members of parliament, the Frankston City Mayor and councillors, and concerned residents.

But who was absent without leave, once again? There was not one single state, federal or local council Labor representative to be seen anywhere. This was just another example of how our community is being done such a huge disservice as a result of the actions of the Labor Party in Victoria, which are incurring great hardship and lost opportunity on the people that I represent. We said to Mr Bracks that the message was clear—’Build what we were promised’—as we talked enthusiastically about the crucial role a toll-free Scoresby Freeway would play in ensuring the viability, vitality and appeal of our region.

I have outlined the benefits of a toll-free Scoresby Freeway at great length before this parliament almost 30 times since I was elected, and to countless numbers of community organisations at meetings. I have emphasised that, for a community to have a bright and prosperous future, to be able to offer employment opportunities, to attract investment and new families, you need some tools. At this moment it is faster, time-wise, to get from Geelong to Melbourne than to get from Frankston, in the Greater Melbourne area, to the Melbourne CBD.
Just last week I chaired a parliamentary committee looking at sustainability in cities, and the state government was almost gloating about the great investment, employment opportunities and enhanced living standards granted to the north and west of Melbourne because of an arterial ring road—the Western Ring Road—which is available to all motorists not by payment of a fee; it is free. That is recognised as an important infrastructure project.

The community I represent, which is the size of Adelaide, and many others in the region up and down the Scoresby corridor have been calling for a fair go. Why is it that our community is not entitled to that same kind of road infrastructure? What does the state government have against families, businesses and those hoping to carve out a future in south-eastern and eastern Melbourne that they are not deserving of the same transport infrastructure as the north and west of Melbourne are entitled to? What is it? Is it blind ignorance about the consequences of their actions? I hope not.

I and many other elected representatives, doing what we are charged with doing, which is representing our communities, have been making clear to the Bracks government and anyone who will listen the crucial importance of this project. Our ability to attract job opportunities, investment in new businesses and skilled people to drive these enterprises and visitors to enjoy what our region has to offer will be greatly advantaged, greatly enhanced and greatly supported by the building of a toll-free Scoresby Freeway. Mr Bracks’s plan to impose tolls on the Scoresby Freeway will damage our region’s future prospects, greatly disadvantage our community and pull the rug out from underneath those who will use the Scoresby Freeway in terms of the benefits that it offers.

The Bracks government is consciously undermining the future of our community and its citizens. It knows this because it has been told—privately and in briefings to local, state and federal members of parliament, through published reports, through eminent advice from transport economists like Dr John Cox and anybody who has any credibility on this subject whatsoever—over and over again that it is nobbling the prospects of our region by tolling the Scoresby Freeway; it is greatly undermining the benefits which will come from that important piece of infrastructure and it is saddling our community with a dud deal for a generation.

The tolling of the Scoresby Freeway is already having impacts right now. Australian Arrow make car componentry for electronic harnessing and some of the bits and pieces that run the electronics systems in our cars. In speaking with their managing director about the strength of the car industry, he was very supportive of what the Howard government has done to nurture growth and activity in the car industry. He pointed out to me that he has been trying to recruit several dozen electronics engineers to join his enterprise, to support their expanding activities. The issue being raised was whether they would have to pay a toll to come to work. So existing businesses are already feeling the pinch.

On the weekend, at the convoy and rally, we heard from a transport operator who owns a $120,000 to $130,000 a year business—not a huge enterprise but enough to support him and his family. He was saying that the $7,000 or $8,000 a year he will be forced to pay through tolls will nobble his business; he will be put out of business. We have already heard about the lack of investment appeal our region would have if we cannot provide adequate transport infrastructure on the same terms as is available to the
north and west of the state. This is already having consequences.

We are even making it difficult for our citizens who want to reach out from the greatest part of Victoria, the Mornington Peninsula, to work elsewhere, because we may not be able to provide them with employment opportunities. Making their commute harder makes getting to places of work, education and their social interests harder for them. What have the people of my community done to deserve this? This is outrageous.

I not only grieve but despair because the state government, just before an election, wrote to all of our constituents promising that, if the Bracks government were re-elected, they would build a toll-free Scoresby Freeway. The letters are in black and white; the Treasurer has referred to them. I have a copy of the letter here. It says:

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

So said Steve Bracks. He has shafted families in my community and undermined the future prospects of our region. But it goes further than that. In the Dunkley community we are seeing the Labor Party doing what it seems only able to do in Victoria: protect the Labor Party's own interests. We have state members of parliament elected on the basis of a fraud. We have members of the legislative council and the legislative assembly in Victoria who got in by wafer-thin margins on the basis of this false, misleading and deceptive promise by the premier and the Labor candidates. They are sitting there now absolutely mute. In fact, the shadow minister at the table, the member for Banks, has said more about Scoresby in interjecting on me than any of his state Labor colleagues in the area I represent have.

It is about time, if the Labor Party genuinely believes that there should be some credibility in public life, they did sometimes about this, but they will not. There is effectively only one operative tenderer left. Why? Because they have set up this project to fail and, in doing so, are undermining the very livelihoods and future opportunities of the people I represent. It is outrageous, appalling and deceptive, and it is the lowest moment in public life that I have seen in my time working as an elected representative. It is about time the Labor Party realised that people are sick of them and sick of this and sick of their behaviour on Scoresby and actually did something.

Mr Melham—Never, ever!
Mr BILLSON—There is an interjection of, 'Never, ever!' Sunshine, the campaign was run, policies were put forward, people adopted them, and the exact opposite applied on this occasion. (Time expired)

Workplace Relations: National Wage Case

Harmony Day

Mr LAURIE FERGUSON (Reid) (6.06 p.m.)—At the recent Labor Party national conference—it was a long overdue change—the party emulated a British tradition of having fringe meetings and events during the conference. One of those was conducted by the Liquor, Hospitality and Miscellaneous Workers Union with regard to their low-wage campaign. I want to quote the words of Sylvia Cullen, which I found very moving when I was there; she appeared on national television the next day. She said:

I am 30 years old. I have been working for thirteen years at the Goulburn Police College. I get up early in the morning to clean at the College starting at 2am—and working through till 6am. I hate that 1am alarm. So to make sure I don't brawl with my morning clock too much I have to get into bed by 9.30pm every night.
And then in the afternoon I go around for a second cleaning job, as a cleaner at the Mulwaree High School between 2pm and 7pm.
I’ve been doing that for five years.
If anyone here knows anything about Goulburn winters they’ll know how hard it can be trying to get to work at 2am at the Police College.
When I get home after 6am I get my daughter her breakfast and off to school.
I then hit the bed at around 9am and get ready for the second job.
While I have worked in one place at the Police College for 13 years I have had four different employers.
She went on to note:
And how much do I get paid?
$800 a fortnight for the school job and $500 a fortnight for the Police College job.
She further commented:
I have been asked a number of times why do I put myself through it—as a single mum with a 12-year old daughter I could qualify for some social security help.
My answer always is I prefer to earn my own way through life—I don’t want to live off the government.
She also commented:
After I pay my rent and other costs associated with bringing up a teenager I am lucky to have between $80 to $100 left over after each pay packet—
that is each fortnight—
... and that depends on if it’s a bill paying week.
Finally, she said:
I am lucky to be a Goulburn girl born and bred and have my mother and grandmother around to help—especially with the babysitting.
These are the realities of the liquor and hospitality union’s, and, more particularly, the ACTU’s, low-wage campaign. The government’s and the major employer’s response to the claim for an increase of $26.60 in the minimum wage has been to suggest an increase of $10. The minimum wage is currently in the area of $448 a week. This is no minor issue. It fundamentally affects the living standards and family conditions of 1.6 million Australians.

It is interesting to note that the government constantly talks about how vibrant the economy is and how well it is going. Previous minimum wage cases—and there have been a number of them over the last few years—have failed to dampen that economic resurgence. But the government is saying that people on the minimum wage of $448 should have only a $10 increase. It is interesting to note, as I said, that 1.6 million Australians are fundamentally affected by this wage claim. One of the important truths of the last decade is that, whilst Australia has had a noteworthy growth in jobs, that explosion has been of low-paying jobs, with half the new jobs created over the 1990s paying less than $300 a week.

The LHMU, which is the driving force behind this campaign, is a union that essentially covers the expanding sectors of this low-wage, insecure work force. Whether people are in the security sector, the cleaning sector or parts of the hospitality sector, the LHMU represents them. They are facing a situation in this country which, as I noted, is increasingly precarious. People are being forced to work two, three or four jobs. People are on call constantly, their weekends are disrupted and their family lives are undermined for wages at this level. The Victorian secretary of the union, Brian Daley, cited the case of a 38-year-old with two kids earning $480 a week as a cleaner and described the kind of lifestyle that she leads at this moment, yet we find the major employer group, ACCI, and the federal government saying that $10 is the limit for these people.

The low-wage market is the result of three basically interconnected processes: the pre-
carious organisation of much of the service sector, short and inadequate casual work—and we know that casualisation increasingly characterises the Australian workplace—and the restructuring of the industrial framework of the country. The attacks on the AIRC, the undermining of the organisational abilities of unions on the job and the attempts to bankrupt them and the failed royal commission—which cost this country and the Australian taxpayers tens of millions of dollars and resulted recently in the total defeat of those people laying charges against the CFMEU—are an attempt to drive down conditions. For those on the minimum wage currently it is indeed a deplorable situation.

I particularly want to recognise the efforts of the LHMU, formerly known as the Miscellaneous Workers Union. I said earlier that often the union has essentially had to operate through the Australian Industrial Relations Commission. It is not a union that has industrial muscle on many of its sites. It represents people who are reluctant to take industrial action—those in the security sector and the cleaning sector and people who are basically traded between different companies. In the security sector the pattern is that there is a contract on a site and a number of workers are employed and a company comes in with a new tender each year—and you can bet one thing: the tender price will go down. The only way it goes down is by forcing the workers on the job to work longer hours under worse conditions. That is the situation this union has to deal with. It has a membership of 130,000 nationally. I salute the officials: Geoff Lawrence, the national secretary in New South Wales, Annie Owens and those people that are taking the lead in this fight obviously supported by the ACTU. It is somewhat ironic that today the union is having to take defamation action to counter ridiculous claims about its level of membership in one state.

The other matter I want to turn to very briefly is Harmony Day. The Minister for Citizenship and Multicultural Affairs has been out there running around in anything that is golden, running a number of events. Perhaps particularly in Brisbane this self-publicity has reached a ridiculous stage. It is bad enough when he is getting on planes and running around doing citizenship ceremonies or when he is at the AIS. He could probably half justify them as a former publicist and newsreader. However, this latest effort in Brisbane to actually run a citizenship ceremony in the Bunnings shop is hitting an all-time low of self-promotion and self-publicity. I understand that the citizenship rate that he and this government have accomplished leaves something to worry about. I agree that they have to do something to try and lift the levels, but to actually start running around Bunnings shops and basically undermining the credibility of an important event for many people is worrying.

I know that at least one Queensland coalition member has indicated that to his constituents. It is not the person opposite, the member for Blair, I hope, but one of them at least has indicated to his constituents his disassociation from the minister’s conduct. The minister’s own Australian Citizenship Ceremonies Code states:

Citizenship ceremonies are significant occasions and care should be taken to ensure that the venue reflects the importance of the occasion.

I really do question whether a sausage sizzle at Bunnings is an appropriate event at which to give people citizenship. Many of these people, who had no rights in other countries, come here and the citizenship ceremony implies their becoming part of this country and they having the rights that go with that. This level of event undermines the credibility of the system.
The Minister for Citizenship and Multicultural Affairs was running around the other week saying there were people on both sides of politics who tend to politicise these ceremonies a bit too much. I cannot totally disagree with him, quite frankly; I myself was involved in complaints against the Liberal leader in New South Wales at one ceremony. It is all right to go around saying that people cannot grant citizenship any longer because the events have become too political, but this last event in Brisbane on the weekend, which I am pleased to see got some coverage, is worrying. The minister should do a bit less grandstanding and have a bit more interest in Labor’s Racial and Religious Hatred Bill 2003, which is before the parliament. There should be more activity against the racial attacks on synagogues, mosques and other religious institutions in this country, and the minister should show a bit more understanding. He should recognise these problems and realise that there is a need for action rather than just a slap on the back, saying, ‘Everything is well; let’s get out another orange balloon and a few more orange banners.’

Science: Funding

Miss Jackie Kelly (Lindsay—Parliamentary Secretary to the Prime Minister) (6.16 p.m.)—Science and innovation are crucial to the economic health of a nation. Australian governments spend approximately 0.35 per cent of GDP on research and development, which places us fifth in OECD rankings, higher than Britain, Canada or the US. However, there still appears to be a crisis in Australian science. In 2002, only 9,300 Australians were working towards a postgraduate degree in natural and physical science compared to 59,000 in management and commerce. In the same year 56,500 were doing bachelor degrees in natural and physical sciences compared to over 160,000 in management and commerce. As a percentage of GDP, business in Australia spends around 0.72 per cent of GDP on research, whereas Sweden spends 2.74 per cent. Australia has to find a way of reinvigorating interest in science so that we can produce a new generation of scientists who inspire—the likes of Sir Mark Oliphant, Paul Davies, Fiona Stanley and Sir Gustav Nossal.

I believe the best place to start is with our youth. Over one-third of all children and youth in New South Wales live in my area of greater Western Sydney. This is Australia’s nursery. However, there is no education centre or facility that is dedicated to science and to attracting, entertaining and educating children, despite the fact that in my area the participation rate of children in secondary and tertiary education is lower than in other areas of Australia. Parents, teachers and schoolchildren in Western Sydney looking for a scientific experience must currently travel to the Sydney CBD’s Powerhouse or to Canberra’s Questacon. In the United States, by comparison, most medium sized cities—many smaller than Sydney—have their own science or discovery centre along the lines of a children’s discovery museum.

The concept of the children’s discovery museum has been adopted by Dr Doreen Clark, who has explored this issue and progressed a children’s discovery museum here in Australia with private sector funding from Westfield and various building companies. Professor Michael Archer, when he headed up the Australian Museum, also explored the idea of a Western Sydney regional museum or an extension of the Australian Museum. I remember that, in the Federation Fund grant round, the University of Western Sydney put in an application for a similar science centre based in Western Sydney to cater for those needs.

All of these groups have advocated a science centre that will help nurture and encourage our children to pursue further educa-
tion in the sciences. They want our children to be inspired by the possibilities and the excitement of new technology and discoveries in science rather than pursuing a spot on *Australian Idol* or some other reality TV program. I believe it is time to bring these groups together and work towards a science centre in Western Sydney. I have named this the Renaissance Project because it is about the rebirth of science and the nature of scientific discovery in Sydney. If you talk to your PR people, words like ‘science’ and ‘museum’ tend to be fairly dry, boring and unattractive to young people, but in essence it is a science museum.

I commissioned DVA Navion to do a feasibility study into fundraising for a science centre in Western Sydney and into the reception from businesses to co-fund the project. Obviously, with state, community and private sector funding, such a centre would be feasible. The results were positive: business and community all see the need for a science centre in Western Sydney for the people not just in Western Sydney but in all of Sydney and New South Wales. The survey responses revealed some important challenges, not the least of which is locating a potential site that provides speedy access.

Ideally, the Renaissance Project would be located between Parramatta and Penrith, and preferably situated centrally within this area. I have identified a potential site near Doonside, adjacent to the M4 at the interchange between the M4 and Wallgrove Road. It is in government ownership at this time; however, this area needs further investigation. I believe it would be an ideal site, very close to the ‘milk centre’ of Sydney. It is right on the money in that it is in a children-drawing area as well as having ease of access via the M4, the Western Sydney Orbital and the other ring-roads of Sydney.

The establishment costs of the Renaissance Project would be between $15 million and $30 million and we are looking to government, the corporate sector, private individuals and fundraising for that money. Ongoing costs would be met by revenue generated by ticket sales, gift shop sales and support from the community. Looking at the experience in similar sized US cities, approximately 350,000 people could be expected to visit the centre annually. These ideas need to be brought together into a business plan to carry the idea forward. I am calling on key community figures to join a board to advance the Renaissance Project. Their key goal would be to meet four to six times over a six-month period and have a significant input into this business plan.

I think it is important to have the New South Wales Education Minister, Dr Refshauge, involved, because the centre would follow and be closely involved with the primary and high school curricula to provide an exciting science lab which all the schools in Sydney could not possibly compete with; I know that the science labs in my area are very tired and pretty much look exactly the same as they did when I left school. This science lab would be available to all students and it should really follow the curricula of primary and high school education—I think that is a critical part of this concept. I have contacted Dr Refshauge’s office, but so far he has not returned my calls, and he has declined to be interviewed by DVA Navion.

We are looking for this board to develop the business program, to work up the content of the museum itself along those curricula and to look at moving towards an economic impact study for the project. We are looking at hands-on activities to challenge the Discovery Channel and the Neopets web site in terms of children’s interactivity. We are looking at making it very hands-on and very personal, with many scientific principles in a
fun and easy-to-use format. We are looking at topic areas such as the earth, planetary sciences, astronomy and space; IT; physical science; nanotechnology; biology; genetics and medicine; biotechnology; agricultural sciences; and science and technology in culture. We are looking at locating the centre close to an industrial area where there will be a cluster of businesses so that we will get a centre of research that is coordinated with industry as well as hosted by a university. My preference is obviously for the University of Western Sydney in my area. We could also look at the project hosting travelling international exhibitions, acting as a conference centre for visiting scientists and academics and becoming an icon in Western Sydney attracting tourism and other business, similar to the Adler Museum in Chicago, the Ontario Science Centre in Canada and the American Museum of Natural History in New York.

Australia is well known for its contributions to the scientific world, including numerous breakthroughs in a variety of fields. The science centre is to build on these intellectual traditions and to attract our youth to science and bring them back to the core fundamentals that will contribute to Australia’s GDP and ensure that we remain off the sheep’s back and build a progressive and forward thinking view on Australia’s future income sources around the world. I have strongly encouraged all my Western Sydney colleagues, regardless of political persuasion, to get involved. I am calling widely at this point for people who are interested in being on such a board to come forward and make themselves available over a six-month period for three or four meetings. I am looking for people who can put the time and effort into bring this Renaissance Project to fruition.

Australian Labor Party: Industrial Relations Policy

Dr Emerson (Rankin) (6.26 p.m.)—In January this year, Labor’s national conference endorsed its policy platform. The part of the platform that deals with industrial relations policy was endorsed unanimously. The platform is built on four pillars. The first pillar is the restoration of the right to bargain collectively, supported by a fair award safety net, and a requirement on the parties to bargain in good faith. This pillar includes the abolition of Australian workplace agreements, or AWAs. Labor strongly supports workplace-level enterprise bargaining; after all, it was Labor that introduced enterprise bargaining in the Hawke-Keating years.

The second pillar is the restoration of the capacity of the independent umpire—the Australian Industrial Relations Commission—to settle intractable disputes that the parties themselves cannot resolve. This would be only as a last resort. Labor is committed to preserving the primacy of workplace bargaining as the chief means of determining wages and conditions of employment. The third pillar supports on-job security, including guaranteeing all employee entitlements in the event of corporate failure and addressing the use of casual employment for staff who have been employed on a regular long-term basis. The fourth pillar rectifies the imbalance between work and family life that is experienced by so many Australians.

The Howard government has systematically misrepresented these policies at every opportunity. Most of the policies were also in the 2000 national platform. The main changes were to add a new section on work and family issues and a reference to defining casual employment. This has not stopped the Howard government from making statement after statement that the economy will grind to a halt with massive job losses if this so-
called new platform is implemented. If Labor’s industrial relations policies were truly threatening to business, the Howard government would not need to misrepresent them so grossly. Why does the Howard government make blatantly false statements? The answer is that, if the government accurately conveyed Labor’s policies, there would be no cause for alarm in the business community. But that would not suit the government’s political purpose, which is to alarm the business community in an effort to galvanise support against Labor. I suppose that is politics, but do we really want and need the politics of the ‘big Liberal lie’?

The Minister for Employment and Workplace Relations, the Minister for Small Business and Tourism and the Minister for Employment Services have all joined the Prime Minister in making false claims about Labor’s plans for Australia’s workplaces. I know that these ministers are not doing this inadvertently out of ignorance of Labor’s policies. I know this because I have refuted their false claims in my press releases and in my published opinion pieces and letters to the editor. I know this because I have contacted ministers directly to point out to them the falsehoods in their statements. But, to remove any doubt, I will go through each of their fictitious claims and refute them one by one.

The first Liberal myth is that Labor will mandate an entitlement to part-time work. The Prime Minister is fond of this myth. Most recently, he said on ABC radio on 1 February 2004:

The mandating of an entitlement to part-time work sounds great in theory in the context of a work-family balance policy, but very hard for a small business … if you’ve got only a couple of employees you need them full time. And if you’re told by law, well you can only have one of them part-time … for a person running a small business with two or three employees, that becomes a nightmare.

The reality is that Labor’s policy does not mandate such an entitlement. Labor’s policy would give parents returning from parental leave—most often mothers—an entitlement to ask for part-time work if they so wish. Employers do not have to accept this request if it is unreasonable for their business. Reasonableness will have regard to the size and nature of a business. So a small business that has only a few employees and cannot accommodate part-time work would easily be able to show that the request is not reasonable and it would not, therefore, have to provide part-time work. We know why the Prime Minister felt the need to falsify this policy: our policy was recommended to him by his own interdepartmental task force into work and family issues. The task force also noted that there was previously a similar provision in federal awards, but it was taken out through the Howard government’s award-stripping process.

The second Liberal myth is that Labor would mandate for casuals to receive the entitlements given to permanent employees. The Prime Minister, the Minister for Employment Services, the Minister for Employment and Workplace Relations, and the Minister for Small Business and Tourism have all made false statements on this issue. The Prime Minister was reported in the Australian on 19 January 2004 as saying that Labor’s policy is, ‘You’ve got to pay the casuals all these leave entitlements as well as the loadings.’ On 18 March 2004, the Minister for Employment and Workplace Relations told a mines and metals conference, ‘Employers will be forced to offer permanent positions for casual workers.’ The Minister for Employment Services said, in a press release on 9 March 2004, ‘Labor plans to increase the cost of casual employment.’ This was kicked off by the Minister for
Small Business and Tourism, who made a blatantly untrue statement in his press release of 5 February. He said:

Firstly, the Labor Party intends to force employers to provide additional benefits to casual employees, such as holiday and sick leave. This ignores the fact that many casual employees already receive loading to compensate for these benefits.

The ALP intends forcing its solution on the workplace, where many employees have chosen casual employment for the flexibility it offers.

The reality of Labor’s position on this issue is very similar to that for parents and part-time work. The government is deliberately ignoring two key aspects of our very simple proposal. First, like our policy on part-time work, this proposal is not mandatory for either employees or employers. Second, there will be no adding of paid leave or other entitlements to the casual loading. The proposal is based around a provision that is already in several awards, including the metal industry award and the hospitality industry award. Neither industry has collapsed under the weight of this light-touch regulation. The provision in these awards allows regular, long-term casuals to ask for permanent work if they wish. Employers can refuse if it is unreasonable for their businesses. If casuals do convert to permanent employment, they gain access to the usual entitlements of permanent employment—like annual leave and sick pay—but they lose their casual loading. How does this lead to an increase in the cost of casual employment, as claimed by the Minister for Employment Services?

The third myth is that Labor will introduce a national portable long service leave scheme. This myth has been perpetrated by the Minister for Small Business and Tourism. It arises from a private member’s bill put forward by a member of the ACT parliament, which the minister insisted on attributing to the ACT Labor government—even though he was personally told at a breakfast that the ACT government did not support it. The reality is that neither the ACT government nor federal Labor supports a national portable long service leave scheme.

The remainder of the government’s myths about Labor’s industrial relations policy come mainly from the Minister for Employment and Workplace Relations. He made a whole swag of false claims in his speech to the Australian Mines and Metals Association in Perth on 18 March 2004. The fourth myth is that business will have to bargain with union bosses rather than negotiate directly with workers. The reality is: Labor’s policy does not involve the abolition of non-union workplace agreements; they will continue. Nor does it seek to remove common law individual agreements, which cover much of the workforce.

The fifth myth is that government contracts would go only to union-friendly businesses of which Labor approves. The reality is that government contracts would go only to businesses which meet their legal obligations—hardly an unreasonable requirement, but obviously unreasonable in the Howard government’s view.

