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SITTING DAYS—2004

<table>
<thead>
<tr>
<th>Month</th>
<th>Date</th>
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<tbody>
<tr>
<td>February</td>
<td>10, 11, 12, 16, 17, 18, 19</td>
</tr>
<tr>
<td>March</td>
<td>1, 2, 3, 4, 8, 9, 10, 11, 22, 23, 24, 25, 29, 30, 31</td>
</tr>
<tr>
<td>April</td>
<td>1</td>
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<tr>
<td>May</td>
<td>11, 12, 13, 24, 25, 26, 27, 31</td>
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<tr>
<td>June</td>
<td>1, 2, 3, 15, 16, 17, 21, 22, 23, 24</td>
</tr>
<tr>
<td>August</td>
<td>3, 4, 5, 9, 10, 11, 12, 30, 31</td>
</tr>
<tr>
<td>September</td>
<td>1, 2, 6, 7, 8, 9, 27, 28, 29, 30</td>
</tr>
<tr>
<td>October</td>
<td>5, 6, 7</td>
</tr>
<tr>
<td>November</td>
<td>1, 2, 3, 4, 22, 23, 24, 25, 29, 30</td>
</tr>
<tr>
<td>December</td>
<td>1, 2</td>
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</tbody>
</table>

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<table>
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<th>City</th>
<th>Frequency</th>
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<tr>
<td>CANBERRA</td>
<td>1440 AM</td>
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<tr>
<td>SYDNEY</td>
<td>630 AM</td>
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<tr>
<td>NEWCASTLE</td>
<td>1458 AM</td>
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<tr>
<td>BRISBANE</td>
<td>936 AM</td>
</tr>
<tr>
<td>MELBOURNE</td>
<td>1026 AM</td>
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<tr>
<td>ADELAIDE</td>
<td>972 AM</td>
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<tr>
<td>PERTH</td>
<td>585 AM</td>
</tr>
<tr>
<td>HOBART</td>
<td>729 AM</td>
</tr>
<tr>
<td>DARWIN</td>
<td>102.5 FM</td>
</tr>
</tbody>
</table>
CONTENTS

TUESDAY, 23 MARCH

HOUSE
Ministerial Arrangements .................................................................................................. 26893
Questions Without Notice—
  Iraq ..................................................................................................................................... 26893
Middle East: Israeli-Palestinian Conflict ........................................................................ 26893
National Security: Terrorism .......................................................................................... 26893
  Australian Defence Force: Deployment ....................................................................... 26894
  National Security: Terrorism ........................................................................................ 26895
  Workplace Relations: Policy ....................................................................................... 26897
  National Security: Terrorism ........................................................................................ 26897
  Workplace Relations: Policy ....................................................................................... 26897
Distinguished Visitors ........................................................................................................ 26901
Questions Without Notice—
  National Security: Terrorism ........................................................................................ 26902
  Workplace Relations: Unfair Dismissals ...................................................................... 26902
  Trade: Honey ................................................................................................................ 26903
  Small Business: Taxation.............................................................................................. 26903
  Health and Ageing: Nursing Homes ......................................................................... 26905
  Health: Tough on Drugs Strategy ................................................................................. 26905
  Health and Ageing: Aged Care Facilities ..................................................................... 26906
  Trade: Free Trade Agreement ....................................................................................... 26908
  Health and Ageing: Aged Care Facilities ..................................................................... 26909
  Commonwealth Leasing Arrangements ...................................................................... 26909
  Health and Ageing: Aged Care Facilities ..................................................................... 26910
  Australian Labor Party: Centenary House .................................................................. 26911
Questions to the Speaker—
  Questions on Notice ..................................................................................................... 26913
  Questions on Notice ..................................................................................................... 26913
Leave Of Absence .............................................................................................................. 26913
Personal Explanations ........................................................................................................ 26914
Papers .................................................................................................................................. 26914
Leave of Absence ............................................................................................................... 26915
Matters of Public Importance—
  Howard Government: Accountability ........................................................................... 26915
  Bills Referred to Main Committee ............................................................................... 26928
  Bills Returned from the Senate .................................................................................... 26928
  Migration Legislation Amendment (Migration Agents Integrity Measures) Bill 2003—
    Consideration of Senate Message ............................................................................. 26928
  Committees—
    Selection Committee—Report .................................................................................. 26928
    Treaties Committee—Report ...................................................................................... 26931
    ASIO, ASIS and DSD Committee—Report .................................................................. 26934
  Dairy Produce Amendment Bill 2003—
    Second Reading ......................................................................................................... 26936
    Third Reading ............................................................................................................. 26953
  Personal Explanations ..................................................................................................... 26953
  Higher Education Legislation Amendment Bill 2004—
    Second Reading ......................................................................................................... 26954
    Consideration in Detail ............................................................................................... 26973
CONTENTS—continued

Third Reading................................................................. 26978
Sex Discrimination Amendment (Teaching Profession) Bill 2004—
Second Reading......................................................... 26978
Adjournment—
  Foreign Affairs: Taiwan........................................... 26993
  Housing: Affordability.............................................. 26994
  Education: Outside School Hours Care Services......... 26995
  Nguyen, Mr Tuong Van............................................. 26997
Foreign Affairs: Sri Lanka........................................ 26998
Aviation: Sydney Airport Master Plan........................ 26999
Ministerial Reply.......................................................... 27000
Notices........................................................................... 27002
Tuesday, 23 March 2004

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

MINISTERIAL ARRANGEMENTS

Mr HOWARD (Bennelong—Prime Minister) (2.01 p.m.)—I inform the House that the Treasurer will be absent from question time today. He is attending the state funeral of Vernon Wilcox QC, a former Victorian Attorney-General. I will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Iraq

Mr LATHAM (2.01 p.m.)—My question is to the Prime Minister. I refer him to a statement by Senator Hill this morning in relation to Iraqi WMD: ‘Now we are confident that there are no weapons of mass destruction.’ Does the Prime Minister agree with his Minister for Defence? When did the government reach the conclusion that Iraq has no weapons of mass destruction?

Mr HOWARD—My attention has been drawn to that statement. If you look at the context of that, you will see that the context is quite different from what is alleged by the Leader of the Opposition.

Middle East: Israeli-Palestinian Conflict

Mr KING (2.02 p.m.)—My question is addressed to the Minister for Foreign Affairs. Would the minister inform the House of the government’s response to the death of the Hamas leader in the Gaza Strip yesterday? Does the government have any travel advice for Australians in Israel and in the Palestinian territories?

Mr DOWNER—First, I thank the honourable member for Wentworth for his question. This is an issue of great interest to him and certainly to many of his constituents in the electorate of Wentworth. Israel has now confirmed responsibility for the death of the Hamas founder and so-called spiritual leader of Hamas, Sheik Ahmed Yassin, who was killed in Gaza yesterday. As I have consistently said, this government strongly supports Israel’s right to defend itself from terrorism, and Hamas is a terrorist organisation. The government listed it as a proscribed organisation for the purposes of asset freezing in December 2001. On 9 December 2003 Hamas’s military wing was proscribed under separate criminal legislation, which makes membership of the Hamas military wing here in Australia illegal. Hamas has used suicide bombers to target and murder many innocent Israelis. Sheik Ahmed Yassin supported these actions—he said so on many occasions.

Having said all that, let me make it clear that I do regret the use of targeted assassinations. This government does not support targeted assassinations. I am concerned that the killing of such a high-profile Palestinian leader will simply lead to further violence and the loss of innocent life—not that we, of course, would in any way condone that. The perspective of the Australian government is to urge calm and to call on both sides to exercise maximum restraint at this difficult time. Violence, after all, will not settle the Middle East dispute. The long-term interests of both sides rest in the resumption of negotiations under the internationally endorsed road map and building on what was agreed initially in the road map.

As far as the honourable member’s question on travel advisory is concerned, the Department of Foreign Affairs and Trade continues to urge all Australians in Israel to exercise extreme caution, and if concerned about their safety they should consider departure. Australians should consider carefully their need to travel to Israel at this time. DFAT further advises that Australians should not travel to the West Bank or to the Gaza Strip. Australians in the West Bank and in the Gaza Strip should leave where it is possible
and safe to do so. I note that this may be difficult as the Israeli government has, for the moment, sealed off the West Bank and the Gaza Strip.

National Security: Terrorism

Mr LATHAM (2.05 p.m.)—My question is to the Prime Minister. During the course of last week, was the Prime Minister or his office aware that the Australian Federal Police Commissioner was considering his resignation?

Mr HOWARD—At no time did the commissioner tender his resignation.

Opposition members interjecting—

The SPEAKER—Order! The Prime Minister has the call and he will be heard in silence.

Mr HOWARD—Let me make it very clear that not only is that the case but it certainly would not have been an eventuality that I would have supported or wanted. Now that the Leader of the Opposition has returned to the subject of the Australian Federal Police Commissioner, I have the opportunity of pointing out to the parliament that over the last 24 hours the mantra of the Leader of the Opposition has been that he is the great defender of the office of the Australian Federal Police Commissioner and he is the great defender of that man against unfair attacks.

I wonder what the member for Werriwa had to say a bare 18 or 19 months ago, when a combination of Senator Faulkner and Senator Ray launched a most violent attack on the character and the reputation of the Australian Federal Police Commissioner. To give a few examples, Senator Faulkner issued a press statement at that time which said:

Further questions have been raised about the quality of evidence provided to parliament by the head of the Australian Federal Police, Commissioner Mick Keelty.

Speaking in the Senate on 26 September 2002, Senator Ray had this to say:

If ever I have seen an evasive witness, it was him at the estimates hearings and at the certain maritime incident inquiry. Why doesn’t he front up …

This is Senator Ray talking about the man that you have claimed—

Ms Gillard interjecting—

The SPEAKER—The member for Lalor!

Mr HOWARD—for the last 24 hours that you have been the great defender of.

Ms Gillard interjecting—

The SPEAKER—The member for Lalor is defying the chair.

Mr HOWARD—What this demonstrates is that you do not care about the office—

Ms Vanvakinou interjecting—

The SPEAKER—I warn the member for Calwell!

Mr HOWARD—The Leader of the Opposition does not care about the reputation and the office of the Australian Federal Police Commissioner; he is perfectly happy to stand by and allow his senior colleagues to traduce his reputation under parliamentary privilege. This is what Senator Ray had to say:

Today I read the tirade—he called it ‘the tirade’—from the commissioner of police, who cannot understand the subtlety of what Senator Faulkner said …

I have to say that subtlety in Senator Faulkner escapes a great number of us on this side of the House and throughout the Australian community. Senator Ray said:

... he just completely misinterpreted it for his own purposes. If ever I have seen an evasive witness, it was him at the estimates hearings and at the certain maritime incident inquiry. Why doesn’t he front up and give straightforward evidence? Why
have all these officials got such selective memo-
ries or a lack of intellectual rigour that would
force them to probe certain issues that they should
be pursuing if they hold responsible jobs? I can-
not understand that.
The point I simply make is that, for the pur-
poses of this political debate, the Leader of
the Opposition parades himself as a defender
of the commissioner of the Federal Police yet
18 months ago, when it suited the political
purposes of the Australian Labor Party, he
was prepared to remain silent while two of
his most senior colleagues abused parliamen-
tary privilege and tried to denigrate the repu-
tation of Mick Keelty. There was nothing
said by the Australian Labor Party then.
What did he have to say by way of rebuke—

Opposition members interjecting—

The SPEAKER—The Prime Minister
will resume his seat. The member for Deni-
son has already been required to excuse him-
self from the House; next time I will not be
as generous. The Prime Minister has the call.
He will be heard in silence.

Mr HOWARD—On 25 September 2002,
during the adjournment debate, this is what
Senator Faulkner had to say. To my knowl-
edge it remained unrebuked by any senior
member of the Australian Labor Party, by the
then Leader of the Opposition, by the mem-
ber for Werriwa or indeed by anybody else.
This is what he had to say, and I invite the
House to listen to this very carefully. He
said, in part:

I intend to keep asking questions until I find
out. And, Mr Acting Deputy President, I intend to
keep pressing for an independent judicial inquiry
into these very serious matters. At no stage do I
want to break, nor will I break, the protocols in
relation to operational matters involving ASIS or
the AFP.

And here is the punchline:

But those protocols—

Mr Tanner interjecting—

The SPEAKER—Order! The member for
Melbourne is warned!

Mr HOUGHTON—Senator Faulkner went
on to say this:

But those protocols were not meant as a direct or
an indirect licence to kill.

That was the language that was used by
Senator Faulkner: ‘a direct or an indirect licence to kill’. I do not recall the member
for the Werriwa or the then Leader of the
Opposition rushing to the defence of the
Australian Federal Police Commissioner,
demanding that those unfair allegations
against the character of the Australian Fed-
eral Police Commissioner should be with-
drawn. As a consequence of those attacks,
the Australian Federal Police Commissioner
issued a statement which in part said:

Therefore, Senator Faulkner could have clarified
his position before embarking any further on his
allegations. Instead, he has chosen to sully the
reputation of the AFP, and myself as the Commissi-
oner, instead of availing himself of the facts.

That came from a senior figure in the Aus-
tralian Labor Party. Those remarks were left
unrebuked by anybody in the Labor Party,
and they destroyed any capacity of the
Leader of the Opposition to parade himself
as a friend and defender of the Australian
Federal Police.

Australian Defence Force: Deployment

Ms LEY (2.12 p.m.)—My question is ad-
dressed to the Minister for Foreign Affairs—

Opposition members interjecting—

The SPEAKER—The member for
Hotham! The member for Lalor and Manager
of Opposition Business! I had recognised the
member for Farrer. I could not hear her
above the interjections.

Ms LEY—My question is addressed to
the Minister for Foreign Affairs. Would the
minister inform the House of the strategic
importance of Australian troops deployed to
Iraq? What is the likely duration of this deployment? Are there any alternative policies?

Mr DOWNER—First of all, I thank the honourable member for Farrer for her question. Australian troops are playing a vital role in supporting coalition efforts to stabilise and rehabilitate Iraq and are achieving considerable success. Amongst the Australian detachment in Iraq there is, importantly, a security detachment of 85 soldiers who provide security to Australian diplomats and officials assisting with the rehabilitation of Iraq. There is in addition to that a team of 53 who are providing training to a new Iraqi army in order to build up the army and make it effective and viable. Another team is going in next month to train Iraq’s fledgling coastal defence force.

In addition, but based outside of Iraq, are some logistics support personnel who fly C130 transport aircraft. We have some air traffic controllers at Baghdad International Airport, providing air traffic control there. There are about 50 personnel assisting with coalition headquarters operations, again inside and outside of Iraq. In the Persian Gulf at the moment is HMAS Melbourne, which supports coalition maritime operations in the gulf. This is not a big deployment. Particularly for those actually in Iraq the numbers are fairly small but they do essential work, and I particularly again refer to the 85 soldiers who provide protection to the Australian officials and diplomats who are based there. We will not impose any artificial deadlines on these deployments. Our commitment is to the security and safety of Australians in Iraq and to the Iraqi people, to help them after all those years of dictatorship, as they are at last finding freedom for their own people.

The honourable member asked whether there are any alternative views. Important amongst all the views that are expressed on this issue are the views of the Iraqi people. I notice in the Oxford Research International poll which was commissioned by the BBC, and which I was quoting yesterday, only 15 per cent of Iraqis want the coalition forces to leave. That is not surprising. They do not want coalition forces to stay indefinitely, obviously, but they want coalition forces to stay for some time in order to underwrite their security as their police get under way and their own new Iraqi army is formed.

I note since the Madrid bombing, because this has become rather a poignant issue since the Madrid bombing, that a number of the 35 countries which have troops deployed in Iraq have said that they will be keeping their troops in Iraq and they will not be doing what the incoming Spanish government says it will do, and that is withdraw. Amongst those who have said they are keeping troops there are Poland, Japan, Italy, South Korea and the Philippines. I know the Secretary General of NATO, Jaap de Hoop Scheffer, has made similar sorts of remarks.

Last week I spoke with the Spanish charge d’affaires and I made it clear to him that we are concerned that the newly elected Spanish government may withdraw Spain’s troops by midyear. We think this sends the wrong message. It sends a message to the terrorists that they can commit an atrocity in Madrid and persuade Spain to withdraw its troops from doing essential and good work in Iraq. Anyway, we will just have to wait and see what the new Spanish government finally decides to do. But I do note that the incoming Spanish Prime Minister, the Prime Minister elect, has reiterated on a number of occasions his view that he wants the troops out by the middle of the year.

I do not want to make much of a point of this, but I notice that the Leader of the Opposition on 2UE this morning said that Labor’s intention is to ensure that, once responsibility...
is discharged—and that is at the time of a handover to a new sovereign government in Iraq—then Australian troops would come back. It is on 30 June that this is going to happen—and, whatever optimism or pessimism there may be in the Australian Labor Party, there will not be an election before 30 June, I suspect, Prime Minister, although I guess we do not really know. But I think we can safely assume that, and therefore—

*Opposition members interjecting—*

**The SPEAKER**—Order! The minister has the call.

**Mr DOWNER**—I can see the Labor Party are really concentrating on the important issues! I am sure your interjections will impress the public that the new standards you are setting in parliament are so high! The serious point here is that the Leader of the Opposition is suggesting that Labor’s policy is for all the troops to be withdrawn before 30 June. I would only say this: I would like the Leader of the Opposition to reconsider that position and I would hope that he would find it possible to embrace a bipartisan position on Australian troops in Iraq and to support the government’s view that we do not want artificial deadlines associated with these deployments, particularly bearing in mind that quite a number of these troops are protecting our officials there, and obviously we have no intention of withdrawing our officials.

**National Security: Terrorism**

**Mr LATHAM** (2.19 p.m.)—My question is to the Prime Minister. I refer to his earlier answer, when he said that Mr Keelty had not actually resigned. I ask: during the course of last week was the Prime Minister or his office aware that Commissioner Keelty was considering his resignation? What communication did the Prime Minister or his office receive on this matter?

**Mr HOWARD**—I have already indicated two things and I will not be adding to them. The first is that he did not offer his resignation, and the second is that, in accordance with longstanding practice of governments of different persuasions and at various levels in Australia, discussions in communications between senior ministers and senior officials are in fact confidential and I have no intention of breaking that confidentiality. The latest bit of field evidence that that is a bipartisan view is contained in a report in the *West Australian* of 12 March 2004 referring to a well-known argument between the Western Australian Police Commissioner and the police minister, Michelle Roberts. When there was a furious conversation between the Premier of Western Australia and the commissioner: Dr Gallop yesterday refused to deny the telephone row took place.

A spokesman for the Premier said he regarded any conversation with the Police Commissioner as confidential.

**Workplace Relations: Policy**

**Dr WASHER** (2.20 p.m.)—My question is addressed to be Minister for Employment and Workplace Relations. Would the minister inform the House how the government’s workplace relations policies have boosted employment and economic growth? Are there any alternative policies?

**Mr ANDREWS**—I thank the member for Moore for his question and say in reply to him that the government’s workplace relations policies have been one of the major reasons why, under this government, some 1.2 million extra jobs have been created and why wages for full-time employees have risen by more than $90. In fact it is the coalition’s policies that have given Australian families the security to plan for their future.

He asked me about alternatives, and I noticed in the *Australian Financial Review* this
morning a headline which said ‘Business Council slates Labor’s IR plan’. The Business Council, of course, is an organisation that represents 100 of the largest companies in Australia—companies which employ almost one million Australian people. The chair of the Business Council, Mr Hugh Morgan, is reported as saying—

**Opposition members interjecting—**

**Mr ANDREWS**—Opposition members scoff at companies which provide employment for almost one million Australians. Mr Morgan said:

I think AWAs have made a significant contribution to the industrial scene. It is a widespread freedom in making arrangements between employers and employees, much more than we have seen in the past, and that has resulted in a huge increase in job satisfaction and productivity growth in Australia.

Mr Morgan also said that there is ‘almost zero’ support amongst businesses for removing the secondary boycott provisions from the Trade Practices Act—something proposed by the Australian Labor Party. The Business Council is not alone in its rejection of Labor’s policies. Not only big business but medium and small business as well have rejected and are rejecting Labor’s workplace relations policy. Steve Knott from the Australian Mines and Metals Association—the association which represents the major mining companies in Australia, those companies which add substantially to the wealth of this country and employ thousands of Australians—said, ‘The delegates at the forum have let the Labor Party know that they are seriously “not happy Jan”’. They are seriously not happy with the Labor Party’s proposals. Indeed, Mr Knott said a couple of weeks ago that the Labor Party’s workplace relations policy would be ‘a disastrous U-turn for Australia’. The Western Australian Chamber of Commerce and Industry said that businesses are seriously concerned about Labor’s plan.

They said: ‘Labor’s plan will rob Western Australian businesses of a competitive edge. It comes down to issues like jobs growth and sustainability of business and productivity.’ So that is yet another business group in Australia rejecting Labor’s plan. The CEO of Australian Business Ltd said about Labor’s plan to deregulate the workplace:

Implementation of such changes would represent a major backwards step for business and Australia.

Yet this is what the Labor Party is proposing. And even small business is rejecting the Labor Party. The Combined Small Business Associations of Western Australia felt so outraged by the Labor Party’s workplace relations plans that they wrote to the Leader of the Opposition, saying:

Small business should be afraid—very afraid. Indeed they should. The Australian Chamber of Commerce and Industry’s analysis of Labor’s industrial relations platform is important reading for all Australians, saying that it is more regulatory than when Labor was last in government. They also say:

... further regulation and heightened trade union activity would have significant implications for jobs and employment.