The sixth myth is that union collective bargaining would be the norm. This is beyond policy; it is just unrealistic in an environment where unionisation rates are around 23 per cent. As has always been the case, many working Australians are not covered by awards and are simply employed under common law contracts. The abolition of Australian workplace agreements will hardly affect this at all, since less than three per cent of working Australians are covered by them after eight years of legislated existence.

The seventh myth is that secondary boycott provisions will be removed from the Trade Practices Act. The reality is that this is misleading. These provisions will be put back into the Workplace Relations Act.
By insisting on misrepresenting Labor’s policies, the government proves that Labor’s actual policies are not bad for business or for the economy. If they were, there would be no need to distort them. Labor support productive, harmonious workplaces. Our policies are balanced, fair and are good for Australia’s future. Our economic reforms in government made the Australian economy more competitive, more resilient and more adaptable. Our reforms led to a decade of record productivity growth. We now embrace a new economic reform agenda based on skills formation and innovation—the keys to a new round of productivity growth. But Australia’s resulting prosperity must have a purpose. It needs to be fairly shared and it has to create opportunities for all Australians. This can and will be done by a Latham Labor government, and it will be done in a way which does not harm business or job creation. We do not agree with the Howard government’s low road to low skills and low wages. We will withdraw vulnerable Australians from that race to the bottom and enter them in a race to the top—of high skills and high wages for the benefit of all Australians.

Education: Literacy and Numeracy

Mr BALDWIN (Paterson) (6.36 p.m.)—There is no doubt that investing in the education of Australia’s children is an investment we make in our nation’s future. If I break that down one step further, the investment we make in an individual’s education is something that can never be taken away from that individual. This is the government that is committed to lifting literacy and numeracy rates for all of our children and to making sure that parents receive information about their child’s performance at school. This is the government that also supports choice for parents. Parents have the right to choose which school they want to send their children to. What is the single question that parents ask, and what do they demand from their children’s education? Cheryl Burke, the principal of Medowie Christian School, broke it down to three core items. She said that, firstly, parents want values in education; secondly, they want discipline; and, thirdly, they want identity with the school.

How do we progress those three values that parents are looking for in the education of their children? We progress them by making substantial investments in this education area for our children. Recently our education minister, Brendan Nelson, announced a record $31.3 billion in funding for Australian schools over the next four years. This is an increase of $8 billion over the previous four years and the biggest commitment to schools in Australia yet. This announcement also means that in 2008 the federal government will spend $2.7 billion on government schools, which is 95 per cent or some $1.3 billion more than Labor spent in its last year in office. I will restate that figure: 95 per cent or $1.3 billion more than Labor spent in its last year in office.

This means that our government will continue to increase funding to government schools at a rate of around 6 per cent per annum. In comparison, the average budget increase by the states is only 2.1 per cent for school education, and in New South Wales the Bob Carr Labor government only increased school funding by 0.8 per cent in their budget last year. That is a disgrace, particularly when we are subjected to TV ads paid for with money that could have been invested in education by the state government but has been spent promoting the state Labor government. So New South Wales will receive a record $10.4 billion over the next four years from the federal government, an increase of $2.6 billion.

But the key issues that parents are talking about are literacy, numeracy and, in particular, the needs of those who require special
education programs. Our government is committed to the idea that everyone has the opportunity to achieve their maximum potential, and you can only do that by investing in special programs. So I welcome the announcement by Minister Nelson of $2 billion for new literacy, numeracy and special learning needs programs, which are aimed at the most disadvantaged students in our communities, including students with disabilities. That is an increase of some $393 million, and there are three elements: firstly, the school grants to help schools provide additional assistance to students; secondly, non-government centre support, which assists children with disabilities; and, thirdly, national projects which will support national initiatives and research to improve learning outcomes for educationally disadvantaged children.

It is also important that you measure the amount of investment by performance, and this is what is being asked for by parents. Parents need to know how their children are actually performing at school. This package includes enhanced performance frameworks for government funding, including: more public information on the school’s performance; the reporting of literacy and numeracy benchmarks for children in years 3, 5 and 7; creating a uniform school starting age by 2010; creating a national safe schools framework to make our schools safer for children; and expanding performance measures beyond numeracy and literacy to include scientific literacy, vocational education and training in schools, technology literacy, civics and citizenship. As a parent, I welcome these moves. There is also a commitment from the states that there will be no cost shifting between the states and Commonwealth.

There is a difference between the policies of this coalition government and those of the ALP opposition. In fact, we hear quite regularly that the ALP wants to cut federal funding to independent schools. Under this government independent schools will receive $7.6 billion in recurrent funding over four years. It is interesting to note that enrolments are expected to increase by some 20 per cent in these schools over the next four years, and that parents and friends also contribute around $12 billion through fees and donations. To remove the confusion and the mud-dying of the water by the opposition, understand that 2.25 million students—or 68 per cent of all school students—attend state schools, yet they receive 76 per cent of taxpayer funds. Just over one million children—or 32 per cent of students—attend independent and Catholic schools and receive only 24 per cent of taxpayer funds. Yet government schools are the responsibility of state and territory governments under our Constitution, so they own and manage the schools and, importantly, have the major financial responsibility for them.

Parents at Catholic and non-government schools contribute some $4 billion towards their children’s education. They make many sacrifices to invest in the futures of their children. I will break that down to a local level. In my electorate of Paterson, there are seven Catholic schools, two independent schools and 56 government schools. Last year the government schools in Paterson received $170 million in combined state and Commonwealth funding, and yet the two independent schools received $2.5 million, while funding for the seven Catholic schools is yet to be detailed.

Looking at the comparable investment by government into independent and government schools, Medowie Christian School, for example, which has 116 students, receives in total funding $444,668, whereas a public school at Booral with the same number of students receives $1,054,630. Looking at a larger school, St Philip’s Christian College at
Port Stephens, with 501 students, receives $2,562,340, whereas just up the road Wirreanda receives $4,524,994. We need to invest that sort of money in schools. We need to invest it to make sure the quality of the education of our children is paramount.

We have some great schools in our area, and I am interested to see the advancements in all levels of education, whether private or government. The Catholic school funding and the recent announcement by the minister of $12.5 billion to be invested over the next four years will bring in a new era in Catholic education. Mr Chris Lindsay wrote in an article on 25 January 2004:

The percentage of non-Catholic students in Catholic schools in NSW has doubled over the last decade, and numbers are continuing to grow at an ever faster rate.

In 1990 it was 9.7 per cent; and in 1984 it was 8.6 per cent.

The enrolment of non-Catholic students has risen from 11 per cent to 18.1 per cent in the last 10 years.

Last year there were 42,898 non-Catholic students attending Catholic schools in NSW.

The numbers are rising faster in secondary schools than primary schools.

In 2003 there were 18,964 non-Catholics in Catholic primary schools in NSW, a percentage of 15.2.

In secondary schools there were 23,934 non-Catholics, or 21.4 per cent.

He went on to say:

One reason given for the higher ration in secondary schools is that parents tend to be satisfied with government primary schools but look for an alternative for secondary education.

In fact, the enrolment rate in the Maitland-Newcastle diocese is 16.1 per cent. He also writes:

There are number of reasons non-Catholic parents want to send their children to Catholic schools. Some want them to have a religious education, others are attracted because they think Catholic schools have better disciplinary practices.

I go back to what Cheryl Burke said were the three things parents want out of their children’s education: values, discipline and identity. I have a great example in my electorate of the numbers of children who shift from primary school to high school. I have long been calling for a high school to be built at Medowie. The state government has ignored those pleas. I did some additions today and I found that the feeder primary schools for Tomaree, Raymond Terrace High and Irrawang have 4,669 students while the high schools at Tomaree, Raymond Terrace and Irrawang have a capacity of 2,766. That is a 1,900-student shortfall. (Time expired)

The DEPUTY SPEAKER (Hon. L.R.S. Price)—Order! The time for the grievance debate has expired. The debate is interrupted and I put the question:

That grievances be noted.

Question agreed to.

ASSENT

Messages from the Administrator reported informing the House of assent to the following bills:

Aviation Transport Security Bill 2004
Aviation Transport Security (Consequential Amendments and Transitional Provisions) Bill 2004
Criminal Code Amendment (Terrorist Organisations) Bill 2004
Norfolk Island Amendment Bill 2004
Workplace Relations Amendment (Transmission of Business) Bill 2004
Workplace Relations Amendment (Improved Remedies for Unprotected Action) Bill 2004
Agricultural and Veterinary Chemicals (Administration) Amendment Bill 2004
Extension of Sunset of Parliamentary Joint Committee on Native Title Bill 2004
The following bills were returned from the Senate without amendment or request:

- Social Security Amendment (Further Simplification) Bill 2003
- Australian Sports Drug Agency Amendment Bill 2004
- Customs Legislation Amendment (Application of International Trade Modernisation and Other Measures) Bill 2003
- Import Processing Charges (Amendment and Repeal) Amendment Bill 2003
- National Measurement Amendment Bill 2003

The following bills were returned from Main Committee without amendment; certified copy of the bill presented.

- Fishery Legislation Amendment (High Seas Fishing Activities and Other Matters) Bill 2004

Dr STONE (Murray—Parliamentary Secretary to the Minister for the Environment and Heritage) (6.47 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Third Reading

Dr STONE (Murray—Parliamentary Secretary to the Minister for the Environment and Heritage) (6.48 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Third Reading

Dr STONE (Murray—Parliamentary Secretary to the Minister for the Environment and Heritage) (6.47 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

FISHERIES LEGISLATION AMENDMENT (HIGH SEAS FISHING ACTIVITIES AND OTHER MATTERS) BILL 2004

Report from Main Committee

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

Ordered that the bill be considered forthwith.

Bill agreed to.

DAIRY PRODUCE AMENDMENT BILL 2003

Second Reading

Debate resumed from 3 December 2003, on motion by Mr Truss:

Mr GAVAN O'CONNOR (Corio) (6.49 p.m.)—The Dairy Produce Amendment Bill 2003 proposes a number of amendments to the Dairy Produce Act 1986 relating to the operation of Dairy Australia, the industry services body that took over many of the activities of the Australian Dairy Corporation on 1 July last year. Dairying is one of Australia’s great agricultural industries and, in so many ways, is one of Australia’s great export success stories. It is a highly productive industry that more than doubled its output between 1979 and 2003. The industry today produces around 10 million litres of milk every year from a national herd that totals just over two million cows. The number of cows has increased only marginally over the
last 14 years, while milk production has doubled. This is testament to the way dairy farmers and the industry have taken up the challenge of working smarter, improving herd quality, introducing smarter breeding practices and, especially, adopting on-farm advances in the science and technology of dairying.

The gains have not come without some pain and cost to the industry. For example, in 1979 there were 22,000 dairy farmers milk ing an average 85 cows each. By 2003 the number of dairy farmers had fallen to 10,500, whilst the average herd size had more than doubled to 195 cows. I have personal experience of this process of adjustment in the dairy industry because I am the son of a Western District dairy farmer myself. I can recall milking the cows by hand and being around when we introduced milking machines to our property. I have also seen great changes in the design of dairies as well as herd improvements, and the advent of irrigated pastures. There are many ways in which the productivity of the industry has been dramatically improved, to the point where we have not only a significant domestic industry that is important to regional Australia but an export industry that is important to the whole nation. Today there are some quite important examples of farms milking over 1,000 cows. I note the presence in the chamber today of the honourable member for Corangamite. The honourable member is one of those squatters from the Western District. He was raised on a sheep farm and would not know what end of the cow the milk came out of. Be that as it may, it is good to see him in the House tonight and I am sure that this debate will be an education even to him.

A decade ago, less than 40 per cent of production was exported while today more than 60 per cent of production is exported. About two-thirds of our dairy exports are going to Asia, and Japan is our single most important market. I can recall a time when the exports from this industry were, in relative terms, quite minor at some $200 million. Now, of course, we have a significant export industry which is earning Australia around $3.2 billion per annum, although the drought and lower international prices have eaten rather savagely into this figure over the last 12 months. Most farmers currently receive 22c to 34c per litre of milk, depending on their location. The low prices received have been blamed largely on external factors such as drought and the strong dollar. For some farmers these prices are close to their 20-year average price, but for many, and especially for those who in the past mainly produced whole milk for the domestic fresh milk market, they represent a significant decline in price.

The single biggest problem for dairy farmers recently has been the drought, which is estimated to have cost dairy farmers in a number of areas around $1,000 per cow per annum. Rainfall in many dairying regions has been below average for seven years straight. I note that the honourable member for McMillan is in the chamber tonight. His electorate of Gippsland has been hardest hit in that respect with a paucity of rainfall in recent times. Drought has reduced production and forced up the price of feed and other inputs. It has highlighted the need to clarify a range of issues for farmers in irrigation areas. Many of these farmers face rising costs and cuts in water allocations. They are asking for a water policy that clarifies their rights and their futures.

Despite the problems currently facing the industry, ADF President Alan Burgess was quoted in last week’s Weekly Times as predicting a strong future for the industry based on strong demand for milk products and lower input costs. That is a vision of the industry that I share, and which I know is shared by many in the industry even though
they are currently experiencing some difficulty.

It is less than 12 months since Dairy Australia was established as a Corporations Law company and already the parliament is being asked to make amendments to the legislation as a result of oversights, omissions and mistakes made at the time Dairy Australia was established last year. With this government and with this particular minister this has become an all too familiar pattern, especially where previous statutory authorities have been converted to Corporations Law companies. The most important amendment in this bill relates to the administration of the Dairy Structural Adjustment Program. Under current arrangements, the directors of Dairy Australia as trustees of the Dairy Structural Adjustment Program could be held to be personally liable under the Corporations Act for any liabilities that arise that could not be satisfied by the fund. This bill proposes to retrospectively fully indemnify the directors of Dairy Australia against such liability.

The minister advises that these amendments do not serve to indemnify the industry services body against liabilities that arise from acts of negligence, fraud, breach of trust or any other actions not in accordance with the principles of trust law. In addition, there are provisions in the Dairy Produce Act and requirements imposed by the statutory funding agreement between the company and the government that impose accountability requirements in relation to the management of the fund. Given that the Dairy Structural Adjustment Program is fully funded from the 11c a litre that consumers pay whenever they purchase a litre of milk, it is highly unlikely that liabilities will ever exceed available funds and that these provisions will be needed in practice.

It is also highly unlikely that members of the current board of Dairy Australia would ever allow themselves or the company to be placed in a position where these provisions are needed. The board is led by Pat Rowley, a tireless champion of the dairy industry, who personally made great sacrifices to guide the industry through the murky waters of a deregulation that was forced on it by the Howard government and by the minister. 

Dr Stone—By the states.

Mr GAVAN O’CONNOR—The parliamentary secretary says, ‘By the states.’ She should read the Hansard and not come into this House trotting out that blatant untruth. Every dairy farmer around Australia knows exactly that the gun was pointed by the Howard government at the dairy industry’s head.

While the amendments are sensible and I am advised that such provisions are normal practice when a statutory authority is privatised, I am concerned that we are making retrospective amendments to legislation for an entity that is less than a year old. We should ask this question: if these provisions are so important, why didn’t the minister include them in the original legislation that set up Dairy Australia?

We on this side of the House have become used to being asked to revisit government legislation to fix up omissions and problems. Sloppily drafted legislation has become a hallmark of this minister and of the government. This minister has had previous problems relating to the accountability of boards and executives of Corporations Law companies set up to replace statutory authorities. Dairy Australia receives and expends a considerable amount of money provided by the Australian community and by dairy farmers. It is vitally important that the public and the dairy farming community can have absolute confidence that this money is being managed appropriately.
I say that again: I have every confidence in the current board of Dairy Australia, and I have every confidence in Pat Rowley as chairman. But there will come a time when these individuals will no longer fill their current roles and others will replace them. I want to be absolutely sure that the legislative structure that we have in place provides for an appropriate level of accountability to this parliament, to dairy farmers and, indeed, to Australian taxpayers.

In his second reading speech, the minister said that the accountability provisions of existing corporations laws and the statutory funding agreement provided adequate protection of moneys provided by taxpayers and dairy farmers. But this is the minister who also thought that he had the accountability structure right in the case of Australian Wool Innovation—another agricultural authority which was made into a Corporations Law company by the government. In the case of AWI, an all-party report of the Senate’s Rural and Regional Affairs and Transport Committee—and I quote from the report because it is relevant to what the government has done in the dairy industry—found:

Any concern that there was no effective accountability through the board to both the minister and levy payers and that there was no system of internal controls in place should have been quickly and fully investigated.

As with Dairy Australia, there was a statutory funding agreement between AWI and the Howard government, setting out appropriate accountability and internal controls. In the case of AWI, the minister was handing this company $55 million collected from wool growers as levies and $16 million collected from Australian taxpayers. As early as February 2002 the minister was told that there were inadequate accountability and control systems in place, yet he did not act. This was not an internal problem for the company, as the department suggested to the committee. This was clearly a problem for levy payers and, importantly, for taxpayers. It was a direct and immediate problem for the minister. It required clear and decisive action. Unfortunately, as was the case with the US beef quota issue and the live export situation, the minister failed once again to take timely action. It is important that the lessons of the AWI fiasco are taken on board so that they are not repeated in the future with other bodies such as Dairy Australia.

In his second reading speech on the legislation related to the Dairy Structural Adjustment Program we are debating here today, the minister referred to corporations laws and the statutory funding agreement as ensuring:

... the fund continues to be prudently and professionally managed into the future.

In the case of AWI, it is clear that the equivalent provisions in legislation and funding agreements relating to that body did not provide adequate protection for either levy payers or taxpayers. The Senate committee’s AWI inquiry highlighted a number of problems in the government’s preferred industry service model. These are the problems that we want to avoid here with the dairy industry. The committee formed the view that all expenditure by these private companies should be spent in accordance with the terms of their statutory funding agreements and it recommended that all statutory funding agreements should include a requirement mandating that expenditure be consistent with the strategic plan, the operational plan and the research and development guidelines. I believe that there is a need to revisit all statutory funding agreements with a view to incorporating these changes. We need to be sure that the problems encountered in AWI are never repeated in organisations such as Dairy Australia.
This bill also amends the act to enable the company to borrow or raise money by dealing in securities. The definition of 'borrowings' is also expanded to include activities such as raising finance by way of acknowledgement of debt and hedging through currency or other types of contracts. Labor also supports these amendments.

In the time remaining to me, I will make some comment on the current state of the industry, because despite the recent package of assistance to the dairy industry, which totalled some $2 billion, there are many dairy farmers—especially young ones who entered the industry and were not eligible to receive the package—who are doing it tough in the current environment. On St Patrick’s Day and at the invitation of the great member for McMillan, I travelled to Trafalgar in Gippsland to meet with dairy farmers and their families to discuss the difficulties many of them are experiencing as a result of low prices received in the marketplace for their milk. I met with 12 dairy farming families on a farm at Willow Grove. I would like to publicly thank all who attended for their kind hospitality and for the way in which they entered into the productive discussions that took place on the day.

Many important issues were raised, and they will certainly be debated in the context of this bill, but there is one matter that I want to put front and square before the minister tonight, and I urge him to immediately respond to this situation in good faith. On 2 February, dairy farmers from this area wrote to the Prime Minister on matters of concern to them and their families. They were informed by the Prime Minister that the letter had been forwarded to the minister for agriculture for consideration and reply. The farmers waited patiently for four weeks, and when a reply was not forthcoming they contacted the minister’s office and received little satisfaction as a result of their representation.

I urge the minister to at least make contact with these farmers and to make some effort to understand their concerns.

Let me briefly outline the main elements of those concerns. The member for McMillan will expand on them in more detail when he follows in this debate. The central concern is that the price they currently receive for their milk—which ranges between 21c and 28c a litre and averages around 23c to 24c a litre—is simply not covering many of their production costs. Given their high debt levels and production costs, many are considering their future in dairying.

The alarming thing for me was to see quite young farmers, who were not able to access the structural adjustment package and who are currently carrying high debt as a result of their entry into the industry, openly talking about whether they have a future in dairying. Many of those operating farms are surviving only because one or two family members have been fortunate enough to secure off-farm work and income to sustain the enterprise through this period of stress resulting from drought and the high currency. The conventional wisdom from consultants and accountants is for these farmers to increase their herd size. But that is easier said than done, because that would bring a heavier workload and an increase in their current high debt levels.

The farmers expressed further concerns about the market behaviour of their cooperatives and retail outlets, their own level of return from the marketplace for their efforts, and the drop in milk prices that they expect
on 1 July. I appreciate that there are no easy answers to the situation they currently face and the added difficulty of fronting governments with their problems in the face of the industry receiving around $2 billion in structural assistance via the Howard government’s tax on milk, but there is a responsibility on government to hear these grassroots concerns and explore with farmers ways to secure the industry’s future.

The minister, over a period of time in considering a package of assistance to this industry, professed to be concerned about its future. We met with young dairy farmers who are very concerned about their futures. They have made representations to the government, and the least the government could do is respond to those concerns. The member for McMillan, who will follow in this debate, will outline some of those concerns in greater detail. I urge the minister to take it upon himself to get out of Wide Bay—get out of his pork-barrelling mode in Wide Bay—and go down to Gippsland and speak to these dairy farmers. In that face-to-face contact, the minister not only will be able to hear their real concerns but also may be able to offer some assurance to those farmers that they are being listened to and are being heard. The Labor Party will be supporting the passage of this legislation through the parliament.

Mr BRUCE SCOTT (Maranoa) (7.11 p.m.)—I rise in this House tonight to discuss the Dairy Produce Amendment Bill 2003. As the federal member for a very large rural electorate in Queensland, covering some of the most remote parts of Queensland, I represent many dairy farmers, and I am very sympathetic to their concerns. Since the early days of settlement of Australia, dairy farmers across Australia have provided the very basic foods that we all need—milk and dairy products, which are essential to our daily lives. The dairy farmers in my electorate are in a dairy region in Queensland which overflows into other federal electorates. It is actually one of the largest—if not the largest—dairy region in Queensland. It is not all in my electorate of Maranoa; it flows into the geographical area of the electorate of the member for Groom and down into the Lockyer Valley.

For the public record, I am not just sympathetic to the concerns of my own dairy farmers but also very sympathetic to the concerns of all Australia’s dairy farmers and producers, who continue to experience a lot of difficulties post deregulation. They are suffering a lot of pain and are considering their future in the industry. Of course, post deregulation, we saw the rise of the Australian dollar, which certainly did not help the dairy industry in Australia. The exchange rate between the Australian dollar and the US dollar, which is the benchmark—as much of the export products in the dairy industry are sold in US dollar exchange rate circumstances—has risen to levels that have certainly had an impact on the farm gate price. The other thing that has impacted on the dairy industry is the exceptional drought. The drought meant that production was going to fall in Australia. Without supplementation of feed for dairy herds, the product that they are producing would have fallen to unsustainable levels. Of course, they had to maintain production, and that resulted in additional costs that were not budgeted for pre deregulation.

Of particular concern to me, post deregulation, is the inability of many individual producers to negotiate a fairer price for their product with our large processors and retail supermarkets. I am still not convinced by the argument that the market is working. I do not believe it is working effectively. To see that, you only have to look at the price differentials that some farmers are receiving in Victoria, New South Wales or Queensland—
anywhere between 22c or 23c a litre right through to 33c, 34c and 35c a litre for basically the same quality milk. So I do not believe the market is working effectively.

To help in this regard, in very good faith the federal government recently sought the approval of the ACCC to allow dairy producers to collectively bargain for a fair farm gate price for their product. I suppose there are many members in this House who thought that this may have been an opportunity for dairy farmers to get together to be able to negotiate a better arrangement with the processors, but I think that too is an issue that is still yet to bear fruit for our dairy families.

Last week saw some dairy farmers protesting around Australia at federal members’ offices. Indeed, the member for McMillan, who is in the House at the moment, and the member from the other side who spoke previously on this bill, the member for Corio and opposition spokesman, spoke of this. The dairy farmers are angry and I know that. I have met with the dairy producers in my own electorate and I certainly understand their plight very clearly. But it is wrong of these farmers to point the finger at this federal government in terms of deregulation. I want to remind the House that it was the state Labor governments who were responsible for the introduction of the legislation to deregulate the dairy industry, and it is the state Labor governments who then walked away from any responsibility to assist the industry through the very difficult and painful process of adjusting to deregulation. I urge those producers to go and see their state Labor ministers for agriculture, who introduced the legislation into their state parliaments to deregulate the industry, in any future protest. I respect their right to protest; they have the democratic right to do that. But if they want to protest on this issue they should take their anger to the state Labor governments who initially introduced deregulation legislation into their parliaments.

By comparison, the coalition government listened to the industry leaders—I must say it was their call—who saw that one day the industry would be deregulated. They sought from the federal government to have a co-ordinated approach to a compensation and restructuring package for the industry. It was this government that introduced legislation, to the tune of $1.8 billion to nearly $2 billion, as a compensation package that is going out to the dairy producers and regions across the nation. I believe that in terms of farm gate price for the dairy farmers of this nation the market is not working. I fail to see where the price of milk in the supermarkets has gone down post deregulation. In many instances I think it is at the same price or slightly more expensive, and yet the farmer is receiving less.

I also want to talk a little bit about the free trade agreement with the United States and the benefits that will flow to the Australian dairy industry, provided we can make sure we have a viable dairy industry in the future, under the free trade agreement that has been negotiated between Australia and the United States. This is a package of measures that is yet to be officially signed off. We hope we are going to have the support of the Labor Party. We have not heard from them lately but I would urge the member for McMillan, who is on the other side of the House at the moment, to go to his leader and get him to support the free trade agreement with the United States that is on the table at the moment and to stop playing politics with one of the most important trade agreements that this country has ever negotiated. We have negotiated an agreement with the United States of America, the largest single economy in the world, and I ask members of the Labor Party to stop playing politics with it and to show
that they will support this free trade agreement.

From day one it is going to bring immense measurable benefits to the dairy industry in Australia. For instance, the Australian dairy industry can send nearly three times as much of current tariff quota products from year 1, with an ongoing growth in the quotas at an average rate of nearly five per cent per annum. The increase in year 1 is worth $55 million to the industry. Isn’t that worth pursuing for the dairy industry, the producers and those dairy farmers we have spoken about tonight? It is $55 million in the first year. That is across the board for all dairy products that are constrained currently by quotas. It is also going to provide significant new market opportunities for dairy processors and producers. I am indebted to the Minister for Trade and his office for providing me some material in relation to the free trade agreement, and it is available on the Internet more widely for producers out there. For the benefit of the opposition, I urge them to go onto that site and look at the initiatives and what this free trade agreement will mean for Australia.

The deal includes access for dairy products that have been previously excluded from the market of the United States of America. The agreement provides for a significant increase in duty-free access to the United States market for Australian dairy products imported with tariff rate quotas. In addition, the in-quota tariffs in existing dairy quotas will be reduced to zero immediately the agreement enters into force. However, over-quota tariffs on dairy products subject to quota arrangements will not change under the agreement, except for gruyere cheese. The dairy products subject to tariff rate quotas are divided into a number of product categories. The exact products contained in each category are set out in a table which people can see on the Internet, or they can go to the minister’s office and have a look at it to see the comprehensive range of products that will be affected by this free trade agreement.

I would like to read into the Hansard some of the products that will be affected. For instance, under the existing WTO arrangements with the United States, the quota for milk and ice-cream is zero. There will be an additional 7.5 million litres in year 1 of the free trade agreement, and that will grow by six per cent year on year for the life of the agreement. Condensed milk, under the WTO quota as it is at the moment, is a mere 92 tonnes. Under the free trade agreement, there is 3,000 tonnes in year 1. For butter and butter fat, there is zero quota at the moment under the WTO and 1,500 tonnes in the first year of the agreement, which will then grow by three per cent per annum on year. Skim milk powder is at 600 tonnes today. There will be an increase of 100 tonnes and then an increase of three per cent per annum on year. For other milk power, including whole milk powder, a mere 57 tonnes is allowed under the WTO quota today. That will rise to 4,000 tonnes in the first year, with an increase year on year of four per cent. In the interests of time, I seek leave to table the balance of that table of arrangements for the free trade agreement with the United States, because it is comprehensive and it highlights the importance of the free trade agreement with the United States of America.

Leave granted.

Mr BRUCE SCOTT—I thank the member for McMillan. In conclusion, let me say that the dairy industry has gone through extremely difficult times. I have highlighted some of the concerns that I have on behalf of dairy farmers in my electorate and, more broadly, dairy farmers across this country. I am yet to be convinced there is a market that operates that is free and that delivers a sus-
tainable price for the dairy farmers across this nation. The government abhor any of Australia’s industries coming unstuck through deregulation. That is why we are completely committed to ensuring the long-term viability of not just the dairy industry but all industries. We will continue to seek a better way for dairy farmers to do business so that they can not only negotiate at a local level with their processors but be there in the long term to make the most of the free trade agreement which we want to sign in the course of this year—a free trade agreement which will bring benefits across many industries, including the service industries, and also to the agricultural sector.

Mr Zahra (McMillan) (7.25 p.m.)—I want to pick up on some of the remarks made by the member for Maranoa in his contribution to the debate on the Dairy Produce Amendment Bill 2003. It is all well and good for people in this parliament to stand up and say things like the member for Maranoa said. He said that he is very concerned about all dairy farmers and went on to say that there is a market in the dairy industry that is not working effectively. But it rests upon members who make such statements when they are in government to actually do something for their constituents.

You would never get a better example than the dairy industry of where the National Party has let down its constituents. The National Party used to be the party that stood up for country people, the party that was unashamed to stand up to the Liberal Party and any other party in this place and defend the interests of rural and regional Australia. But all we have today is the National Party turning its back on its traditional constituents—just like the member for Maranoa is doing now, as he walks out of the chamber. He is like so many of the other National Party members of this place who have the opportunity to do something for their constituents but do not do anything at all. People do not want hand wringing; they do not want pious statements; they do not want sombre speeches in this place about how one member has a great love for farmers or for a certain industry. What they want is action. They want people to stand up and fight for them in this place. And, when it comes to standing up and fighting, the National Party is the great disappointment of the Australian parliament and a great disappointment to all Australian rural and regional communities.

I want to pick up on a few of the comments that the member for Maranoa made on the issues affecting the dairy industry today. They are not mickey mouse issues that he is talking about. When the member for Maranoa says that he does not think there is a proper, functioning market in the dairy industry, he is the king of understatement. There is something very crook in the dairy industry—very crook indeed. When you, Mr Deputy Speaker Price, and I go down to the local milk bar, we pay $1.60 per litre. Yet, when a hardworking dairy farmer in my electorate of McMillan gets the milk tanker to come round from the cooperative or the milk company, that farmer is only getting between 21c and 28c per litre, on average. I ask you, Mr Deputy Speaker, and the other members of this place: is that fair? Is it fair that the farmer—the person who does the hard work, takes the personal risk, has their money and their family’s future invested, and has made all of that commitment—gets paid so little from the final product? And what a huge difference there is. There are many agricultural industries where there is a very large gap between what the producer gets and what the consumer pays, and the dairy industry is a very good example of this.

I make the point that the milk companies are not turning gravel into gold; they are turning milk into milk. There are processes which take place; value adding is done and
some science is applied. There are some im-
portant stages in the process once the milk
leaves the farm in the tanker. I have to ask
myself what is going on when a litre of milk
costs $1.60 and the farmer in my electorate
gets only between 21c and 27c per litre.
Something is wrong in the dairy industry. I
think there are serious market issues in rela-
tion to how the sector operates.

It is interesting to observe that the milk
price available to dairy producers is similar
from milk company to milk company to milk
cooperative. On average people in my elec-
torate are able to get 23c or 24c per litre
from the milk companies they are able to
supply to; there is not a great deal of differ-
ce. When you add into the equation the
fact that there are substantial barriers to entry
to and exit from the industry, it becomes very
clear that we have some serious market dis-
tortions which are having a direct effect on
the lives of farmers and their families.

The member for Corio mentioned in his
contribution today that he had recently vis-
ited my electorate to talk to some dairy
farmers in West Gippsland and in the South
Gippsland district. The farmers we met in
West Gippsland, in a little place called Wil-
low Grove, north of Trafalgar, told us very
plainly how hard they are doing it and how
tough things are for them and their families.
The group was largely made up of younger
farmers.

Everyone in this place agrees that the
dairy industry has great potential. It is an
industry which has gone through substantial
restructure and change, an industry where we
have seen greater focus on value adding over
the course of the last 10 years. Members of
this parliament must not forget that the dairy
industry has no future at all if we do not have
farmers who are prepared to be in the indus-
try, contribute the efforts of their labour and
make enormous personal sacrifices in order
to produce the milk we rely on so heavily.
That applies not just to the products we take
for granted in the domestic market but also
to Australia’s export performance.

We need to be conscious of the needs of
dairy farmers. We need to understand that
they do not have meetings with their
neighbours and discussions with members of
parliament, shadow ministers and ministers
for no good reason; they have these meetings
because they are very concerned about the
future of their industry. There are no greater
stakeholders in the dairy industry than ordi-
nary dairy farmers, wherever they may be.

During the discussion last Friday, when
the member for Corio visited my electoral
district, a number of farmers in the dairy in-
dustry in West Gippsland and South Gip-
psland mentioned to us that quite a few people
had been able to obtain support through the
federal government’s $2 billion dairy ad-
justment package, which the government
gets from the milk tax they have levied. At
that meeting the point was made that a lot of
the farmers who took that money have got
out of the industry. Many of the people sit-
ting around the table talking to us did not get
a brass razoo out of that package, because
they did not have a long enough history in
the industry to qualify for a grant. That
meant they were behind the eight ball
straightaway.

A number of young farmers are finding
themselves in the same situation as the farm-
ers we met at Willow Grove. Many members
of the group told us that they are having to
go off farm to earn enough money to keep
their families afloat. We heard stories of
farmers and their partners who have been
working upwards of 80 hours each week, as
well as holding off-farm jobs, to try to keep
the farm going and keep their families afloat
during the particularly difficult period they
are going through.
People expressed concern at the failure of the government’s package to reorient the industry. They genuinely felt that the package the government has come up with for the dairy industry is not so much a dairy package as a dairy exit package. I think that is a fair enough criticism to make of the package the government brought in. There was a lot of money allocated for people to leave the industry but there was not too much made available for people to make substantial changes to their practices or to substantially change the orientation of the dairy industry towards value adding or perhaps new export markets. This was clearly understood and felt by the people involved in the discussion at that meeting.

The people at that meeting felt overwhelmingly that their families were suffering substantial negative effects from all the hardships the dairy farmers had been experiencing. Some partners told me of the difficulties they were finding in making ends meet with the amount of income being generated from their farm and made plain what this means to them and their prospects in the dairy industry. They made it clear that, unless things improve in the dairy industry, they will get out of it altogether, as many people in my district have done.

In many cases the people who have got out of the dairy industry are the younger farmers. They find themselves in a particularly difficult situation. They have invested a lot of money in farms which are the size and scale that they need to be in order to be competitive, and that has required them to take out substantial loans. You cannot be a dairy farmer in this day and age and run around after 80 cows. Those days are gone. For a dairy farm to be competitive and productive, it has to have at least around 200 cows. Many of us in this place know of herd numbers much higher than that.

People have to make very big financial investments. We have seen that the people who have been prepared to come into the dairy industry and make those investments, that financial commitment, are now very disappointed by the circumstances in the dairy industry and the effect on their weekly income and their ability to plan for a future. It is very hard for dairy farmers to plan for their future when they are getting so much less this year than they did last year, despite the fact that many people’s farms are producing substantially more milk. It is not a good market signal when people do everything right, are efficient, are productive and are very good environmentally and yet the return from all of that effort is substantially less than that of the previous year, with the prospect of a lower milk price the following year.

There has been speculation in the Weekly Times that milk prices might fall by another 25 per cent before the end of the year. Dairy farmers in my electorate are saying plainly to me and to other people that they will not be able to get by if the milk price stays the way that it is, because it is not covering their costs, and it is likely that they will have to get out of the industry altogether. Imagine how severe the repercussions will be if milk prices fall by another 25 per cent. I suggest that we might see a very substantial number of people exit the industry if those circumstances eventuate.

There has been a call by the dairy farmers in my electorate—and I think that this call is supported by dairy farmers in other parts of the country—for the federal government to establish an inquiry into why the dairy industry is in such difficult circumstances in terms of the amount that farmers get versus the amount that people pay for a litre of milk at the supermarket or the corner store. I support their call for an inquiry. I think there should be a proper inquiry into issues confronting the dairy industry. In particular, the Howard
government should look at why we do not have a proper functioning market in the dairy industry right now. It is important that the Howard government looks at why dairy farmers in my electorate and other electorates have to choose between milk companies and dairy cooperatives, who all happen to be prepared to pay almost identical prices for a dairy farmer’s milk. They offer 23c, 24c or 24½c. It is uncanny.

As I mentioned before, there are very substantial barriers to entry and exit, and dairy farmers find themselves in a very weak bargaining position in their ability to negotiate a fair price with milk companies. Every day tens of thousands of litres of milk are produced by their cows and, if there is no tanker to come around and pick it up, dairy farmers cannot very well pour all their milk in the creek. I am sure that the EPA in Victoria would have something to say about that, and probably the farmer would very quickly be stung with a very large fine. Dairy farmers are in a vulnerable bargaining position. It is very evident that the competition that characterises a lot of other agricultural industries is not there in the dairy industry. They have made a very persuasive case to the Howard government to get off their hands in relation to this issue and actually do something to make sure that we have a proper functioning market in operation.

When we talk about the dairy industry it is important that we understand that it is heavily export oriented. In that context, it is very important that we are as productive as we can be. For this reason, I think that it is important not only that we have a proper functioning market in Australia for the milk which our dairy farmers produce but also that we have good infrastructure in place—including roads as well as telecommunications infrastructure—so that our dairy companies and dairy corporations are competing in the most efficient way possible. I used the example today of the Pakenham bypass, which is part of the Princes Highway system and which many farmers and milk companies use. It is a very important road in getting milk products out to the export market. I say to the Howard government: build the Pakenham bypass. Honour your promise and match the state government’s $121 million to make sure this project is completed.

It is also important that the federal government address the issue of high-speed Internet to some of these country districts where the dairy industry is also strong. For example, I was just down at Burra Foods in Korumburra in the south Gippsland region. They told me that they are unable to get broadband to their dairy factory because Telstra has decided that it is not going to roll out broadband to Korumburra, despite the fact that the town is almost exactly the same size as Leongatha, which does have broadband. They tell me that it would make an enormous difference to them if they had access to high-speed Internet as opposed to the old dial-up connection which they are forced to use now. An important issue is to make sure that the dairy industry has access to good infrastructure and modern telecommunications and to make sure that it can compete effectively with other countries, regions and cities which have access to that type of quality infrastructure, whether it be roads or high-speed telecommunications services.

The issues that we are discussing today are very important to farmers. We must not allow the parliament to lose sight of the fact that when we talk about the dairy industry we are talking about people. You cannot have a good dairy industry unless there is a proper return delivered to the people who are most important within that industry: the farmers. Farmers work hard. They invest a lot of their own money, time and effort in the farm, they take huge personal risks in the work they do and they work in physically tough occupa-
Mr BALDWIN (Paterson) (7.45 p.m.)—Tonight I rise to speak on the Dairy Produce Amendment Bill 2003. The dairy industry is not in good shape—it is not in very good shape at all. In fact, if I look at statistics from Dairy Australia, the number of dairy farms in Australia has halved over the past two decades—from 22,000 in 1980 to fewer than 11,000 in 2003. It will be very interesting to see, when that statistic is updated, the number of people that are left in the industry.

To understand the plight of the dairy industry, we need to understand a few basics. As you go down the supermarket aisles, Mr Deputy Speaker, you will see two types of milk. You will see generic milk, which retails at around $1.99 for two litres, and then brand milk, which retails at around $2.94, yet my dairy farmers are receiving less than 25 per cent of that margin. The member for McMillan wants an inquiry to work out who is making the money. If the farmers are making 25 per cent, let me tell you the people making the money are the retailers.

To give you an example of how bad it is and how tilted in the wrong direction it is, if we took a 600-millilitre carton of milk, a 600-millilitre bottle of Coke and a 600-millilitre bottle of water and then priced each item in the supermarket, we would find that the milk would be around $1.10 for two litres, and then brand milk, which retails at around $2.94, yet my dairy farmers are receiving less than 25 per cent of that margin. The member for McMillan wants an inquiry to work out who is making the money. If the farmers are making 25 per cent, let me tell you the people making the money are the retailers.

To give you an example of how bad it is and how tilted in the wrong direction it is, if we took a 600-millilitre carton of milk, a 600-millilitre bottle of Coke and a 600-millilitre bottle of water and then priced each item in the supermarket, we would find that the milk would be around $1.10, the Coke around $2 and the water around $1.25. It defies logic that water that is simply taken out of the ground and put into a bottle would retail for more than milk. To produce milk, you have to manage animals, you have to irrigate, you have to fertilise, you have to transport, you have to process and then you have to package; yet it is cheaper than water. These are the things that are unfair to the farmers, the people that put in the effort to keep this country going.

Last year I complained in this House about milk being 26.5c a litre and that my farmers were going broke and going broke at a rate of knots because at that time it was costing them around 30c a litre to produce the milk. Recently it was announced that farmers were going to get 32c a litre. If they are going to get 32c a litre and it costs 30c a litre to produce the milk, you would think they would be back in a profit situation. But, as we move through the seasons and different times, the cost of producing milk varies as well. I am informed that the current cost of producing milk is around 35c a litre. So it would seem that the processors, people like dairy farmers, keep driving this margin that is just unprofitable for them. We are seeing farmers exiting the industry like never before. In fact, 32c a litre is just over half what they were getting prior to deregulation. My dairy farmers were hoodwinked when it came to deregulation of the dairy industry. Dairy deregulation was put up as the saviour of the industry. Members have talked about guns being put to farmers’ heads.

The member for Corio came in here tonight and misled the House. He misled the House because he said that the federal government had deregulated the dairy industry. I challenge the member for Corio to come in here and produce one section of Hansard that shows legislation introduced by the federal government that called for deregulation of the dairy industry. There has been legislation involving industry assistance packages, but there has never been any legislation forcing the deregulation of the dairy industry. The fact is that the dairy industry was deregulated because the dairy farmers voted as groups for deregulation, under pressure—
Mr Entsch—In Victoria.

Mr BALDWIN—Yes, from the Victorians, as my friend the member for Leichhardt says—from the state governments. You might ask: why did the state governments want to deregulate the industry? Because there were incentive payments of a few million dollars. What we saw was deregulation of the dairy industry by the state Labor governments for a few dollars. They sold out the industry for a few dollars. The management of the industry, by the organisation groups, sold out the farmers at the gate because it was expedient for them.

As I searched through all of the databases, the only federal involvement I could find pertaining to dairy deregulation, or any deregulation at all, was of none other than former Prime Minister Keating when he introduced the national competition policy that Professor Hilmer had advised him on so well. The reality is that the deregulation of the dairy industry was driven by the state governments. In New South Wales, Bob Carr’s state Labor government could not get to the gate quickly enough: they wanted that incentive payment. The interesting thing is that not one cent of that incentive payment was ever paid to the dairy industry. Carr took the incentive payment and pocketed it—and that is exactly what we are seeing happen now with the deregulation of other industries in New South Wales.

The reality is that there is a huge imbalance of power between supermarkets and the small amount that farmers receive for their milk, which is, as I have said, less than 25 per cent. My farmers cannot continue to produce milk when the cost of production is greater than the price they are getting for their product, because all they are doing at the end of the day is eating up their assets to prop up a large organisation. From what I have read, I believe the free trade agreement will be good for a lot of industries, and it will be good for the dairy industry. But only five to 10 per cent of the milk from my area of Paterson is actually exported; the rest is for Australian consumption. Yet my farmers are having to compete with corrupt overseas markets.

I have brought to Canberra three gentlemen whom I have a lot of respect for: Dallas Clarke, Bob Koppman and Keith Watkins. Dallas Clarke is weighing up his options as to whether he continues in the industry. He has invested large amounts of money installing free-stall feedlots, upgrading his dairy. He took the punt, but that punt is very marginal and it looks like he may have done his dough. Keith Watkins is about to increase his herd. He has about 270 cattle and he is about to invest some money to see if he can make a go of it. And I hope he can. Keith Watkins—or ‘Bluey’, as we know him—is a decent, honest, hardworking man who puts in the hours, puts his back into it and is battling to try to eke out an existence.

But there is one bloke, Bob Koppman, who has decided to pull the pin on the industry. Bob Koppman has a property in Nelson Plains that was running around 130 head of cattle. With the reductions in the milk price, he was losing around $40,000 per annum. He has had to take that exit and that has had a fairly deep effect. It means that local jobs have gone—people who were working on his farm. He is now just running beef cattle. There is one simple message: it is impossible to make money running beef cattle on a dairy farm, given the size of it, because you cannot get the number of cattle per acre that you need to make it survive.

At a recent roundtable in Sydney, which was put together by Andrew Stoner and Duncan Gay, Bob Koppman gave an address. I will now read that address into Hansard, because I think it is fairly pertinent: It states:
It is indeed a privilege to have been asked to address this round table discussion into the state of the dairy industry.

I along with other concerned farmers called a meeting at Dungog some sixteen months ago, many meetings have followed since that date. It appears that we have been treated with contempt until the National Party conference in Forster last year, a mutual friend and national party delegate spoke to a senior woolworths representative about dairying in particular. This conversation resulted in a meeting of grass roots farmers with two senior woolworths executives and was most fruitful. The results of that meeting were reported back to Duncan Gay. This resulted into a request from Duncan to visit some dairies in the Hunter. We took him to a variety of farms, some state of the art, others tidy dairies but in need of an update and some that would be forced to close and have in fact done so. Four of the more modern dairies recently upgraded with state of the art technology and managed by young men and women, heavily in debt and because of the price being received for their product, unable to see their way clear under the current circumstances. In January I received a request from Duncan to go to the Lachlan Valley and visit dairies suffering the same consequences with the added burden of no water but required to pay 65% of their license fee to the State Government.

Last week I attended the dairy delegates conference at NSWF and listened intently to the speakers, namely Dr Mike Ginivan, Alan Burgess ADF, Ian Langdon DF, Arthur Burns PNSW Dairy Div, Associate Professor Fredoun Ahmadi Esfahini. All speakers except the good professor spoke of persons talking the industry down and that it has to cease. The professor stated that there were sufficient money in the system for all of agriculture it just had to be distributed more fairly and clawed back from the retail sector and reduce their market power. Whilst I agree that talking the industry down is not good, it has to be clearly understood that if you wish to continuing during the quality of produce supplied (the best in the world) you have to make sure suppliers are paid more than the cost of production alone.

After serious and when the discussions with my financial adviser, Agri Business Banker, and our cooperative pricing section, I have taken the decision to exit the industry. I have no forward family succession plan and even if I did I do not see my operation being financially viable in the medium term.

The only way forward for the industry is in my view, full and frank discussion in relation to price. This will need to be sanctioned by the ACCC. Our milk supply management has and for me to expect downward pressure soon. And the price three years out will continue to remain flat.

It is my opinion that industry leaders have let the farmers down, our cooperative in particular needs a full and thorough ergonomic study into its Board of Directors and Senior management as we have not received a dividend for compulsory share payments for some time. My company has a modest share portfolio in National Foods and we are during a good dividend return, however in my opinion this has been at a disadvantage to their farmers suppliers. I wish the industry well particularly young farmers in my area.

I would like to thank Duncan and his staff for the mammoth effort in putting this round table discussion together, thanks also should go to my local Federal member Bob Baldwin who arranged meetings with the Prime Minister and the Minis-
ter for Agriculture at the federal level late last year.

To hear a very proud man like Bob Koppman having to deliver that speech rips your heart out. This is a man who put his heart and soul into building up a farm with world's best practices so that it could be competitive. But you cannot be competitive when the industry insists on paying you less than your cost of production.

I note that according to a press release from Dairy Australia Pat Rowley, the Chairman of Dairy Australia, has switched from milking cows to raising heifers. What message does it send when the Chairman of Dairy Australia gives up dairying to produce heifers? Something needs to be done; otherwise, under a free trade agreement we will be drinking milk imported from overseas. There will be no dairy farmers and there will be no milk processing companies because they will have driven the people off the farms and there will no longer be a product to sell.