Employment, of course, is something which was deleted from the Leader of the Opposition’s major speech to the Australian Labor Party’s conference a few weeks ago. The Leader of the Opposition simply does not understand how damaging these workplace relations plans are for Australia, for Australians and for jobs in this country. They are a threat to the Australian economy and they are a threat to the prosperity of this country. A more experienced Labor leader would understand the impact of these disastrous policies. A more experienced Leader of the Opposition would understand the impact of these policies. If ever they were implemented, they would be a train wreck for the Australian
economy. No wonder business—small business, medium business and large business—is saying that these policies are bad for business. They are bad for jobs, they are bad for workers and they are bad for Australia.

**National Security: Terrorism**

*Mr Rudd* (2.26 p.m.)—My question is to the Minister for Foreign Affairs. I refer to his statement on 16 March in which he said that the Australian Federal Police Commissioner was ‘expressing a view which reflects a lot of the propaganda we’re getting from al-Qaeda’. Can the minister say whether he has privately apologised to the AFP commissioner for this remark and will the minister now publicly apologise?

*Mr Downer*—First of all, in answer to the honourable member’s question, I am waiting for Senator Faulkner’s apology to the commissioner. We look forward to hearing that. I hope the Leader of the Opposition will remain calm throughout question time today—Hawker Britton have no doubt been on the phone. I hope that the member for Griffith will take that question up with Senator Faulkner in relation to his remarks about the Police Commissioner.

Secondly, I have certainly had discussions with the Federal Police Commissioner, and he clearly understands the broad point I was making about al-Qaeda. I make a further comment: if you read the whole of the interview, you will see it is perfectly clear the point I am making. The point I am making is that al-Qaeda, as an organisation, is out there running a line about Iraq, as it did once about East Timor and still does from time to time—and it runs lines about other issues such as the Palestinian-Israeli dispute—but, at heart, what al-Qaeda is basically about is the destruction of moderate Islamic governments and the replacement of those governments with Taliban style extremist regimes. That is what they are ultimately about. That is the point I was making, and the commissioner perfectly well understood that. If you read the full transcript, that is perfectly clear.

I think it is preposterous for the opposition on the one hand to ignore completely what Senator Faulkner has said about the Police Commissioner for their own convenience and on the other hand to try to interpret what I have said as though I am suggesting that Mr Keelty is part of al-Qaeda or is supporting al-Qaeda. Mr Keelty knows only too well, as do I—as does anyone with any commonsense—that that is a simply preposterous and outrageous interpretation of what I said. I can only reinforce the view that Mr Keelty and I have done a tremendous amount of good work together over the last few years. Oh, no, you have never asked any questions about the Solomon Islands and the work we have been doing together there! Oh, no, you never bother to ask a question about the work we have been doing in Indonesia to counter terrorism, because it does not suit your narrow party political game playing!

*The Speaker*—Order! The minister will address his remarks through the chair.

*Mr Wilkie interjecting—*

*Mr Downer*—Oh, no, it does not suit their narrow party political game playing.

*The Speaker*—The member for Swan is warned!

*Mr Downer*—And that is what all this is about. On the one hand, the opposition says that the government has somehow politically interfered with the Commissioner of Police and, on the other hand, it is determined to play politics with this issue for as long as it can. The member for Griffith’s question simply reinforces that point.

**Workplace Relations: Policy**

*Ms Panopoulos* (2.30 p.m.)—My question is addressed to the Deputy Prime Minister and Minister for Transport and Re-
ional Services. Would the Deputy Prime Minister inform the House how the government’s workplace relations policies are benefiting regional areas and are there——-

Mr Murphy interjecting——-

The SPEAKER—The member for Indi will resume her seat. Had I recognised the member for Lowe? He will exercise the sort of courtesy that he knows is expected of him. The member for Indi has the call.

Ms PANOPULOS—My question is addressed to the Deputy Prime Minister and Minister for Transport and Regional Services. Would the Deputy Prime Minister inform the House how the government’s workplace relations policies are benefiting regional areas? Are there any alternative policies?

Mr ANDERSON—I thank the honourable member for Indi for her question. Plainly, as indeed the Minister for Employment and Workplace Relations only a few moments ago talking on this subject was able to indicate, our workplace relations reforms have enormously benefited Australia. There can be no dispute about that. You have seen the creation within this framework by Australian business of more than 1.3 million new jobs since 1996 and real wages have increased massively——something in the order of 16 per cent. Industrial disputes are at their lowest level since records were kept.

These reforms have particularly benefited regional Australia. I note that unemployment in the electorate of Indi is as low as 4.1 per cent——clear evidence of the value of workplace reform. We face in regional Australia a much higher proportion of the work force being self-employed or contractors and many more people working on a casual basis, particularly in the farm sector and in tourism. The reality is that regional employers and workers have enthusiastically embraced the flexibility we have added to the system as it has created more jobs. Just under half the new jobs created in Australia are outside the major cities, despite the population disparity between urban and regional Australia.

I am asked about alternative policies. The fact is that the policies put forward by the opposition would be, quite simply, a disaster for regional businesses and the people who work for them. They would be seriously detrimental. They are in fact summed up, and I think this is very interesting, by the member for Rankin—I ask that all members of the House listen to this——in his announcement, ‘The Labor Party and unions are in partnership once again.’ They are in partnership once more——that is what their spokesman for industrial relations says——and indeed they are.

Mr Zahra interjecting——-

Mr ANDERSON——They are in partnership to increase the membership and influence of the trade union movement——and this is very important——to funnel government contracts to union friendly employers. The Labor Party is busily designing elaborate mechanisms to force departments and agencies, should they ever win power, to comply. Of particular interest is this quote from the opposition’s platform: ‘They will ensure that there is a willingness by government departments to exercise this power.’ What on earth could that mean: ‘A willingness by government departments to exercise this power’? The spokesman is back again. What that of course means is that you would have to re-educate public servants against this quaint idea that they procure things on the basis of value for taxpayers. That is what it means. You would no longer look to the interests of the taxpayers for best value; you would look to see whether the provider was ‘union friendly’. That is what this is about. So much for the Leader of the Opposition’s promises about an independent Public Ser-
vice. That is the first thing that you know you can scrub out.

The second point is that we need to ask why Labor have formed such an extraordinary partnership with the unions. This goes further than anything else they have done in the past.

*Mr Albanese interjecting—*

*Mr ANDERSON—*The reason is that union membership is down to just 17 per cent.

*The SPEAKER—*Order! The member for Grayndler.

*Mr ANDERSON—*They are irrelevant to many Australian workers, and you want to find a way to make them relevant again.

*Mr Zahra interjecting—*

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

*Mr ANDERSON—*This partnership takes the principle of the Centenary House lease and extends its benefits to the unions but on a much bigger scale. That is what it does.

*Mr Martin Ferguson interjecting—*

*The SPEAKER—*Order!

*Mr Martin Ferguson interjecting—*

*The SPEAKER—*Order! The member for Batman is defying the chair.

*Mr ANDERSON—*He does not like it.

*Mr Martin Ferguson interjecting—*

*The SPEAKER—*I warn the member for Batman, if no other language will be understood!

*Mr ANDERSON—*Let us just consider this for a moment: the Centenary House lease misdirects a mere $36 million of government money to prop up Labor’s finances—

*Mr Albanese interjecting—*

*Mr ANDERSON—*but this new partnership would misdirect billions of dollars of government purchasing to prop up union membership. That is what it will do, and the spokesman knows it. That is what it is designed to do.

*Mr Albanese interjecting—*

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

*Mr ANDERSON—*They really do not like it. Just imagine the scene in a regional small business that has some government contracts. A union organiser turns up one morning and demands entry to the business, even though none of the employees in that business belongs to a union or wants to. She announces that this is clearly not a union-friendly workplace and threatens to report the firm to the government. That is what will happen. The employees and the boss sit down over a cup of coffee, which is the way they have always handled their industrial disputes in the past, and they realise that they are being blackmailed. That is what it is—it is blackmail. And the company will fold if they lose government contracts. What happens? The unions find that they have two or three more unwilling members in an attempt to save the business and, over time, bound up in red tape and inefficiencies, the small business falls over. This is a partnership, all right: this is a conspiracy between the Labor Party and the unions against the interests of Australians who work in small businesses.

**DISTINGUISHED VISITORS**

*The SPEAKER (2.37 p.m.)—*I inform the House that we have present in the gallery this afternoon a parliamentary delegation from the Kingdom of Tonga led by the Attorney-General and Minister of Justice. The delegation includes the Speaker of the Legislative Assembly of Tonga and His Royal Highness the Chairman of the Committee of the Whole House of Tonga. On behalf of the House I extend to all of our guests a very warm welcome.

*Honourable members—*Hear, hear!
QUESTIONS WITHOUT NOTICE

National Security: Terrorism

Mr McCLELLAND (2.38 p.m.)—I ask
the Attorney-General whether he can confirm
that he stated yesterday:
There are suggestions that various terrorist or-
ganisations have sent their personnel to Iraq ...
And:
I suspect the fact that they are in Iraq probably
diminishes the harm that they can occasion else-
where.
Will the Attorney please inform the Austra-
lian people which agency has advised him
that the influx of terrorists into Iraq follow-
ing the war has actually reduced the threat of
terrorism faced by Australians?

Mr RUDDOCK—I thank the honourable
member for his question. It obviously draws
attention to some comments I made yester-
day and I do not resile from those comments.
The comments were informed by public re-
porting that I have seen on those matters
—
Ms Gillard interjecting—

Mr RUDDOCK—Yes, public reporting
that I have seen on those matters and the
conclusions I have drawn from those public
reports.

Workplace Relations: Unfair Dismissals

Mr PEARCE (2.39 p.m.)—My question
is addressed to the Minister for Employment
and Workplace Relations. Would the minister
advise the House why Australia’s unfair dis-
missal laws will need to be changed? Are there
any alternative policies?

Mr ANDREWS—I thank the member for
Aston for his question and his ongoing inter-
est and support for small business in his elec-
torate. Last night the Australian Labor Party
continued their crazy policy of opposing
amendments and improvements to the unfair
dismissal system. Last night the Labor Party
proved in action just how damaging they are
to the Australian economy, because in effect
what the Labor Party did last night was to
vote against jobs. Yesterday in the Senate the
ALP voted against the government’s at-
ttempts to improve the unfair dismissal sys-
tem. These improvements would have meant
we had one unfair dismissal system for some
seven million Australian workers, rather than
the complex, complicated and confusing six
systems that are in place. It is just stupid pol-
icy on the part of the Labor Party to oppose
these sorts of measures.

There have now been 40 separate occa-
sions when the Australian Labor Party has
voted against attempts to improve the unfair
d dismissal system in Australia. On 40 occa-
sions, the Australian Labor Party has shown
that it has more interest in backing the union
bosses who fund it than supporting the hard-
working 1.1 million Australian small busi-
nesses and the millions of Australians which
they employ. There is a certain symmetry
here, because on 40 occasions the Australian
Labor Party has voted against improvements
to the unfair dismissal system and it just so
happens that $40 million has been donated
by those unions to the Australian Labor
Party. On 40 occasions the Australian Labor
Party has voted against improvements to the
unfair dismissal system in Australia, which
would have created jobs in this country, and
it just so happens that those unions that op-
pose it have given $40 million in the last
seven years to the Australian Labor Party.
And that is on top of the $36 million rip-off
from the Centenary House deal. So we know
where Labor’s interests lie. They do not lie
with the unemployed people in Australia.
They do not lie with people seeking to get a
job. They do not lie with the small busi-
nesses of Australia that could employ more
Australians.

In fact, independent research by the Mel-
brourne Institute has estimated that the cost of
compliance with unfair dismissal laws adds a
further bill of $1.3 billion to the cost of run-
ning small and medium sized businesses in Australia. So these unfair dismissal laws add $1.3 billion in additional costs to running small and medium sized businesses in Australia. In addition to that, the research has shown that the unfair dismissal laws have cost some 77,000 jobs in Australia. In other words, another 77,000 Australians could be in employment if it were not for the obstruction and the mindless opposition of the Australian Labor Party.

The Leader of the Opposition likes to talk about new policies, yet here we have him once again following the instructions of the old dinosaurs of the union movement. Last night was yet again another demonstration that the Leader of the Opposition is simply opposing for opposition’s sake. If we had a more experienced and courageous Leader of the Opposition, he would have defied the big union bosses in this regard and stood up for Australian businesses and the people they employ.

Trade: Honey

Mr ANDREN (2.43 p.m.)—My question is to the Minister for Agriculture, Fisheries and Forestry. Minister, in light of the Canadian Food Inspection Agency warning of 13 March 2004 that No Name brand honey marked ‘Product of Australia’ may contain nitrofurans and the Canadian importer’s decision to recall the product, how could exported Australian honey possibly test positive for this antibiotic when the Australia New Zealand Food Standards Code supposedly does not allow for any level of nitrofuran to be present in honey produced in or imported to Australia?

Mr TRUSS—The honourable member has asked a number of questions over the last few weeks about the presence of nitrofuran in honey imported into Australia, and I have provided a number of answers to him in that regard. He also has a question on notice in relation to these matters. The reality is that these products are not permitted for use in Australia. There are a number of allegations that some imports into this country may include antibiotics like nitrofuran. As a result of that, Food Standards Australia New Zealand have requested that testing be undertaken. Through Biosecurity Australia, we are endeavouring to establish a testing regime in this country. There are currently no tests available in Australia for this residue, and work is being undertaken with laboratories to develop such a test. Once a laboratory is accredited, that testing program will commence.

The SPEAKER—I should indicate to the House that the minister is right to point out that the member for Calare had a question on notice but that the member for Calare had been courteous enough to alert the Clerk to the fact that he wished to ask this question. The Clerk assured me—I had not seen the question—that the question on notice was different from the question asked in questions without notice.

Small Business: Taxation

Mr DUTTON (2.45 p.m.)—My question is addressed to the Minister for Small Business and Tourism. Would the minister confirm to the House that the government will not be introducing any new taxes on small businesses? Is the minister aware of any alternative policies?

Mr HOCKEY—I would like to thank the member for Dickson for his question and his knowledge. He is a great representative for Dickson, and he is a very fine man as well. I can confirm that the Liberal-National coalition will not be introducing new taxes or increasing taxes on Australia’s 1.1 million small businesses. That is because we believe in lower taxes. That is why we abolished wholesale sales tax. That is why we abolished provisional tax. That is why we effec-
tively halved capital gains tax. That is why we reduced income tax. That is why we put in place the small business rollover relief on capital gains tax. That is why we have abolished the indexation of fuel excise. That is why we have such a low collection of tax by the federal government compared to GDP—because the coalition believes in less tax. The Labor Party believes in more tax. I have been asked for alternative views on this. The most obvious alternative view has come from the member for Rankin. I am disappointed that he is not in the place. The member for Rankin has constantly backed up my observations that the Labor Party intends to introduce a national payroll tax to pay for its employee entitlement prospects. The Prime Minister has been exhorting us all to look not at what Labor says but at what it does. Yesterday in the House the member for Rankin said that it is a myth: ... that Labor will introduce a national portable long service leave scheme.

The reality is that neither the ACT government nor federal Labor supports a national portable long service leave scheme. Yesterday in this place the member for Rankin said there is no policy proposal for a national portable long service leave scheme. That seems at odds. Firstly, it was at odds because we know the position of the ACT government. I quote from the *Canberra Times*, which says that Chief Minister John Stanhope and ACT industrial relations minister Katy Gallagher are:

... working with employers and employees to draw up a separate government plan to provide for the portability of long service leave.

Yesterday in this place the member for Rankin said that the ACT government has no plans for the portability of long service leave—and the Chief Minister of the ACT has said he is drawing up his own bill. I remind the member for Rankin—

**Mr McMullan**—He did not say that at all!

**Mr HOCKEY**—and I am happy to remind the member for Fraser as well—that yesterday in the House he said:

The reality is that neither the ACT government nor federal Labor supports a national portable long service leave scheme.

I went to the Labor Party web site. Item 76 of the national policy platform of the Labor Party, passed in January, says:

Labor will facilitate schemes that provide portability of leave entitlements between employers where those entitlements would otherwise be lost to the employee.

So the Labor Party’s own national policy platform, passed this year, says that the Labor Party is going to introduce portability of long service leave.

**Dr Emerson**—You’re making it up!

**Mr HOCKEY**—I am happy to table it. Yesterday in this place, the member for Rankin said:

The reality is that neither the ACT government nor federal Labor supports a national portable long service leave scheme.

It gets better. The member for Rankin might plead memory loss on this—he might have short-term memory problems—but it gets better. An amendment was moved to the Labor Party national platform. That amendment says:

Labor acknowledges that less people are becoming eligible for long service leave and will examine ways in which long service leave can be returned to being a mainstream entitlement which better reflects the contemporary labour market.

I thought about that—an amendment, specifically insisting that the Labor Party have a policy to introduce portability of long service leave—and I asked myself: who would move that amendment? Mover: Craig Emerson.
Seconder: Jeffrey Lawrence. Amendment 145A, chapter 3. The member for Rankin came into this place yesterday and said that the Labor Party have no plans to introduce portability of long service leave, yet the ACT Chief Minister is drawing up legislation, the national platform of the Labor Party says it is Labor Party policy and the member for Rankin moves the amendment himself on the floor of the Labor Party national convention. It just goes to prove: do not listen to what the Labor Party say; look at what they do.

Health and Ageing: Nursing Homes

Mr STEPHEN SMITH (2.51 p.m.)—My question is to the Minister for Ageing. I refer the minister to the suggestion that nursing home places be auctioned to the highest bidder. Will the minister rule out the auctioning of aged care places as part of the government’s response to the Hogan review?

Ms JULIE BISHOP—I thank the member for Perth for his question. As members would know, this government commissioned Professor Hogan to undertake a comprehensive review of residential care. After an 18-month, very thorough investigation and analysis of the aged care sector, Professor Hogan has provided a summary of recommendations which are currently being considered by the government, and the government will respond in due course.

Health: Tough on Drugs Strategy

Mr FARMER (2.52 p.m.)—My question is addressed to the Minister for Health and Ageing. Would the minister please inform the House of the results to date of the government’s Tough on Drugs policy? Is the minister aware of any alternative policies?

Mr ABBOTT—I thank the member for Macarthur for his question. I want to say that everyone knows where the member for Macarthur stands on drugs. Everyone knows where the Howard government stands on drugs. The Howard government’s policy is clear: it is to be tough on drugs. Since 1997 the Howard government has spent more than $1 billion to cut the use of illicit drugs, to cut the demand for illicit drugs and to help the victims of this evil trade which destroys young lives, which breaks up families and which can poison entire communities.

I am pleased to say to the member for Macarthur that there are some encouraging signs that the Howard government’s policies are working. The most recent national survey on drugs showed a 23 per cent reduction in people using illicit drugs since 1998. The proportion using heroin dropped from 0.8 per cent to 0.2 per cent. Most of all, there has been a big drop in the number of drug-related deaths, from over 1,100 in 1999 to under 400 in 2002. Not only that, but families are now talking about the dangers of illicit drugs. As part of the 2001 Illicit Drugs Campaign, some 78 per cent of parents spoke to their children on this topic. In 2002 there were some 30,000 treatment courses, compared to just 19,000 treatment courses in the previous year.

I have been asked about alternative policies. Back in the days when he was a front-bencher, the Leader of the Opposition was asked about heroin trials. He said:

Perhaps the rest of the nation can learn something from a limited trial in the ACT.

He went on to say:

I would think it’s just common sense to have heroin addicts in a controlled environment where there’s proper supervision ...

He was asked again about drug trials and injecting rooms when he became Leader of the Opposition. He said last month:

Labor has said consistently we’ll support trials ...

He has never seen a drug experiment that he has not supported. He wants to read books to kids when they are five and he wants to give them access to drug injecting rooms when they are 15.
Mr ABBOTT—He is not the only one on the other side of this parliament who is soft on drug abuse.

The SPEAKER—Order! The minister will resume his seat. I have required the minister to resume his seat because I do not believe the accusation he made should be allowed to stand.

Mr Howard—But has he?

The SPEAKER—If those on my left wish, I will deal with them, or they will exercise the courtesy that might reasonably be expected at any time but even more acutely at a time like this. I remind the Prime Minister that the question of whether or not a statement is offensive is a question over which the chair has adjudication. I ask the Minister for Health and Ageing to rephrase that statement.

Mr ABBOTT—Mr Speaker, I am happy to withdraw the statement that you found offensive. I simply make the point that the Leader of the Opposition is on the record supporting heroin trials and supporting injecting rooms. Labor have said consistently: ‘We’ll support trials.’ They are the words of the Leader of the Opposition himself. No wonder he did not find them offensive; obviously he is proud of them. But he is not the only one on the other side of this parliament who is consistently soft on drug abuse. The member for Wills supported the ACT heroin trial. The member for Watson supports injecting rooms. The member for heroin—

Mr ABBOTT—The member for Sydney. Sorry, that was a Freudian slip! She recognises herself. The member for Sydney supports heroin injecting rooms. Then of course there is the member for Grayndler—where is he at the moment?—who said:

... drug dependence is a medical not a criminal problem ...

He not only supports the injecting room, which has been such a magnet for drug pushers; he does not even think that drugs should be illegal. Then there is the ALP’s 2001 policy statement, under the member for Brand, which said:

Labor will combat drug abuse ...

That strong statement is completely absent from the current policy endorsed by the Leader of the Opposition. I call on the Leader of the Opposition to say precisely where he stands on illicit drugs? Will he oppose drug trials? Will he oppose the injecting rooms? And will he do his bit to end that climate of despair and defeatism which says that our role is to help people manage their addictions, not to do the right thing and help people to get off illegal drugs.

Mr Barresi interjecting—

Mr Leo McLeay interjecting—

The SPEAKER—The last time I recall having the attention of the House was to recognise the member for Perth, not the members for Deakin or Watson.