There is talk about competition. If you are in the Hunter Valley in my electorate of Paterson, you have got Dairy Farmers. If you want to sell to National Foods or even to Bega, who were paying more per litre last year than other companies, the reality is that it costs 1c per litre per hour in a truck to move milk. So for Bega—which is about an eight- or nine-hour drive from Paterson—that is 8c or 9c per litre that you have to make up. The price advantage was only 1c or 2c greater than what Dairy Farmers was paying their farmers. To access other markets with competition meant that the farmers were, yet again, subsidising the price of their milk to be able to achieve markets. I do not think deregulation was the right answer for our dairy industry. As I see the number of farmers who have walked off the farms in my electorate, I know it was not the right decision.

There has been talk about reregulating the industry. The only people who can reregulate the industry are the state governments, and they would have to put up a very good case to be able to do it. But the people in control of the state governments are the Labor Party, so it is hypocrisy for the member for Corio and the member for McMillan to come in here and talk about how they stand up and represent their farmers. It is their Labor Party and their Labor governments throughout Australia that introduced the deregulation.

I do not want to get into who is to blame; I am more focused on what we can do for our farmers. I demand that Dairy Farmers, as my local processor, looks at the price it is paying for milk. If it does not, before too long it will be importing milk, at 1c per litre per hour in a truck, from other areas just to get the quantity to be able to keep up with the throughput it needs to keep Hexham operational. Over the years, I think Dairy Farmers has done the wrong thing by my electorate. It closed down the butter factory at Gloucester—and that cost jobs that were very much needed in Gloucester—and it had a rationalisation at Hexham. But how long will it be before it decides that is not viable because there are not enough farmers in the area? The question needs to be asked: why aren’t there enough farmers? The reality is that it is because it has not managed its business affairs in a way that was conducive to people staying on their land producing milk. The irony in all this is that Dairy Farmers is a cooperative that is owned by people like Bob Koppman who have had to pull the pin on their dairy business because their own company could not pay them the money that they needed to survive.

What I do notice is that there is always enough money in companies like Dairy Farmers to pay their directors and their senior management large licks of money so they do not feel the ill effects of their decisions.
Their decisions have caused serious havoc in towns in my electorate like Gloucester, Dungog and Nabiac, to name but a few. The damage that has been done by this dairy deregulation has been immense. Yes, there is an adjustment package, but that does not fix the fundamental and structural problems in an area, because it does not matter how much money you pump into trying to prop up and support an area. The reality is that without a core industry like the dairy industry, a town loses a little bit of its heart. And we have been doubly hit, because in those same areas we have lost our timber industry because of Paul Keating’s wanton desire to make sure that no trees were chopped down. In some areas I support that, but in areas like Gloucester, Dungog and surrounding regions, which have been logged over years and years and the trees keep regrowing, it did not damage the area. That was one of the reasons why the Gloucester butter factory closed. They say it was due to the inability to get the sawdust to fire up the boilers.

Where do we go from here? I think that I would support an inquiry. We do have a primary industries committee, which is a bipartisan committee of this parliament. Perhaps it could take on, as terms of reference, looking at the future direction of the dairy industry. But it is not hard to work out who is making the most money out of the hard sweat, dollars and investment of my dairy farmers, and that is the major retailers. They should have a look at it and they should develop a social and moral conscience towards my dairy farming community.

Mrs ELSON (Forde) (8.05 p.m.)—I am very pleased to speak tonight on the Dairy Produce Amendment Bill 2003. As someone who represents many excellent rural areas where there are quite a number of dairy farms, I have a very keen interest in the dairy industry. I have worked with local farmers and rural communities to help them overcome some of the extreme difficulties they have had to face over the past few years due to deregulation of the dairy industry. It has been a tough and challenging time for many, but I am very proud to report that local farmers have risen to this challenge. There has been a huge amount of endeavour, creative thinking and old-fashioned hard work by many people to adjust to the changed conditions and, very often, to find new and innovative ideas for their farms. I will go into more detail about what has occurred in my own electorate later in my speech.

This bill basically makes minor administrative amendments to the Dairy Produce Act 1986 which facilitate the functioning of Dairy Australia Ltd. Dairy Australia is the company that was created in July last year and was formerly known as the Australian Dairy Corporation. Dairy Australia has been responsible for administering the government’s Dairy Structural Adjustment Program, just as the Dairy Corporation did before it. This bill contains indemnity provisions for Dairy Australia in relation to the fund. These provisions are standard in commercial environments and are totally necessary to ensure the proper functioning of this company.

The bill also allows Dairy Australia access to additional financial instruments such as options, agreements, securities, currency and futures contracts and currency hedging. This will enable Dairy Australia to more adequately fund the operations of the Dairy Structural Adjustment Program. This bill was developed in consultation with Dairy Australia and the amendments were previously widened and widely discussed in the lead up to their conversion from the Australian Dairy Corporation.

These amendments make sense. They are necessary for Dairy Australia to properly carry out its responsibilities and I am pleased
to support them. I am also pleased to take this opportunity to reflect on the changes the dairy industry has undergone in recent years. It is an understatement to say that they have been massive, but it has been a process of change that began well before deregulation. Since 1980 the number of dairy farmers in Australia has halved but the number of dairy cattle has increased, with the average herd more than doubling from 85 to 195. While milk production fell last year for the first time in 50 years, as a result of our drastic drought, it was still nearly double the amount that it was in 1980.

The dairy industry has also greatly expanded its export market. Ten years ago exports accounted for about 40 per cent of production. Today it is a massive 60 per cent. In fact, deregulation was, in a sense, an inevitable part of ongoing changes to that industry. This is evidenced by the words of Pat Rawley, who was then chairman of the Dairy Industry Council. When the Senate report into deregulation of the dairy industry was released in 1999, Mr Rawley’s press statement of 21 October 1999 said:

Today’s Senate report is a significant document because it ... recognises the inevitability of the deregulation of the dairy industry and the need for a financial package to manage the transition to a fully commercial environment.

He said the Senate rural committee had:

... reached conclusions broadly in line with the AIDC’s own analysis of the situation confronting dairy farmers after the end of the domestic market support (DMS) scheme.

He went on to say:

... The fact that the report’s recommendations were unanimously supported by Liberal, National, Labor and Australian Democrat senators on the committee should be noted.

... Its conclusions should finally put to rest the arguments about alternatives to deregulation which have been advanced by a minority section of the industry in recent months.

The fact is that, contrary to some of the scuttlebutt and attempted political point scoring at that time, deregulation of the dairy industry was not something driven by the Howard government. It was not something we initiated or pushed. It was industry driven and ultimately necessary for the long-term good of the industry. The process by which it took place was actually initiated by the various state governments, but we, as the federal government, recognised the importance of the dairy industry to Australia—in value added terms it is our largest rural industry, employing around 60,000 people.

We recognised that dairy farmers would need a great deal of help and support to get through the period of deregulation. We were very determined to do all we could to make sure that farmers had every opportunity to make these adjustments and, if necessary, look at new opportunities in other areas. The $1.8 billion dairy industry adjustment packages consisted of four key programs: the Dairy Industry Adjustment Program, the supplementary dairy assistance program, the Dairy Exit Program and the Dairy Regional Assistance Program. The first three programs provided payments directly to farmers; the last one—Dairy RAP funding—provided assistance to our local communities to help them adjust.

I think the whole package was, and continues to be, a very practical and successful response to a very difficult situation. It reflects the Howard government’s focus on local communities. Building communities is a cornerstone of our policy approach. It underpins everything we do. Whereas Labor in government have always been about helping special interest groups and peak bodies, our aim has always been to get support where it is needed most—on the ground in local communities, where the real work is done.
We believe in local solutions for local problems and we believe in backing local initiative and drive. All of our programs—Landcare, Greencorps, Work for the Dole and the job training network—are about local approaches. We also believe that such an approach brings better value for taxpayers’ dollars and more practical results. Dairy RAP funding has been about supporting local communities to deal with the effects of deregulation each in their unique, appropriate way. It was community driven. It really makes sense to take this approach. The way that best suits the dairy farmers in my electorate may not necessarily work in Tasmania, for instance.

I would like to take this opportunity to acknowledge and thank the area consultative committees around Australia for their hard work in helping the Howard government deliver practical assistance where it is most needed. They are our local eyes and ears and work closely with businesses and community organisations to really make a difference. In my own electorate I thank the past chairman, Brian Gassman, and the incoming chairman, Dennis Chant, as well as Annie Norton-Knight and the entire committee for their fine work over the years. When it comes to Dairy RAP funding, they have had some wonderful success stories in Forde.

As well as funding for ongoing counselling and financial advice to directly assist dairy farmers, there has been a wide range of funding support for other initiatives for our local rural businesses. There was $55,000 for the new crops options project in Boonah to help identify new crops that would have the greatest chance of success in the Boonah shire and to help provide advice to dairy farmers thinking of diversifying. Consequently a further $220,000 was provided to a local company to facilitate the processing of Ebisu squash for the Japanese market and provide local farmers with an opportunity to diversify their business.

Another announcement saw $220,000 for an eel nursery in the Beaudesert region to create a new industry. This has provided 18 new jobs and they are now an export manufacturer. There was a further $223,500 for the Plasvac expansion project, which assisted small companies specialising in veterinary plasma supplies to expand their laboratory, creating 17 new jobs and another new industry for our rural region. Then there was $55,000 for the Gold Coast hinterland wine country marketing plan to help promote and expand award winning local wineries at Tamborine Mountain. There was $44,797 to increase export opportunities for a local company called Ironbark Recyclers, specialising in fine furniture created from recycled timber in our rural area. Another round of Dairy RAP funding provided $750,000 to establish a game meat export plant in our rural town of Beaudesert, again to create new jobs and greatly increase export opportunities.

The list goes on. There was funding of $242,000 to Standfast Enterprises to help them manufacture their unique safety harness and to market it around the world. It has been very successful and two new factories have been built in our rural towns because of Standfast. There was $220,000 to help establish the world-class Beaudesert equestrian centre, which is now a reality and a tremendous facility that acts as a hub for the growing horse related industry in the shire of Beaudesert. Again, it is a new industry with new spin-off enterprises and a lot of new jobs for the community. This is what Dairy RAP funding has been about: creating jobs and helping local communities secure a better economic future in the wake of deregulation.
There have been many more examples in my own electorate over the last few years, but I do not have the time today to list them all. The thing to remember is that, on top of this new industry, there has been over $1.63 billion in direct payments to dairy farmers—a huge assistance package by any measure. Again, it reflects the government’s commitment to rural and regional communities. That said, I do not want to play down the problems that many dairy farmers have faced. Some farm families that have been in the dairy industry for generations have left. That is sad for the industry and very distressing personally for those involved. While there is no denying that deregulation has brought great difficulties for some, it has also presented great opportunities and challenges for many. As I said, I see many inspiring stories in my own electorate of individuals taking on new ideas and of communities striving together to support their industries.

It is widely acknowledged that the Australian dairy industry will be much better off in the long term as a result of deregulation. History, of course, will be the best judge of that, but I believe that the Howard government has done everything possible to make sure the adjustment period has been as manageable as possible for farmers. Change is generally stressful, but we have worked hard to minimise the stress when deregulation inevitably came about. We did that because it is the right thing to do and because our farmers deserve our support.

I am glad to have had the opportunity to speak in support of this bill and to place on the public record my strong support for the dairy industry, especially the dairy producers in my electorate. I congratulate them for the way that they have handled themselves through some very difficult times. I have always been there to support them and I have made sure that the minister has come into my electorate to talk to them in person. This bill will ensure that Australian dairies can continue to effectively manage the Dairy Structural Adjustment Program in the interest of the industry. I commend the bill to the House and also congratulate the Minister for Agriculture, Fisheries and Forestry for his ongoing work in support of our farmers.

Mr HUNT (Flinders) (8.18 p.m.)—I am delighted to rise and speak on the Dairy Produce Amendment Bill 2003 because I have within my electorate of Flinders a large number of incredibly capable, committed and passionate dairy farmers. Not long ago, I met with a representative from the office of the Minister for Agriculture, Fisheries and Forestry who came with me to Lang Lang, a rural town in my electorate. There we had dairy farmers from Lang Lang, Caldermeade, Yannathan, Kernot—all of these towns within my electorate of Flinders which are primarily dairying towns. There are people there who have given their lives to the service of the land and who have a passionate commitment to the land, to dairying and to the whole notion of providing a sense of backbone to rural and regional Australia.

The first thing I want to do in supporting the Dairy Produce Amendment Bill 2003 is to give my thanks and appreciation to those farmers who have given such service. Through organisations such as the Lang Lang Pastoral, Agricultural and Horticultural Association, they bring together a sense of community: they provide an economic base and a social base to the rural and regional communities of the Bass Coast shire. In looking at the role of the dairy community and the steps that this bill takes in order to help them, I also want to acknowledge that there are many dairy farmers, not just throughout Flinders but throughout Victoria and throughout Australia, who have done it incredibly hard through the drought, the adjustment program and the general climate of conditions that face rural Australia. We do
extraordinarily well, but there are individual farmers, in particular in dairying, who do it hard. I have met many of these people at Lang Lang on numerous occasions, and they have talked of the hardships and challenges they face. They have genuine difficulties. In many cases, their concerns have led to family breakdown and tragedies on the land. So we must do everything we can to provide these farmers with a fair go and an equal opportunity. Where they are unable to make a living, we must help them make the transition into other opportunities. But we must never, ever leave or abandon these people who have done so much for the country.

I want to focus now on two elements of help for dairy producers. Firstly, before moving directly to the Dairy Produce Amendment Bill, I want to focus on the benefits which the government has just managed to secure for dairy producers under the United States-Australia free trade agreement. Under the free trade agreement, the Australian dairy industry will be able to send nearly three times as many current tariff quota products from year one, with ongoing quotas growing at an average yearly rate of five per cent. That is nearly three times as much from year one. This increase will be worth $55 million to Australian dairy farmers in the first year of the agreement. It is across the board for all dairy products, which are currently constrained by quotas, and will therefore provide significant new market opportunities for dairy processors and dairy producers. Upon signature of the free trade agreement, there will be real and immediate benefits for dairy producers in places such as Caldermeade, Lang Lang and throughout the area.

In addition, the biggest market access gains are in products where the Australian dairy industry is most competitive and sees great prospects for substantial growth. The deal includes access for dairy products previously excluded from the US market such as certain cheese, butter, milk, cream and ice cream products. Examples include 7½ million litres of milk, ice cream and cream, and 2,000 tonnes of European style cheeses. All of those are real benefits which should accrue in a short period to Australian farmers and, in particular, to dairy farmers from throughout the Western Port and Bass Coast areas.

That leads me to the particular elements in the Dairy Produce Amendment Bill 2003. The bill seeks to amend the Dairy Produce Act 1986 in response to changes in the status of the Australian Dairy Corporation and the way in which it is transitioning into Dairy Australia. The bill does three things. First, it enables the company to be fully indemnified out of the assets of the Dairy Structural Adjustment Program. That is an important structural step. Second, it enables Dairy Australia to enter into and perform financial arrangements other than borrowings. Third, it enables Dairy Australia to enter into and to perform contracts and other arrangements for managing risk associated with the administration of the Dairy Structural Adjustment Program. These may seem technical reforms, but in essence they are about assisting farmers in the transition and in their ongoing dairying activities. As part of that, the bill seeks to assist Dairy Australia in its ongoing management of the Dairy Structural Adjustment Program to ensure that there are prudent and genuinely practical financial management arrangements for the fund.

What does that mean in terms of benefits to farmers and to other stakeholders? First, the indemnification of the company means that normal practices will be in place so that directors bear no personal risk in their role of administering and managing the fund. Intrinsically, if a company is not indemnified and directors face personal risk, that will lead them to be overly cautious in their activities, which might not mean good and prudent administration and management of
administration and management of the fund. They have to be able to take genuine steps, as normal managers, and of course there are consequences if they fail to live up to their responsibilities. However, this is about professionalising the management and marketing of Dairy Australia.

In addition, the benefits include setting out the activities that the fund can engage in. That lessens the ambiguities as to how the fund is to be administered and managed. The activities it can and cannot engage in are clearly defined. That is important because the fund collects levies and dispenses assistance payments to farmers and that in itself is about the fund being properly managed and well established for the future of the industry.

I want to raise a few issues about the background and about the importance of the bill. With regard to the background, Australia has been through a process of structural adjustment in the dairy industry. For farmers in Flinders and for people in the Bass Coast region who rely on the dairy industry there have been many benefits. However, one of the complaints that many of them, including the manager of the Caldermeade dairy, made was that they sell their milk at a price, but receive it back if they purchase it on the open market as a finished product at a multiple. There is a need to take into account the challenge faced by producers and perhaps we should be encouraging more competition in the completed production side as opposed to the dairy side. That would be a very important step. We should do everything we can to encourage competition on the production side to give dairy producers the chance to shop around and to sell their milk at the best possible price; that is something that we owe our farmers.

In conclusion, the bill is important because it provides indemnity to the company to ensure that the directors act with a genuine force and commitment on behalf of the farmers and the dairy industry. Therefore, the company will be able to carry out genuine risk management activities; the industry will be able to move forward as a modern professionalised industry and, in turn, that is a step towards helping farmers, many of whom have done it hard. I make no apologies for putting forward on the floor of this House the concerns of my dairy farmers. Some of them have struggled. Some of them have done exceptionally well and, as a result of structural adjustment, the industry as a whole has performed better. However, there are dairy farmers who have done it hard.

Ultimately I thank my dairy farmers from Lang Lang, Caldermeade, Kernot, Almurta, Yannathan and so many different parts of the Bass Coast and the electorate of Flinders for their passion and commitment to the land, and for their work and contribution to the community. Beyond that, I commend the bill to the House because it is part of an ongoing process of ensuring that Australia is prepared to compete in the world, that we recognise the challenges that we face and, by making the structural adjustments that we have made and continue to make, we will be in a position to take advantage of agreements and outcomes such as the US free trade agreement. As I have said, from year one, the US free trade agreement will deliver a benefit of $55 million to Australian dairy farmers. I commend the bill and the agreement to the House and I thank the dairy farmers for their work and contribution to Flinders, to the Victorian economy and to Australia as a whole.

Mr CAMERON THOMPSON (Blair) (8.28 p.m.)—It is a real pleasure to speak in the debate on the Dairy Produce Amendment Bill 2003. I have been struck by some of the comments made by the two previous speakers and I am interested in reflecting a little on their comments. In the last week or so, we
have seen a concerted protest by one of the dairy organisations, the Australian Milk Producers Association. It has been around knocking on the doors of the offices of members of parliament, including most notably in Queensland, the door of the member for Fisher, who I think unfairly copped a real spray from that association.

I am very proud of the efforts that I and my colleagues on this side of the House have genuinely taken, to do the best we possibly can by the Australian dairy industry at a time when huge changes are occurring in the dairy industry. By way of background, people in the dairy industry in my electorate who are listening to this should reflect on some of the words that the member for Flinders just had to say, because he represents an electorate in Victoria which the dairy industry covers a lot of.

Quite a lot of nonsense is being put forward by some people in Queensland who are determined to say that the dairy industry is on its knees Australia wide and that there are great difficulties with it. I do not doubt that there are many traumas in the dairy industry and that people are facing some absolutely tough decisions, but the comments we heard from the member for Flinders show that there are dairy farmers not only in Victoria but also in many other parts of Australia—who are working flat out to build a better industry, who are as efficient as they can possibly be in their production, who are focused not only on building a better industry here in Australia but also on looking at export potential, and who represent the future of this industry. There are others who are working just as hard but, through no fault of their own, are facing great difficulty. Those are the people who really have tough decisions ahead of them. These are not easy decisions, and for many of them it can mean the end of a lifetime of work—not only their lifetime but also that of their family, their father and, in some cases, their father before that. These are family traditions that we are talking about here, so when we come to a situation where people are forced into a position of change, it is incredibly traumatic.

So on the one hand you have in the industry incredible dynamism, tremendous change and tremendous ability to manage and control change. On the other hand, you have people who are struggling just to keep their head above water. I raise these two cases because those people who have to make the tough decision about whether they are going to continue struggling on in an industry where they are only just surviving do, at the end of the day, have to make a living, and if they are not making a living then they do have to change. That has been the subject of a whole compensation scheme put together by this government, at the request of the industry, to manage the process of change and to provide funds whereby people, if they are being forced out of the industry, have options that are a heck of a lot broader than they would have otherwise been. If there were no compensation package, there would be no options. There would basically be a scorched earth outcome for those people.

But an effective compensation package was put together. Indeed, we have had two of those. The second one combined with the first meant not only that we focused in broad terms on the Australian industry but also that we then zeroed in and focused on some of the most affected people—some of those who really had their backs to the wall and who were facing difficult circumstances. We did both those things, and we did produce a system whereby they were assisted. Not only that, as the member for Forde pointed out, through the Dairy Regional Assistance Program we also sought to assist the communities that those dairy industries had been supporting. That program provided funds for
other industries to be able to take up the slack—to fill the chasm left by the departure of dairy producers from a region.

I know that is incredibly galling, because at the weekend I had a very long heart-to-heart chat with a dairy producer from the north-eastern part of my electorate, who was telling me just how tough it has been for her, her husband and her two sons, who are trying to make their way through this industry. The fact is that they do have tough choices to make, and without the kind of assistance that the government has put together they would have no options at all. As it is, they have chosen to stick with dairying and to try and bolster their base by providing additional irrigation to support their farm. That has been, to some extent, a contribution, but of course it is yet to come to grips with the basic underlying problem. If you are, as she said they are today, making a daily income of only $5, that really is a very tough life that you are talking about. I hope that through their efforts they are able to fight their way through, but if they have to make that decision to get out then I would urge them to think clearly and to take those steps. So much weighs on you when you are talking about a change like that. This is land which could be suitable for horticulture or some other use, but when you do not have the equipment and your capital is run down it is very hard to make such a choice. But they are brave and are doing the best they can in difficult circumstances, and my heart really goes out to them.

However, the dairy industry in Australia is growing. It is growing strongly, and it will get bigger. The comments of the member for Flinders bear me out on that. One of the uncomfortable facts that are being faced by dairy producers in Queensland is that, in many respects, sometimes it is not possible for them to get down to the cost of production that allows them to be competitive on the same level of cost of production as other producers in Victoria. I am not talking about other producers in New Zealand or any other country. I am talking about producers here in Australia—in the state of Victoria in particular. If you are not able to be competitive at that cost of production then, as every small business operator in this country knows, you do not have a business. Unless you can compete effectively you do not have a business. That is the tough issue that we are talking about.

As I said, the member for Flinders pointed out the opportunities coming with the free trade agreement. Today in my electorate, Stephen Deady, the chief negotiator of the free trade agreement, supporting Australia’s trade minister, Mark Vaile, spoke to a roomful of concerned farmers and other producers, as well as students from the local schools who are concerned about these issues, about the outcomes of the free trade agreement. A large part of the discussion was about agriculture and, within that, significantly about dairy.

The point was made by the member for Flinders that we are facing a situation where, from day one of the free trade agreement, we go to a much greater quantity of dairy products into the United States—nearly three times as much. In year one it is worth an additional $55 million to Australian dairy farmers and dairy processors—to the dairy industry as a whole. Today there is a very limited range of dairy products that Australia is able to send to the US. But, as soon as the free trade deal comes into force, there will be a significant improvement. For all of those people who are doing it tough, who are fighting their way through these changes in the dairy industry, this represents a huge new incentive, a huge new opportunity and something that I am very pleased that I am here to see, because I know how tough they have done it. We as a government must always be
looking for ways to encourage them in their endeavours, and the free trade agreement with the United States is certainly something that will provide that encouragement.

I looked at the speaker’s list this morning, because out there in the community quite a debate has been raging about the dairy industry. I was pleased to see that I was listed to speak immediately after the member for Flinders in the debate on the Dairy Produce Amendment Bill 2003. Just ahead of him was listed the member for Kennedy, who was due to have spoken by now on this bill in this House, and I wish he would come into the House and do it. In this place and out in the community, when issues like the pain in the dairy industry come along, the member for Kennedy leaps into these debates with incredible vigour and personal zeal, but without regard to the facts and without regard to the pain that some of his false protestations on these issues cause. And what happens after that? We have to come along and clean up.

We on this side of the House, in the government, have to find policies that can work for farmers and provide the best way forward for them, whether by way of trade agreements, such as the US free trade deal, or whether through programs of assistance such as the dairy support package and the subsequent package that followed on that—I think it was a total of $2 million in support that went in there—or the Dairy RAP, which supports the community where those dairy farmers have been. These things are the responsibilities of a government that cares about farming in our country.

We care deeply about farming in our country, and we are doing everything we can to advance it in the world today. The world does not owe you a living. The world does not, by some holy writ, provide you a free lunch. You have to constantly change. Any farmer and businessperson knows that you have to constantly change, you have to be constantly on your game and you have to be constantly improving the way you farm. And, at the end of it all, if there is a problem, if you do not have the cost of production you need, you know that you are going to have to get out, you are going to have to find a new source of income and you are going to have to make those changes. Today, many Australians are making those changes.

That brings me back to the central point about the changes contained within this bill. This bill, once again, provides an important support mechanism for the Australian dairy industry. Dairy Australia Ltd is the industry services body that took over from the Australian Dairy Corporation as at 1 July 2003. This bill encourages the prudent management and protection of the industry services body of this great Australian dairy industry, Dairy Australia Ltd. The key stakeholders are the dairy farmers and the peak industry bodies. More than 53 per cent of dairy farmers nationally are members of the industry services organisation. That is 5,693 dairy enterprises and 11,111 members. In my state,
Queensland, we have one of the highest rates of membership, with nearly 64 per cent.

This bill provides indemnification arrangements for Dairy Australia, and it is appropriate that this industry services body be properly indemnified. The changes restore to Dairy Australia arrangements that were available to its predecessor and they encourage prudent management for the benefit of the dairy industry of this country. The aims of Dairy Australia are set out on the Dairy Australia website. They are:

1. To promote the development of Australian dairy resources
2. To contribute to the promotion and development of the Australian dairy industry and Australian dairy produce by:
   - Carrying out research, development and extension activities for the benefit of the Australian dairy industry and the Australian community generally
   - Carrying out activities to develop the Australian national market for, and international trade in, Australian dairy produce
   - Providing information and other services
   - Carrying out other activities for the benefit of the Australian dairy industry
3. To act as industry services body ... 

So this is an important structural support for the dairy industry, and it is important that as a government we make sure there is adequate support and that bodies such as this do have mechanisms by which they can carry out their affairs and work more effectively in support of the dairy industry. Australia now exports more than 55 per cent of its annual milk production. I think that is a very good record. The inward-looking criticisms that have come from people such as the member for Kennedy, which I referred to earlier, would negate that and try to gainsay the effectiveness of our industry in export markets. It is a backward-looking philosophy that says that dairying today is basically about doing what your father did et cetera and that, somehow or other, by doing that you should be able to make your way in the world and that, somehow or other, support should be given for you to be able to do that, whether or not it is viable anymore and whether or not it is realistic. The lady with whom I had that long heart-to-heart over the weekend about the future of that industry recognises all these things. She recognises that you can only fool people with sugar for so long.

Of that 55 per cent of our milk production that is exported, 66 per cent of the total is concentrated in Japanese markets; Japan alone accounts for nearly one-fifth by value of our exports. The Australia-US free trade agreement means the opening up of access to US markets for an additional 7.5 million litres, which will continue to expand. I think the member for Flinders said it will expand at five or six per cent a year. That is something that farmers in Australia can really do something with. It is something that their industry bodies can work effectively to capitalise on, and Dairy Australia plays a key role in that process. Australian now ranks third in terms of world dairy trade, making up 16 per cent of all the dairy product exports in the world. That is our industry; that is this wonderful industry which is providing employment, innovation and wealth in communities right around this nation.

There are many opportunities in the dairy industry in Australia at present and they are getting stronger as the days go by and as the changes that had to work their way through the system become evident and have their impact. There is no doubt that the dairy industry is becoming stronger by the day because of those changes. As I said, I feel very impassioned about the need for us to continue to monitor progress in that industry and to continue to provide it with incentives, support and guidance and all those important things that will help to develop its place in export production and on the domestic mar-
Mr JOHN COBB (Parkes) (8.49 p.m.)—I also rise to speak in favour of the Dairy Produce Amendment Bill 2003. As you have heard, Mr Deputy Speaker, this bill is about regulating the powers of the new company known as Dairy Australia Ltd and giving it the ability to do what the Australian Dairy Corporation previously did. I have to say that in the electorate of Parkes in my region, the central west of New South Wales, there are big dairy areas, and up until the drought it was an expanding dairy region. More and more not only were the smaller farmers on the coast leaving the industry but the big ones on the coast were finding the conservation movement and local government making their lives particularly difficult. The upshot of that was that, more and more, anyone looking to expand or even continue a dairy herd was moving across the mountains and into more friendly country, as it were.

Deregulation, after all, was something that was called into the industry by the Tasmanian and Victorian dairy farmers, and then the governments of all states around Australia agreed to deregulation. The Commonwealth government were merely part of that. It was not a decision we made nor a decision we were really involved in. But, once it happened, as the member for Blair has said, the Dairy Structural Adjustment Program was put together by the Commonwealth government under Warren Truss as minister and something like $1.94 billion was put into helping the dairy industry to restructure. It has been a painful process, more so in recent times in some ways than when deregulation actually took place, because at that time, fortuitously, world markets took an upturn and in fact export markets at that stage were better than the domestic market in Australia.

There was a lot of pain, and people along the coast especially did sell out to other interests and there was a contraction in the number of herds in Australia, if not in the number of cows. It seems that herds under about 200 cows have disappeared—not in all cases but in the majority. Some of those are finding their way out into the central west of New South Wales. Certainly some of the biggest and most modern dairies in Australia are around Gulgong, running towards Forbes, and in the Dubbo area as well there is quite some dairy structuring going on.

The picture has certainly changed in recent times, with a downturn in export prices. In our region in particular, probably the biggest limiting factor, the one which has wrought the most devastation upon the industry—fight it as it has, in a very forthright way—has been the drought. It is not just the fact that there has been a lack of rainfall or that normal pasture growth has been non-existent or very hard to come by; the biggest threat to the dairy industry in my region has been the fact that very little irrigation has been able to take place in the last two years. The Lachlan River in particular, as well as the Macquarie River, has basically had nothing to offer to dairy farmers for something like 18 months. That looks set to continue, with some talk that that river could cease to flow towards the end of 2004.

Some months ago we had a large meeting in Forbes of all the dairy farmers in the region. Minister Warren Truss was good enough to stand in front of that meeting for some three hours. While we have been able to get exceptional circumstances relief for the dairy farmers in our region for quite some time now, when we looked at all the factors affecting the economics of the dairy industry we found that at the end of the day the one thing the industry could not deal with was the drought—and they are still having enormous difficulties in doing so.
At the moment the dairy industry are dealing with the downturn in the international price, the drought and the fact that the river has little to offer by way of relief, be that for pasture or for direct feed. Obviously, the price of feed in the last couple of years has been out of sight for normal purchase and budgeting factors. When you add to that the fact that, as somebody mentioned earlier—it may have been the member for Blair—the wholesalers totally misread their pricing signals and have absolutely dropped the bottom out of the domestic price, things have not added up, particularly in the last 18 months or so, to any joy for our dairy farmers, particularly those affected by drought, as the farmers in my electorate of Parkes quite obviously are. I do not think all is doom and gloom in the future of the dairy industry; far from it. But at the moment dairy farmers are certainly facing as tough a road as they are likely to face in their financial and commercial lives.

Let me touch on the effects of this bill and why we need to pass it. I hope it will not be too controversial. I take the point of the member for Blair: those who speak loudest, if they cannot find something to be controversial about, do not seem to want to speak about anything which is a normal process and which, one would hope, will not strike any trouble in this House or in the Senate. But the member for Kennedy has been particularly voracious on water issues, and I have noticed that, over the past six months, he has tried to extract totally misleading attitudes from dairy farmers, right from Queensland through to Victoria. I think he has done so with little effect. Perhaps those people he has spoken to have started to wake up, as I think they did in the Queensland election, to the fact that loudness of voice does not always equate to commonsense of mind.

In July 2003 the Dairy Corporation was converted into a private company limited by guarantee, known as Dairy Australia Ltd. Basically, it is becoming the industry services body, as declared by the Minister for Agriculture, Fisheries and Forestry. Its job is to undertake research and development for the benefit of the Australian dairy industry. It is also required to manage the Dairy Structural Adjustment Program in the form of a trust. It has to do all the procedures that used to be done by the Australian Dairy Corporation, and obviously it will do them as a company limited by guarantee. It will be fully indemnified, as the member for Blair mentioned earlier. This will allow it to deal in securities, administer the structural adjustment fund and enter into contracts. It will be able to raise money other than by borrowing. In other words, it will be able to act as a commercial entity. It will finalise the dairy industry statutory reform process that resulted from the decision by state governments around Australia to deregulate farm gate milk pricing from 1 July 2000.

As I said earlier, the Australian government, as a result of all that, put a $1.94 billion package together on behalf of the dairy industry, called the Dairy Structural Adjustment Program. This bill will allow Dairy Australia Ltd to better administer that adjustment program. We need to remember that the dairy industry is worth some $3 billion to Australia’s GDP. It runs third behind wheat and beef in agricultural terms in output value at the farm gate, and it adds about $2.5 billion to Australia’s export income. Allowing Dairy Australia Ltd to better manage the Dairy Structural Adjustment Program is just one part of the process that is needed to secure the future of Dairy Australia and the industry in general.

I will finish with a few positive things, such as the fact that the US free trade agreement will allow Australia to multiply by 2½ times the value of its current exports to that country. That is $55 million on top of the $36
million it currently exports to the US. We must also remember that we have recently done a free trade agreement with Thailand, which currently takes $150 million worth of Australian dairy exports. This bill must be put through. It is necessary to allow Dairy Australia Ltd to provide an efficient service on behalf of the dairy industry. I commend this bill to the House.

Debate interrupted.

ADJOURNMENT

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

That the House do now adjourn.

Communications: Community Broadcasting

Ms PLIBERSEK (Sydney) (8.59 p.m.)—I was concerned to hear last Friday that Community Television Sydney, which has been running Channel 31, the community TV station which broadcasts on the community UHF channel in Sydney, was almost forced to close its doors with only 24 hours notice. I am a reasonably regular viewer of Channel 31 and have had the pleasure of appearing more than once on Chaos TV, a youth-run program broadcast on Friday nights. It now seems that the Federal Court has ordered the temporary extension of CTS’s licence to allow Channel 31 to continue to broadcast, thereby preventing the channel from going off air, as was due to happen at midnight last Friday. Justice Arthur Emmett ordered the ABA to convene a special meeting over the weekend to grant a temporary licence to CTS, at the same time ordering that a permanent licence allocated to a rival group, TVS, be suspended.

I am told that TVS, which was recently granted a permanent broadcasting licence by the ABA, would not have been in a position to begin broadcasting for six to 12 months. It is this delay in broadcasting which concerns me most and which has certainly been of great concern to the constituents who have contacted me on this issue. I am also concerned to ensure that, whoever is granted the permanent licence in the end, the broad range of programs which Channel 31 is known for will continue.

I have absolutely nothing against TV Sydney holding a permanent licence. I certainly have no beef with them at all. I think that the involvement of the University of Western Sydney and the Australian Film and Television School is really good for community television.

One of the rewarding aspects about Channel 31, and one of the things that gets the most favourable comments, is the excellent educational component of their broadcasts. One of the other strong and unique features about Channel 31 has been the fact that it has broadcast programs that other stations have simply not been, and would not be, interested in broadcasting.

Chaos TV I have already mentioned, which is a program for young people run by young people. It provides an excellent opportunity for young people to get experience in broadcasting. There is another segment, Actively Radical TV, which airs programs that I do not think would get a viewing on mainstream TV. On a number of programs viewpoints seldom heard on mainstream TV have been expressed. They reflect the views of a significant section of our community.

I do not want Channel 31 to become a carbon copy, low-rent version of commercial TV. The ethnic language broadcasting component on Channel 31 is also very important, and I hope there will be no diminution of this service. It has been reported that TVS will probably not be ready to broadcast until the beginning of 2005. I really believe that that is too long for the members of the commu-
nity who depend on this service to be without a community TV station.

I am also concerned about how TVS is going to fund itself. It seems that it is planning to take out a commercial loan of $2 million for set-up and operating costs. I certainly would not want to see this necessitate an increase in advertising on Channel 31. If anyone wants to watch advertisements, they can watch commercial TV or Foxtel and see as much advertising as they can handle.

I believe that CTS has been doing a good job of running Channel 31, and some of the programs are excellent. They are not all terrific but I think most of them are excellent. They do generally, however, fill gaps that are not met by commercial stations, ABC or SBS. I believe that Channel 31’s unique character and the access provided to people who do not generally have their voices heard is valuable and must be maintained. I urge the ABA to again give careful consideration to these issues.

Casey Electorate: Schools

Mr ANTHONY SMITH (Casey) (9.04 p.m.)—In the past few weeks I have had the pleasure and honour of presenting school and house captain badges to local primary school children in the Casey electorate. I was also delighted to present new Australian flags in some cases. The schools I have visited include Ruskin Park Primary, Bayswater North Primary, Montrose Primary, Croydon Hills Primary and Manchester Primary School in Mooroolbark. I wish to commend the schools on their leadership programs for young students and the hardworking and dedicated parents associations which strive to make a real difference within the school communities to ensure that their kids get the best possible opportunities.

Whilst I presented a significant number of awards and badges, I would like to acknowledge the school captains and vice-captains at each of the schools I visited: Emma Turner and Michael Walton at Ruskin Park, who are school captains, and Ashleigh Cocking and Andrew Julian, who are vice-captains; Hayley Barnes and Tom Speed at Bayswater North Primary, who are school captains; David McArdle and Hannah Wadsworth at Montrose Primary, who are jointly captains, and Jarrod Rodda and Chloe Wright, who are vice-captains; Tim Bell and Siobhan Judge, who are captains at Croydon Hills Primary; Melissa Don and Daniel Hogg at Manchester Primary School, who are captains, and Sarah Slater and David Sandy, who are vice-captains.

As I indicated earlier, I would also like to acknowledge the work of the parents associations. I specifically make mention of the principals of those schools and their school council presidents, with whom they work so closely: at Ruskin Park Primary, principal Frank Davin and school council president Mr Dallas Beech; at Bayswater North Primary, principal Leigh Johansen and school council president Mr Chris Withers; at Croydon Hills Primary, principal Graeme Caudry and Helene Lowry in 2003 and, more recently, Cameron Black; and at Manchester Primary School, principal Mark Flack and school council president Andrew Prigmore.

Governments, rightly, provide significant resources to all schools to provide the best possible opportunity for a strong education. However, it is the extra things that government cannot provide that make a school the very best place it can be. The sense of community that comes from a high level of parental involvement and commitment to the school and the shared involvement and dedication to school improvement shown in working bees, fundraising events, school fetes and the like not only provide schools with a greater capacity than they would oth-
erwise have but, perhaps more importantly, constantly reinforce to students that both their teachers and their parents think that their schooling is very important. These symbolic things are critical in education but are nevertheless often overlooked.

At each of the school assemblies I attended, the national anthem was sung and our flag was flown. However, there are schools where in the past our flag has not been flown, simply because the schools have not had a flagpole or their flagpoles have not been operational. The schools were not funded specifically by state governments to provide for the installation or the upkeep of flagpoles. I am pleased that the federal minister for education has seen fit to step in and rectify this problem. The federal government has now come in over the top of state governments to directly fund the installation of a flagpole at any school in Australia that requires one. Through the Discovering Democracy program schools can apply for grants of up to $1,500 to buy and install a flagpole. The cost is quite small but the symbolism is very important. Already two schools—Croydon Hills Primary School and Croydon Secondary College—have received the grant, had a flagpole installed and had an official ceremony before the whole school community.

In conclusion, Casey’s schools—those I have mentioned tonight along with all the others—are doing a great job. The teachers and staff are respected for what they do, and their work with all the young students is truly appreciated, both within their schools and throughout the wider community. I once again congratulate the young student leaders, the school captains and vice-captains, house captains and other junior leaders who have taken on leadership positions in these schools in 2004.

Maidment, Mr Joseph
Nguyen, Mr Tuong Van
Ms BURKE (Chisholm) (9.08 p.m.)—I rise tonight to talk about two people—both associated with death, sadly. I want to put on record my condolences to a wonderful family and to a wonderful character: Joseph Maidment. Joseph was a true believer. He leaves behind his wife of 55 years, Monica, who is also a gorgeous person. Sadly, Joseph was laid to rest last Thursday and I could not attend the funeral. I am very sorry about that. Joe was father to five children: Terry, Greg, Clare, Moira and Paula. He was father-in-law to Rob and Jim. He was grandfather to nine grandchildren: Johanna, Mark, Matt, Joshua, Simon, Daniel, Bethany, Monica and Melina. I would like to place on record my condolences to these people, who have lost a great family member. There was a wonderful part of the ceremony at the church which, I think, summed up Joe’s life. The funeral service program says:

Placing of symbols reflecting Joe’s life:
Moira, Jim, Matthew, Simon, Daniel and Bethany Conway will place the book “True Believers” symbolising Joe’s belief in and dedication to the Australian Labor Party.
Paul, Monica and Melina Maidment will place Joe’s War Medals representing his selfless service to Australia.

Joe was a decorated war veteran. It continues:
Claire, Rob, Joanna, Mark and Josh Dowling will place a Carlton scarf representing his lifelong devotion to the “Navy Blues”

All this happened within a Catholic church, Catholicism being his other great passion. Joe was a terrific human being and a man of strongly held views. He told Monica, after they had been married and they were off to their first election, that every Maidment voted Labor. Monica said that she never told Joe how she voted. That was up to her. He
was a terrific human being who will be sadly missed by the community, particularly the Clayton Bowls Club, where he was a lifelong member, and the Clayton RSL.

I also want to raise the plight of a young Australian who has no future: Tuong Van Nguyen. He has been sentenced to death in Singapore for trafficking drugs. He is not a seasoned criminal, a drug trafficker or a drug addict. He was not attempting to bring the drugs into Singapore but was on transit to Australia. I do not want to condone in any way Tuong Van Nguyen’s attempt to traffic drugs, but I want to express my outrage at the sentence Van faces. A mandatory death sentence is barbaric and has no place anywhere for any crime in this day and age. As reported in the *Age* today:

In the past decade more than 400 prisoners in Singapore have received what most developed nations deem a cruel, inhuman and degrading punishment under the Universal Declaration of Human Rights. Amnesty International estimates the city-state has the highest per capita rate of executions in the world.

Tuong Van Nguyen was an ordinary kid who did well at school, loved his tennis and was a member of a Vietnamese scout group. He started a computer course at uni and commenced a computer business with friends. Recently he had been working as a salesman. He started on this stupid course of action to clear debts incurred by his twin brother. Looking for a way to clear the debt, he sought help from a friend, and this is where it all went sadly wrong. His friend led him to a Sydney based syndicate which took him to Cambodia to courier drugs back to Australia. Tuong Van Nguyen’s lawyers described his actions as unworldly and that of an immature man making a very foolish mistake in life. Yes, this deserves to be punished, but not by death.

Tuong Van Nguyen’s mother Kim fled Vietnam alone in 1980 in a boat, had the twins in a transit camp in Malaysia and was accepted into Australia with her twins, aged four months. Tuong Van Nguyen is Australian for all intents and purposes, and his mother Kim has worked extremely hard to educate herself and her sons. His lawyer speaks very highly of the support they have received from the High Commission in Singapore. A letter that Kim Nguyen, his mother, has written says:

For my part I feel more frightened than anything. I know that my son is very sincere and he is still very immature. He does not have enough knowledge to face real life. He does not know how to tackle difficulties of society and people around him.

Now Van is trapped into the danger of life. The suffering and mistakes that were created in his life are partly my fault. I wanted my two children to have good education and good shelter, therefore I have tried to work hard. In looking after my children I feel that I did not give them good parenting, to lead them to live a good life and to guide them from the teenage years to adulthood. I feel ashamed of what happened to my son and my family.

I ask for your kind consideration of my son’s case. I beg that he be given the opportunity to change so that he can make a good start in life. While he has been in the correctional center he has learnt a lot and changed to become a good person. I beg for your mercy so that I can be reunited with my son.

I call upon the Singaporean government to show clemency in this case and to return this silly boy to his mother—yes, to punish him for his crime, but not by the death sentence.

**National Security: Terrorism**

*Mr TUCKEY (O’Connor) (9.13 p.m.)—*

Today in a censure debate, the Leader of the Opposition reverted to an old practice of personal denigration when he said to the foreign minister:

You disgrace, you rotten lousy disgrace, to say that about a good man—Mick Keelty.
I do not object to passion if it is properly directed. I think it has to be followed, nevertheless, with consistency. These remarks related to issues around a media statement from Federal Police Commissioner Keelty. This is not the first occasion in very recent times that a minister has been involved in any way with a police commissioner. I want to draw to the attention of the House the circumstances as reported in the West Australian newspaper on 12 of March 2004 with the headline ‘Police chief was asked to quit job’. The article relates to some very sensational remarks made by Premier Gallop. As the newspaper says:

Dr Gallop said last week that the inquiry—a royal commission into the WA Police Force over many years—had exposed “significant and sustained corruption” and unmasked nearly 20 years of corrupt behaviour that was “utterly unacceptable” to the Government and the WA public.

That was considered so sensational by Western Australian Police Commissioner Matthews that he took out a full-page ad to defend his force because in his view probably 99 per cent of them deserved that defence. What was the result of that? After the Premier had made these sensational statements, when contacted about that matter—and one might remember the noise that came out of the opposition today—the article says:

A spokesman for the Premier said he regarded any conversation with the Police Commissioner as confidential.

As I said, this is deja vu. The reality, as reported in this article, is that there was a personal attack on Commissioner Matthews by Margaret Quirk, a Labor MLA who ‘stoked the row’ and attacked him under privilege. His police force was attacked by the Premier. He then defended his force, which one would think proper, and went on to say at a media conference:

“I think to say the police service was a basket case is completely wrong and the report doesn’t say that,” …

—that is, what Premier Gallop said. Commissioner Matthews went on to say:

“I’ve got to say what I think about the police service there and I’ve been very concerned about some of the comments that have been made, some of them by Government.”

As the article says, as a result Commissioner Barry Matthews, who has repeatedly clashed with police minister Michelle Roberts, was asked to quit his job. Of course Premier Gallop refused to confirm or deny that that had occurred.

I compare that with the issue explained by the Prime Minister today and I wonder why the Leader of the Opposition, to match his argument about ethics in politics, has not been on the record—or at least the telephone—attacking Michelle Roberts, the WA Minister for Police and Emergency Services, for attacking a good man called Matthews. Today’s effort, without that having happened, was absolutely hypocritical. It is absolutely wrong for a Leader of the Opposition to get up in this place and play politics with this issue when he was not to the fore on a similar issue where there was a direct, very clear and outrageous attack on a police commissioner which included asking a man who did no more than defend his own police force for his resignation. I ask the House to consider these matters when next we see the Leader of the Opposition crying crocodile tears over matters about which he has no genuine concern.

**Employment: Work for the Dole**

Ms GEORGE (Throsby) (9.18 p.m.)—I want to make some comments tonight about the Work for the Dole program and the employment outcomes that it generates in the Illawarra insofar as job seekers are concerned. It is good to see that the Minister for
Employment Services is here; I hope he listens to what I have to say. Recently I put some questions on notice to the minister, and I can only draw one conclusion from the response that I received—that is, the Work for the Dole program is achieving poor employment outcomes for Illawarra job seekers.

I am very concerned about the issue of unemployment in my electorate and in my region. In the last lot of figures, Throsby in fact had the fifth highest rate of unemployment in Australia as well as incredibly and unacceptably high rates of unemployment for young people—just under 35 per cent, 12 points above the national average. I have been working, as the minister well knows, with local groups to try to address the problem of youth unemployment and to try to get this government to commit funding to some rather innovative solutions. I do welcome the recent grant that we have been provided to enable a full-time project officer to work with the unemployed youth in our region to try to get many more of them into apprenticeship opportunities.

What the data in response to my questions on notice showed—I refer specifically to the nine months ending September 2003—was that fewer than one in four Illawarra Work for the Dole participants were in employment three months after completing the program. Fewer than one in four had some form of employment, although the majority form of employment was of course part-time and casual employment. Only half of those who had managed to get some form of employment three months after the program ended were in full-time employment. That is the aspiration that we all have—that labour market programs will lead to sustainable and full-time employment opportunities. So, extrapolating from the answers to my questions on notice, we find that in the Illawarra only one in eight local participants in Work for the Dole had secured full-time employment or were in such employment three months after their program ended. You have to ask: with the investment of around $665 million in Work for the Dole since 1997, why are these employment outcomes as poor as they are in my area?