Health and Ageing: Aged Care Facilities

Mr STEPHEN SMITH (3.00 p.m.)—My question is to the Minister for Ageing. Is the minister aware of reports that victims of the government’s Riverside nursing home kerosene bath scandal were still receiving below-
standard care as late as December last year? Is it not the case that the now named Sandhurst aged care facility in Carrum Downs, which received residents from Riverside, failed quality care standards in November 2002 and December 2003?

Mr Kelvin Thomson—You can dish it out, but you can’t take it.

The SPEAKER—The member for Wills might discover that I can dish it out as well.

Mr Abbott—Mr Speaker, on a point of order: there is no scandal of that type that belongs to this government. That question is offensive and should be rephrased.

Honourable members interjecting—

The SPEAKER—It seems extraordinary that I should be here waiting for members, including a member who has been uncharacteristically warned, to exercise the courtesy required under the standing orders. Let me point out to the Leader of the House that a matter that is withdrawn is a matter which is offensive to a member, not to a group. I noted the question that was being asked and I did not think that the comment about the Riverside nursing home was attributed to any individual.

Mr Pyne—Mr Speaker, on the point of order: I do not think that the Leader of the House was referring to the necessity that the statement by the member for Perth be withdrawn. I think he was referring to standing order 144(b), which says that a question should not contain argument, and also, with due respect, to standing order 147, which says that if the Speaker finds words to be ‘not in conformity with the standing orders’ he can direct that they be changed, and was asking that the question be rephrased so that it was within standing orders.

The SPEAKER—I have dealt with the point of order. The member for Perth has the call.

Mr STEPHEN SMITH—Is it not the case that the now named Sandhurst aged care facility in Carrum Downs, which received residents from Riverside, failed quality care standards in November 2002 and December 2003? Minister, why wasn’t the government able to guarantee quality care for the elderly and frail victims of the Howard government’s kerosene baths?

The SPEAKER—The member for Perth must know that the chair has been exceedingly tolerant and that the latter part of the remark had to be inappropriate. He will withdraw the latter part of that remark. I simply want you to withdraw the latter part of that sentence, or I will rule the question out of order.

Mr STEPHEN SMITH—I withdraw the last part.

The SPEAKER—that is all I require. The member for Perth will resume his seat.

Mr Snowdon interjecting—

Ms JULIE BISHOP—I thank the member for Perth for his question, but it is quite evident that he is acting in this role and has no understanding or appreciation of the history of this matter. In fact, when the Howard government came to office in 1996, they found aged care in a state of neglect. Labor ought to be ashamed of its record in aged care. Not only was there a 10,000 bed deficit that we inherited, which we have managed to overcome by allocating 55,600 new aged care places across Australia, but the standards in aged care facilities across Australia were, on average, poor.

This government introduced an accreditation system which was the first national legislated quality assurance program that had ever been introduced into aged care facilities in Australia. As a result of that accreditation
system, instances of poor care come to light. Under Labor, these instances of poor care were swept under the carpet and nobody ever took any notice of them or took any action. Under this government’s accreditation system, instances of poor care come to light. Under the accreditation system, all providers who receive federal government subsidies must be accredited. They are put through a stringent review process and must account for 44 outcomes in four separate categories. Accreditation is followed up by reviews, audits and spot checks. Whilst instances of poor care are never acceptable, under our accreditation system action is taken when these matters are detected.

It is a shame that the member for Perth did not read all of the article from which he clearly gleaned his question. There were seven residents of Riverside who were, in fact, moved to a facility called Ripplebrook. The former Ripplebrook home is now called Sandhurst and is run by Chevron Corporation Pty Ltd. As an article in the Herald Sun reported today, Ms Harver, who is the operations manager, has said that the home, which she understood housed seven residents from Riverside, was now fully compliant with all 44 federal outcomes. This is evidence that our system is working. Labor has no alternative policy—not one idea—for aged care.

This government cares for older Australians.

Mr Stephen Smith—Mr Speaker, I seek leave to table reports of the Aged Care Standards and Accreditation Agency on Sandhurst Aged Care, formerly Ripplebrook Village, dated December 2003 and a comparable report on Ripplebrook, dated November 2002.

Leave granted.

Trade: Free Trade Agreement

Mr John Cobb (3.08 p.m.)—My question is addressed to the Minister for Trade. Would the minister inform the House of comments in support of the free trade agreement with the United States? Are there any obstacles to the agreement’s implementation?

Mr Vaile—I thank the member for Parkes for his question. I acknowledge his recognition of the importance of this agreement to many of his constituents, not just those in the agriculture sector but also those in the manufacturing and service sectors in his electorate, and the opportunities that will be provided to them to access a market of almost 300 million people running an economy that is the biggest economy in the world and the most dynamic economy in the world. Of course, he recognises—and so do his constituents—the importance of seeing the free trade agreement with the United States enter into force by the beginning of next year.

Australia’s farmers also want to get access to that market. Nobody would want to miss out on an opportunity to access a market that wealthy and of that size. The farmers in the electorate of Parkes and, indeed, farmers across Australia know this is a good deal. They also know very well that this deal would not be in place and would not have been done under a Labor government or under the leadership of the current Leader of the Opposition, whose anti-American attitude has been well recorded publicly in Australia. They simply know that the deal would not have been done under a Labor government.

A number of commentators have referred to the importance of this agreement to their sectors. I quote Mr John Webster from Horticulture Australia, who said that, before the negotiations began, ‘only two per cent of fresh Australian horticultural exports came into the US tariff free; now 100 per cent of all major current fresh exports will have zero tariffs’. Allan Burgess, the Chairman of the Australian Dairy Industry Council, said that
‘for dairies, successful ratification of the Australia-United States free trade agreement will increase access to a huge and expanding market’. Even the American Farm Bureau, the peak farm body in the United States, has indicated that the FTA would benefit Australian farmers in excess of $500 million a year every year after it enters into force. That is an extra $500 million of Australian produce going into the United States market every year.

But again on radio today the Leader of the Opposition was not prepared to support an agreement that is overwhelmingly in the national interest. He was not prepared to support an agreement that is going to deliver some significant benefits to Australia’s farmers. The Labor Party should support this FTA on its merits. The Leader of the Opposition should not let his anti-American attitude cloud his view of what is in the national interest. He should not let that cloud his view. The Leader of the Opposition should not be bought off by the unions on this issue. We heard in earlier comments about the very close relationship, financially and otherwise, between the Australian Labor Party and the union movement and how that is delivered upon in this place: by the Australian Labor Party knocking back legislation in the Senate overnight again. I say again: the Leader of the Opposition should not be bought off by the unions on this. Sharan Burrow, Doug Cameron and anti-American Labor MPs should not stand in the way of what is in Australia’s national interest.

Health and Ageing: Aged Care Facilities

Mr STEPHEN SMITH (3.12 p.m.)—My question is again to the Minister for Ageing. Can the minister confirm that the Vincenpaul Hostel in Mont Albert, Victoria, failed 13 of 44 accreditation standards in late 2003? Is it not the case that these failures included a female resident having her blocked catheter rinsed out with coca-cola? What has the minister done to ensure that an appalling incident like this does not happen again?

Ms JULIE BISHOP—I thank the member for Perth for his question and note that he is able to read from the web site of the accreditation agency, which sets out in the most transparent and accountable manner the detail of action taken by the accreditation agency when it detects instances of poor care. The accreditation system that this government put in place ensures that the delivery of care to all residents in aged care facilities is at an appropriate standard. If a home does not comply with those standards then action is taken. That can include the appointment of a nurse administrator or management or, indeed, sanctions.

The results of the reviews, audits and visits are put on a web site so that there is also a deterrent effect on other homes. In the case of Vincenpaul Hostel in the electorate of Chisholm, the department imposed sanctions on the approved provider. They required the home to appoint a nurse adviser. It made the home ineligible to receive Australian government funding for new residents for six months. The department and the independent accreditation agency continue to monitor this home. I can assure all residents of aged care facilities subsidised by the federal government that their care and the continuity of their care remains a top priority for this government.

Mr Stephen Smith—Mr Speaker, I seek leave to table the Aged Care Standards and Accreditation Agency report on Vincenpaul Hostel, dated November 2003.

Leave granted.

Commonwealth Leasing Arrangements

Mr SOMLYAY (3.14 p.m.)—My question is addressed to the Minister for Health and Ageing, representing the Special Minister of State. Would the minister advise the
House of typical leasing arrangements entered into by the Commonwealth? How do these compare with the leasing arrangements entered into between the Commonwealth and an organisation registered under the Electoral Act?

Ms Gillard—Mr Speaker, I rise on a point of order under standing order 146. I am in the fortunate position of having the government’s question time pack and was able to follow word for word the question just asked. It is in identical form to a question asked by the same member of parliament on 8 March. Given that, and given there have been 11 separate occasions where comparable questions have been asked, if it is not fully asked and answered by now one wonders when it ever will be. I ask you to rule the question out of order.

Mrs Bronwyn Bishop—Mr Speaker, on the point of order: standing order 146 relates to the answer, not to the question that is asked, and therefore her use of standing order 146 is incorrect.

Ms Gillard—Mr Speaker, on the point of order: clearly the purpose of the standing order is to give you a discretion to decide that a question has been fully answered. That discretion can only exist in contemplation—otherwise the standing order would have absolutely no meaning. I suggest that in these circumstances, where an identical question has been asked and the topic raised on 11 other occasions, that if the standing order has not got work to do here it is impossible to envisage the circumstances where it would have meaning.

The SPEAKER—I do not want to get into a game of ping-pong on the standing orders.

Mrs Bronwyn Bishop—Mr Speaker, on the point of order: I simply draw your attention to page 520 of the House of Representatives Practice, which says that if the rules were too rigidly enforced it ‘would undermine question time’. It then goes on to say: Only those rulings which are technically sound and of continuing relevance are cited in this chapter without qualification.

There is no such ruling on the matter raised by the member opposite. I ask you to ignore her drawing attention to that standing order.

The SPEAKER—There are two issues I wish to raise even without the point of order being raised. The first is the concern expressed by the member for Lalor that the question may have been identical to another. I wish to do what is not normally done and ask the member for Fairfax if the question is identical.

Mr Somlyay—Mr Speaker, standing order 146 refers to the answer, not to the question.

Honourable members interjecting—

The SPEAKER—I asked the member for Fairfax whether the question he asked is identical to the question asked earlier in March. I will deal with members who interject.

Mr Somlyay—I am happy to rephrase it.

The SPEAKER—The member for Fairfax will resume his seat. If the question is identical, it is out of order.

Health and Ageing: Aged Care Facilities

Ms KING (3.18 p.m.)—My question is to the Minister for Ageing. Is the minister aware that Hepburn Health Services in my electorate is now operating a $1 million annual deficit relating to the Creswick, Daylesford and Trentham aged care facilities? Does the minister agree with the CEO of Hepburn Health Services that the bulk of this deficit is due to the failure of the Howard government’s bed day subsidies to keep up with increasing costs? When will the minister re-
lease the Hogan report and do something to assist the viability of small aged care facilities in my electorate?

Ms JULIE BISHOP—I thank the member for her question. At the 2001 election, the Prime Minister undertook to ensure that we would hold an inquiry into the financial status of aged care facilities across Australia. We commissioned Professor Warren Hogan to undertake a review into the pricing arrangements. His terms of reference were extraordinarily wide and he carried out a thorough analysis, with fulsome analyses of the industry. There were some 1,200 submissions to the Hogan review and some 917 submissions on the financial status of the industry.

Ms O’Byrne interjecting—

The SPEAKER—I warn the member for Bass! No other language seems to be understood.

Ms JULIE BISHOP—These financial submissions have been analysed by KPMG and I understand have informed Professor Hogan’s recommendations in relation to the current and future viability of the aged care industry. The government received a copy of Professor Hogan’s recommendations a couple of weeks ago—I think it was three weeks ago. The matter is currently before cabinet. As I put out in a press release on Thursday of the previous sitting week, the Hogan review is being considered in the context of the 2004 budget.

The member raises a question about the viability of a home in her electorate. The government has increased funding for aged care from $3 billion since it came to government in 1996 to $6 billion today—$4.5 billion of that sum is directed to recurrent subsidies for residential care, with $2.2 billion specifically for dementia care. We have also allocated capital grants to homes that would not otherwise be able to raise capital. In fact, in the 2003 aged care allocation round, $36 million was allocated to smaller aged care facilities across Australia to meet capital needs. The figure of $36 million might ring a bell in some circles—$36 million happens to be the amount that the Labor Party is siphoning off from Centenary House.

The SPEAKER—Order! The minister will relate her remarks to the question.

Ms JULIE BISHOP—If $36 million could be allocated to aged care facilities across Australia, that would mean 3,000 more aged care places. It would mean 3,000 community aged care packages. That $36 million would assist in the capital requirements of a number of aged care facilities. The Hogan review is being considered. The government will respond shortly, but I can assure all Australians that aged care is a priority of this government.

Mr Adams interjecting—

The SPEAKER—I warn the member for Lyons!

Australian Labor Party: Centenary House

Mr SOMLYAY (3.22 p.m.)—I will try again! My question is addressed to the Minister for Health and Ageing, representing the Special Minister of State. Has the minister studied a number of leases typically entered into by the Commonwealth for a property in Barton? How do these compare with the leasing arrangements entered into between the Commonwealth and an organisation under the Electoral Act?

Ms Gillard—I rise on a point of order. I do look forward to question time extending this long in future! In relation to the question that was just asked, I renew to you my initial point, which is that there have been 11 other occasions on which comparable questions have been asked. They have canvassed leasing arrangements in Barton. I
am able to take you to all 11 of them if you require me to do so, but I believe the—

The SPEAKER—The member for Lalor has made her point of order. She will resume her seat.

Government members interjecting—

The SPEAKER—Let me deal with the point of order. If there is a further point of order I will hear it. When I responded earlier to the member for Lalor’s point of order I said there were two issues which were causing me concern. The response of the member for Fairfax meant that I did not go to the second issue, because the question was simply out of order. The second matter raised by the member for Lalor was whether or not the question had been asked earlier and the matter fully canvassed and therefore fully answered. I had determined, in fact, at the end of the last sitting fortnight, that this matter had had a good airing, but it struck me that it was reasonable to allow a question today—this is the point I was going to make earlier—given that a week has intervened. I did not believe that the matter should be dealt with as fully canvassed; I did believe that the question should not reflect what the previous question had asked.

Mr Abbott—Not only is a week a long time in politics, Mr Speaker, but members opposite are desperately trying to forget their embarrassment and shame about the rent rort rip-off. I am very pleased that the member for Fairfax has again reminded the House of the Centenary House rip-off, because every day the rent rort goes on the fleece meter ticks on: $6,721 every day as a free gift from the Australian taxpayer to the Australian Labor Party courtesy of the sweetheart deal negotiated by the former Labor government. We learnt today that Centenary House is going to be the national campaign headquarters for the coming election campaign. They might as well have a banner hung up on the top of the building saying, ‘In the 33 days of this campaign we are going to get $222,000 as a free gift from the taxpayer courtesy of this rip-off, on top of the $750,000 that the Leader of the Opposition has already trousered from the rip-off since 2 December last year.’ The heart of the rent rort rip-off is the ratchet clause in the deal which says that rent goes up by nine per cent or market rates, whichever is the greatest.

I have had the chance to examine 13 Commonwealth leases for property in Barton and not one of them has this kind of ratchet clause except the Centenary House deal. We have 10 Brisbane Avenue, Barton. It is a lease for five years at $250 a square metre, and the rent will be reviewed to market every two years. At 40 Blackall Street, Barton, there is a lease for three years at $320 a square metre and the rent will be reviewed to market every two years. At 6 Brisbane Avenue, Barton, there is a six-year lease at $325 a metre with a review to market every two years. At 2 Brisbane Avenue, Barton, it is a six-year lease at $325 a metre, reviewed to market every two years. At 42 Macquarie Street, Barton, it is a five-year lease for $337 a metre, reviewed to market every two years. And then, standing out spectacularly like the Rock of Gibraltar, we have the Centenary House lease, for 15 years at $368 a metre, initial rent, reviewed annually to market or nine per cent, whichever is the highest. It is the longest lease, the highest rent and the biggest escalator of all. We heard today how it is Labor policy to funnel contracts to union-friendly employers. It is Labor practice to funnel the best government contract of all time to the union-owned party.

Government members interjecting—

Mr Abbott—Someone said they are not capitalists, but I tell you what, Mr Speaker, these are the greatest capitalists of all time. Sure, they believe in the market—
provided it is rigged in the Labor Party’s favour. I table the document about leases from which I was reading.

We had the Leader of Opposition himself make a speech last week about ethical standards in politics. It got no coverage, and why should it get any coverage? No-one will take this Leader of the Opposition seriously on ethics while he is the beneficiary of the Centenary House rent rort. This is what he had to say last week:

During a time of social change and uncertainty, governments need to do more than frame laws—

he knows a fair bit about framing—

and make decisions. They need to get the public involved in the many social issues we share in common. How do we answer the new challenges of citizenship and identity?

Then he said:

These issues can only be sorted out satisfactorily by an exchange of views between Australians themselves.

He said ‘every household and library connected to the Internet’ should be asked to ‘join the debate on-line’. He wants an online debate about controversial issues. Here is a challenge to the Leader of the Opposition. Let us have a nationwide online debate—a nationwide online poll—on this question: do people think the Labor Party should end the Centenary House rent rort? Let us have an online poll: should the Labor Party end the rent rort? I challenge the Leader of the Opposition: have the poll, heed the results and end the rent rort now.

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

QUESTIONS TO THE SPEAKER

Questions on Notice

Mr ALBANESE (3.31 p.m.)—Mr Speaker, under standing order 150, I ask that you write to the following ministers pertaining to why I have not got answers to the following questions on notice: No. 2069 from 25 June 2003 to the Minister for Transport and Regional Services, concerning Sydney airport; No. 2501 of 7 October to the Minister for Employment Services; No. 2591 of 13 October to the Minister for Employment Services; No. 2736 of 6 November to the Minister for Education, Science and Training; No. 2737 of 6 November to the Minister for Education, Science and Training; and No. 2884 of 4 December to the Minister for Employment Services.

The SPEAKER—I will follow up those matters.

Questions on Notice

Mr FITZGIBBON (3.32 p.m.)—Mr Speaker, under standing order 150, would you please follow up on questions on notice Nos 2253, 2388 and 2802.

The SPEAKER—I will follow those up as the standing orders provide.

LEAVE OF ABSENCE

Mr HOWARD (Bennelong—Prime Minister) (3.32 p.m.)—Mr Speaker, on indulgence, yesterday, because I was tied up in the counter-terrorism exercise, I could not participate in the vote on the censure motion. I also was not present when the Leader of the Opposition made reference to two of his colleagues who are ill at the present time. I want to associate myself with the expressions of concern. I have, in fact, written personally to both members. I understand that the member for Stirling underwent surgery and I hope that she makes a full recovery. On behalf of my colleagues, my wife and me, I convey our very good wishes to her. Also, we hope to see the member for Brand back in full strength. He is a valuable asset to the parliament and we enjoy having him here. We look forward to both of them returning at an early date.
PERSONAL EXPLANATIONS

Miss Jackie Kelly (Lindsay—Parliamentary Secretary to the Prime Minister) (3.33 p.m.)—Mr Speaker, I seek to make a personal explanation.

The Speaker—Does the member for Lindsay claim to have been misrepresented?

Miss Jackie Kelly—Yes, on the ABC Four Corners program.

The Speaker—The member for Lindsay may proceed.

Miss Jackie Kelly—I finally experienced what several of my colleagues have complained about, in terms of ABC bias. Quentin McDermott, on the ABC’s ‘Tarnished Gold’ program last night, made the statement, ‘All seemed to be on track, when out of the blue came the Australian government’s reaction to the initiative from the then sports minister, Jackie Kelly.’ What they are talking about in the ‘Tarnished Gold’ episode was our EPO research, which was at that time being conducted by AIS scientists on the AIS campus.

The Speaker—The member for Lindsay must indicate where she has been misrepresented.

Miss Jackie Kelly—The point is that there was extensive consultation and correspondence between my office, the AIS scientists, the Department of ISR, the ASC and ASDA. Therefore, the claim made by Quentin McDermott is wrong. Again, on that program, Michael Ashendon, a former AIS scientist, states that the decision was a ‘bolt from the blue’. It is hard to see how this can be the case, given the level of consultation between my office and the relevant authorities, as I just said. Robin Parasotto, a former AIS sports scientist, told last night’s Four Corners program, ‘An email arrived on a Friday afternoon telling us we were banned from performing any further antidoping research.’

The Speaker—I indicate to the member for Lindsay, as is consistent with all matters of personal explanation—I apply it on both sides—that I have allowed the former minister greater room to move on this, but she must indicate where she was misrepresented.

Miss Jackie Kelly—The implication is that the email had come from my office.

The Speaker—The member for Lindsay may proceed. I am listening closely to her response.

Miss Jackie Kelly—I had sent a chartered letter to the Chairman of the ASC, and that letter stated: ‘Antidoping programs must not be conducted within the AIS or the commission. However, individuals with expertise from within the commission may contribute to or collaborate with external institutions in relation to antidoping research programs.’ I think that makes it quite clear where the misrepresentation was.

The Speaker—Has the member for Lindsay any other matters of misrepresentation?

Miss Jackie Kelly—Yes, Mr Speaker. Robin Parasotto, in the same program, makes the claim ‘I was absolutely floored’ and ‘it was astonishing’, in terms of this decision.

The Speaker—The member for Lindsay has indicated that she was misrepresented on that program. I do not think we can legitimately go through the individuals who were guilty or otherwise of misrepresentation. Unless there are other, separate, instances of misrepresentation, I require her to conclude her remarks.

Miss Jackie Kelly—In that program, Jim Ferguson, a former executive director of the Australian Sports Commission,
who is no longer sought out for appointments to government boards, makes the claim that the decision, as stated in the charter letter to the Sports Commission, was my decision and that it was a ‘bureaucratic perversity’ and ‘ministerial stupidity’. It was not either of those.

Opposition members interjecting—
The SPEAKER—Order! The member for Lindsay will conclude her remarks.

Miss JACKIE KELLY—The decision to separate the two functions came about through international suspicions and the need to maintain the AIS’s reputation as not having institutionalised doping.

Mr Tanner—Mr Speaker, I rise on a point of order. This is not a personal explanation; this is just—

The SPEAKER—The member for Melbourne will resume his seat. I have dealt with the personal explanation. I allowed the member for Lindsay—as I have allowed other members—to indicate where she had been misrepresented. I believe she has had ample opportunity to do so.

Mr ALBANESE (Grayndler) (3.38 p.m.)—Mr Speaker, I seek leave to make a personal explanation.

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

Mr ALBANESE—I do, Mr Speaker.

Mr Leo McLeay interjecting—

The SPEAKER—In spite of the inference of the member for Watson, I will allow the member for Grayndler to proceed.

Mr ALBANESE—Mr Speaker, during question time the Minister for Health and Ageing suggested that because I acknowledged that drug dependency was a health issue I therefore supported removing all legal and criminal sanctions relating to drugs. Whilst the health minister may wish to argue with me that drug dependency is not a health issue, his extrapolation of my position is absurd, simplistic and simply not true.

PAPERS

Mr ABBOTT (Warringah—Leader of the House) (3.38 p.m.)—A paper is tabled as listed in the schedule circulated to honourable members. Details of the paper will be recorded in the Votes and Proceedings and I move:

That the House take note of the following paper:

Telecommunications carrier industry development plans—Progress report for 2002-03.

Debate (on motion by Ms Gillard) adjourned.

LEAVE OF ABSENCE

Mr ABBOTT (Warringah—Leader of the House) (3.39 p.m.)—I move:

That leave of absence for the remainder of the current period of sittings be given to the honourable member for Riverina on the ground of ill health.

May I say to the House that the member has had a hip operation and expects to be here again soon and as quick as usual on her feet.

Question agreed to.

MATTERS OF PUBLIC IMPORTANCE

Howard Government: Accountability

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

The urgent need for open and accountable Government in Australia.

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

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

Ms ROXON (Gellibrand) (3.40 p.m.)—This matter of public importance debate provides a rare opportunity for us to discuss an issue which is fundamental to the way that we run government. It could not have had a better lead-in than yesterday’s censure motion, which dealt with the way that this government has treated the Australian Federal Police Commissioner. That matter was debated at length yesterday, as people in this House know, when the Leader of the Opposition clearly pointed out the attack and the purpose of the attack by the government, by the Prime Minister, by the Attorney—who is in the House now—and by other ministers upon Mr Mick Keelty, the Federal Police Commissioner.

Today I want to make the point that that action was not isolated—that this government actually has form on the way that it deals with public servants and the way that it controls information that is provided to the public. This is an opportunity for us to ask: where are we now? How does this government deal with the information it provides to the public and the way that they can then make an appropriate decision at the next election? Where could we be if this government took seriously the issue of accountability, the issue of open government and, importantly, the use of the Freedom of Information Act?

The government have been trying to control debate and information since the day they were elected in 1996. We see it across all sorts of issues. We see it most recently, obviously, with the example I have already used, in national security. We see the government wanting to tell the public what is and is not in its interests, without letting anybody else contribute who has a legitimate view and a public role that allows them to make that view known. They want to control, to stand over the shoulder of the police commissioner, but they want to do this in all other areas as well.

I am pleased that it seems that the Attorney is going to be speaking in this debate, because everyone on this side of the House could reel off some of the form that the government have, and they would certainly need more than the fingers on one hand to count the examples. There was the way that the government controlled information in the ‘children overboard’ affair and the way that they argued that it was in our interests to participate in the war in Iraq because of the need to get rid of those weapons of mass destruction, but we see them doing it on far more domestic issues as well.

We see them controlling the information that is available about bulk-billing. Every member on this side of the House knows how important it is to get information about their electorate and the rates of bulk-billing in their electorate. What happens? First of all, the government refuse a request made by a major media organisation to get that material. The government say: no, it is not going to be released—they do not believe it is in the public interest. They claim all sorts of exemptions to say they do not have to release it. They get taken to the Administrative Appeals Tribunal and are told they have to release it. So the minister for health puts out information on those bulk-billing rates that every member on this side of the House—and I am sure, minister, lots of members on your side of the House—was very keen to see.

Once the government were told to deliver that information, I am not sure how many people in the House realise what they did then—although obviously the member for Lalor, our spokesperson on health, knows...
The government said: ‘Well, if we’re going to have to release this information, we’re going to tell the Health Insurance Commission not to collect it anymore. So we’re not going to give out bulk-billing rates per electorate on a quarterly basis anymore in the way that we used to.’ ‘We might release it yearly,’ the minister for health says, ‘but we’ll do it for the first time’—guess when?—‘after the election.’

The way that the government are prepared to control debate and information to get some advantage just shows how weak this government have become and how much confidence they have lost in being able to win the public debate with the information actually out there. The only way that this government think that they can win a public debate is if they control the information in that debate and do not let the public, the opposition or the media have all of the information available.

We have seen this happen in other critical areas as well, and there are many members on this side of the House who have been trying to pursue information about the first home owners grant and how it was paid, how many millionaires were able to claim it and all sorts of other information, but the government have used the Freedom of Information Act and they have used a technical provision—the conclusive certificate provision—so the Treasurer just signs on the dotted line and says, ‘I don’t think that we should release this information.’ There is no way of reviewing it, no way of saying whether or not it is in the public interest, and no need to argue anything to convince the public that you have made the right decision as a government in the way you have designed this scheme. Instead of facing the public criticism that there might be about the way this scheme has been administered, the Treasurer has signed on the dotted line and said, ‘We’re not going to give you that information.’

The government have done the same thing in a matter that I think the member for Fraser and the member for Kingston have been raising, and that is the issue of bracket creep. This has been pursued by the Australian as well. The government refuse to release information. What have they done? They have used this conclusive certificate provision again. Why have they done that, Attorney? I hope that when you answer in our debate today, you will explain—

The DEPUTY SPEAKER (Hon. I.R. Causley)—The member will address her comments through the chair.

Ms ROXON—Mr Deputy Speaker. I hope that he will explain why he thinks it is appropriate for the ministers to make an assessment themselves about what they will release and not have to argue whether it is in the public interest or not, not have to actually explain to all the voters who supported a particular initiative of the government whether they have delivered on that initiative or not. We just say it is not enough. We do not think that the government, in the way they are running their government, are accountable to the public. The public are awake to what the government have been doing.

It is for this reason that we have announced that we are going to change the Freedom of Information Act. The Leader of the Opposition announced last week that we are going to make some significant changes, but the No. 1 change is this: we are not going to let ministers sign a conclusive certificate and say, ‘You can’t have this information,’ if there is no reason why it is harmful for the public to have the information, if the only thing that could happen from releasing that information would be that it would cause embarrassment to the government. We do not think that is a good enough reason to protect
it. We do not think that protecting the Treasurer, protecting the Minister for Foreign Affairs, protecting the Attorney-General or any other minister from embarrassment is the purpose of the Freedom of Information Act. The purpose of it is that we should have public information publicly available. The government should be able to argue that their political decisions are in the interests of the country without having to control the information that is provided.

Of course there are lots of categories of information where there are legitimate reasons that we should protect the information. No-one argues that there are not obvious reasons why national security and defence information should not be made public. No-one argues that personal information about individuals, except in very rare circumstances, should be made public. No-one argues that cabinet-in-confidence documents should not be given the protection they are given. What we on this side of the House argue is that the government can choose, by using this mechanism in the act, to cover up any mistake that the government have made. And those are the times that they have done it. They either stop collecting the information so that it cannot be requested under the Freedom of Information Act or they simply certify that it cannot be made available. They know that the conclusive certificate provisions protect them no matter what.

We do not think that that is good enough. We do not think that the government can treat the Public Service as if it were its own private think tank. The Public Service is called the Public Service for a particular reason: most of the work that it does is in the public interest. Of course it must respond to the political needs of the government in the types of projects it might work on or the research that is done, but a massive part of the work that is done by the Public Service is the gathering of all sorts of information—statistical information and a whole lot of research in, for example, the superannuation area and the intergenerational area—that should be provided to the public, the parliament and the media so that we can have a debate about whether what the government are going to do with that information is the right course for us. But the government do not do that.

The government think that the Public Service is there as their own plaything. They think it is there as a think tank that should put all of its energies into devising strategies and ideas for the government and that any basic material that is collected and should be made available can just be signed off on by any minister to say, ‘We won’t release this, because that will somehow mean that we might have to have a debate in public about whether we are doing the right sort of thing.’ Attorney, that is not good enough. It is not good enough to say in public, as this Attorney has, that the Freedom of Information Act is there for people to be able to collect information about their personal affairs. That is not the purpose of the Freedom of Information Act. That is one purpose. Its major purpose is as a tool in our democracy to protect the quality of information that we are able to have in the public domain, to improve the quality of debate that we can have and to make sure that information that is worked on and data that is collected are in the public realm, not there simply for ministers’ use.

It is a really serious issue because we can see the short-term gain that the government think they can make by attacking Police Commissioner Keelty, by hiding the information about the first home owners grant and particularly by hiding the bulk-billing figures. We understand why the government want to hide these things, but the problem for the government is that the public have woken up to them. The public have woken up to the fact that they are not being given the full
story, whether it is on national security, health, tax or any other issue. If the government is not giving them the story, the public now want to know why. Why are they covering up? Why aren’t they prepared to actually come and talk to us and explain their decisions, explain why it is a good idea to change the Medicare system? Why don’t the government want to come and explain why the bulk-billing rates are dropping in all of our seats around the country?

There is an obvious reason: it is because their policies are not working. Their policies are not working, so what the government will do, instead of actually improving their policies, instead of saying, ‘We need to get our health policy right; we need to take some action in the area of poverty; we need to fix up the tax scheme,’ is just say: ‘We won’t release the information and we’ll just hope no-one will find out until after the next election. She’ll be right. We don’t actually have to have this debate.’ Attorney, you would want to do more than that, I am sure, and the public expects more of us.

The reforms that Labor have announced are critical to how we think government should run. They might sound like they are a little bit airy-fairy sometimes—there are not many people in this parliament who take a very close interest in the Freedom of Information Act, but it is one of those things that underpins our democracy. It is one of the few ways that, as opposition members, we can get information from the government. It is one of the few ways that the media can get information and, at the moment, it is actually being used as a tool by this government to stop that information being released.

What we are going to do is make sure that no government—not just this government, but any government in the future—can use it as a tool to cover up their own mistakes or embarrassments. They can use it to protect legitimate information that should be protected, but they cannot have ministers signing off on anything that they think might embarrass them. We are going to amend the objects clause. We are going to say that we should have a pro-disclosure culture in the Freedom of Information Act. As I say, not everyone takes a lot of interest in the Freedom of Information Act here, but that is quite a significant change. What that means is that we accept that publicly collected information that is not working on a particular policy area or a particular project of government should be able to be made available to the public. Why is there any risk in letting out bulk-billing rates that have been collected over the last 20 years? The only risk is that the government might be embarrassed by those figures. But we should be having a debate about the politics in this House. All the material and information that is collected should be in the public realm so that we can debate it.

Secondly, we are going to strengthen the public interest test. This is something which it will be interesting to see whether the Attorney-General picks up, because he has often in this House and elsewhere pretended that the actions that he takes are in the public interest. He of all people is very ready to use the public interest as his argument to defend all sorts of actions, but we have not seen him indicate that the public interest test should be applied in this important piece of legislation that he is responsible for overseeing. I have already mentioned that we are going to abolish conclusive certificates. That will mean that ministers will not have sole discretion anymore. We do not think that they should be able to do that. We think that they should have to provide basic information that is collected for the public and come in here and explain their decisions.

Mr Crean—We want the Treasurer to fess up.
Ms ROXON—It is surprising, really, as the member for Hotham points out, that the Treasurer is not here to answer on this. He is the biggest user of the Freedom of Information Act, but he is the biggest user of it to stop information being released, not to grant it. The way the system is structured at the moment, the Attorney can pretend he has no responsibility for every other minister’s use of this act. We have asked questions in Senate estimates, and the Attorney’s representative and officials from the Attorney-General’s Department say they have no responsibility in giving ministers advice about when they can use this or not, because they do not care. They can sign on the dotted line; it is never going to be checked. We are going to put a specific provision in the act which says that embarrassment to government should not be a reason for refusing to release information. I expect, Attorney-General, that is one that you will particularly want to address, because you know, don’t you, Attorney—

The DEPUTY SPEAKER—The member for Gellibrand will address her remarks through the chair.

Ms ROXON—The Attorney knows about the sort of information that could embarrass the government. He knows that if he made the change we are suggesting he of all ministers will be embarrassed. We want him to come into this debate and say why he will not accept the recommendation of the Law Reform Commission, the Administrative Review Council and others to put this provision in the act. (Time expired)

Mr RUDDOCK (Berowra—Attorney-General) (3.55 p.m.)—I want to make a number of relatively short points about this debate, because it is one in which people can judge the way in which the Labor Party deals with these matters by looking at their record in the past and at the way in which the Labor Party in office, particularly in other parts of Australia, behaves in relation to freedom of information. But I will make a number of points first about freedom of information. Freedom of information is entrenched in legislation that was introduced in 1982. It was introduced by the Fraser government. This government and our predecessors have believed very strongly in the need for open and accountable government. I simply make that point; that is our view. There will be amendments to freedom of information legislation. There will be amendments by this government that are designed to enhance its operation. I have already made announcements along those lines—

Mr Adams interjecting—

The DEPUTY SPEAKER—The member for Lyons has already been warned and is in a very precarious position.

Mr RUDDOCK—in which I have made it clear that we will be amending the Freedom of Information Act to ensure that the provisions that operate in relation to government departments and agencies also apply in relation to information that is obtained on the same basis but by the private sector on an outsourced basis. I think that that is a proper development to occur. But the issue that is being debated today needs to be seen in the context of the opposition wanting to make an argument that this government is about preventing disclosure of information where it ought to be properly available, for the purposes of preventing proper debate and discussion.

It brings me, firstly, to the issue that was raised by the honourable member in relation to the role of the Commissioner of Police. The suggestion was being made that the Commonwealth has a view that the Commissioner of Police should not be able to offer to the government of the day frank and fearless advice in relation to the administration of his
responsibilities as the Commissioner of Police. The government do have the view that the Commissioner of Police ought to be able to offer to them frank and fearless advice. We do have a view that the Commissioner of Police is independent. He is independent in relation to his responsibilities as the Commissioner of Police to deal with determinations as to which matters ought to be the subject of investigations by police. We do not want a political direction being given to the Commissioner of Police as to what matters will be the subject of investigation. That is why the Commissioner of Police has been an independent statutory officer.

This is not intended to be a criticism; it is intended to make it clear that that does not mean that every public servant that has a responsibility to give frank and fearless advice goes into the public arena to discuss and debate every issue that might be the subject of government interest. They have a responsibility, holding those senior positions, to offer their advice to the government of the day in relation to those matters for which they are responsible. I want to make it very clear that this government has not been attacking the Commissioner of Police. I am one of those who it is alleged had some comments to make about the observations of the Commissioner of Police that were taken, as he said himself, out of context. The Prime Minister detailed the manner in which people drew inferences from what he said which were quite inappropriate and ought not to have been made. He drew attention to the news programs where that had happened.

The fact is that, in relation to the way in which people were drawing those sorts of inferences in relation to what the Commissioner of Police had said, I was quite prepared to put the facts on the table and to argue why I believed that, with respect to the tragic events that happened in Spain, it is quite inappropriate to suggest that the only reason that Spain would be the subject of interest to al-Qaeda and other terrorists was because of their involvement in Iraq. Equally, that argument could not apply in relation to Australia either, because clearly we had been targeted by al-Qaeda well before those tragic events that occurred in Madrid. Those issues ought to be seen in context. There have been no attacks on the Commissioner of Police. In fact, the Prime Minister and ministers have made it very clear that he has our absolute confidence in the way in which he carries out his very important duties. In fact, as the Prime Minister revealed at question time today, if you wanted to find personally directed attacks, they were those that he recounted by quotation—those which were in no way been denied when they were made—by senior members of the opposition, by the then Leader of the Opposition or the present Leader of the Opposition. I think if people were serious about these matters, they would start to look at their own house first.

I welcome the comments of the opposition spokesperson, the member for Gellibrand, when she said that she was pleased to confirm that there were numbers of areas of government policy where it was inappropriate to provide information publicly because it was contrary to the public interest. She mentioned matters in relation to privacy of individuals, matters relating to cabinet-in-confidence and matters relating to public security. The question that does arise, and frequently arises, is how you determine what is in the public interest and how it ought to be dealt with. The act puts it in the hands of the minister of the day to make that determination as to whether or not a matter ought to remain confidential because it is in the public interest. But it does not give the minister a licence, and that is not something that we hear about. In fact, those decisions taken by ministers can be the subject of an appeal un-
der the arrangements for review of administrative decisions. I suspect that any minister who took a decision in the public interest to withhold information, and did so capriciously or inappropriately where there were not valid arguments, would be put in a very vulnerable position were he or she to be the subject of an adverse finding by an administrative tribunal in relation to those matters. That is the way in which these questions are dealt with in relation to the freedom of information regime that we have.

I think it is important also to look at the way in which the opposition intends to deal with these issues, because I agree with the member for Gellibrand when she says that one could be forgiven for believing that their ideas in relation to these matters are somewhat airy-fairy. I agree with her entirely. I have looked at where we might find the substantial detail of a policy designed to indicate where the Labor Party want to now change the Freedom of Information Act—the Freedom of Information Act under which governments of their persuasion nationally operated when they were in government and which they did not see fit to change. The fact of the matter is that the Freedom of Information Act did come into operation over two decades ago under a coalition government. There is no culture of secrecy in relation to the way in which that enactment is used. Ninety-four per cent of all requests made under the Freedom of Information Act are granted either in full or in part.

The point I would make is that it is certainly inappropriate, as the member for Gellibrand did today and as Leader of the Opposition did in his comments at the weekend, to draw from the statement I have made—which is that one of the primary purposes of the Freedom of Information Act is to ensure that people can get access to information concerning their own affairs—that it in some way suggests that the government wants to do away with the broader notion of public interest or public information. Section 3 of the Freedom of Information Act makes it clear that the aim of the act is to make available to members of the public as much government-held information as possible, and it is consistent with the proper protection of sensitive government information and third-party information by means of exemptions and some exemptions to the operation of the act. Under the act, each government agency is responsible for processing each freedom of information request that it receives—and that is logical. If you look at the very significant volume of requests, the information is within the hands of the individual department, which has its own minister. It would be foolish to think you were going to be able to make those decisions centrally in relation to the breadth of information that is available.

The fact is that the Freedom of Information Act does clearly contemplate that there will be occasions when a certificate may be issued to attest to the public interest and that it lies in not releasing certain documents and it requires there be reasonable grounds for the issue of that certificate. The fact is that those arrangements were arrangements that were used not only by this government, from time to time, but former governments. The fact is that the records indicate that every single Labor Treasurer in the previous government used provisions of the act—except the former member for Werriwa, whose term was truncated for the sort of error that the present member for Werriwa made fairly recently in relation to superannuation issues where he did not understand his portfolio and, I think, where he made one of those big errors that occasionally afflict members of the Labor Party. Of course, in that case, a former member for Werriwa, John Kerin, had to leave the role within six months, but all the other Treasurers of the Labor Party—my
friends Willis, Dawkins and Keating—used the provisions of the act seeking to exempt certain information from disclosure. While debating the subject today, the member for Gellibrand also declines to offer commentary in relation to the way in which some of these issues are dealt with by colleagues. If you want to see how they would act, I do not think it is inappropriate to look at the way in which the Labor Party in office around Australia deals with freedom of information now.

I would simply make this point. The member for Gellibrand remains silent while her mates in the state parliaments around the country fail to meet their obligations or, in the case of the Queensland Premier, act against the spirit of the enactment. Premier Bracks and his government have consistently failed to comply with FOI requests in the time frame specified under the act. The Queensland Premier, Peter Beattie, has blatantly and repeatedly refused to comply with freedom of information requests in relation to matters relating to ministers. We had the desperate exercise in one particular scandal that beset his government and led to the dismissal of a minister where he took the car receipts detailing every expense of all 19 Queensland ministers into a cabinet meeting to ensure that those documents could be then categorised as cabinet-in-confidence.

I do not think there is any more demeaning example of the way in which freedom of information can be manipulated than the way in which the Queensland Premier demonstrated his contempt for the spirit of the act on that occasion, but it is not as if that was the only occasion. He has form. It also happened in relation to Queensland government reports on tree clearing reforms and reports relating to the controversial Lang Park development and the construction of the Goodwill Bridge. Yet the member for Gellibrand sits across from me with a straight face and suggests that under Labor these matters would be dealt with in some significant and different way. The fact is that in relation to freedom of information this government has been very open. We have been using it and ensuring that it is used properly. Those exemptions which are made are rare but they are used when it is judged properly to be in the public interest to do so.