And it is not just in the Illawarra, because recent figures compiled by our shadow minister which looked at national results show a similar trend. Since June 2000, employment outcomes through Work for the Dole have deteriorated on a consistent basis; specifically, there has been a massive 20 per cent decline in employment outcomes. My concern about Work for the Dole programs has always been that they offer few structured training opportunities and limited employment experience for participants. While Labor supports mutual obligation, regrettably under this government mutual obligation has become more of a one-way street, and I think the unemployment outcomes that I have referred to highlight that.

There has been a report commissioned by the government but, as I understand it, the minister has had the report since June last year and has sat on it. Its findings were only made available under freedom of information and were publicised in a report in the Australian. In one of its observations, the report concluded that ‘there appears to be quite large significant adverse effects of participation in Work for the Dole’. It found that job seekers participating in Work for the Dole programs are unemployed for significantly longer than those people who did not participate. The adverse effects were greatest for women, older job seekers and job seekers in regions like mine with high unemployment rates. I recommend that the minister review the efficacy of these programs and fund local—(Time expired)
One of the major things this country lacks is water. Water is the country's greatest commodity. It is more valuable than gold, because it has the ability to sustain life itself. However, at this moment we see an incredible amount of this asset being wasted. Many people have talked about trying to pipe water from the River Ord in the Northern Territory through to the inland to sustain communities. There has also been the suggestion of building great dams to meet our water needs for daily life and to increase the national population. However, if we do not get the rain that is needed for this process from one season to the next, it will not matter how many dams we build or how many pipes we put down; there will be nothing to collect.

We rely on the forces of nature, but I believe we need to rely on mankind's knowledge of science. It is more predictable and more reliable. We have vast tracts of land in this country that sit idle, where nothing can grow and no-one can live. We have just witnessed the most devastating drought in living memory, and it is affecting everybody. Recently it hit home in the cities around Australia. In New South Wales, water restrictions were placed on householders by the Carr government, which is now fining people for using water other than in the prescribed manner. It appears to me that we have the science, the technology and the geography to address this problem. It is not new technology; it has already been done—not only overseas in places like Dubai and Saudi Arabia but right here in our own backyard at Kangaroo Island.

The scientific system I am talking about is desalination. This is a simple process of collecting seawater and treating it to remove the salt. We live on an island and we have bountiful amounts of saltwater surrounding our shores. Whilst this project may be expensive it is accurate. We would not need to rely on the weather conditions and we could produce as much clean, clear water as we liked. Across the world there is the capacity to desalinate 23,000 megalitres of water each day. In the Middle East and North Africa, this technology is part of everyday life. In Dubai, a booming town on the edge of the Arabian desert and home to over one million people, fresh water is abundant. Most of the city's water for drinking and irrigation is purified in huge desalination plants. In fact, Dubai is the home of the world's largest industrial complexes for turning seawater into drinking water. Dubai has grown 20-fold in the past 10 years. New luxury hotels and tower blocks of apartments and offices are still mushrooming along what was known as Arabia's pirate coast. Here, too, new man-made islands will accommodate thousands of new luxury villas, each with its own beach view, to create a tourist paradise. This sort of development needs a lot of water, and desalination plants are providing it.

Australia has one of the world's harshest climates. It is a place where water is scarce once you leave the coast. We are lagging behind when it comes to water desalination. We only produce one per cent of the world's desalinated water. It is not like we do not have the technology working on our own shores: Kangaroo Island and Rottnest Island both use desalination plants to produce clean drinking water. Kangaroo Island installed a $3.5 million unit four years ago, which serves close to 1,000 people in the town of Penneshaw. It has been working fine since it was introduced. From personal experience, I cannot tell the difference between this water and the water I drink at home in Sydney.

This technology has worked on a large scale overseas. Now all we need to do is make it work on a larger scale here in Australia, and then more of the landmass will
become profitable and liveable. It seems simple: with this vision for the future that will sustain Australia, combined with the natural wealth that we already have in the form of minerals and the determination of the Australian people, we will undoubtedly have one of the richest countries on the face of the earth.

Grayndler Electorate: Marrickville Council Elections

Mr ALBANESE (Grayndler) (9.27 p.m.)—I wish to raise my concerns about the potential entry of extremists into the local government area of Marrickville, the area I live in and represent. On Saturday, March 27 there will be elections for council. In the south ward of Marrickville Council, Mr James Saleam, a notorious National Action figure who has been photographed as a member of the Nazi party and who was convicted of the attempted murder of ANC representative Eddie Funde by shooting up his flat in Ultimo, is actually standing for election. Also standing in the south ward are the One Nation people Richard Rae, who wrote the One Nation theme song *Sunburnt Battler*, and Jill Brown, who is No. 2 on his ticket. They have done preference deals with sitting councillor team Morris Hanna and Dimitrios Thanos. I call upon all people of goodwill who support multiculturalism, in what is a most multicultural electorate, not to have any arrangements and not to have any truck with openly fascist people such as James Saleam or with One Nation members who do not have the courage to speak out on that basis. I call upon Morris Hanna not to engage in a preference deal with these candidates. In Marrickville we take great pride in our support for multiculturalism and our support for tolerance and diversity. There is no place on Marrickville Council for the likes of James Saleam.

The SPEAKER—Order! It being 9.30 p.m., the debate is interrupted.

House adjourned at 9.30 p.m.

HOUSE OF REPRESENTATIVES NOTICES

The following notice was given:

Mr Rudd to move:

That this House:

1. recognises the continued, central importance of Afghanistan as critical to the war against terrorism;
2. recognises that al Qaeda, the Taliban and associated terrorist organisations continue to pose a security threat to the government of Afghanistan;
3. recognises that removing this threat requires both the political transformation and economic reconstruction of Afghanistan with the full support of the international community; and
4. recognises that Australia must play a significant and substantive role, both bilaterally and multilaterally in underpinning a long-term, secure future for the people of Afghanistan.
QUESTIONS ON NOTICE

The following answers to questions were circulated:

Institute of Public Affairs
(Question No. 2327)

Mr Kelvin Thomson asked the Minister representing the Minister for Family and Community Services, upon notice, on 8 September 2003:

(1) Was a tender process conducted before the Government awarded a contract to the Institute of Public Affairs to audit non-government organisations.  
(2) Who made the decision to award the contract to the Institute of Public Affairs.  
(3) Was departmental advice given on whether or not to award this contract; if so, what was this advice.  
(4) What are the terms of reference for the Institute of Public Affairs inquiry.  
(5) Which government department is administering the contract.  
(6) What is the value of the contract.  
(7) When is the Institute of Public Affairs expected to report and will the report be made public.  

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

(1) No. The Commonwealth Procurement Guidelines and Best Practice Guidelines notes that “The Government does not prescribe a specific purchasing method nor any arbitrary thresholds. Buyers must consider the requirements and existing market conditions of each procurement, and select a procurement method on its merits”.

(2) The delegate of the Department entered into the contract following the Prime Minister’s Community Business Partnership agreement on 11 December 2002 to fund the proposal.  
(3) Yes. The Department did not recommend the approval of the research proposal.  
(4) The terms of reference for the research contract are:
   A comprehensive assessment of the links between key Commonwealth Departments and their constituent NGOs;  
   • A framework for assessing the role and standing of NGOs, based on the information requirements of those Departments and relevant Ministers;  
   • A framework for a database of NGOs, including their standing;  
   • A proposed standard of public disclosure in dealing with NGOs; and  
   • A proposed trial Protocol that requests NGOs to supply information (based on points above) about themselves that will be publicly available.  
(5) The Department of Family and Community Services  
(6) $54 268  
(7) An interim report has been received and is currently being considered.

Critical Infrastructure Advisory Council
(Question No. 2508)

Mr McClelland asked the Attorney-General, upon notice, on 7 October 2003:

QUESTIONS ON NOTICE
(1) Who is on the Critical Infrastructure Advisory Council and which industry sectors do they represent.

(2) In respect of each meeting of the council, (a) when did it meet, (b) what matters did it consider, and (c) what were the outcomes.

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

(1) A list of current members of the Critical Infrastructure Advisory Council (CIAC) is at Attachment A. Industry sectors currently represented on the CIAC include the water services, financial services, energy, health, communications and food chain sectors.

(2) The CIAC held its inaugural meeting on 27 August 2003 and its second meeting on 4 December 2003.

A copy of the agenda for the inaugural CIAC meeting is at Attachment B.

A copy of the summary record for the inaugural CIAC meeting is at Attachment C.

A copy of the agenda for the second CIAC meeting is at Attachment D.

The summary record for the second CIAC meeting has not yet been ratified.

Attachment A

CRITICAL INFRASTRUCTURE ADVISORY COUNCIL

CHAIR

<table>
<thead>
<tr>
<th>Company</th>
<th>Member</th>
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<tbody>
<tr>
<td>Attorney-General’s Department</td>
<td>Mr Ian Carnell</td>
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<td>Deputy Secretary</td>
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<td>Criminal Justice and Security Group</td>
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Infrastructure Assurance Advisory Groups

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<thead>
<tr>
<th>Industry Sector</th>
<th>Member</th>
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<tr>
<td>Communications</td>
<td>Mr Mark Loves</td>
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<td></td>
<td>Corporate Security Manager</td>
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<td>Optus</td>
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<td>Energy</td>
<td>Mr Keith Orchison</td>
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<td>Managing Director</td>
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<td></td>
<td>Electricity Supply Association of Australia</td>
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<tr>
<td>Financial Services</td>
<td>Mr Tony Burke</td>
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<td></td>
<td>Director</td>
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<td></td>
<td>Australian Bankers’ Association</td>
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<td>Food Chain</td>
<td>Mr Dick Wells</td>
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<td>Chief Executive</td>
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<td></td>
<td>Australian Food and Grocery Council</td>
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<tr>
<td>Health¹</td>
<td>Mr David Kindon</td>
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<td></td>
<td>Chief Executive Officer</td>
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<td>Australian Diagnostic Imaging Association</td>
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<td></td>
<td>and Chief Executive Officer</td>
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<td>Australian Association of Pathology Practices</td>
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QUESTIONS ON NOTICE
## Questions on Notice

<table>
<thead>
<tr>
<th>Industry Sector</th>
<th>Member</th>
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</table>
| Water Services  | Mr Gavin Love  
(please note that Mr Love is also representing Australian Water Association) |

### Australian Government

<table>
<thead>
<tr>
<th>Agency</th>
<th>Member</th>
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</table>
| Attorney-General’s Department                                                               | Mr Trevor Clement  
  Assistant Secretary                                                                 |
| Australian Prudential Regulation Authority<sup>2</sup>                                      | Mr Graham Johnson  
  General Manager  
  Consulting Services                                                                 |
| Department of Agriculture, Fisheries and Forestry                                         | Mr Tim Roseby  
  Executive Manager  
  Emergency Risk Management Unit / National Residue Survey                                   |
| Department of Communications, Information Technology and the Arts                          | Mr Brenton Thomas  
  General Manager  
  Enterprise and Infrastructure Branch                                                      |
| Department of Education, Science and Training<sup>3</sup>                                  | Mr Grahame Cook  
  Deputy Secretary                                                                         |
| Department of Health and Ageing                                                            | Mr Andrew Stuart  
  First Assistant Secretary  
  Population Health Division                                                                 |
| Department of Industry, Tourism and Resources                                              | Ms Vicki Brown  
  Assistant Secretary  
  International Energy Branch                                                               |
| Department of Prime Minister and Cabinet<sup>4</sup>                                       | Mr Miles Jordana  
  First Assistant Secretary  
  National Security Division                                                                 |
| Department of Transport and Regional Services                                               | Mr Andrew Tongue  
  First Assistant Secretary  
  Office of Transport Security                                                                |
| Emergency Management Australia                                                             | Mr David Templeman  
  Director-General                                                                         |
| National Office for the Information Economy<sup>5</sup>                                    | Mr John Grant  
  A/g Chief Executive Officer                                                               |
### State/Territory Government

<table>
<thead>
<tr>
<th>State/Territory</th>
<th>Member</th>
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</table>
| ACT             | Ms Elizabeth Kelly  
Executive Director  
Policy and Regulatory Division  
Department of Justice and Community Services |
| NSW             | MAJGEN Brian Howard  
Chairman  
State Emergency Management Committee |
| NT              | Mr Chris Wrangle  
Director  
Services  
Department of the Chief Minister |
| QLD             | Ms Fiona McKerfie  
Deputy Director-General  
Governance  
Department of the Premier and Cabinet |
| SA              | Ms Suzanne Carman  
Director  
Security and Emergency Management  
Department of the Premier and Cabinet |
| TAS             | Mr Tony Mulder  
Director  
State Security (Tasmania) |
| VIC             | Mr Leo van der Toorren  
Assistant Director  
Security and Emergencies Unit  
Department of Premier and Cabinet |
| WA              | Mr Geoff Hay  
Assistant Director-General  
Public Sector Management and State Administration  
Department of Premier and Cabinet |

### Other

<table>
<thead>
<tr>
<th>Committee</th>
<th>Member</th>
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| National Counter-Terrorism Committee          | Mr Ed Tyrie  
Executive Director  
Protective Security Coordination Centre |

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QUESTIONS ON NOTICE
ATTACHMENT B
CRITICAL INFRASTRUCTURE ADVISORY COUNCIL
Inaugural Meeting
Wednesday, 27 August 2003
8:30am – 1:30pm
Senate Alcove
Parliament House
Canberra
AGENDA
Meeting opens at 8.30am (tea and coffee served)

<table>
<thead>
<tr>
<th>Time</th>
<th>Agenda Item</th>
<th>Speaker</th>
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<tbody>
<tr>
<td>8:30 – 8:35am</td>
<td>AGENDA ITEM 1: Welcome and introduction</td>
<td>Peter Ford</td>
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<tr>
<td>8:35 – 8:50am</td>
<td>AGENDA ITEM 2: Terms of Reference</td>
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<tr>
<td>8:50 – 9:00am</td>
<td>AGENDA ITEM 3: Deed of Confidentiality</td>
<td>Peter Ford</td>
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<td>9:00 – 9:15am</td>
<td>AGENDA ITEM 4: Future CIP initiatives</td>
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<td>9:15 – 10:00am</td>
<td>AGENDA ITEM 5: Sector reports</td>
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<tr>
<td>10:00 – 10:15am</td>
<td>Morning Tea</td>
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<td>10:15 – 11:00am</td>
<td>AGENDA ITEM 6: State/Territory reports</td>
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<td>11:00 – 12:45pm</td>
<td>AGENDA ITEM 7: Commonwealth agency reports</td>
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QUESTIONS ON NOTICE
Monday, 22 March 2004

HOUSE OF REPRESENTATIVES

QUESTIONS ON NOTICE

Time | Agenda Item | Speaker
--- | --- | ---
7c: | DCITA | Brenton Thomas
7d: | DEST | Patrick Davoren
7e: | DoHA | Greg Sam
7f: | DoTaRS | Steve Borthwick
7g: | EMA | Neil Head
7h: | ITR | Vicki Brown
7i: | NOIE | John Rimmer
7j: | PM&C | Miles Jordana
12:45 – 1:00pm | AGENDA ITEM 8: | Ed Tyrie
1:00 – 1:30pm | AGENDA ITEM 9: | Trevor Clement

Meeting closes at 1.30pm

Attachment C

CRITICAL INFRASTRUCTURE ADVISORY COUNCIL

Inaugural Meeting

Wednesday, 27 August 2003

SUMMARY RECORD

ATTENDEES:
(See Attachment 1)
The meeting opened at 8:30am.

AGENDA ITEM 1: Welcome and Introduction
The Chairperson, Mr Peter Ford (Attorney-General’s Department), welcomed attendees to the inaugural meeting of the Critical Infrastructure Advisory Council (CIAC). The Chair particularly welcomed the representatives from the water services; financial services; food chain; communications; and energy sectors. The Chair noted that all member organisations were represented.
The Chair then provided a brief update on the progress toward creating the Trusted Information Sharing Network for Critical Infrastructure Protection (TISN).

AGENDA ITEM 2: Terms of Reference
Ms Marcella Hawkes (Attorney-General’s Department) introduced the draft version of the CIAC Terms of Reference. Ms Hawkes advised that the major changes in the revised document were to Clause 10 to reflect advice recently received in writing from the Australian Competition and Consumer Commission. Discussion was held on various aspects of the document. The Attorney-General’s Department agreed to implement the suggested minor changes of Members. Members agreed to provide final feedback on the document by 12 September 2003. Members agreed to ratify the Terms of Reference for the group out of session.
Ms Hawkes then introduced the draft template Terms of Reference for the IAAGs.

QUESTIONS ON NOTICE
Ms Hawkes advised that the Terms of Reference for the CIAC and the IAAGs groups broadly outline the respective functions of the groups. Members noted that the Terms provide scope to discuss a broad range of issues relating to security, vulnerabilities and generic threats to Australia’s critical infrastructure.

Members agreed in principle to the CIAC Terms of Reference and the template Terms of Reference for the IAAGs with minor amendments.

**Action Arising:**

**Action Item 1:** Members to provide feedback on CIAC Terms of Reference to Attorney-General’s Department by no later than Friday, 12 September 2003.

**Action Item 2:** Attorney-General’s Department to amend the CIAC Terms of Reference to incorporate feedback where appropriate.

**Action Item 3:** Members to ratify the CIAC Terms of Reference out of session.

**AGENDA ITEM 3: Deed of Confidentiality**

Ms Hawkes introduced the draft version of the TISN Deed of Confidentiality. Ms Hawkes advised that the Deed had been developed in broad consultation with Australian, State and Territory governments, private sector participants and industry regulators to address the concerns raised by the private sector regarding the handling of potentially commercially sensitive information. Ms Hawkes advised that the Deed is intended to operate as a ‘safety net’ which will facilitate an environment of trust and transparency and that the Deed addressed the confidentiality requirements of the Australian Stock Exchange Listing Rules.

Ms Hawkes advised that the Deed is intended to be restricted in its application to information that is clearly confidential in nature and is to apply in circumstances where it is necessary that information be handled in accordance with a requirement that its confidentiality be maintained and its distribution limited. Members noted that not all information discussed within the TISN will be confidential.

Members noted the requirement for Members who represent private organisations to sign the Deed. Members also noted the possibility to extend the Deed on a needs basis to cover non-member organisations which may attend one or more CIAC meetings where confidential information is discussed. Members noted the requirement for individual government representatives to sign the Confidentiality Acknowledgement.

Members agreed in principle to the TISN Deed of Confidentiality and Confidentiality Acknowledgement with minor amendments.

**Action Arising:**

**Action Item 4:** Members to provide feedback on TISN Deed of Confidentiality and Confidentiality Acknowledgement to Attorney-General’s Department by no later than Friday, 12 September 2003.

**Action Item 5:** Attorney-General’s Department to amend the TISN Deed of Confidentiality and Confidentiality Acknowledgement to incorporate feedback where appropriate.

**AGENDA ITEM 4: Future CIP Initiatives**

The Chair advised Members that the Attorney-General’s Department is currently working with other Australian Government agencies to identify a range of possible tasks and activities that could be undertaken to support the TISN and to help achieve a stronger regime for Critical Infrastructure Protection (CIP). Members were referred to the Discussion Paper on Future CIP Initiatives that was included in the meeting agenda papers.

The Chair recommended that Members consider the Discussion Paper and, if appropriate, endorse the possible future initiatives outlined therein as appropriate for implementing a stronger regime for CIP in Australia.
Monday, 22 March 2004

Members noted that input to the document on other possible initiatives or options was welcomed and encouraged. Members also noted that strategy proposals were welcomed from Members at future meetings.

The Chair then advised Members that the Attorney-General’s Department is responsible for ensuring the development and maintenance of a national strategy for CIP and for CIP coordination. Members were referred to the tabled “Principles for Critical Infrastructure Protection” which had been developed by the Attorney-General’s Department as the core for this national strategy. Members agreed to provide feedback on the CIP Principles to the Attorney-General’s Department by 10 August 2003.

Discussion was then held on the need to identify research priorities. The Attorney-General’s Department agreed to include the issue as an agenda item at the next meeting.

**Action Arising:**

**Action Item 6:** Members to provide feedback on Discussion Paper and Statement of Principles to Attorney-General’s Department by no later than Wednesday, 10 August 2003.

**Action Item 7:** Attorney-General’s Department to amend Discussion Paper and Statement of Principles to reflect outcomes of consultation.

**Action Item 8:** CIAC Secretariat to add ‘research priorities’ to agenda for next meeting.

**AGENDA ITEM 5: Sector Reports**

The Council noted the reports by the Communications, Finance and Banking, Food, Energy and Water Services sectors.

**AGENDA ITEM 6: State/Territory Reports**

The Council noted the reports by each of the States and Territories.

**AGENDA ITEM 7: Commonwealth Agency Reports**

The Council noted the reports by the Australian Government agencies.

**AGENDA ITEM 8: NCTC Reports**

Mr Ed Tyrie (National Counter-Terrorism Committee) provided an overview of on progress to date of the National Counter-Terrorism Committee.

**AGENDA ITEM 9: Other Business**

Mr John Rimmer (National Office for the Information Economy) proposed the establishment of an information technology security expert advisory panel and tabled a paper outlining the proposal. Members agreed to consider the proposal.

Mr Trevor Clement (Attorney-General’s Department) advised Members that the Attorney-General’s Office had requested that Members provide that Office advance notification of any intended media releases relating to the TISN. Members agreed to provide advance notice to the Attorney-General’s Department of any such media releases where possible. Members also agreed to coordinate media releases where possible.

Mr Clement advised Members that there is a requirement for an Australian Government representative to be present at each meeting of the IAAGs.

Mr Clement noted that the success of the TISN was dependent on ongoing communication between TISN members. Discussion was held on how best to facilitate this communication. Mr Clement advised that the CIP Branch of the Attorney-General’s Department is developing a newsletter on CIP issues which could be used as the core means of communication for the TISN. Members agreed to channel all relevant information through the CIP Branch of the Attorney-General’s Department (via respective lead agencies for the industry sectors) pending the establishment of more formal processes or committees which would be incorporated into the CIP newsletter. Mr Brian Howard (NSW) proposed that the States and Territories also be invited as observers to meetings of the IAAGs and sector representatives agreed to consider this proposal.
Mr Clement also noted the international dimension of CIP and Members’ interest in developing overseas linkages. Members agreed to consider this issue at the next meeting.

Members agreed to next meet in November 2003 to consider the national CIP strategy prior to its submission to the Council of Australian Governments in December 2003. Members also agreed to hold a meeting in February 2003 prior to the next United States/Australian Government Bilateral meeting which is scheduled to be held in March 2004. Members agreed that future meetings could be rotated through each of the States and Territories.

Action Item 9: Sector IAAGs to consider inviting State/Territory representatives to meetings.
Action Item 10: Members to channel information through the CIP Branch of the Attorney-General’s Department.
Action Item 11: CIAC Secretariat to add ‘international linkages’ to agenda for next meeting.
Action Item 12: Next meeting to be held in November 2003 prior to the COAG meeting in December 2003.
Action Item 13: Third meeting to be held in February 2004 prior to the US/Australian Bilateral meeting in March 2004.

The meeting closed at 1:15pm.