Finally, in relation to issues of parliamentary reform, which have also been the focus of the Labor Party, this parliament has never been more open and accessible to taking questions than it is now. If you look at the number of questions answered by the Prime Minister in the last year, you can see that he answered 1,194 compared to 863 answered by his predecessor in his last year of office. In Keating’s four years in office, he answered 2,787 questions without notice, compared to over 5,000 answered by the current Prime Minister in his first four years of office. We take pride in the way in which this parliament is able to put us to the test. There is a proper basis for question time. The Prime Minister comes to question time each day. We no longer have the situation we had under the previous Labor Prime Minister where he set aside a special day each week to ask him questions and on other days he would decline to come to the parliament to answer questions. Let me say in relation to this issue: the opposition have failed to demonstrate the inferences that they have brought. (Time expired)

Mr HATTON (Blaxland) (4.11 p.m.)—What a wonderful way for the Attorney-General to end his speech in the MPI on ‘The urgent need for open and accountable Government in Australia’. He had been focusing on what the states have done, which is entirely irrelevant to the matter here. The issue here is what the federal government have done throughout the past eight years, not what other governments may or may not have done. The Attorney-General referred to
previous ministers and that is germane to the sort of debate we should be having today. He finally focused on the question of the openness and accountability of this federal coalition government and his argument was that you could not find a better example around the world of a government that was more open and accountable because of the fact that they have answered a greater number of questions than the previous government. Minister, as you may not appreciate because you did not use the argument, it is a question of quality rather than quantity.

In terms of the quantity of questions, the Prime Minister plays 20 questions every question time and says, 'If you ask 20 questions and you get 20 answers, that’s a great reform of the parliament in terms of openness and accountability.' That means nothing unless we go to the simple issue of quality. At least 10 of those questions—the 10 that the government ask—day in and day out are pure Dorothy Dixers, the aim of which is to give the government a platform to attempt to demonstrate what they have done and to pat themselves on the back. The core of question time is the ability of the opposition to ask pertinent and relevant questions of the executive and to demand that the government and the ministers account for themselves. The House can then bring them to account if they are in error or if they refuse to tell the House what they have been doing.

The Attorney-General’s argument—that a greater number of questions have been asked—begs the fundamental question: have those questions been answered? I am not talking about answering them partially or fully, but have they been answered within the framework of contextual relevance? The standing orders—including standing order 145—do not go to the question of contextual relevance, and we hear that day after day; they go purely to the question of relevance. So when the Prime Minister or another minister gets up and answers a question, as long as they mention one of the words in the question, the Speaker can say that the answer is relevant. We have no better example than what happened in question time today in two of the questions the Leader of the Opposition asked the Prime Minister. Two questions were asked and two questions were answered as far as the Prime Minister was concerned. Under standing order 145, in line with the normal argument of relevance in the standing orders, the Prime Minister simply talked about elements of what were in the questions.

I want to remind the House of Labor’s position. Labor proposed at the start of this parliament—and last Friday the Leader of the Opposition again put this forward in a speech he gave at La Trobe University entitled ‘The new politics’—that we will introduce a rule when we come into government that demands what I would call effectively contextual relevance: that is, what a reasonable man or woman would take the question to mean. The Speaker, acting independently, would determine what a reasonable man or woman would understand that question to mean and the Speaker would demand that that is what the minister answers.

Question time is a farce simply because of a refusal by the government to be open and accountable in the very place where they should be most honest, most transparent and most open. Since 1996, we have seen a litany of different issues dealt with in this House. We have also seen a series of different bills brought before the House, not to give us transparency, openness and accountability but opaqueness and the desire to cover over what the government is doing. The Prime Minister gave a perfect illustration. He was asked plainly and simply whether or not he was aware that the Federal Police Commissioner had considered resigning. What was the Prime Minister’s answer to that? He said
Tuesday, 23 March 2004

HOUSE OF REPRESENTATIVES

that the police commissioner had not tendered his resignation. Asked whether the commissioner had considered resigning, the Prime Minister said he had not tendered his resignation. To a normal person, looking at this contextually, is it reasonable? Does it really answer that question? The answer is no. Given a reasonable man’s approach, the opposition leader again asked the Prime Minister exactly the same question. He reiterated his answer. So we have answers but there is no openness or accountability; there is no desire to be open, honest, direct or transparent with the Australian community. There is an attempt to just close it all up.

We believe that it is material to change the way this parliament operates and for the Australian people to believe that it is right and reasonable, when questions are asked from the opposition benches—whether we are in opposition or the coalition is—that the government in power and its ministers be brought to account in this very place as it is brought to account at election time. To do so, you need a Public Service that can give free, fair, frank and open advice. In 1997, in the Public Service Bill and the associated bills that we debated in this place, we argued that that was simply being torn up, that we were losing a Public Service that would have no fear when giving advice that was fearless and frank and in the best interest of this country.

Two people gave evidence to the joint committee that looked into this legislation. One was Sir Lenox Hewitt and the other was one of the Canberra journalists who dealt with these matters—Mr Jack Waterford from the Canberra Times. Mr Waterford pointed to the question of potential nepotism arising from appointments in the Public Service and underlined the fact that you can get an entire culture of people who thought the way the government thought, thought the way the minister did, gave just what the minister wanted and did not go outside that. Sir Lenox Hewitt, a former head of the Public Service, spoke of:

... the intention to change, indeed to destroy, the Australian Public Service and to convert it into a series of appointments at pleasure—at the whim, in the case of secretaries, of the Prime Minister; in the case of agency heads, of the minister ... That to me is a fundamental change in the service that was established.

He also said:

What we are dealing with here, too, is not the dismissal; it is the threat hanging over. You will destroy frank, fearless, honest advice if you are party to this proposal of the executive.

I repeat the core of what he said: it is not the dismissal; it is the threat hanging over. The Prime Minister would not answer the question about whether the police commissioner had threatened to resign—whether he had indicated he might do it. Our normal view of this—any reasonable person’s view—was that the pressure placed on the federal commissioner for police was such that there was a threat of dismissal hanging over him. He dared to voice his opinion in regard to the matter—the considered opinion of a statutory officer of the Commonwealth providing free and frank advice to the government but also answering truthfully direct questions that had been posed to him in regard to the threat to Australia as a whole as a result of our participation in the war against Iraq.

It does not do any good for any government to have a sycophantic Public Service that is not willing to offer fearless and frank advice—advice contrary to what the government wants to hear. That is their fundamental job. We know not only that is there nepotism but that an absolute desire to bend the knee to this government is demanded of all those who still survive in the Australian Public Service. Telling the truth will not save any of those public servants. Free, open advice and an open and accountable government are not something we have had for the
past eight years. We have had a government that has hidden most of what it can hide. It has hidden the actuality of the budget.

Last Friday the Leader of the Opposition called for a complete change in the Australian way of politics, placing honesty at the centre of what we are doing and transparency at the core of what we are proposing. We would have an Australian government which is not afraid to be trammelled by the normal rules of relevance—to have contextual relevance. If a blunt question is asked then a blunt answer should be given. Ministers should be brought to account if they flagrantly breach the rules of parliament and simply disregard what the Australian public needs to know. We think a new show should be brought forward, and we condemn what the government is doing. (Time expired)

Mr KING (Wentworth) (4.20 p.m.)—Having regard to the fact that Australia is a parliamentary democracy with a system of representative government constituted under a federation, it is easy to acknowledge as a general proposition that there is always a need for open and accountable government in Australia. If you acknowledge that there is a need for open and accountable government and that that is an important objective, you could almost argue that that need is always urgent. But that, of course, is not the real objective of the proposition before the House today. Its real objective is to suggest and imply that the present government has failed to bring about open and accountable government in Australia—a proposition which I reject.

Underlying the proposition, there are two theories about government which ought to be examined before the proposition is taken further. There is a theory of mandate regarding the source of the authority of any government, which is the theory that the government carries out a mandate obtained at election or given to it specifically by its representatives and that it has no authority to depart from that mandate. Indeed, in the past it was thought that socialist or labour parties subscribed to that strict theory about the nature and source of authority.

On the other hand, the proposition before the House seems to accept the theory of responsible government—namely, that subject to the rule of law a government is responsible to the people for its actions at elections from time to time and that it should be open and accountable in its dealings. So it seems that the Labor Party has by this very motion acknowledged that it has moved on from the mandate theory of government to the theory of responsible government. That of itself is of some interest, because when we examine the role of government business enterprises—GBEs, as they are normally called—we observe that normally, from the socialist point of view, it is determined that such organisations should be designed to maximise social benefit and not necessarily shareholder value. On the other hand, from the government’s point of view, from the Liberal point of view, it is thought that those objectives are best achieved by the market.

So does the opposition, the Labor Party in this place—and elsewhere, because this debate refers to governments in Australia generally—have a record of which it can be proud in relation to open and accountable government? I suggest that examples of recent failures clearly illustrate that it does not. Let us look at my own state of New South Wales, where the state government of Mr Carr has now rung up a series of failures which is shocking. Take for example the rail mayhem. The most recent controversy there relates to occupational safety issues involving the unions, which have clearly told the government to run the state rail system in a way that has become chaotic. Take the crisis of confidence in public hospitals in New
South Wales. The South Western Sydney Area Health Service is a very good example. The Camden and Campbelltown hospitals have recently been through such a shocking and disgraceful period of administration that their whole administration has had to be changed. That has been followed by a cover-up by the government and by the ministers involved.

Civil order in New South Wales has been fractured. Take, for example, the recent problem with police radio networks and the cover-up involved there. Public education has been a failure, too. The teachers’ unions seem to have the government by the tail. Subject to one commendable action by the teachers’ unions in relation to the Vinson report, I do not see how the public education system in New South Wales has been improved at all under the present administration. Quality of life in our cities in New South Wales has been sacrificed to overdevelopment and coastal crowding, particularly in the eastern suburbs of Sydney—the most densely populated part of Australia—where I happen to reside and which I represent.

The lag in community infrastructure is another major problem. Even the Menangle Bridge was the subject of a cover-up at the last state election. Natural resource management reforms which were supposed to be the nub of the state government’s reform programs have not been introduced. That was just a lie to the electorate. Finally, another example which has been most prominent recently is the destruction of local government through an amalgamation program which has only debilitated that form of government instead of improving it. Part of the problem is the arrogance of an unchallenged Premier. I have set out some examples of what has been happening. Buck-passing, not accountability, has been the hallmark of the Labor Party in New South Wales.

In Queensland there is another example. It has been disclosed that the Premier of Queensland or one of his ministers marched into cabinet with all of the receipts in relation to the hiring of motor vehicles so that the actual usage of those motor vehicles could not be disclosed to the public.

Mr Jull—It was the Premier himself.

Mr KING—‘It was the Premier himself,’ says the honourable member for Fadden. That is a terrible record of the openness and accountability of those opposite and what hypocrisy they show in bringing that proposition before this House today.

Contrast that with the coalition’s position. The treaties power which was introduced into this parliament in 1996 as a result of recommendations by the Senate Legal and Constitutional References Committee has put in place a process whereby treaties which were formerly the subject of a secretive administrative exercise of the prerogative power are now the subject of detailed scrutiny by all sides of the parliament, through the Joint Standing Committee on Treaties, on which I have the honour to sit. The national interest analysis, which is conducted in relation to each of the treaties, is a process which has now been followed by other countries around the world and is an example of openness and accountability in government that is the envy of many other democracies. Far from being a government which has failed in relation to openness and accountability, the exact opposite is the case. I am pleased to see that the chairman of the treaties committee has just walked in.

What about financial structures? Sir Alfred Deakin, in 1902, spoke about his concern that in a federation such as ours one day the Commonwealth might well be the master of the states through the financial structures inherent in the Commonwealth Constitution. But this government in 1999 set up a process...
whereby that debilitating and unnecessary process could be reversed through the new tax system. That arose as a result of problems in the High Court in certain cases, ending in a case called Ha and New South Wales, in relation to excise duties, but more importantly in relation to vertical fiscal imbalance. That has been corrected. We now have a system of accountability in relation to Commonwealth-state financial structures which has reversed a process of years of neglect.

Let me mention security issues and the Senate, once referred to by a former Leader of the Opposition and Prime Minister as ‘unrepresentative swill’. It has also been referred to by our Prime Minister as ‘one of the most democratically elected chambers in the world’. Whatever the position is in relation to the representative nature of our Senate, it can be indicated that the security legislation that went through the House in March of last year went to the Senate and became the subject of detailed public inquiry. I am glad to see a member of the security committee on my left: Mr Jull, the member for Fadden, who has such an enviable record in these matters. Some 431 submissions were received. Sixty-seven individuals made their submissions through various agencies and associations. Issues of civil liberty were examined right across the country by all concerned. The power to proscribe organisations, the definition of a terrorist act and issues of strict liability were all examined in public and addressed. So it cannot be said in any way whatsoever that that approach to responsible government by the current administration is anything other than open and accountable in full.

Let me conclude by saying that no case has been made out for the proposition before the House. There is a pro-disclosure culture in this country and in this government. We fought for it over the years, and we will continue to fight for it.

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

BILLS REFERRED TO MAIN COMMITTEE

Mr Lloyd (Robertson) (4.30 p.m.)—by leave—I move:
That the following bills be referred to the Main Committee for consideration:
Veterans’ Entitlements Amendment (Electronic Delivery) Bill 2004
Australian Crime Commission Amendment Bill 2003
Question agreed to.

BILLS RETURNED FROM THE SENATE

The following bill was returned from the Senate without amendment or request:
Migration Agents Registration Application Charge Amendment Bill 2003

MIGRATION LEGISLATION AMENDMENT (MIGRATION AGENTS INTEGRITY MEASURES) BILL 2003
Consideration of Senate Message
Bill returned from the Senate with amendments.
Ordered that the amendments be considered at the next sitting.

COMMITTEES
Selection Committee
Report
Mr Causley (Page) (4.32 p.m.)—I present the report of the Selection Committee relating to the consideration of committee and delegation reports and private members’ business on Monday, 29 March 2004. The report will be printed in today’s Hansard and the items accorded priority for debate will be published in the Notice Paper for the next sitting.
The report read as follows—

Report relating to the consideration of committee and delegation reports and private Members’ business on Monday, 29 March 2004

Pursuant to standing order 331, the Selection Committee has determined the order of precedence and times to be allotted for consideration of committee and delegation reports and private Members’ business on Monday, 29 March 2004. The order of precedence and the allotments of time determined by the Committee are as follows:

COMMITTEE AND DELEGATION REPORTS

Presentation and statements
1 EDUCATION AND TRAINING—STANDING COMMITTEE: Learning to work.
The Committee determined that statements on the report may be made—all statements to conclude by 12.40 p.m.
Speech time limits—
Each Member—5 minutes.
[Proposed Members speaking = 2 x 5 mins]

The Committee determined that statements on the report may be made—all statements to conclude by 12.50 p.m.
Speech time limits—
Each Member—5 minutes.
[Proposed Members speaking = 2 x 5 mins]

The Committee determined that statements on the report may be made—all statements to conclude by 1 p.m.
Speech time limits—
Each Member—5 minutes.
[Proposed Members speaking = 2 x 5 mins]

PRIVATE MEMBERS’ BUSINESS

Order of precedence

1 Mr Emerson to present a bill for an Act to amend the Workplace Relations Act 1996, and for related purposes. (Workplace Relations Amendment (Good Faith Bargaining) Bill 2004)
Presenter may speak for a period not exceeding 5 minutes—pursuant to standing order 104A.

2 Ms Plibersek to move:
That this House:
(1) recalls the key role played by Australia’s Chifley Government in developing the Geneva Convention on Genocide and reaffirms Australia’s commitment to international treaties that aim to punish those who commit crimes against humanity, war crimes and other major human rights violations;
(2) notes that at present Australia has no domestic legislation enabling the prosecution in Australian courts of the following international crimes committed outside Australia by people who subsequently settled here:
   (a) Genocide (the Genocide Convention Act 1949 did not make genocide a crime under Australian law; it only approved ratification of the Convention);
   (b) Crimes Against Humanity (other than torture after 1988 and hostage taking after 1989); and
   (c) War Crimes committed in the context of non-international armed conflicts anywhere in the world at any time, or committed in the context of an international conflict prior to 1957 (except Europe 1939-1945); and
   (3) calls on the Government to close the gaps in Australia’s domestic laws that allow accused criminals to live here without fear of prosecution. (Notice given 19 February 2004.)

Time allotted—20 minutes.
Speech time limits—
Mover of motion—5 minutes.
First Government Member speaking—5 minutes.
Other Members—5 minutes each.
[Proposed Members speaking = 4 x 5 mins]
The Committee determined that consideration of this matter should continue on a future day.

3 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. (Notice given 22 March 2004.)

Time allotted—remaining private Members' business time prior to 1.45 p.m.

Speech time limits—
Mover of motion—5 minutes.
First Government Member speaking—5 minutes.
Other Members—5 minutes each.
[Proposed Members speaking = 4 x 5 mins]
The Committee determined that consideration of this matter should continue on a future day.

4 Mr Billson to move:
That this House:

(1) recognises:

(a) Taiwan is a thriving democracy of 23 million people, with a world-class health-care system that has contributed to one of the highest life expectancy in Asia, very low maternal and infant mortality rates, successful disease eradication and preventative health programs; and

(b) Taiwan’s strong commitment to international health security through provision of aid funding and expertise to developing countries in the form of permanent medical assistance programs and emergency response medical teams;

(2) notes that:

(a) the experience of SARS in 2003 shows the vital importance of seamless global coordination in responding to international health emergencies;

(b) Taiwan’s containment and management efforts during the SARS epidemic in 2003 were severely hampered by its inability to access the expertise and coordination of the WHO, including the WHO’s Global Outbreak Alert and Response Network (GOARN);

(c) the World Health Assembly's Rules of Procedure formally allow, through several mechanisms, for the participation of observers, as distinct from states, in the activities of the organization without involving issues of sovereignty as evidenced by the role of current observers including Palestine, the Holy See, the Order of Malta, and the International Red Cross and Red Crescent;

(d) support for Taiwan’s previous bids has come from many other governments, including the US, in the May 2003 Summit of the World Health Assembly in Geneva;

(e) there is considerable public support of Taiwan’s participation in the WHO from major professional medical organizations; and

(f) last year a private Members’ motion was moved in the Australian House of Representatives, supporting Taiwan in its 2003 bid to gain observer status in the WHA; and

(3) supports:

(a) Taiwan’s case before the WHA, a specialised health agency of the UN,
based on scientific, humanitarian, and health security considerations; and

(b) Taiwan’s participation in the WHA as an Observer, allowing it as a health entity to contribute further to the international community, bringing its population of 23 million to within WHO protection against future health emergencies of the type of SARS. (Notice given 11 March 2004.)

Time allotted—remaining private Members’ business time.

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

[Proposed Members speaking = 12 x 5 mins]

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

Treaties Committee
Report

Dr SOUTHCOTT (Boothby) (4.32 p.m.)—On behalf of the Joint Standing Committee on Treaties, I present the committee’s report, incorporating a dissenting report entitled, Report 58: Optional Protocol to the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be printed.

Dr SOUTHCOTT—by leave—On 26 November last year, the Senate resolved that the optional protocol to the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment be referred to the committee for inquiry and report. Report 58 contains the findings and conclusions of that inquiry.

Australia abhors torture and other cruel, inhuman or degrading treatment or punishment. Within Australia, there are a range of mechanisms to proscribe and prevent torture. In addition to Commonwealth, state and territory legislation, human rights are protected by an independent judiciary, royal commissions, ombudsmen, non-government organisations and our democratic system of government. Australia is a signatory to the convention against torture, which entered into force for Australia on 7 September 1989.

The objective of the optional protocol is to establish a system of regular visits to be undertaken by independent international and national bodies to places of detention in order to prevent torture. The functions of the optional protocol are to be carried out by two mechanisms: the subcommittee on prevention, and independent national preventative mechanisms. The subcommittee on prevention would conduct regular visits to state party facilities, regardless of whether there are substantive concerns concerning allegations of torture. During a visit, the subcommittee would assess the conditions of places of detention and the treatment of people deprived of their liberty. Following a visit, the subcommittee would make recommendations and observations concerning the protection of people in the places of detention.

Under the optional protocol, state parties would also be required to establish one or more independent national preventative mechanisms for the prevention of torture at the domestic level. The national preventative mechanisms would also conduct regular visits to places of detention and make recommendations. The optional protocol was adopted by the United Nations General Assembly on 18 December 2002. It has not yet entered into force generally, as only three states of the required 20 have ratified the treaty.

The issue for the committee was to consider whether Australia should sign and ratify the optional protocol to the convention. In making its recommendation, a majority of
the committee found the following arguments persuasive. Firstly, the issue of whether to sign the optional protocol needs to be examined in the context of the Australian government’s approach to the UN treaty committee system. Australia remains concerned that the UN committees are not focusing on the most pressing of human rights violations. The subcommittee, when established, will be able to conduct visits to state party facilities, regardless of whether there are substantive concerns regarding allegations of torture. This is incompatible with the approach Australia has taken, which is to allow committee visits only where there is a compelling reason to do so and to focus resources in the areas of greatest need.

Secondly, there is no suggestion that the independent national preventative mechanisms are inadequate in Australia. Commonwealth, state and territory governments all conduct education and training programs and have mechanisms to prevent torture. Although the convention against torture is not scheduled under the Human Rights and Equal Opportunity Commission Act, there are a range of other human rights instruments that are and which proscribe and prevent torture.

Thirdly, there are also some procedural and substantive concerns with regard to the optional protocol. The procedural concerns are that the optional protocol was developed without widespread consensus and was not considered in detail by the working group which was established to consider the draft text. The substantive concerns relate to the need for UN treaty bodies to operate effectively, with committees focusing on the areas of greatest human rights violations. As it stands, the optional protocol will allow visits to any member state, regardless of whether there are concerns regarding allegations of torture.

Several of the submissions which supported Australia signing the optional protocol argued that it would send a message or set an example on human rights. This is not a compelling reason by itself. Australia is already regarded as a leader in human rights standards. The issue for the committee was to consider whether we should sign the optional protocol despite our concerns about the functioning of the UN treaty committee system. A majority of the committee has decided that there is no immediate need for Australia to sign and ratify the optional protocol at this time. If, over time, the subcommittee on prevention demonstrates that it has focused its resources on the worst human rights violations in the world then the Australian decision could be revisited. However, while Australia continues to work for reform of the UN treaty committee system, Australia should not sign the optional protocol.