ATTENDEES:

Members

Mr Peter Ford (CHAIR) Attorney-General’s Department
Mr Ian Joscelyne (Proxy) Communications Sector
Mr Keith Orchison Energy Sector
Mr Tony Burke Financial Services Sector
Mr Dick Wells Food Chain Sector
Mr Gavin Love Water Services Sector
Mr Graham Johnson Australian Prudential Regulatory Authority (representing Treasury Portfolio)
Mr Tim Roseby Department of Agriculture, Fisheries and Forestry
Mr Brenton Thomas Department of Communications, Information Technology and the Arts
Mr Greg Sam (Proxy) Department of Health and Ageing
Ms Vicki Brown Department of Industry, Tourism and Resources
Mr Steve Borthwick (Proxy) Department of Transport and Regional Services
Mr Neil Head (Proxy) Emergency Management Australia
Mr Ed Tyrie National Counter-Terrorism Committee
Ms Elizabeth Kelly ACT Government
MAJGEN Brian Howard NSW State Government
Mr Chris Wrangle NT Government
Mr Peter Bridgman QLD State Government
Ms Suzanne Carman SA State Government
Mr Tony Mulder TAS State Government
Mr Leo van der Toorren VIC State Government
Mr Geoff Hay WA State Government

QUESTIONS ON NOTICE
Other

Mr Patrick Davoren
Department of Education, Science and Training

Mr Miles Jordana
Department of Prime Minister and Cabinet

Mr John Rimmer
National Office for the Information Economy

Observers

Mr David Perry
Australian Securities and Investments Commission

Mr Alan Edwards
Department of Agriculture, Fisheries and Forestry

Ms Patricia Liubesic
Department of Industry, Tourism and Resources

Ms Wendy Southern
Department of Prime Minister and Cabinet

Ms Sue McIntosh
Department of Transport and Regional Services

Mr Keith Besgrove
National Office for the Information Economy

Mr Peter Channells
Protective Security Coordination Centre

Mr James Nockels
Australian Security Intelligence Organisation

Mr Patrick Vidgen
QLD State Government

Mr Bryan Fahy
SA State Government

Mr Trevor Clement
Attorney-General’s Department

Mr Mike Rothery
Attorney-General’s Department

Mr Michael Jerks
Attorney-General’s Department

Ms Marcela Hawkes
Attorney-General’s Department

Ms Lisa Gilmore
Attorney-General’s Department

Ms Amber Jitts
Attorney-General’s Department

Ms Leith Watson
Attorney-General’s Department

Summary of Action Items:

Action Item 1: Members to provide feedback on CIAC Terms of Reference to Attorney-General’s Department by no later than Friday, 12 September 2003.
Completed

Action Item 2: Attorney-General’s Department to amend the CIAC Terms of Reference to incorporate feedback where appropriate.
Completed

Action Item 3: Members to ratify the CIAC Terms of Reference out of session.
Pending

Action Item 4: Members to provide feedback on TISN Deed of Confidentiality and Confidentiality Acknowledgement to Attorney-General’s Department by no later than Friday, 12 September 2003.
Completed

Action Item 5: Attorney-General’s Department to amend the TISN Deed of Confidentiality and Confidentiality Acknowledgement to incorporate feedback where appropriate.
Completed

Action Item 6: Members to provide feedback on Discussion Paper and Statement of Principles to Attorney-General’s Department by no later than Wednesday, 10 August 2003.

QUESTIONS ON NOTICE
Completed
Action Item 7: Attorney-General’s Department to amend Discussion Paper and Statement of Principles to reflect outcomes of consultation.

Completed
Action Item 8: CIAC Secretariat to add ‘research priorities’ to agenda for next meeting.

Completed
Action Item 9: Sector IAAGs to consider inviting State/Territory representatives to meetings.

Ongoing
Action Item 10: Members to channel information through the CIP Branch of the Attorney-General’s Department.

Ongoing
Action Item 11: CIAC Secretariat to add ‘international linkages’ to agenda for next meeting.

Completed
Action Item 12: Next meeting to be held in November 2003 prior to the COAG meeting in December 2003.

Completed
Action Item 13: Third meeting to be held in February 2004 prior to the US/Australian Bilateral meeting in March 2004.

Pending
Attachment D

CRITICAL INFRASTRUCTURE ADVISORY COUNCIL
Thursday, 4 December 2003
9:00am – 1:30pm
Senate Alcove
Parliament House
Canberra

AGENDA
Meeting opens at 9:00am (tea and coffee served)

<table>
<thead>
<tr>
<th>Time</th>
<th>Agenda Item 1: Welcome and Introduction of the Attorney-General</th>
<th>Speakers</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:00am – 9:05am</td>
<td>AGENDA ITEM 2: Address by the Attorney-General</td>
<td>Ian Carnell</td>
</tr>
<tr>
<td>9:05 – 9:10am</td>
<td>AGENDA ITEM 3: Ratification of Record of Meeting held 27 August 2003</td>
<td>Ian Carnell</td>
</tr>
<tr>
<td>3a:</td>
<td>Business Arising</td>
<td>AGD</td>
</tr>
<tr>
<td>9:10 – 9:30am</td>
<td>AGENDA ITEM 4: Ratification of CIAC Terms of Reference</td>
<td>Ian Carnell</td>
</tr>
<tr>
<td>9:30 – 9:50am</td>
<td>AGENDA ITEM 5: Ratification of Deed of Confidentiality</td>
<td>AGD</td>
</tr>
<tr>
<td>3a:</td>
<td>Deed of Confidentiality</td>
<td>AGD</td>
</tr>
<tr>
<td>9:50 – 10:10am</td>
<td>AGENDA ITEM 6: Ratification of National CIP Strategy</td>
<td>AGD</td>
</tr>
<tr>
<td>10:10 – 10:30am</td>
<td>AGENDA ITEM 7: Ratification of CIP Risk Management Framework</td>
<td>AGD</td>
</tr>
<tr>
<td>10:30 – 10:45am</td>
<td>Morning Tea</td>
<td></td>
</tr>
</tbody>
</table>

QUESTIONS ON NOTICE
Mr Martyn Evans asked the Minister Assisting the Minister for Defence, upon notice, on 24 November 2003:

(1) Can he advise why Mr W.K.L. Chappell of South Australia was recently refused the issue of the Australian Service Medal (ASM) with Clasp SE Asia in respect of his RAAF service with 478 Squadron at Butterworth Air Base in Malaysia from 17 December 1974 to 15 February 1977.

(2) Is he aware that Mr Chappell has two qualifying periods of service, the other being from December 1965 to December 1968 and that his two periods of service were for different reasons.

(3) Is he aware that the ASM 1945-75 and the ASM post 1975 are for two different times.

(4) Will he review this veteran’s application to ensure he receives his appropriate awards.

Mr Brough—The answer to the honourable member’s questions are as follows:

(1) (2), (3) and (4) Mr Chappell has written previously to me concerning this matter and a response was provided to him. If Mr Chappell wishes to disclose this information to Mr Evans, then he should do so.
Defence: Battle of Long Tan
(Question No. 2799)

Mr Bevis asked the Minister Assisting the Minister for Defence, upon notice, on 27 November 2003:

(1) Further to the answer to question No. 1115 (Hansard, 9 May 2000, page 16905), is it the case that the terms of reference of both the End of War List Review and the SEA Review, despite the general nature of their words, specifically avoided the Long Tan awards issue.

(2) Is it the case that the Tanzer Enquiry advised that the Long Tan and SVN Awards submissions were outside its Terms of Reference.

(3) During the battle, did the Battalion Commander send a message to the armoured relief force en route to the battle, to return two vehicles to a Col Joy and Little Patty Task Force Concert to pick up and to halt the relief column and wait for him at the river Suoi da Bang; if so, was that order countermanded by the A Company Commander who forced the Armoured Commander to proceed and relieve the situation at the battle area.

(4) Did the Battalion Commander finally arrive at the battle site when the battle was over and after the last shot had been fired and was it at this point that he actually took command of the scene.

(5) Further to the answer to part 10, is it a fact that the awards were not in accordance with the recommendations of the Commander of D Company, Lt Col. Harry Smith.

(6) Will action now be taken to ensure that the recommendations of Lt Col. Smith are acted upon.

(7) Who was the commander of the 1st Task Force.

Mr Brough—The answer to the honourable member’s questions is as follows:

(1) No. The matter was investigated as part of the End of War List – Vietnam. It was recommended that decorations are best made by the commanders on the spot, who had a better knowledge of the totality of the circumstances surrounding an incident or event than those who conduct a review some 30 to 35 years later and may be guided more by emotion.

(2) Yes.

(3) The original Task Force order to send a relief force of an infantry rifle company mounted in armoured personnel carriers (APCs) to Long Tan included the Commanding Officer (CO) 6 Royal Australian Regiment (RAR) party. At that time, CO 6RAR was in his command post at Nui Dat. After picking up A Company 6RAR, the CO of the APC Troop received a radio message to pick up the CO 6RAR party. He despatched two of his APC to pick them up, prior to leaving the Nui Dat area. While en route to the battle area at Long Tan the Officer Commanding APC Troop received a second radio message (while his APCs were crossing the Suoi Da Bang Creek) for the APC Troop to halt so that the two APCs with the CO 6RARs party on board could catch up. Officer Commanding APC Troop claims to have made the decision to disregard this order. However, Officer Commanding A Company 6RAR also claims to have made the same decision (both officers were speaking on different radio nets). After crossing the flooded creek, the APCs were engaged while moving by a Viet Cong recoilless anti-tank rifle and the Officer Commanding APC Troop and Officer Commanding A Company had a disagreement over delay in clearing the area before continuing to move.

(4) The CO 6RAR arrived with the APCs at the scene of the battle before the fighting had finished. However, he did not assume command of the area of the battle until after the firing had concluded.

(5) Commanders of a higher level than Lieutenant Colonel Smith had authority to amend recommendations.

(6) No.
(7) Brigadier O D Jackson.

**Environment: Rhodes Peninsula**

(Question No. 2818)

**Mr Murphy** asked the Minister for the Environment and Heritage, upon notice, on 1 December 2003:

1. Further to the answer to question No.2485, on what advice does his Department rely in forming the view that it is satisfied that adequate consideration has been given to the protection of all matter of national environmental significance in the Rhodes Peninsula, including listed migratory species, pursuant to the Environment Protection and Biodiversity Conservation Act 1999.

2. Will he provide a copy of that advice; if so, when; if not, why not.

**Dr Kemp**—The answer to the honourable member’s question is as follows:

1. Each of the companies involved in developing the Rhodes Peninsula provided my Department with information regarding the potential environmental impacts of their development proposals, including impacts on listed migratory species.

   In relation to Precinct A, the former Orica Site being developed by the Walker Corporation, following discussions with the Department, Walker Corporation referred their proposal to the Department on 14 October 2003, in accordance with section 69 of the EPBC Act. The proposal was determined not to be a controlled action on 10 November 2003.

   In relation to Precinct B, the former Union Carbide site being developed by the Thiess/Trafalgar consortium, Thiess provided the Department with relevant sections of the Environmental Impact Statement (EIS) prepared for the proposal by Parsons Brinckerhoff (formerly PPK Environment & Infrastructure).

   In relation to Precinct C, the former Allied Feeds site being developed by Meriton, Meriton provided the Department with relevant sections of the EIS undertaken for their proposal by Environmental Resources Management Australia.

   Following assessment of this material, and consideration of the EPBC Act Administrative Guidelines on Significance, the Department was satisfied that adequate consideration had been given to the protection of matters of national environmental significance in the area, including listed migratory species.


   The environmental impact statements for the Precincts B and C proposals are public documents that are available from the respective companies responsible for each development.

**Australian Federal Police: Case Categories**

(Question No. 2849)

**Mr McClelland** asked the Minister representing the Minister for Justice and Customs, upon notice, on 4 December 2003:

1. What are the names of the case categories that make up the case categorisation model of the Australian Federal Police.

2. How many hours were attributed to each of these case categories by the Australian Federal Police for each of the years from 1993 through to 2003.

3. What changes have been made to the case categorisation model of the Australian Federal Police since 1996.
(4) What categories of cases have been increased in priority since 1996 and when did this change take place.

(5) What categories of cases have not experienced any change in priority or have been decreased in priority since 1996 and, where there was a decrease, when did this decrease take place.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

(1) The Case Categorisation and Prioritisation Model (CCPM) is made up of nine elements or categories. They are:

<table>
<thead>
<tr>
<th>Elements – (Categories)</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Incident type</td>
<td>This is a broad description of the matter being referred.</td>
</tr>
<tr>
<td>Impact</td>
<td>This refers to the perceived seriousness of the impact of this matter on Australian society.</td>
</tr>
<tr>
<td>Priority</td>
<td>This refers to the type of response required.</td>
</tr>
<tr>
<td>Client impact and priority</td>
<td>This is a measure of the importance to the client of the matter to achievement of the client’s objectives.</td>
</tr>
<tr>
<td>Importance to the AFP</td>
<td>This is a measure of the extent to which a matter matches the AFP’s role as defined by Ministerial Directions.</td>
</tr>
<tr>
<td>Resources</td>
<td>This refers to the estimated team size required to undertake the matter in the first instance.</td>
</tr>
<tr>
<td>Budget</td>
<td>This refers to the initial estimated budget for discretionary expenditure.</td>
</tr>
<tr>
<td>Duration</td>
<td>This is the likely length of time that the matter will require active investigation by the AFP.</td>
</tr>
<tr>
<td>Property/Fraud value</td>
<td>This is the estimated monetary value of the offence.</td>
</tr>
</tbody>
</table>

(2) The CCPM was introduced on 1 July 1998. Time recording for the CCPM was introduced on 1 July 2000.

As noted above, the CCPM categorises cases on a number of elements. A table of all possible permutations would be unwieldy (more than 300 categories) and of limited value over time due to changes in the CCPM itself. The category of primary interest is Impact and the AFP’s Portfolio Budget Statement establishes targets in relation to this category. The following table reports hours worked by Impact for all years for which information is available.

<table>
<thead>
<tr>
<th>Impact</th>
<th>2003/04 Hours*</th>
<th>2002/03 Hours</th>
<th>2001/02 Hours</th>
<th>2000/01 Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very High</td>
<td>657,035</td>
<td>1,159,536</td>
<td>803,112</td>
<td>651,892</td>
</tr>
<tr>
<td>High</td>
<td>349,273</td>
<td>463,008</td>
<td>343,948</td>
<td>363,166</td>
</tr>
<tr>
<td>Medium</td>
<td>306,440</td>
<td>191,119</td>
<td>177,650</td>
<td>159,415</td>
</tr>
<tr>
<td>Low</td>
<td>143,880</td>
<td>258,611</td>
<td>305,844</td>
<td>292,105</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1,456,628</td>
<td>2,072,274</td>
<td>1,630,553</td>
<td>1,466,578</td>
</tr>
</tbody>
</table>

* As at 31 January 2004.

Consistent with the AFP’s aim of concentrating on crimes with a high impact on Australian society, the number of hours devoted to Very High Impact or High Impact cases has increased, while that devoted to Low Impact cases has decreased.

(3) The CCPM was introduced on 1 July 1998. The CCPM was revised on 1 July 2000 and again on 1 July 2002. The revision in 2000 was to cater for changes to the AFP’s Outcome / Output structure. The changes in 2002 included the addition of two further elements – Client impact and Priority and Importance to the AFP.
(4) and (5) The elements of the CCPM remain static. They do not increase or decrease in priority. Each case referred to the AFP is assessed individually against the CCPM. The CCPM considers the incident type, the impact of the matter on Australian society, the importance of the matter to both the client and the AFP in terms of the roles assigned to them by Government, and the resources required by the AFP to undertake the matter. No one element of the CCPM is considered in isolation to determine whether a matter is accepted or rejected for investigation.

The decision to undertake a particular matter is made by an Operations Committee. In its determination the Operations Committee takes into consideration the AFP’s ‘cocktail mix’, which targets percentages of total AFP operational capacity to the wide range of crime types it must address. This mix prevents the AFP from over-emphasising one priority at the expense of another.

The AFP’s website www.afp.gov.au contains a full explanation of the CCPM.

Immigration: Detention Centres

(Question No. 2850)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, upon notice, on 4 December 2003:

(1) How many alleged offences associated with escaping from immigration detention centres has the Australian Federal Police investigated since 1996.

(2) How many alleged offences associated with aiding or abetting escape from immigration detention centres has the Australian Federal Police investigated since 1996.

(3) How many (a) successful and (b) unsuccessful prosecutions were associated with escaping from immigration detention centres since 1996.

(4) How many (a) successful and (b) unsuccessful prosecutions were associated with aiding or abetting escape from an immigration detention centre since 1996.

(5) What punitive measures have been handed down by the courts in the prosecutions for escape from immigration detention centres and aiding and abetting escape from immigration detention centres.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

(1) Australian Federal Police (AFP) records for this type of information can only be provided from 14 April 2000, due to changes in AFP’s Information Management systems. Since this date the AFP has received 24 referrals associated with escaping from immigration detention centres. Of these referrals, 20 related to actual escapes while the remaining 4 involved attempted escapes.

(2) There have been 2 referrals received associated with aiding or abetting escape from immigration detention centres. These referrals involved 4 people charged with aiding or abetting escape from immigration detention centre.

(3) (a) Since 1 January 1996, 12 persons have been found guilty.

(b) Since 1 January 1996, 1 person was found not guilty.

(4) (a) Since 1 January 1996, 14 persons have been found guilty. There are other prosecutions before the courts.

(b) Since 1 January 1996, no persons have been found not guilty.
(5) Sentences imposed by the courts range from discharge on recognizance without proceeding to conviction, conditional release after conviction, fines, suspended terms of imprisonment and imprisonment.

Immigration: Detention Centres

(Question No. 2851)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, upon notice, on 4 December 2003:

(1) How many hours were attributed by the Australian Federal Police to the investigation of alleged offences in or associated with immigration detention centres for each of the recording periods available from 1996 to the present.

(2) How many hours were attributed by the Australian Federal Police to the investigation of alleged offences at or associated with each of the immigration detention centres located at Woomera and at Port Hedland for each of the recording periods from 1996 through to the present.

(3) How many hours were attributed by the Australian Federal Police Resident Agent in Port Hedland to the investigation of alleged offences at or associated with immigration detention centres for each of the recording periods from 1996 through to the present.

(4) How many hours were attributed by the Australian Federal Police to all work undertaken by the Resident Agent in Port Hedland for each of the recording periods from 1996 through to the present.

(5) How many hours were attributed by the Australian Federal Police Adelaide office to the investigation of alleged offences at or associated with immigration detention centres for each of the recording periods from 1996 through to the present.

(6) How many hours were attributed by the Australian Federal Police Adelaide office to all work undertaken by the Adelaide office of the Australian Federal Police for each of the recording periods from 1996 through to the present.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

(1) Australian Federal Police (AFP) records for this type of information can only be provided from the financial year 1 July 2000, due to changes in the AFP’s Information Management systems. The total number of hours attributed by the AFP to investigate alleged offences associated with immigration detention centres as at 11 February 2004 are:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>2000-01</th>
<th>2001-02</th>
<th>2002-03</th>
<th>2003-04 YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4,809.5</td>
<td>13,454.8</td>
<td>19,861.3</td>
<td>3,060.1</td>
</tr>
</tbody>
</table>

(2) The hours attributed as at 11 February 2004 by the AFP to investigate alleged offences associated with the immigration detention centres located at Woomera and Port Hedland for financial years to present are:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Woomera</th>
<th>Port Hedland</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/01</td>
<td>3299.0</td>
<td>1161.0</td>
</tr>
<tr>
<td>2001/02</td>
<td>6352.2</td>
<td>584.3</td>
</tr>
<tr>
<td>2002/03</td>
<td>8557.9</td>
<td>2682.7</td>
</tr>
<tr>
<td>2003/04 YTD</td>
<td>2149.8</td>
<td>106.5</td>
</tr>
</tbody>
</table>
(3) The hours attributed as at 31 January 2004 by the AFP Resident Agent in Port Hedland to investigate alleged offences associated with immigration detention centres for financial years to present are:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/01</td>
<td>125.0</td>
</tr>
<tr>
<td>2001/02</td>
<td>475.5</td>
</tr>
<tr>
<td>2002/03</td>
<td>170.0</td>
</tr>
<tr>
<td>2003/04 YTD</td>
<td>87.0</td>
</tr>
</tbody>
</table>

(4) The hours attributed as at 31 January 2004 by the AFP for all work undertaken by the Resident Agent in Port Hedland for financial years to present are:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/01</td>
<td>2353.5</td>
</tr>
<tr>
<td>2001/02</td>
<td>2635.5</td>
</tr>
<tr>
<td>2002/03</td>
<td>2193.5</td>
</tr>
<tr>
<td>2003/04 YTD</td>
<td>1408.0</td>
</tr>
</tbody>
</table>

(5) The hours attributed as at 11 February 2004 by the AFP Adelaide office to investigate alleged offences associated with immigration detention centres for financial years to present are:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/01</td>
<td>3299.0</td>
</tr>
<tr>
<td>2001/02</td>
<td>6352.2</td>
</tr>
<tr>
<td>2002/03</td>
<td>15024.1</td>
</tr>
<tr>
<td>2003/04 YTD</td>
<td>2445.03</td>
</tr>
</tbody>
</table>

(6) The hours attributed as at 11 February 2004 by the AFP to all work undertaken by the Adelaide office for financial years to present are:

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000/01</td>
<td>117356.6</td>
</tr>
<tr>
<td>2001/02</td>
<td>103990.7</td>
</tr>
<tr>
<td>2002/03</td>
<td>127388.4</td>
</tr>
<tr>
<td>2003/04 YTD</td>
<td>78169.0</td>
</tr>
</tbody>
</table>

**Education: Higher Education Report**

(Question No. 2887)

Ms Macklin asked the Minister for Education, Science and Training, upon notice, on 10 February 2004:

1. When was his department’s logo which featured on the cover of the Higher Education Report for the 2003-2005 Triennium launched.
2. What was the cost of all stationery and other material carrying the superseded logo.
3. What were the total (a) design, (b) launch, (c) printing and (d) other costs involved in developing, launching and producing the new logo.
4. When was the new logo replaced by the Australian Government Coat of Arms.
(5) What were the total (a) design, (b) launch, (c) printing and (d) other costs involved in developing, launching and producing material bearing the Australian Government Coat of Arms.

Dr Nelson—The answer to the honourable member’s question is as follows:

(1) The logo was formally unveiled at the annual Corporate Event on 7 March 2002.
(2) Minimal, as the bulk of Departmental stationery is produced electronically, and the new logo replaced the old logo as required.
(3) The cost for design and development of the Department of Education, Science and Training’s logo as featured on the cover of the Higher Education Report for the 2003-2005 Triennium was $9,913.00. In relation to launch costs, see (1) above. For printing and other costs, see (2) above.
(4) This question was answered by Senator Hill in response to Senate questions 1705-1722. The answers appear in Hansard, 7 November 2003.
(5) See (4) above.

Defence: F-111 Aircraft
(Question No. 2908)

Mr Beazley asked the Minister representing the Minister for Defence, upon notice, on 10 February 2004:

(1) In respect of the Government’s decision to phase out the F-111 aircraft by 2010, (a) what program changes have been made and (b) what are the cost savings for the projects outlined in the answer to parts 5 and 6 of question No. 1444 (Hansard, 13 May 2003, page 14262).
(2) Are any further changes to F-111 projects being considered.

Mr Brough—The Minister for Defence has provided the following answer to the honourable member’s question:

(1) (a) The following program changes have been made in response to withdrawing the F-111 from service around 2010:

<table>
<thead>
<tr>
<th>Project</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Air 5416 Phase 3 – Electronic Warfare Self Protection for F-111</td>
<td>Project scope reduced because of reduced return on service life.</td>
</tr>
<tr>
<td>Project Air 5421 Phase 2 – Tactical Reconnaissance and Strike Support Capability</td>
<td>Cancelled</td>
</tr>
<tr>
<td>Project Air 5426 Phase 2 – F-111 Strike Capability Enhancement</td>
<td>Cancelled</td>
</tr>
<tr>
<td>Project Air 5409 Phase 1 – Bomb Improvement Program</td>
<td>F-111 removed from Project scope and Project funding redirected to F/A-18.</td>
</tr>
<tr>
<td>Project Air 5418 Phase 1 – Follow on Stand Off Weapons Capability</td>
<td>F-111 removed from Project scope and Project funding redirected to F/A-18. AP-3C remains part of Project.</td>
</tr>
</tbody>
</table>

(b) Potential Savings

<table>
<thead>
<tr>
<th>Project</th>
<th>Potential Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Air 5391 Phase 6 - Interim Electronic Warfare Self Protection</td>
<td>Nil</td>
</tr>
<tr>
<td>Project Air 5398 Phase 2 – Air-to-Ground Missile – 142</td>
<td>Nil</td>
</tr>
<tr>
<td>Project Air 5416 Phase 3 – Electronic Warfare Self Protection for F-111</td>
<td>$120m - $150m</td>
</tr>
<tr>
<td>Project Air 5421 Phase 2 – Tactical Reconnaissance and Strike Support Capability</td>
<td>$50m - $75m</td>
</tr>
<tr>
<td>Project Air 5426 Phase 2 – F-111 Strike Capability Enhancement</td>
<td>$250m - $350m</td>
</tr>
<tr>
<td>Project Air 5409 Phase 1 – Bomb Improvement Program</td>
<td>Nil</td>
</tr>
</tbody>
</table>
Project | Potential Savings
--- | ---
Project Air 5418 Phase 1 – Follow on Stand Off Weapons Capability | Nil
Joint Project 5408 Phase 2 – Australian Defence Force Global Positioning System Enhancement (Note) | Nil

Note: At the time question No. 1444 was answered, the F-111 was a potential platform for inclusion in Joint Project 5408 Phase 2. However, subsequent progression of the Project lowered the F-111’s priority for Global Positioning System enhancement and project funding was not allocated to the platform. Accordingly, the early withdrawal of the F-111 will not result in any savings from Joint Project 5408 Phase 2.