I would like to thank the committee secretariat—Gillian Gould, the committee secretary, and Jennifer Cochran, the inquiry secretary. I would like to thank the organisations, individuals and government departments that participated in the committee’s inquiry. Their contributions are greatly appreciated. I would also like to thank all members of the committee for their consideration of this reference from the Senate. I commend the report to the House.

Mr WILKIE (Swan) (4.39 p.m.)—by leave—Senators Kirk, Marshall, Stephens and Bartlett and the members for Lyons, Bonython and I agree with most of the findings of the committee’s report on the Inquiry into the Optional Protocol to the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, but we believe that certain sections of the report and the recommendation do not reflect the views of all committee members. Therefore, I will be speaking to the dissenting part of that report.
As a dissenting committee member, I draw attention to the strong support in the evidence for Australia’s ratification of the optional protocol. Specifically, 17 of the submissions received supported Australia’s ratification—that is, 17 out of 20 submissions to the inquiry suggested that we should be party to the optional protocol. The dissenting committee members were persuaded by arguments raised in the majority of submissions—in particular, the importance of Australia’s leadership role in maintaining human rights standards and the comments on the Australian government’s reservations in relation to the optional protocol. The dissenting committee members strongly support the views expressed in the evidence that Australia’s ratification of the optional protocol is an important act of leadership. It is also a significant step in maintaining Australia’s good human rights standards. Australia already complies with the convention against torture and therefore has nothing to fear from becoming a state party to the optional protocol.

In addition, in light of Australia’s recent appointment as Chair of the United Nations Commission on Human Rights, the dissenting committee members believe that Australia should ratify the optional protocol as soon as possible. It is not good enough to say that others need to comply with protocols against torture and should make their facilities available for inspection whilst we say, ‘We do not need to—we already comply, so why would we bother?’ It is ridiculous that, in a leadership position, we would adopt such a stance.

Concerning the government’s procedural concerns as identified in the inquiry evidence, consensus is no more than an ideal. Significantly, a number of international treaties have been adopted without widespread acceptance, such as the Convention on the Elimination of All Forms of Racial Discrimination and the Convention on the Elimination of All Forms of Discrimination against Women. Australia is a party to both of these treaties.

It is also noteworthy that Australia was not represented at the United Nations working group to develop the text of the optional protocol at its 2001 and 2002 meetings. The dissenting committee members are critical of the government’s reasoning that the United Nations working group did not warrant the focus of Australia’s limited resources and was not seen as a productive exercise. Here we are, coming up with an optional protocol that would do a lot to further our leadership position within the United Nations Commission on Human Rights and we did not even bother to turn up to put forward our reasons as to why this should be adopted and actually how the protocol should look. The dissenting committee members also do not support the government’s substantive concerns. The evidence presented to the committee suggests that ratification of the optional protocol would enhance and strengthen existing international mechanisms.

In conclusion, the dissenting committee members believe that, based on the evidence presented to the committee, it is in Australia’s national interest to ratify the optional protocol. Therefore, the dissenting committee members recommend that the government take appropriate binding treaty action. In closing, I would also like to thank the contributors to the report and committee members. Finally, I would like to extend thanks to organisations, individuals and government departments for their submissions and assistance during the committee’s inquiry. I would also like to thank other members of the committee and particularly the secretariat, who are here today, for their fantastic efforts and work.

Dr SOUTHCOTT (Boothby) (4.42 p.m.)—by leave—I move:

That the House take note of the report.
I seek leave to continue my remarks when the debate is resumed.

Leave granted; debate adjourned.

ASIO, ASIS and DSD Committee

Mr JULL (Fadden) (4.43 p.m.)—On behalf of the Parliamentary Joint Committee on ASIO, ASIS and DSD, I present the committee’s report, entitled Review of the Intelligence Services Amendment Bill 2003.

Ordered that the report be printed.

Mr JULL—by leave—This inquiry into the Intelligence Services Amendment Bill 2003 was referred to the committee on 15 October 2003 by the House of Representatives. Given the specific nature of the amendment, the committee resolved to hold private hearings on the matter with a number of departments and agencies affected by the proposed changes. Hearings were held on 27 October and 27 November 2003. The committee heard from a wide range of departments and officials: the Inspector-General of Intelligence and Security, ASIS, the Department of the Prime Minister and Cabinet, the Attorney-General’s Department, the Australian Defence Force, the Australian Federal Police and the Department of Foreign Affairs and Trade.

The background to the current arrangements under section 6(4) of the act is outlined in chapter 1 of the report and is worth noting. It explains the reasoning behind the current regime. The committee’s concerns for the issues raised when the original bill was considered informed much of the debate about the proposed amendment. The minister’s second reading speech explained that the Intelligence Services Amendment Bill 2003 seeks to give ASIS the capacity to operate more effectively in a fundamentally changed environment, marked by the tragic events of September 11, 2001 and October 12, 2002. These changes could not have been predicted when the Intelligence Services Act 2001 was prepared.

The committee notes that the limitations of subsection 6(4) of the current act prevent ASIS from providing its staff or agents appropriate training in self-defence and weapons handling; they prevent ASIS from seeking close personal protection for staff members or agents operating in warlike environments; and they prevent ASIS from cooperating with other agencies in legitimate activities to ensure Australia’s continued protection from the threats of international terrorism and transnational crime. The bill addresses those defects.

However, it is important to note that the bill maintains the restraint on ASIS undertaking the use of force in its own right, other than for the limited purposes of self-protection. ASIS will continue to conduct its activities in a non-violent way. ASIS is highly accountable and subject to extensive oversight under the existing act. It will remain so under this amendment. The committee’s recommendations reinforce the oversight regime under which ASIS operates, while allowing ASIS the operational flexibility it requires to fulfil the demands the government makes upon it in a timely fashion.

However, given the seriousness of these proposals, the committee was concerned to ensure that procedures be established for the strictest regime of accountability and review. Therefore, this report makes a series of recommendations to tighten the approvals process and to establish guidelines and protocols for ASIS’s operations under the new sections of the act. The committee believes that the oversight mechanisms need to be incorporated in the act. Under the committee’s proposals the guidelines on the use of weapons and self-defence techniques which the bill requires will be agreed by the Inspector-General of Intelligence and Security and then
approved by the National Security Committee of cabinet. These guidelines will cover in detail all aspects of ASIS training and operations in this area.

Specific approval for cooperation with foreign agencies which may involve violence would have to be sought from the Minister for Foreign Affairs in consultation with the Prime Minister and the Attorney-General. In addition to the stringent regime for approval of operations, ASIS will also have to produce regular reports to ministers on these aspects of its operations, and will continue to be subject to the rigorous oversight of the Inspector-General of Intelligence and Security.

There are nine recommendations in all. They are detailed and specific and illustrate the very detailed consideration the committee gave to all the implications of the proposed amendments. The committee has accepted the government’s advice on the need for changes. However, these recommendations seek to balance the new demands associated with the difficult security environment since the terrorist attacks of September 11, 2001 and October 12, 2002 with a rigorous oversight regime and strict accountability measures which might provide confidence to the Australian public of the legality and propriety of ASIS’s actions.

I wish to thank my colleagues for their thoughtful and constructive consideration of this bill. The committee is also grateful for the assistance of both Mr Charles Vagi and Mr Greg Ralph in the preparation of this report. I commend the report to the House.

Mr LEO McLEAY (Watson) (4.49 p.m.)—by leave—At the time the Intelligence Services Act 2001 was being debated in this parliament, I was concerned about certain aspects of the legislation relating to immunities granted to ASIS staff, particularly in relation to the planning and undertaking of operations. At hearings of the joint select committee which originally inquired into the bill I was assured by the then head of ASIS that my concerns were groundless because ASIS was prohibited from being involved in activities which involved violence against a person.

This bill now expands ASIS’s ability to plan and undertake joint operations with others. There is also provision in this bill to arm ASIS staff and agents for self-defence purposes. The bill referred to the committee by the House was very nebulous in addressing the detail. For instance, is there to be a limit on what organisations ASIS will be involved with? What are the limits on ASIS’s paramilitary operations? Where is the line drawn on self-defence when the shooting starts? What are the rules of engagement?

These changes are a significant departure from the rules laid down for ASIS by the Labor government after the Hope royal commission. The government now says that we are in a different and more dangerous world, and that is true. But, bearing in mind the importance of the changes suggested in this bill, it is unfortunate that the government did not apply a bit more thought when drafting the legislation. After talking to a number of the witnesses, who have been outlined by the committee chairman, the committee accepted that it may be hard to legislate to second-guess the responses to operational questions which would confront ASIS if this bill were passed. So the committee set about making ministers far more accountable for the activities of the organisation in the hope that greater scrutiny would be applied, particularly to ASIS’s planning and involvement in paramilitary activities and the use of weapons.

The committee also believed that the training in the use of weapons should be done using the expertise of the AFP. In recommendations 8 and 9 of the report it rec-
ommended that the guidelines used by the director-general ‘cover all aspects of training, handling, use, storage and logistics’ and that ‘in developing training and logistics guidelines, the director-general, while consulting broadly, use the training and logistics models of the AFP as a basis’.

I understand that the government intends to adopt the nine recommendations made by the committee. These amendments will make the bill a better one and provide for more ministerial and Inspector-General of Intelligence and Security oversight. With regard to who can be armed, in paragraph 2.4 of the report, the committee said:

In categorising those personnel who would be enabled to undertake or participate in operational activities which would be allowed by the Bill, it is envisaged that, in addition to approvals required within the Bill, only those ASIS staff members with specific intelligence training and those agents who have been approved by the Director-General would be covered.

While I can accept that it is necessary to sometimes arm ASIS staff for self-defence, I have doubts about the idea of arming agents who by definition are contractors and often not Australian nationals. I expect great care to be taken in any decision about arming agents, who may be far less likely than ASIS staff to comply with the rules of engagement regarding offence and defence. I am also worried about the expansion of ASIS’s role in planning and involvement in paramilitary activity with other organisations. I feel that this could lead to ASIS falling into the excesses of those organisations and would lead to a different culture from the one that the organisation has at present, which I believe is one of a very forthright and useful organisation. As the committee says in the foreword to its report:

It is important to note that the Bill maintains the restraint on ASIS undertaking the use of force in its own right, other than for the limited purposes of self-protection. ASIS will continue to conduct its activities in a non-violent way.

I hope that this will continue to be the guiding light of the organisation.

DAIRY PRODUCE AMENDMENT BILL 2003

Second Reading

Debate resumed from 22 March, on motion by Mr Truss:

That this bill be now read a second time.

Mr KATTER (Kennedy) (4.54 p.m.)—Earlier in the debate on the Dairy Produce Amendment Bill 2003 we heard a number of government speakers refer to the benefits of free trade that have flowed to the dairy industry. In fact, almost every single one of those speakers did that. I accept the remarks of the member for Patterson—his remarks were laudable. However, the other speakers on the government side, to a man, referred to the free trade agreement. I do not know if they did that with a conscious disregard for the intellectual integrity of this place or whether they did it out of a towering ignorance. I will give them the benefit of the doubt and say that these people are very ill-informed.

To talk about a $55 million a year benefit is quite ridiculous when one understands that this industry is worth some $12,000 million a year to the Australian economy. It is quite silly to talk about a $55 million window of opportunity that is occurring in the United States in light of that figure. It is hard to quantify that figure, but it is my duty to the House to say that fresh milk consumption is 1,924 megalitres at $1.57 a litre—the current average price for the three major capital cities—and that amounts to $3,021 million. The amount of manufacturing milk is 8,402 megalitres and, of course, this milk is processed and should ultimately be worth considerably more than the fresh milk. So we are talking about an industry worth some
$12,000 million and we have people standing up here seriously talking about the wonder-ful, economically life-saving benefit that is flowing from $55 million a year.

I will not mention names because I do not really think I should indulge in personalities, but I would be remiss in my duty if I did not point out the forces and individuals that are at work in the dreadful happenings that have befallen this industry. I was still in state parliament when they deregulated the delivery system. There used to be franchise areas and a milko—the milk delivery man. He also delivered the milk to the big supermarket chains and got a percentage of the profit because he had the franchise rights to that area. That subsidised his delivery of milk to the poor people who did not have motor cars—like single mothers and aged people—and who did not have the ability to go down every two or three days and purchase fresh milk. It was a very important duty. I spoke to the leader of the industry and said, ‘Surely, if we deregulate this the milkos will vanish, the milk won’t be delivered, and there will be less consumption of milk.’ He said: ‘No, this will be for the greater benefit of the industry. It will open up new opportunities.’ It did, for the retail chains. Looking back and searching my memory bank, we must question the leadership of this industry going back a considerable period of time.

When that conversation took place, consumption of milk in Australia was 101.7 litres per person. The consumption of cheese was 8.8 kilograms. The consumption of cheese has risen from 8.8 kilograms per person to 12 kilograms per person, whilst the consumption of milk has fallen from approximately 102 litres per person to 97 litres per person. All I know is that we got a little note from our milk delivery man. I think we had three or four kids still at home at that stage at Charters Towers, and he simply wrote us a note which said, ‘Sorry, it has been nice doing business with you over the years but we can no longer service this part of town.’ I think there are hardly any parts of the city of Charters Towers that are now serviced by a milko. Too bad for the single mothers with three or four kids! Too bad for them! In the United States, where there is no delivery system for newspapers, they only sell half as many newspapers as we do in Australia. Whilst they may possibly be a dumber race than us, there is also an element there which shows us that when you take away the delivery system there will be less consumption.

In my 31-year parliamentary career, whenever I have seen a piece of legislation or an act by government the first question I have always asked myself is: who is going to profit from this and who is going to suffer pain as a result of this decision? Who is going to win and who is going to lose? The winners were Woolworths and Coles, the big retail chains, who paid less money—they did not have to pay a franchise overrider on the milk that they purchased. The losers were those single mums with small fridges who could not really fit in a dozen milk bottles so they did not have to go downtown each week. They have simply had to go without.

Milk is a valuable food. Most of the states in Australia not so long ago, some 10 or 15 years ago, delivered milk to every single pupil in every single school in this country, if my memory serves me correctly—it was most certainly the case in Queensland—because of the extremely valuable nature of this commodity. But many people clearly are going without today, with home consumption having fallen so dramatically.

I suppose this story started with Mr Keating and his deregulation. There are people on both sides of this House that would regard the initiatives in his national competition policy as being a wonderful leap for-
ward for Australia. I most certainly do not represent the people that enjoyed the leap forward; I represent those people that were leapt on top of by other people. In fairness to Mr Kerin, he tried desperately to hold up and stave off the day of disaster. I always thought that was analogous to the Danegeld. King Alfred was paying the Danes to stay at home. Very similarly, DMS payments were made to the Victorians so they would not cross the Murray River. When those DMS arrangements were exhausted we moved into a free market system where balancing payments for fresh milk subsidised, or most certainly helped, the manufacturing side of the industry. I do not want to go into the details of why that was a logical, sensible thing to do from everyone’s point of view. When those payments ceased, naturally the Victorians were incensed. In 1990, the Victorians were on about 24c a litre. The Sydney market was delivering some 52c a litre. The Victorians were being told by Murray Goulburn and Bonlac that if only they could get across that border they would be able to get 52c a litre. They got across the border all right, but they did not get 52c a litre. They got across the border all right, but they did not get 52c a litre. They are still on 23c or 24c a litre. In the meantime, the CPI has moved up from 104.9 to 144, so they have suffered a 40 per cent loss in the real purchasing power of their incomes.

We were told again by the leader of this industry that we must not go cold turkey—the one thing we cannot do is go cold turkey. I heard this gentleman speak in Malanda and I said: ‘Hold on a minute, we are like the Iraqis here or somebody: we’re going to run up the white flag before the enemy even arrives. Surely we’re going to fight this.’ Then I got a lecture on how we could not possibly go cold turkey. I did not know a lot about the industry, and I bowed to this man’s leadership. He had considerable leadership—and still has, I might add. The government drew up a plan. Instead of fighting deregulation, which the Country Party in days past would have tenaciously fought, the traditional party and the traditional people that represented the dairy industry drew up a plan to facilitate it. My father recalls that people in the party room said, ‘Unless we get a better deal in Victoria, we’re coming across the border.’ He said that literally there were fisticuffs when two of the New South Wales blokes said, ‘You come across the border and we’ll break your bloody legs’. Excuse the language, Mr Deputy Speaker, but that was the language used. I must say, in fairness to the speakers on the opposition side of the House, that each of them has blamed the government for deregulation, and each of the government speakers has blamed the opposition for deregulation. I notice that there are not a lot of people putting up their hands and saying, ‘I’m proud of deregulation.’ This side of the House passed the national competition policy legislation, and it was their state governments that implemented it.

Mr Fitzgibbon—What about the constitutional issues?

Mr KATTER—Let me finish. You will like what I am going to say—don’t interrupt me. The other side of the House drew up a plan in which they said, and I am almost quoting the agriculture minister verbatim, ‘Your farmers will get on average $100,000 per farmer, but only on the condition that each state deregulates. So if you do not deregulate you will deprive your farmers of $100,000.’ Surprise, surprise! Mr Amery and Mr Palaszczuk with hands on hearts said, ‘We didn’t want to do it, but we are being forced to do it by the minister.’

There is not a single person in here with the slightest shred of intellectual integrity who would say that the government were not up to their eyeballs. I am not saying that all the government members wanted that to happen—far from it. I think many of them
were staggered and taken aback by what the agriculture minister did. The parliamentary secretary puts up her hand. She most certainly was. She showed a lot of courage during the state election campaign in saying that publicly.

The singular input from the leadership of the dairy industry, to quote one of the three biggest dairy farmers in Queensland, was to break our will to fight deregulation. I have to question the modus of that person in light of the deregulation of the delivery system in the dairy industry. People might ask why dairy was deregulated and pharmacy was not. Those who went along to listen to John Bonger would have heard him say, ‘Any further deregulation of this industry, Mr Treasurer, will not be tolerated.’ He said that in front of 1,000 people at the annual pharmacy dinner. He let it be known that, if anyone attempted to deregulate that industry, they were going to get their fingers broken. He was not very nice about it; he was very definite about it. He had a very good minister in Minister Wooldridge, who stood strongly against the deregulation of the pharmacy industry. So we have the cheapest pharmaceuticals in the world, and I suspect that will be undermined by the free trade agreement.

So Mr Wooldridge and Mr Bonger opposed deregulation, and now a minister for agriculture and a leader of the dairy industry—and I will not use their names—have done just the opposite; at every twist and turn they have facilitated deregulation. It was a dreadful deception of Victoria because not only was the $100,000 dangled in front of them but they had already been deregulated, so they were getting $100,000 for nothing, really. Also dangled in front of them was the 50c Sydney market. Those two things are not out there now. I dare this government or the state government in Victoria to have another vote on dairy deregulation and we will see how it goes this time. People like me were not in the know then and trusted the leadership of the dairy industry. We are different people now and we will be down there in Victoria waving the flag with great aggression this time.

These matters were brought to the attention of the leadership of the dairy industry and this place by Professor Coper, Dean of the Faculty of Law at the ANU and the most distinguished academic and lawyer in this field in Australia, and David Jackson, an outstanding leading barrister in the country—they pointed it out to all and sundry—in their publication *The curious case of the callow crayfish: the new law relating to section 92 of the Australian Constitution*. Any person in this House could have gone down to the library and asked for the latest information on section 92 and would have been given a book on section 92 after Cole v. Whitfield.

While there are a number of cases that followed Cole v. Whitfield, with the Bali Marketing Board in New South Wales v. Norman probably being the most important, that information clearly indicated that just because Victoria was coming across the border that did not mean New South Wales or Queensland had to deregulate. There was a way of getting around that and it was delineated by the two most outstanding lawyers in the country in this field or in any field. Let us move on, because there are people in this place who are still stupidly advocating deregulation. What a recipe for, and what a monumental history of, disaster.

*Mr McArthur interjecting—*

*Mr KATTER—*The member for Corangamite is one of them, so let me spell it out for his edification. In 1988, pre deregulation, the market indicator price for wool was $6.47 a kilogram. By 1995, some seven years after deregulation, the market indicator had fallen to $3.95. Needless to say, people got out of wool, and the income for this...
country, which was $5.9 billion in 1988, fell to $2.9 billion by 1995. What an absolute disaster for this country. Ten per cent of the nation’s entire income was coming from wool until Mr Keating undermined the scheme and deregulated the industry.

Alan Jones the commentator said some three weeks back, ‘Now we have only half a wool industry; the numbers have fallen clean in half.’ I did not believe that, so I went to the library and got out the figures. I was quite appalled to find out that he was correct. There were nearly 200 million sheep in Australia; now there are about 100 million. So that was the first deregulation—what a marvellous success story! If there are any doubts in your mind, Mr Acting Speaker, about the value of the minimum pricing arrangements and regulations, listen to this: in 1970, prior to that wonderful man Doug Anthony introducing the scheme, the price was 65c a kilo; within three or arguably four years the market indicator had gone to 184c a kilogram. So it went up 300 per cent when statutory marketing was introduced. When statutory marketing was taken away, the price dropped clean in half—pure coincidence!

When tariffs were removed from the sugar industry, the price did not go down. The retail chains put the price up from 201c for a two-kilogram pack to 232c. That was the average price in 1994, 1995, and 1996—I am taking out the spikes and troughs, to be fair. By the June quarter of 2001 when these figures were put together the price for consumers had gone up by 15 per cent, so it was hardly a success story for the consumers. The world price for raw sugar in that 1994 to 1996 period was $386 a tonne. The price for sugar fell dramatically because Brazil got into ethanol and the subsidies from Europe took effect, plummeting from $386 a tonne to $223 a tonne—a massive fall in the price of sugar. The price fall should have gone down to the consumers. Did it go down? No, it went up. Instead of going down it went up 55 per cent, to $441 a tonne.

Exactly the same thing occurred after deregulation of the egg industry. The price of eggs in Brisbane rose from 193c a dozen to 304c a dozen and the price for the farmers went down 65c a dozen, delivering to the retail chains and the middlemen $427 million a year in extra profit. They have got $442 million a year in extra profit out of the sugar industry after deregulation. So we can see clearly who is benefiting—who is winning and who is losing.

That brings me back to the dairy industry. The dairy farmers in North Queensland simply got a polite letter from the dairy industry—and I am not blaming the industry; they have to get their products onto the shelves of Woolworths and Coles—saying, ‘You were getting 58.9c a litre. Since deregulation, we’ve got to compete against these other people, so you’ll only get 41.5c a litre.’ You wake up one morning and you have lost 30 per cent of your gross income, which in any normal business would be 100 per cent of your net. Mr Acting Speaker, did the price to consumers go down? No, it went up from 115.5c to 156.5c. It rose some 41c. The price to consumers rose, and the price for farmers fell 19c. In North Queensland, it went from 59c to 41c; in southern New South Wales, 52c to 35c; on the mid-coast of New South Wales, 47c to 30c; and south Queensland, 55c to 31c—an average fall of 19c. If you multiply that for that year when the consumption of milk was 1,884 megalitres, that is $1,130 million in extra profit for the middlemen. What a great success story! (Time expired)

The DEPUTY SPEAKER (Mr Jenkins)—I call the member for Eden-Monaro.

Mr NAIRN (Eden-Monaro) (5.14 p.m.)—Thank you, Mr Deputy Speaker, and I am pleased to promote you from Acting Speaker
to Deputy Speaker, which is your correct
title. I am very pleased to speak on the Dairy
Produce Amendment Bill 2003. In doing so,
I will say a few words about the dairy indus-
try, particularly in my electorate of Eden-
Monaro, which has a very strong, vibrant and
growing dairy industry—in fact it has grown
quite substantially in recent years. Some of
the comments by the member for Kennedy
make me look at the actual figures that he
did not quote. In 2002-03, while production
of milk fell, obviously because of the signifi-
cant drought during that period, the produc-
tion of 10.3 million litres was nearly double
the output in 1979-80, and it is now continu-
ing to rise.

Mr Katter—Over the dead bodies of the
farmers!

The DEPUTY SPEAKER—Order! The
honourable member for Kennedy!

Mr NAIRN—Of the other figures that he
did not bother to quote, exports have risen
from less than 40 per cent of production a
decade ago to 60 per cent today. In monetary
terms that presents a rise from about $1 bil-
lion to a record $3.2 billion in 2001-02. They
are some figures that the member for Ken-
nedy would never quote. In saying a few
words about deregulation I will not dwell on
it, because there is no point in trying to rede-
bate that as the member for Kennedy did for
19-odd of his 20 minutes—I think that is all
he spoke about. But there are a few that do
try to rewrite history, and the member for
Corio was one of those. He was interjected
upon by the Parliamentary Secretary to the
Minister for the Environment and Heritage,
who happens to be at the table again now,
who said that the deregulation was by the
states. The member for Corio said that that
was a ‘blatant untruth’. They were the mem-
ber for Corio’s words.

We all know that the only way that dairy
deregulation actually happened was by the
passing of legislation in the states. So the
parliamentary secretary was spot on: the de-
regulation took place as the result of legisla-
tion in the states. But the member for Corio
said that was a blatant untruth. I do not know
how he could say that. Probably the best way
to clear that up is to quote the Bills Digest,
which does not take anybody’s position; it
just states the facts:

Deregulation of the dairy industry has been ar-
gued at a state level within the industry for some
time. Given the different levels of regulation in
different states and the increasing impact of the
global trade in dairy products it was generally
recognised that the continued regulation of the
Australian industry was not sustainable.

That is what it was all about. The federal
government simply showed some leadership
and ensured that farmers were disadvantaged
as little as possible through that process. It
was inevitable that it was going to happen
with the way in which every state was acting
differently, and there was really no way it
could be stopped, but the federal government
stepped in and ensured that it was done in a
way in which dairy farmers would suffer as
little as possible.

With respect to my electorate, part of that
process involved the Dairy Industry Adjust-
ment Package, which was certainly of great
benefit to my electorate. In fact, there were
quite a number of projects that were funded
to assist not only the dairy industry but other
industries in the region that would naturally
suffer as a result of changes to the dairy in-
dustry. All in all, there was a bit over $2.2
million allocated to my electorate under the
Dairy Industry Adjustment Package. That is
in addition to the assistance to farmers,
which averaged out at about $130,000 per
dairy farmer as part of the government’s help
through the transitional period. In addition,
the Dairy Regional Assistance Program rec-
ognised the impact on regional communities.
As I said, a bit over $2.2 million came into Eden-Monaro.

There were two excellent projects that went to Bega Co-op: one for $660,000-odd and the other for $770,000. The first one allowed a new shredded cheese line to go into Bega Cheese. That employed an additional 20-odd people immediately. That was something that Bega Cheese were working towards, but it probably was implemented about six to 12 months earlier than it would have been, because of the assistance they got from the government. So there were over 20 additional jobs in that alone. There was also assistance to Bega Dried Foods, while Bega Valley Gourmet Meats received $44,000 and a number of other projects benefited as well. The Sapphire Coast Producers Association got assistance out of that, and in the Eurobodalla there was assistance to the company Mordek, which has now seen probably 20 or 30 additional jobs and they will probably increase to somewhere near 100. The Dairy Industry Adjustment Package has certainly been of assistance to those communities.

We are pretty lucky, I guess, on the far south coast of my electorate that we have a company like Bega Cheese. They saw the writing on the wall a long time ago when the DMS scheme was introduced to keep the Victorians on the other side of the border. They knew that that could not be sustained. They were not going to sit back and say, ‘We’ll just process some milk and hope that the government will look after us in the future.’ They were proactive and they geared up their business quite substantially over a number of years, knowing full well that they would be placed into this sort of market. I congratulate them for the foresight that they had way back then, well before the actual deregulation took place.

In the Bega area there are 120-odd farmers, and most of them are shareholders in the Bega Co-op. A few farmers went out of dairying after deregulation, but not huge numbers. There are 25,000 cows, producing 140 million litres of milk each year. Those numbers are increasing and Bega Co-op are working with the farmers to increase their production, because they have certainly got the demand in the factory. That is where the real changes are taking place. Ten years ago, 80 to 100 people were employed in the Bega Co-op factory. Today there are in excess of 500 people employed, which is a quite substantial increase. They produce a variety of superb dairy products and cheeses.

The Bega Co-op was exporting virtually nothing not that many years ago—I am coming to the very beneficial things that are occurring in this industry, and the member for Kennedy is leaving the chamber because he cannot argue against these sorts of positive things; why he would have a problem with an additional 400-odd jobs into a rural and regional area is beyond me, but it is the case that an extra 400-odd jobs have been added over the last eight years into a rural and regional area, which is quite superb—and Bega cheese is now exported into North Asia, South-East Asia, the Middle East—

Mr Katter—Mr Deputy Speaker, I raise a point of order. I claim to have been misrepresented.

The DEPUTY SPEAKER (Mr Jenkins)—It is not appropriate to interrupt a contribution to claim misrepresentation. One can do so at the end of the contribution.

Mr Katter—I said, continuously, that they got into Canberra—

The DEPUTY SPEAKER—The honourable member will resume his seat. The honourable member for Eden-Monaro’s comments were not an invitation for the honourable member for Kennedy to return to the chamber and make further comments.
Mr NAIRN—Thank you, Mr Deputy Speaker. I exercised great restraint in staying in my seat while the member for Kennedy was speaking; unfortunately, he cannot do it when I am providing some very good positive information and facts about great things that are happening in a rural and regional part of Australia.

Bega cheeses are now going into North Asia and South-East Asia. In fact, I bought packets of branded Bega cheese in supermarkets in China the year before last. Exports are going into the Middle East and into Central America and South America. When you look at those exports into the Middle East, particularly, you see that that is an area of great prospects. In October of last year, Bega cheese went into Iraq for the first time. That was a tinned cheese product which was produced specifically for the Middle Eastern market. It is halal approved, it has Arabic labelling et cetera. Markets in the Middle East that are receiving Bega cheese include the United Arab Emirates, Saudi Arabia, Bahrain, Kuwait, Jordan, Egypt, Lebanon and now, over the last few months, Iraq, Qatar and Yemen. That is more good news coming out of an industry which has certainly done it tough.

It has not been easy, that is for sure, but down in Bega we have a board chaired by Barry Irvin—the other board members are Max Roberts, Richard Parbery, Tom D’Arcy and Richard Platts—that really have some vision for the company and have taken it forward, and they are taking the farmers along with them. They have been able to provide a higher fee to their farmers for the milk that they produce, particularly over the last year or so, when we had a very serious drought in that area. Fortunately they were eligible for exceptional circumstances assistance from the Australian government.

Bega Cheese also looked after their farmers by increasing their payments and dividends. Their last annual report shows a turnover of $218.5 million and a profit before distributions of $10.894 million. Because of the difficult circumstances—coming out of deregulation and then being hit with the drought—Bega Cheese distributed drought premiums and dividends which totalled just over $10 million to all of their co-operative shareholders, the farmers. They actually distributed nearly all their operating profit to their shareholders to help those farmers through that difficult period. I think that is a real bonus for those farmers. The board of Bega Cheese should be congratulated for taking that position.

The annual report also shows that sales revenue was up 20 per cent, to $218.5 million, as I said; operating profit was up 38 per cent, to $10.894 million; and bulk cheese production was down nine per cent in that year—and that is because of the drought circumstances that the area went through. Cutting and packing output was up 49 per cent; they put out 36,695 tonnes of cheese. This was able to be done because of an investment of $100 million to expand the manufacturing operations in Bega over the past 10 years, and the staff levels have gone from around 100 people to over 500. That is a very good story, and they are certainly looking to increasing their exports. A statistic which is quite interesting is that 40 per cent of all domestic cheese purchased in Australia comes out of the Bega factory. They do not produce all the milk down there, and they do not produce all the cheese, but 40 per cent of all domestic cheese sold in Australia comes out of that factory. That means that a lot of cheese is being trucked in from Victoria, mainly, for cutting and packaging. The various cheeses come in in blocks and then they are cut and packaged in Bega. That is a great credit to them. They are looking towards
things like the free trade agreement to assist even further.

The dairy industry is certainly one of the industries that will benefit hugely out of a free trade agreement. Let me go through some of those benefits. Milk, cream and ice-cream currently have no quota with the US. In the very first year, 7½ million tonnes will go into a quota there, with a zero tariff. Condensed milk currently has a quota of 92 tonnes. That will be increased by an additional 3,000 tonnes in the first year and, once again, there will be no tariff. For butter and butter-fat we have no quota currently. In the first year, there will be 1,500 tonnes of quota, also with a zero tariff. Cheddar cheese currently has 2,450 tonnes a year of quota, with a tariff on it. In the first year of the free trade agreement, an additional 750 tonnes will be allowed, with a zero tariff. Similarly, for many other cheeses there will be substantial increases in the quota in the first year, with most of the quotas increasing by between three and six per cent per annum in perpetuity but with the tariff being zero right from day one. We are looking at increasing exports of dairy products from Australia into the US from around $40 million to $95 million to $100 million as a result of that free trade agreement—and certainly Bega Cheese will be well placed to benefit from that sort of change.

I will finish by mentioning the Eurobodalla, where we also have quite a number of dairy farmers, although not the same number that we have in the Bega Valley. The Eurobodalla was certainly going to be impacted by dairy deregulation, and that is why a number of Dairy Regional Adjustment Program projects were funded in that area. Probably the standout one, which has been terrific as far as creating jobs is concerned, was a grant to a company in Moruya called Mordek to enable them to enlarge their steel-manufacturing plant. At the same time, because they got that assistance, the people involved with that company were able to substantially expand the industrial estate. We had a problem on the coast between Batemans Bay and Moruya where there was virtually no industrial land left, and this particular assistance, through the Dairy Regional Adjustment Program, allowed a major industrial estate to be brought forward, providing much-needed serviced industrial land. Eurobodalla Shire Council thought that that might give them a bank of industrial land for close to five years, but in fact virtually all the blocks were sold even before the subdivision was completed. Already there are a number of new factories and businesses starting.

The direct number of additional people employed at Mordek as a result of the grant was in the order of 15 to 20—although I think that has now gone to well over 20—and the flow-on effect is huge. It really will be felt right through that region in a very positive way. Therefore, it was an absolute tragedy that Senator O’Brien attacked this project in the Senate. He talked about corruption and, even though a political Senate committee that was put together said there was nothing untoward, he chose not to apologise to the people he attacked under parliamentary privilege. It is a great project. It has provided a lot of jobs and it will provide a lot more jobs for the future, as have quite a number of the projects that have been funded throughout my electorate of Eden-Monaro under the Dairy Regional Adjustment Program.

Mr McARTHUR (Corangamite) (5.34 p.m.)—I am very pleased to participate in the debate on the Dairy Produce Amendment Bill 2003 because of my long interest in both the whole process of the debate and the way in which deregulation finally took place in 2000. Let me say from the outset that I fully concede that the dairy industry is having a very tough time at the moment, because of
drought, exchange rates and low world commodity prices, which I will refer to at a later stage.

Let me put on the record some of the comments of other members of this House. I compliment the member for Eden-Monaro, who has had a long association with the dairy industry. I think in the early days of deregulation he showed great courage, because he was confident that deregulation in the longer run would be better for his farmers in Eden-Monaro. I note his indication to the House that the Bega Cheese cheese and butter factory had improved employment opportunities because it moved into the export market and because it was game to approach activities beyond the smaller, regulated New South Wales fresh milk market. I commend the member for Eden-Monaro.

I am not so sure I can commend the member for Corio, because he has, as usual, taken some poetic licence about certain matters. He suggested that I am a squatter from western Victoria, and I would like to remind him that I am a free settler from western Victoria. My family came in 1839—unlike his family, who were probably pushed out of Ireland in the 1850s. The member for Corio remarked that he milked cows by hand. I commend him on that, but I want to know whether he can really milk a cow by hand, using both hands, and whether he was better than other members of the family. I suspect the member for Corio was always late to the cow yard in the morning and the evening and did not pull his full weight. As usual, the member for Corio was rather critical of the member for Corangamite, but we will square the record on this occasion. I do concede to the member for Corio that in his speech he made complimentary remarks about Pat Rowley, the leader of the dairy industry. I would like to support the member for Corio in those remarks: Pat Rowley, as the key leader of the dairy industry, has managed to bring about a major change in the industry, so much so that it is now a world competitive industry.

I will make a quick comment on what was said by other members. I think the member for Maranoa has been influenced by the fact that his dairy farmers were in the protected domestic fresh milk market in Queensland. The member for McMillan, who complained about some of the difficulties faced in the dairy industry, comes from Gippsland, where they have good rainfall. In the long run the farmers in McMillan will benefit from deregulation and the export potential of the Victorian dairy industry.

I think that the member for Paterson, as the member for Eden-Monaro and I observed, is drawing a long bow in suggesting that deregulation is the problem facing his farmers. The competition policy was part of the deregulation process but, there again, dairy farmers in New South Wales were protected because they had enjoyed extra pricing in the fresh milk market. The member for Forde was concerned about the results of the fresh milk market for the dairy farmers in her electorate.

I am delighted that the member for Flinders now understands the dairy industry and that he is supportive of the dairy industry in those parts of his electorate. The member for Blair, like the member for Eden-Monaro, has been very courageous in discussing the issue of deregulation. I well recall that the member for Blair had difficulties with some of his farmers who were facing the cold winds of competition and international pricing. The member for Parkes extolled the virtues of the export market and said that, in parts of his electorate, or close to his electorate, the dairy industry is expanding.

The member for Eden-Monaro and I have had great difficulty with the member for Kennedy, because he has a utopian view of the world. He thinks that, if we reregulate the
dairy industry, all will come good and that if we go back to the 1930s it will improve even more. His speech leaves a lot to be desired. He wants to change section 92, and he wants to fix up the wool industry. Some of the views the member for Kennedy puts to this parliament are somewhat irresponsible. People respect the views of members of this parliament and he puts views that are fundamentally unsound and unable to be put into operation by either the opposition or the government. I think that is very unfair on the farmers who are suffering at the moment.

Farmers are in difficult times; we all concede that. Drought in Victoria and south-east Australia, a once-in-100-years event, meant that feed costs were extremely high. Dairy farmers who fed their animals with grain found that the price of grain had moved—I think it is currently $70 or $80 a tonne—up to extreme levels of $200 or $250 a tonne. Obviously, that pricing was a great problem for farmers trying to maintain production.

Water ran out for the irrigation farmers in northern Victoria, and they literally had no source of feed supply. The cost of water became exorbitant; water supplies did not exist and hay prices were out of control. So the dairy farmers faced some very difficult times both during and after the drought.

I concede that the low prices they now receive make it very difficult for the farmers. Although 25c per litre is at the lower end of the spectrum, it is interesting that reliable industry sources tell me that, in the longer run, dairy prices will be in the range of 23c to 35c per litre on the international export market. But right now it is very difficult, and I concede that point.

Added to these fundamental domestic difficulties we have the exchange rate moving in the wrong direction for the exporters. All exporters have this difficulty if they are selling in US dollars, be they beef producers, sheep producers, car exporters or iron ore exporters. So the problems of the dairy farmers are not unique in that the export prices they receive into Japan and other parts of Asia are in US dollars.

The major companies in Victoria have had some difficulties. The difficulties of Bonlac as a cooperative are well known. One of their major difficulties was that they hedged against the Australian dollar, backed the wrong horse and suffered considerable losses. They rearranged their affairs but, again, some of the dairy farmers are very unhappy with their operations. Murray Goulburn are, in my view, a very well integrated company, looking after their dairy farmers in difficult circumstances, with a long-term view of exporting their product around the world.

There has been a lot of discussion during the debate on this bill about deregulation being the cause of all evil. Let me say quite categorically that deregulation is not the cause of the difficulties facing dairy farmers across Australia; it is a problem for dairy farmers in the highly lucrative fresh milk markets which had the prop taken away. Everyone understands that.

As far back as 1984 or 1985, former minister John Kerin started the deregulation process. There are those opposite and even those on my side—the member for Kennedy and others—who say that deregulation crept up on them and was implemented by this government. Let us be clear that John Kerin, in his wisdom—I supported him, against some of my own people who were upset at the time—put in place a process that would open up the Australian dairy market to export incentives. Basically he said that we needed to make sure that this industry could export around the world, and I note that the Minister for Agriculture, Fisheries and Forestry agrees with the proposition that the dairy industry
should have the capacity to export profitably to other nations.

The original proposition floated under regulation was that Australia would contain its production to about 5½ billion litres. The attitude was that the regulatory process would ensure that nobody overproduced and that the domestic market would pay an inflated price for milk. So we had the situation where, inevitably in the longer run as the Victorians became more efficient, that restriction on the marketplace could not last forever.

John Kerin, successive Labor ministers and then the minister at the table, the Minister for Agriculture, Fisheries and Forestry, finally went to a situation of deregulation in 2000, with a final deregulation package of $1.8 billion. The member for Kennedy does not mention that, and some of my own colleagues tend to overlook the massive and quite remarkable contribution of the $1.8 billion deregulation package which allowed a number of dairy farmers to readjust their enterprises. They either reinvested in their own dairy farms or made an honourable exit from the industry.

The Minister for Agriculture, Fisheries and Forestry, who is at the table, the member for Eden-Monaro and I could not recall such a package in other industries where the farmers were given such a large chunk of money over eight years, although many of them took it as a lump sum. The average payout was in the range of $100,000 to $130,000. That was a shot in the arm for those dairy farmers who were suffering at the time. They were able to make fundamental adjustments to either get a little bit bigger, and become more efficient, or exit the industry with some dignity.

The bill before the House is a technical bill, providing indemnity for the directors of Dairy Australia. I think that is commendable, because those directors are generally serving the nation in a voluntary capacity, with Pat Rowley as their head. The bill also provides some minor structural arrangements for the $1.8 billion adjustment funds to allow them to use financial instruments.

As I said, it is pretty tough in the dairy industry at the moment because of the debts that some of the dairy farmers have incurred during the drought, the low prices and the ongoing impact of the drought. For the record, I would like to refer to the article by Cathy Bolt on some of the updated figures that other members have been using. If we look at the number of dairy farmers in the industry, we see that as at 30 June 2003 there were approximately 10,500. That has come down from about 13,000 dairy farmers at the time of deregulation. More importantly, in 1970 there were approximately 47,000 dairy farmers.

We have seen a massive change from what was almost a cottage industry where there were large numbers of farmers milking 50 cows. The member for Corio was probably hand milking a few cows. He probably had about 45. But we have made progress since that time, and farmers now have a larger number of cows. The Victorians brought about change. They became more efficient, they used their irrigation, they used improved pastures, they developed a cheaper cost of production and a cheaper milk price and they were attacking those regulated markets across the border, be they in Queensland or New South Wales. So, inevitably, the regulated market would have collapsed—and I refute some of the arguments that we have heard from both sides of the parliament that the regulated market would have survived indefinitely.

I have met with the Australian Milk Producers Association. I have talked with them from the back bench and I, with my col-
league David Hawker, the member for Wannon, met members of that group in Victoria. They have no real propositions. They make a lot of noise and they talk a lot about the problems in the dairy industry. Their proposition, as I understand it, is basically to re-regulate the industry—and that will not happen. Their second proposition is that the government should inject another $1.2 billion into the industry and all the problems will be solved. They also have a proposition about interpreting section 92 so that they can re-regulate the market.