(2) An F-111 Withdrawal Plan is currently being developed that will review a wide range of F-111-related issues, including the viability of major and minor F-111 projects. There is currently no expectation that the projects outlined above will be changed.

Employment and Workplace Relations: Freedom of Information

(Question No. 2928)

Mr Danby asked the Minister for Employment and Workplace Relations, upon notice, on Tuesday 10, February 2004:

(1) How many conclusive certificates has the Minister issued under each of sections 33, 33A, and 36 of the Freedom of Information Act 1982 in each of the last six financial years?
(2) In each of the last six financial years, how many appeals against those certificates were (a) lodged with the AAT, (b) successful, and (c) unsuccessful?
(3) What are the case names of all the appeals lodged with the AAT in each of the last six financial years?

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

(1) I have not issued any conclusive certificates. Two were issued in financial year 1998/99 by the then Secretary of the Department, as a delegate of the then Minister for Employment, Workplace Relations and Small Business: one certificate under s.36(3), and one under s.33A(2).
(2) (a) None; (b) Not applicable; (c) Not applicable.
(3) Not applicable.

Science: Conclusive Certificates

(Question No. 2932)

Mr Danby asked the Minister for Science, upon notice, on, 10 February 2004:

(1) How many conclusive certificates has the Minister issued under each of sections 33, 33A and 36 of the Freedom of Information Act 1982 in each of the last six financial years?
(2) In each of the last six financial years, how many appeals against those certificates were (a) lodged with the AAT, (b) successful, and (c) unsuccessful?
(3) What are the case names of all the appeals lodged with the AAT in each of the last six financial years?

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

(1) None.
(2) Not applicable.
(3) Not applicable.
Attorney-General’s: Terrorist Organisations
(Question No. 2951)

Mr Danby asked the Attorney-General, upon notice, on 10 February 2004:
(1) Is he aware of the concern expressed by the United States Treasury’s Deputy Assistant Secretary for Terrorist Finance about the many countries that have not legislated to be able to seize property and freeze bank accounts of suspected terrorists and terrorist organisations.
(2) Is the Australian Government able to seize property and freeze bank accounts of suspected terrorists and terrorist organisations.

Mr Ruddock—The answer to the honourable member’s question is as follows:
(1) Yes - I understand Deputy Assistant Secretary Zarate has made a number of different comments expressing concern about the many countries that have not legislated to be able to seize property and freeze bank accounts of suspected terrorists and terrorist organisations.
(2) Yes.

Attorney-General’s: National Threat Assessment Centre
(Question No. 2963)

Mr McClelland asked the Attorney-General, upon notice, on 10 February 2004:
(1) Will (a) the Department of Immigration, Multicultural and Indigenous Affairs, (b) the Australian Customs Service, and (c) the Australian Transaction Reports and Analysis Centre provide staff to the National Threat Assessment Centre (NTAC); if not, why not?
(2) Which other agencies will provide staff to the NTAC?
(3) To which agency or agencies will the $51.4m allocated to the NTAC be provided?
(4) Will the running costs of the NTAC be shared by other agencies; if so, which agencies and what sum will be apportioned to each agency?

Mr Ruddock—The answer to the honourable member’s question is as follows:
(1) Under current arrangements, the Department of Immigration, Multicultural and Indigenous Affairs (DIMIA), the Australian Customs Service, and the Australian Transaction Reports and Analysis Centre (AUSTRAC) will not provide staff to the NTAC.
Staff seconded to the NTAC from other agencies will function as fully integrated NTAC analysts and as such, will be directly responsible for the preparation of threat assessments. While the NTAC will maintain liaison relationships with DIMIA, the Australian Customs Service and AUSTRAC, these agencies will not be represented in the NTAC because their capacity to contribute directly to the preparation of threat assessments is limited.
The NTAC will keep under review its information and other requirements from relevant government agencies, including the possibility of seeking further seconded staff.
(2) Staff will be seconded to the NTAC from the following agencies:
- Australian Federal Police
- Australian Secret Intelligence Service
- Defence Intelligence Organisation
- Department of Foreign Affairs and Trade
- Department of Transport and Regional Services, and
- Office of National Assessments.
(3) The funding will be allocated over five years to the following contributing agencies:
(4) Running costs for the NTAC will be met entirely by the funding allocated to ASIO.

**Australian Federal Police: Family Law Orders**

(Question No. 2967)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, upon notice, on 4 December 2003:

How many hours were attributed to Australian Federal Police handling of Family Law Order matters in each financial year since 1995-96.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

Time recording was introduced into the Australian Federal Police in 2000/2001. The hours devoted to Family Law Orders since that time are as follows:

<table>
<thead>
<tr>
<th>Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/04 *</td>
</tr>
<tr>
<td>2002/03</td>
</tr>
<tr>
<td>2001/02</td>
</tr>
<tr>
<td>2000/01</td>
</tr>
</tbody>
</table>

* To 31 January 2004.

**Law Enforcement: National Firearms Buyback Program**

(Question No. 2968)

Mr McClelland asked the Minister representing the Minister for Justice and Customs, upon notice, on 10 February 2004:

(1) Will the Minister update the answer provided to question No. 2351 (*Hansard*, 5 November 2003, page 22276).

(2) How has the unspent buyback funding returned to the Commonwealth by the States and Territories been used by the Commonwealth.

Mr Ruddock—The Minister for Justice and Customs has provided the following answer to the honourable member’s question:

(1) There has been no change to the figures I provided in my answer to question No. 2351.

(2) The unspent buyback funding returned to the Commonwealth by the States and Territories has been returned to the consolidated revenue fund.

**Roads: Funding**

(Question No. 2979)

Ms O’Byrne asked the Minister for Transport and Regional Services, upon notice, on 10 February 2004:
For each of the last four years, (a) what sum of road funding, and (b) what other Commonwealth funds were paid to the (i) Launceston, (ii) George Town, (iii) Dorset, (iv) Flinders Island, (v) West Tamar, and (vi) Meander Valley local government areas.

**Mr Anderson**—The answer to the honourable member’s question is as follows:
(a) The Australian Government does not allocate road funding direct to local councils through the National Highway or Roads of National Importance Programmes. It does provide road funding assistance direct to local councils through the Roads to Recovery Programme, and via the States and Territories through the Black Spots Programme. The table below outlines road funding payments to projects funded under the Roads to Recovery and Black Spots Programmes over the last four years.

<table>
<thead>
<tr>
<th>Local Government Authority</th>
<th>2000-01 $</th>
<th>2001-02 $</th>
<th>2002-03 $</th>
<th>2003-04 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Launceston</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads to Recovery</td>
<td>187,460</td>
<td>749,840</td>
<td>226,297</td>
<td>749,841</td>
</tr>
<tr>
<td>Black Spot</td>
<td>78,454</td>
<td>9,958</td>
<td>200,000</td>
<td>60,000</td>
</tr>
<tr>
<td>George Town</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads to Recovery</td>
<td>306,060</td>
<td>27,977</td>
<td>183,636</td>
<td></td>
</tr>
<tr>
<td>Black Spot</td>
<td>8,625</td>
<td>20,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dorset</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads to Recovery</td>
<td>126,645</td>
<td>506,580</td>
<td>410,704</td>
<td>506,583</td>
</tr>
<tr>
<td>Black Spot</td>
<td>85,000</td>
<td>5,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flinders Island</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads to Recovery</td>
<td>275,424</td>
<td>65,929</td>
<td>168,894</td>
<td></td>
</tr>
<tr>
<td>Black Spot</td>
<td>14,000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Tamar</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads to Recovery</td>
<td>1,083,321</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black Spot</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Meander Valley</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads to Recovery</td>
<td>138,646</td>
<td>554,584</td>
<td>369,723</td>
<td>554,584</td>
</tr>
<tr>
<td>Black Spot</td>
<td>44,500</td>
<td>60,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(b) Each year the Federal Government provides financial assistance grants to Local Government paid through the States under the Local Government (Financial Assistance) Act 1995. The financial assistance grants have two components – general purpose grants and identified local roads grants – and both components are untied in the hands of the receiving council. This means that councils are able to spend the grant (including the local road grant) according to the priorities of their communities.

Distribution of these grants is detailed in the Report on the Operation of the Local Government (Financial Assistance) Act 1995 (commonly known as the National Report) tabled in Parliament as soon as practicable after 30 June each year. In the following table, financial assistance grants for 2003/04 are estimates.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>Type of Funding</th>
<th>2000/01</th>
<th>2001/02</th>
<th>2002/03</th>
<th>2003/04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dorset (M)</td>
<td>General Purpose</td>
<td>$798,463</td>
<td>$833,855</td>
<td>$851,204</td>
<td>$849,185</td>
</tr>
<tr>
<td></td>
<td>Local Road</td>
<td>$1,095,728</td>
<td>$1,171,492</td>
<td>$1,213,766</td>
<td>$1,242,295</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$1,894,191</td>
<td>$2,005,347</td>
<td>$2,064,970</td>
<td>$2,091,480</td>
</tr>
<tr>
<td>Flinders (M)</td>
<td>General Purpose</td>
<td>$386,146</td>
<td>$420,274</td>
<td>$449,187</td>
<td>$443,583</td>
</tr>
<tr>
<td></td>
<td>Local Road</td>
<td>$365,313</td>
<td>$389,731</td>
<td>$404,356</td>
<td>$414,659</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$751,459</td>
<td>$810,005</td>
<td>$853,543</td>
<td>$858,242</td>
</tr>
</tbody>
</table>
George Town (M) General Purpose $563,917 $585,809 $622,418 $628,250
Local Road $397,201 $413,402 $428,374 $449,527
Total $961,118 $999,211 $1,050,792 $1,077,777
Launceston (C) General Purpose $1,706,937 $1,681,966 $1,584,005 $1,603,958
Local Road $1,621,892 $1,640,933 $1,700,752 $1,730,690
Total $3,328,829 $3,322,899 $3,284,757 $3,334,648
Meander Valley (M) General Purpose $1,163,330 $1,238,781 $1,257,094 $1,258,001
Local Road $1,199,555 $1,262,931 $1,304,884 $1,358,567
Total $2,362,885 $2,501,712 $2,561,978 $2,616,568
West Tamar (M) General Purpose $1,016,708 $1,089,914 $1,188,291 $1,248,239
Local Road $585,800 $612,436 $639,817 $662,173
Total $1,602,508 $1,702,350 $1,828,108 $1,910,412

Transport and Regional Services: Monopolies
(Question No. 2983)

Ms Hoare asked the Minister for Transport and Regional Services, upon notice, on 10 February 2004:
(1) Is it a fact that the supply of gas, electricity and other essential services provided in non-competitive markets where there is a monopoly provider may put industry in regional areas at a disadvantage; if so, what is his attitude to this.
(2) Is he able to say whether such providers are unfairly taking advantage of non-competitive markets.
(3) Is he aware that a manufacturing firm intent on moving to Morisset in the electoral division of Charlton has been discouraged from establishing a business due to the significantly higher gas prices because there is only one supplier.
(4) Would he consider whether such circumstances warrant the monitoring of gas prices in the Morisset area; if not, why not.

Mr Anderson—The answer to the honourable member’s question is as follows:
(1) Where there is a single supplier it is unlikely that competitive forces will deliver competitively priced services. Under these circumstances it is appropriate, as is currently the case, that the ACCC regulate the provision of those services.
(2) The ACCC is currently responsible for regulation of monopoly electricity transmission assets. The Gas Code provides for the regulation of monopoly gas pipelines. The state regulator is responsible for setting tariffs on gas and electricity distribution networks.
(3) No.
(4) No. Monitoring of gas prices may not necessarily lead to more competitive outcomes.

Defence: FFG Upgrade Project
(Question No. 3012)

Ms Vamvakinou asked the Minister representing the Minister for Defence, upon notice, on 12 February 2004:
(1) In respect of the procurement of defence equipment or systems by the Australian Government from the Government of Israel and private companies in Israel, can the Minister confirm that an electronic support system and a long-range chaff projector being installed on four Royal Australian Navy (RAN) Guided Missile Frigate (FFGs) under the FFG Upgrade Project was designed and
manufactured by Rafael Armament Development Authority, Electronic Systems Division in Haifa, Israel.

(2) In respect of the electronic support system, who is the lead contractor for this project and what elements of the purchase are being conducted through Australian companies.

(3) Can the Minister confirm that the 20mm naval gun known as the ‘Typhoon’ to be fitted to the RAN’s new construction patrol boats was designed and manufactured by Rafael Armament Development Authority, Electronic Systems Division in Haifa, Israel.

(4) In respect of the fitting of the ‘Typhoon’, who is the lead contractor for this project and what elements of the purchase are being conducted through Australian companies.

(5) In respect of the proposed electro-optical sight system for the RAN’s new construction patrol boats has the system been accepted; if so, who is the lead contractor for this project and what elements of the purchase are being conducted through Australian companies.

(6) Is the procurement of any other defence equipment and systems occurring through the Rafael Armament Development Authority.

Mr Brough—The Minister for Defence has provided the following answer to the honourable member’s questions as follows:

(1) Yes.

(2) The lead (Prime) Contractor for the FFG Upgrade Project and the Electronic Support system is ADI Ltd. All components associated with the system are being procured under ADI subcontract from RAFAEL – Armament Development Authority, Electronic Systems Division in Haifa, Israel.

(3) The primary weapon system to be fitted to the Royal Australian Navy’s (RAN) new Armidale Class Patrol Boats is the Rafael Armament Development Authority of Israel’s 25mm Typhoon Mk-25. This Typhoon system will have the Bushmaster 25mm cannon manufactured by ATK USA as the armament.

(4) The prime contractor for the Armidale Class Patrol Boat project is Defence Maritime Services. The Rafael Armament Development Authority of Israel is a subcontractor supplying the Typhoon weapon system, and for all but the lead unit, which will be produced and tested in Israel, the production is expected to be arranged by Rafael through General Dynamics Land Systems Australia, along with the support of the system through its life. For the supply of the Bushmaster cannon, the Rafael Armament Development Authority of Israel was contracted directly by Defence because of the lead time involved in the cannon production.

(5) Defence Maritime Services has yet to subcontract a supplier for the electro-optical sight to be fitted to the Armidale Class Patrol Boats. The system will be accepted by Defence as part of the acceptance process for each Armidale Class Patrol Boat. This acceptance process is based around the specified performance that is to be provided by the patrol boats and associated systems under the contract.

(6) The FFG Upgrade Project is also purchasing the LESCUT Expendable Acoustic Decoy. This device is a joint venture between Ultra Electronics, Ocean Systems Inc (formally BAE) in Massachusetts, USA and RAFAEL – Armament Development Authority, Ordnance Division in Haifa, Israel.

Workplace Relations: Australian Workplace Agreements

(Question Nos 3022 to 3039)

Mr Bevis asked the Ministers listed below, upon notice, on Tuesday, 17 February 2004:

How many employees of the Minister’s department are currently employed on terms set out in an Australian Workplace Agreement:

3022: The Prime Minister
Mr Andrews—I am responding on behalf of the ministers. The answer to the honourable member’s questions is as follows:

My department has received advice from each Minister’s department, that as at 17 February 2004, unless indicated otherwise, the following number of employees in each respective department were employed with terms and conditions set out in an Australian Workplace Agreement (AWA):

3022: 132 employees in the Prime Minister’s Department;
3023: 109 employees in the Minister for Transport and Regional Services’ department;
3024: 445 employees in the Treasurer’s department, as at 23 February 2004;
3025 & 3027: 196 employees in the Minister for Foreign Affairs and the Minister for Trade’s department;
3026: 106 employees in the Minister for Defence’s department;
3028: 415 employees in the Minister for Health and Ageing’s department;
3029: 94 employees in the Attorney-General’s department;
3030: 283 employees in the Minister for the Environment and Heritage’s department;
3031: 89 employees in the Minister for Communications, Information Technology and the Arts’ department;
3032: 238 employees in the Minister for Agriculture, Fisheries and Forestry’s department;
3033: 213 employees in the Minister for Immigration and Multicultural and Indigenous Affairs’ department;
3034: 268 employees in the Minister for Education, Science and Training’s department;
3036: 117 employees in the Minister for Family and Community Services’ department, as at 19 February 2004;
3037: 177 employees in the Minister for Industry, Tourism and Resources’s department, as at 19 February 2004;
3038: 963 employees in my department; and
3039: 719 employees in the Minister for Veterans’ Affairs’ department.
Workplace Relations: Australian Workplace Agreements  
(Question No. 3040)

Mr Bevis asked the Minister for Employment and Workplace Relations, upon notice, on Tuesday, 17 February 2004:

For each State and Territory how many employees (a) in total, (b) employed by the Commonwealth Government, and (c) employed by registered corporations have their current conditions of employment set out in an Australian Workplace Agreement.

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

(a) The number of employees who have their current conditions of employment set out in an AWA is estimated at 212,400. These are distributed by State/Territory as follows:

<table>
<thead>
<tr>
<th>State/Territory</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>11,400</td>
</tr>
<tr>
<td>NSW</td>
<td>45,600</td>
</tr>
<tr>
<td>NT</td>
<td>3,900</td>
</tr>
<tr>
<td>QLD</td>
<td>25,400</td>
</tr>
<tr>
<td>SA</td>
<td>20,500</td>
</tr>
<tr>
<td>TAS</td>
<td>8,000</td>
</tr>
<tr>
<td>VIC</td>
<td>29,800</td>
</tr>
<tr>
<td>WA</td>
<td>67,800</td>
</tr>
</tbody>
</table>

*R Rounded to the nearest 100

(b) It is estimated that (excluding GBE’s) the number of Commonwealth Government employees currently covered by AWAs is 12,400. These are distributed by State/Territory as follows:

<table>
<thead>
<tr>
<th>State/Territory</th>
<th>Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>8,140</td>
</tr>
<tr>
<td>NSW</td>
<td>1,640</td>
</tr>
<tr>
<td>NT</td>
<td>90</td>
</tr>
<tr>
<td>QLD</td>
<td>560</td>
</tr>
<tr>
<td>SA</td>
<td>270</td>
</tr>
<tr>
<td>TAS</td>
<td>310</td>
</tr>
<tr>
<td>VIC</td>
<td>1,070</td>
</tr>
<tr>
<td>WA</td>
<td>330</td>
</tr>
</tbody>
</table>

*R Rounded to the nearest 10

(c) In the last two years 188,631 AWAs have been approved for employees working in the private sector. These are distributed by State/Territory as follows:

<table>
<thead>
<tr>
<th>State/Territory</th>
<th>Number of AWAs</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>2,600</td>
</tr>
<tr>
<td>NSW</td>
<td>40,800</td>
</tr>
<tr>
<td>NT</td>
<td>3,400</td>
</tr>
<tr>
<td>QLD</td>
<td>23,600</td>
</tr>
<tr>
<td>SA</td>
<td>19,400</td>
</tr>
<tr>
<td>TAS</td>
<td>7,400</td>
</tr>
<tr>
<td>VIC</td>
<td>24,700</td>
</tr>
<tr>
<td>WA</td>
<td>66,900</td>
</tr>
</tbody>
</table>

*R Rounded to the nearest 100
Children and Youth Affairs: Child Care
(Question No. 3050)

Mr Murphy asked the Minister for Children and Youth Affairs, upon notice, on 18 February 2004:
Further to the answer to question No. 2803 (Hansard, 11 February 2004, page 24411), is he able to say what the range of factors is that impacts on fees charged by individual services in relation to child care.

Mr Anthony—The answer to the honourable member’s question is as follows:
(1) Fees charged in relation to child care provision are commercial decisions made by individual service providers.
(2) The government has no role in determining the fees charged by individual services.

Agriculture: 2003 Wool Levy Poll
(Question No. 3056)

Mr Andren asked the Minister for Agriculture, Fisheries and Forestry, upon notice, on 19 February 2004:
In respect of the questions raised by wool growers about the issuing of voter entitlements leading up to the 2003 Wool Levy Poll, (a) how many voting entitlements has the Returning Officer for the poll advised him were disputed, (b) could these disputed voting entitlements have changed the outcome of Wool Poll 2003, and (c) what action will be taken to redress the situation if the result is proved to be incorrect.

Mr Truss—The answer to the honourable member’s question is as follows:
(a) In relation to the number of disputed voting entitlements, the Returning Officer in his report stated that ASX Perpetual, the company that manages the register of levy payers for Australian Wool Innovation, received 374 inquiries from levy payers concerning their voting entitlements. These inquiries could have resulted in a net increase of 53,481 votes if all claims had been validated. Additionally, the Returning Officer himself received inquiries and supporting documentation from eight levy payers concerning their voting entitlements and if processed could have resulted in an additional increase in votes of less than 100.

(b) The Returning Officer advised that having regard to the number of disputed voting entitlements relative to the number of votes cast and the conclusive results of the poll, the disputed votes would not have impacted on the result.

c) As reported by the Returning Officer, the number of disputed voting entitlements would not have altered the outcome of the poll. Therefore, no action will be taken for Wool Poll 2003. However, the Australian Government Department of Agriculture, Fisheries and Forestry, in consultation with Australian Wool Innovation, is examining the issue of disputed voting entitlements in the context of preparing for the next poll, due in 2006.

Refugee Review Tribunal
(Question No. 3060)

Ms O’Byrne asked the Minister representing the Minister for Immigration and Multicultural and Indigenous Affairs, upon notice, on 19 February 2004:
Further to the answer to question No. 2520 (Hansard, 17 February 2004, page 24707) what were the Government’s legal costs in relation to the Refugee Review Tribunal’s proceedings concerning the Sawari family.

Mr Hardgrave—The Minister for Immigration and Multicultural and Indigenous Affairs provided the following answer to the honourable member’s question:
There were no legal costs incurred by the Government in respect of the Refugee Review Tribunal proceedings concerning the Sawari family. The Government was not a party to the proceedings nor was it represented at the hearing.

The Refugee Review Tribunal is not adversarial but inquisitorial in nature and the Government is not usually represented at Tribunal Hearings.

**Transport and Regional Services: Grants**

(Question No. 3210)

Ms Vamvakinou asked the Minister for Transport and Regional Services, upon notice, on 2 March 2004:

What sums were allocated in local government financial assistance grants in (a) 2001-2002, (b) 2002-2003, and (c) 2003-2004 to the (i) City of Hume, (ii) City of Brimbank, (iii) Shire of Moreland, and (iv) City of Nillumbik.

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

Each year the Federal Government provides financial assistance grants to Local Government paid through the States under the Local Government (Financial Assistance) Act 1995. The financial assistance grants have two components – general purpose grants and identified local roads grants – and both components are untied in the hands of the receiving council. This means that councils are able to spend the grant (including the local road grant) according to the priorities of their communities.

Distribution of these grants is detailed in the Report on the Operation of the Local Government (Financial Assistance) Act 1995 (commonly known as the National Report) tabled in Parliament as soon as practicable after 30 June each year. In the following table, financial assistance grants for 2003/04 are estimates.

<table>
<thead>
<tr>
<th>Council Name</th>
<th>2001/02</th>
<th>2002/03</th>
<th>2003/04</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moreland (C)</td>
<td>$7,374,870</td>
<td>$6,820,677</td>
<td>$6,396,015</td>
</tr>
<tr>
<td>Brimbank (C)</td>
<td>$9,655,849</td>
<td>$8,977,393</td>
<td>$9,301,078</td>
</tr>
<tr>
<td>Hume (C)</td>
<td>$6,840,779</td>
<td>$6,459,885</td>
<td>$6,625,551</td>
</tr>
<tr>
<td>Nillumbik (S)</td>
<td>$2,729,882</td>
<td>$3,072,312</td>
<td>$3,105,907</td>
</tr>
</tbody>
</table>