If you look at the size of the cow herds, you see that we now have approximately two million cows. The average herd size has moved from 85 cows to 190, 195 or 200 cows. My own judgment is that, if they are becoming profitable, the cow herds in Victoria are between 350 to 450. Exports are now 60 per cent of the dairy industry—what a dramatic change from the domestic market, which dominated the industry, to a profitable export market. In Victoria we have 11 per cent by volume domestic production and the rest is exported. In the more normal year of 2001-02, we gained $3.2 billion worth of exports. That obviously fell back during the drought, but over the years we can look forward to the dairy industry potentially exporting $3 billion of hard-won export earnings to the nations around the world—providing prosperity for Eden-Monaro, western Victoria and Gippsland. I do concede the point that some of those other areas that were marginal do have some difficulties in maintaining their prosperity and their economics of production.

Finally, I will make a couple of remarks about the free trade agreement. There were strong representations from the dairy industry to ensure that Mark Vaile, as the trade minister, made representations to the US administration to allow Australian dairy products access to that very profitable and lucrative market. We now have an increase of $55 million per annum into that market. It is a small entree into the market, but it does mean that we can improve over time to get into a market which has the capacity to purchase and the capacity to take in processed product. I think the impact of the free trade agreement will be very much to the advantage of the Australian dairy industry.

Could I finish by saying that the shining light in Western Victoria is the Warrnambool Cheese and Butter factory. The minister at the table, the Minister for Agriculture, Fisheries and Forestry, has been to the Acme field days, and he opened them just a couple of years ago. He has seen for himself how a small cooperative factory, which has now been floated on the stock exchange, has been able to maintain their profitability—a bit like the Bega Cheese Factory. The Warrnambool Cheese and Butter Factory saw an opportunity, maintained their quality, kept the farmer’s productivity high and have managed to ensure that they are showing a commercial and profitable rate of return. I would like to put on the record that John McLean, the general manager, and their board of directors, have done a great job to prove that there are commercial opportunities in the export field for people who are looking for opportunities and are prepared to take them up rather than consider that the end is nigh in the dairy industry.

As every commentator knows, in the longer term Victoria will become the heart of the dairy industry. They have free rain. I say ‘free rain’ because they are not taking it from the irrigation channels. There is a reliable rainfall. The land price is reasonable and compatible to dairy production. The farmers are moving to bigger and better rotary dairies. The better operators are moving to bigger herds of 400 and 500 cows. There is no cost for irrigation water, which is now escalating to some unknown figure in the future.
They are looking for export market potential. Like the cattle and the grain producers, they are out there exporting a product and looking at the quality at the dairy farm level and the processing plants to ensure that the product meets the export requirements.

I commend the minister for his diligence in handling the whole problem of dairy deregulation. I am confident about the future of the dairy industry. I am confident that, when we have overcome the problems of exchange rates and the recent drought, the dairy industry will bounce back. There will be a few who will not enjoy that prosperity—I understand that—because of their economies of scale. But I remain confident that, in the longer run, those who are specialist dairy producers will be profitable; they will help to make this a very good and sound industry. It will compete with New Zealand, our major competitor. It will compete with some of those highly subsidised European and Canadian markets. It will go from strength to strength because we on both sides of the parliament, I might say—had the courage to deregulate the industry, turning it from an inward-focusing industry which relied on the domestic market into an outward-focusing industry which looked at the export opportunities over the next 30 years. I commend the bill, and I commend those who have shown courage in this debate, which has not always been easy.

Mr TRUSS (Wide Bay—Minister for Agriculture, Fisheries and Forestry) (5.53 p.m.)—I thank the large number of members who contributed to the debate on the Dairy Produce Amendment Bill 2003. In particular, I would like to compliment those members who spoke with a degree of optimism about the future potential of the dairy industry and, whilst acknowledging that there are current difficulties, they have recognised the outstanding contribution the dairy industry has made, is making and will continue to make to Australia in the future.

Dairying is certainly one of our most important agricultural industries. It contributes about $3 billion a year to the gross value of agricultural production in this country. As a number of speakers have said, it contributed something like $2½ billion from exports last year, because of the drought, but has peaked at $3.2 billion in export income. So it is indeed one of our most important agricultural industries, and I have no doubt that the dairy industry will grow and prosper in the years ahead. A number of factors will help to improve that position. As the industry continues to focus more heavily on exports, the negotiation of free trade agreements with Thailand, the United States and, potentially, China opens up new opportunities. But in other places as well, some of the barriers to our products are starting to break down. I was pleased to announce today that Bangladesh is lifting some of its penalty tariffs on Australian dairy exports, and it is potentially an important market. So I think there is potential for the industry to grow and expand in the future.

There were, of course, one or two speakers who could only talk about doom and gloom: there was the honourable member for McMillan; and he, of course, was trumped by the member for Kennedy. But we have come to expect that kind of response from the member for Kennedy. In their comments, the member for McMillan and the member for Kennedy—and even, unfortunately, the member for Corio, who is the shadow minister—have repeated the oft-quoted argument run by Labor states that the Commonwealth was responsible for deregulating the dairy
industry. During his speech, the honourable member for Corio was corrected by the parliamentary secretary, the honourable member for Murray—who came from the heart of the dairy industry—who pointed out quite clearly that at no stage did the Commonwealth pass any legislation to deregulate the dairy industry. We had no regulations to repeal. The regulations for farmgate pricing and market milk pricing were all state regulations. It was the state governments that made the decision to deregulate their industries.

The unfortunate thing was that, when the deregulation occurred—when the states decided to repeal the regulations—only one state offered any assistance to their dairy farmers to cope with the impact of the change. Ironically, that was the only coalition government at the time, in Western Australia. They at least put up some financial assistance to help the industry to deregulate. But in the Labor states, not only were the farmers’ quotas taken away from them and essentially made worthless but the states were not prepared to offer any compensation or assistance at all. Were it not for the fact that the Commonwealth intervened and offered assistance packages totalling $1.94 billion, the transitional phase from a regulated industry to a deregulated one would have been catastrophic.

It is true that there have been continuing difficulties for many in the industry. Some of the impacts of deregulation were not felt initially, because the world price was high. Many in the industry thought that perhaps the implications of deregulation were not going to be as substantial as they had thought. But now that the world price has returned to more normal levels, some of the true impact is being felt, especially in those states that previously had a high dependence on the market milk sector. In Victoria, which, as the honourable member for Corangamite quite correctly pointed out, is by far the largest dairying state—and its share of the industry continues to grow—the impact of deregulation was much less, because it was largely a deregulated industry anyhow. But their drought has had an enormous impact. The drought has been particularly severe for dairy farmers, especially in the irrigated areas, so their income has been savagely cut as a result.

All those sorts of things have led to some degree of despair in many sections of the dairy industry. There are no quick or easy fixes to the problems, despite what some in the industry might be saying. If there were easy solutions, the industry would have grasped them years ago. If there were some magic loophole in the Constitution that enabled something to happen that was not allowed to happen a couple of years ago, the industry certainly would have grasped it. But the reality is that the circumstances that led to deregulation in the year 2000 have not changed. There is nothing about the architecture of the Constitution or, indeed, about the powers of the states and the Commonwealth that have changed since that time, so there is no practical way in which you can reconstruct the regulations that existed in that era. If anybody is going to re-regulate the industry, it clearly has to be the states, which had the regulations in the first place. The Commonwealth has no price-setting powers. The public ruled on that issue, well and truly, in a referendum a couple of decades ago. So if there is to be any re-regulation, it has to be done by the states and not by the Commonwealth.

But none of the states is of a mind to take that action. The Western Australian parliament commissioned an inquiry that has just recently reported. They spoke enthusiastically about re-regulating, but the state Labor government has no plans to take that kind of approach. They appreciate the real practical
difficulties that would be associated with any proposal to re-regulate.

It is also important to note that the current difficulties facing the dairy industry do not entirely stem from deregulation. As I have already mentioned, the drought’s impact of higher feed prices and the lower world price for milk products have quite obviously had a huge impact on dairy farmers. The cut-price tendering by the dairy companies has not been helpful either. It has certainly ensured that the returns to dairy farmers have not been as high as they otherwise could have been, and the wholesale price benchmark has been driven down by this practice. The Australian government is keen to continue to work constructively with dairy farmers wherever it can to improve their operating environment and to strengthen the future of the industry in the interests of farmers, their families and the communities that depend upon them.

There has been a number of measures that we have taken in addition to the $1.94 billion industry adjustment package. A large proportion of the Australian dairy farmers are now eligible for drought exceptional circumstances aid. In northern Victoria, the take-up of the drought assistance has been quite remarkable: around three-quarters of the dairy farmers in some areas have accessed that income support. We continue to provide around $35 million a year in assistance through the industry’s research and development operations. Multilateral and bilateral trade negotiations are very important for the industry. Through the National Food Industry Strategy, we have also been able to fund and support the industry in developing some innovative new products and opportunities for the future.

There is still real hope and opportunities for this industry. Those who believe that the industry’s problems can be solved by deregulation are not very good students of history. I am not one that believes in deregulation for deregulation’s sake. I have occasional disagreements with the member for Corangamite on those issues, and also with the parliamentary secretary, who perhaps believes much more strongly in open and free trade than I might. I think there is sometimes a role for governments to ensure that the environment is appropriate for an industry to prosper but, on the other hand, to suggest that regulation for regulation’s sake is also good is a nonsense. The honourable member for Kennedy goes on about regulation as though it is some kind of panacea for the industry. I can remember the days in Queensland when it was illegal under state law to carry any luggage in the back of your car. It was an offence to carry spare parts or any equipment in your car if there was a train service going the same way in the next week. That is in my lifetime. Surely that was regulation gone mad. Surely the honourable member for Kennedy does not believe that we should return to that kind of regulated environment.

Mr Sidebottom interjecting—

Mr TRUSS—It was actually a Labor government that did that. One of Joh Bjelke-Petersen’s claims to fame in his early days was when he campaigned against some of the ridiculous regulations associated with what you had to carry by rail in Queensland. He was a deregulator in those days.

No amount of regulation applied in one sector of the industry can cure its problems if there is no drive and determination for that industry to be efficient and effective by world standards. By providing subsidies or support, you can help a certain number of people. If you look at the situation in the United States, you will see the one thing that US farmers want more than their 20 per cent subsidy is a 30 per cent or 40 per cent sub-
sidy. The reality is that, however much money you pour into something, you can help a few more people but, ultimately, the industry has to stand on its own feet. That surely applies to all sectors of the community. And that is the difficult decision that the dairy industry came to grips with in the year 2000. They decided it was the only way they could proceed, and the Commonwealth stood beside them during those difficult times and helped put in place transition measures which would enable the industry to prosper.

As honourable members have said during this debate, there are many areas where the industry has made significant advances. The honourable member for Eden-Monaro spoke about the terrific work that the Bega Cheese Cooperative is doing. It is a real benchmark. It has become a leader in its field. Yes, it has had some help from the Commonwealth government, and I have been delighted to go there a couple of times and be involved in ceremonies to hand over amounts of money to assist it with its projects. But, essentially, it has been the drive, initiative and forward thinking of the management of that organisation that has led to its own more favoured position at the present time. The honourable member for Corangamite referred to Warrnambool. The honourable member for Parkes spoke about some of the activities in his own region. Even in states like my own, where dairying is more challenging than in states like Victoria, there are still many examples of very successful people who are doing new and innovative things. We ought to congratulate and encourage those people to achieve their objectives.

I would like to thank those members who have contributed to the debate. The government knows that there are many people in the dairy industry facing particularly difficult times, and it is prepared to do what it can to help them through those difficult times. I note that this bill has been supported by all speakers in spite of the free-ranging debate that has occurred on dairy issues. While it is only minor in nature, it will certainly help Dairy Australia in its ongoing management of the Dairy Structural Adjustment Fund and will ensure that the prudent and practical financial management of this fund continues for the benefit of the dairy industry and the Australian community.

I note that the shadow minister commented that we should have thought of all these things at the time the legislation was first introduced. What he neglected to recognise is that we have moved on a long way with the Dairy Structural Adjustment Fund and its management since the original legislation came into parliament in 2000. We no longer maintain a large staff to run this operation because its functions are now somewhat limited, so its activities are essentially being absorbed into the operations of Dairy Australia. Circumstances have now arisen which could not have been contemplated when the arrangements were originally put in place, so we need to address those circumstances, and that is what this legislation does. It indemnifies the directors of Dairy Australia against any liabilities arising from keeping and administering the Dairy Structural Adjustment Fund to ensure that there is no personal risk to the directors in undertaking this important service for the dairy industry.

The amendments address Dairy Australia’s ability to enter into and to perform financial accommodation arrangements by specifying the financial activities the company can undertake in relation to the Dairy Structural Adjustment Fund. Specifically, the amendments allow the company to borrow or raise money by dealing in securities hedged through currency contracts and to obtain credit. The amendments provide that the termination day for the dairy adjustment levy will not be declared until contractual arrangements, in all reasonable likelihood,
have been paid out of the Dairy Structural Adjustment Fund. The amendments also broaden the definition of ‘an Australian deposit taking institution’ to include the Reserve Bank, as is obviously appropriate. When enacted, these amendments will finalise the dairy industry statutory reform process. This process has been an extremely positive one for the industry. I trust that Dairy Australia will continue to provide excellent service to the dairy industry through its research, development and promotional activities.

This great Australian industry has certainly entered a new era—not without trials and tribulations, not without difficulties and not without real hardship for many in the industry. The nearly $2 billion structural adjustment package that has been put in place, as the honourable member for Corangamite rightly acknowledged, is the biggest single adjustment package ever put in place for an Australian agricultural industry. The industry undertook major change and it did that under the guidance and extraordinary leadership of people like Pat Rowley, who could see what was happening, who knew that there would be difficulties but who took the courageous decision that the industry needs to embrace the new world as it actually is and get on with the task of building an industry that is well equipped to meet the challenges of the future.

I commend the bill to the House. I thank all members who have contributed to the debate and I wish the dairy industry every success in the years ahead.

Question agreed to.

Bill read a second time.

**Third Reading**

Mr **TRUSS** (Wide Bay—Minister for Agriculture, Fisheries and Forestry) (6.10 p.m.)—by leave—I move: That this bill be now read a third time.

Question agreed to.

Bill read a third time.

**PERSONAL EXPLANATIONS**

Mr **SOMLYAY** (Fairfax) (6.11 p.m.)—Mr Deputy Speaker, I wish to make a personal explanation.

The **DEPUTY SPEAKER** (Hon. D.G.H. Adams)—Does the honourable member claim to have been misrepresented?

Mr **SOMLYAY**—Yes, grievously.

The **DEPUTY SPEAKER**—Please proceed.

Mr **SOMLYAY**—At question time today I directed a question to the Minister for Health and Ageing, representing the Special Minister of State. The member for Lalor raised a point of order under standing order 146. The member for Lalor said that the question was identical to a question that I asked of the same minister on 8 March. The member implied that she had a copy of both questions before her. That claim surprised me but I did not have a copy of the Hansard so I could not verify or dispute her claim. On the basis that the question was identical—not, verbatim—Mr Speaker ruled the question out of order. Naturally, after question time I checked the Hansard, and the questions were clearly different. The member for Lalor’s claim was totally false.

The House should recognise why the government never accept what the opposition says until we check the record. The member for Lalor needs to apologise to Mr Speaker and to the House.

The **DEPUTY SPEAKER**—Order! The member for Fairfax took advantage of the House.
The Higher Education Legislation Amendment Bill 2004 is the first bill to be introduced into the parliament to amend what certainly everyone on our side of the parliament sees as a very flawed piece of legislation that was pushed through the Senate last December—that is, the higher education support legislation. This bill which we are debating tonight primarily addresses minor technical and drafting issues and other transitional complications. However, one change that is contained within this bill is a distinct change of policy. If it goes through the parliament it will increase the minister’s discretion to allocate funding under the Commonwealth Grants Scheme. The minister has sought to make the allocation of $404 million, which is desperately needed by our universities, contingent on this government’s industrial relations and governance policies. Members of the House will remember that that was an issue of considerable dispute. If it goes through the parliament it will increase the minister’s discretion to allocate funding under the Commonwealth Grants Scheme. The minister has sought to make the allocation of $404 million, which is desperately needed by our universities, contingent on this government’s industrial relations and governance policies. Members of the House will remember that that was an issue of considerable dispute. When we considered the substantive legislation last year, the unprecedented ministerial discretion given to the minister for education was strongly criticised. In fact there was industrial disputation at our universities around the country because of the level of interference that this minister would have regarding that important amount of money.

Unfortunately, this bill now further extends this minister’s discretion. Buried right at the very end of the innocuously titled ‘miscellaneous amendments’ in schedule 5 is a proposal that gives the minister discretion to approve Commonwealth Grants Scheme funding for 2005. The minister will be empowered to provide funding if he is satisfied that universities have attempted—that is all they have to do; they just have to attempt—to meet his conditions, irrespective of whether the conditions have actually been met. How on earth will anyone know whether the attempts have been made, whether they are serious and whether they actually amount to anything? Who knows what we will be told and what sort of criteria the universities or the state governments will have to meet?

This is exactly the same minister who repeatedly evangelised—and we are used to seeing him doing that in the parliament—about the urgent need to implement his proposals. He told us repeatedly—and I quote from an MPI in June last year:

If we do not undertake change now, this sector—that is, the university sector—will be on a collision course with mediocrity.

I cannot tell you how many times I have heard him say that. He repeats it ad nauseum. Of course, the need for reform is not in contention. Labor has been warning of the problems facing our universities over the last eight years. These are problems of underfunding, overcrowding, unacceptable levels of unmet demand for a place at university, spiralling student debt and so on. These problems were evident long before the minister latched on to this doomsday prophecy that scared the Senate into voting for higher fees. In his desperate bid to dress up his fee hike as serious policy reform, this minister for education went further. He tried to claim that his proposals were about much more than just giving universities the right to charge students more. He was saying that his changes actually constituted a major structural reform to the way in which universities were going to operate. Here in the House of Representatives on 17 September last year he warned:
... money is only half the problem. The way in
which universities are regulated, managed and
administered is as much at the root of the chal-
 lenges facing Australian higher education as is the
level of resourcing.

The minister’s answers to these challenges
have been thin at best. Apart from the price
hike for students and the individual contracts
for staff, his other very big reforming idea
was to mandate the size of university govern-
ing bodies. This apparently amounted to a
major change in the way that universities are
regulated, managed and administered. At the
same time he was warning—and once again
we heard this over and over—of the dangers
of a one-size-fits-all-approach to universities.
Last year, you would have thought the world
turned on whether governing bodies of uni-
versities had 21 members or 18 members and
whether universities employed their staff on
Australian workplace agreements. But here
we are, three months later, and this bill
makes these things optional extras, all now at
the discretion of the minister.

Labor has never shared the minister’s
conviction that putting more university staff
on AWAs and stipulating a uniform size for
governing councils is the panacea for all of
the ills of our universities. Therefore, the fact
that this bill would mean these conditions
may not need to be met in order to get access
to desperately needed funding is not of con-
cern to Labor. The practical outcome is
largely immaterial because, frankly, the con-
ditions the minister can waive are essentially
inconsequential. What is breathtaking is the
minister’s lack of commitment to the need
for these reforms, given the extraordinary
energy he brought into the parliament to put
the case for what he saw as fundamental re-
forms. Of course, we on this side of the par-
liament are rather familiar with this minis-
ter’s difficulties in maintaining a long-term
commitment to strongly held political views,
but I have to say that he did come to these
issues with very strongly given statements.
He was very intense, and you would have
thought he might have kept to those strong
views for longer than three months. But three
months on, and the minister claims to be a
greater reformer when it comes to universi-
ties are, frankly, looking pretty thin. This bill
here tonight is just the latest attempt by this
minister to avoid his collision course with
mediocrity. His changes to universities are
looking more like what they always were:
just a price hike for students. Everything else
that he went on about at great length last year
really now is uncovered by this bill to be
window dressing—just an attempt to create
the impression that something more was be-
ing proposed.

While not all the effects of the higher edu-
cation legislation have been felt yet in the
three months since it was agreed to by the
Senate, we have had some valuable insight
into the mess that the minister has left our
universities in. We know how many students
have missed out on a place at university
since last December. How many students do
you, Mr Deputy Speaker Adams, and other
members know who studied hard and
worked hard at school and missed out on a
place only because this Howard government
has not created enough universities places
for those who are qualified? We have also
seen the rush by universities to put their fees
up. They are not wasting any time about it.
Fees are going up in many cases by the
maximum 25 per cent allowed because uni-
versities so desperately need the money.

Going to the issue of how many students
are missing out on a place at university, we
have seen this time and time again around
the country. It is nothing short of a dreadful
waste of talent when we have so many quali-
fied students missing out. We do not yet have
the numbers this year for how many quali-
fied students have missed out on a university
place, but last year it was about 20,000 stu-
students, and we expect it to be up a little this year. The problem compounds every year. There were 20,000 students last year, there were probably around 20,000 students this year and, if nothing is done—certainly this government intends to do nothing—there will be 20,000 students who are qualified and who want to go to university but who cannot get a place next year as well. All this government is doing is completely ignoring the dreadful waste of talent that results from students not being able to go on to university.

We can understand why this minister ignores the needs of these students by looking at a few of his statements that show his attitude to education. First of all, the minister told us that some of our fellow Australians would be better off if they just stop striving and settle down to what he likes to describe as the less demanding ‘quiet pond’. That is where people who really should not have aspirations to go to university should go, according to this minister. He then told parents that some children are simply not ‘biologically or socially equipped to finish school or go on to further study’. Even if he has not changed his view, there was the suggestion that the minister might have recognised that turning thousands and thousands of people away from education really might not be the sort of thing that a minister for education should do. But no, he struck again. At the end of January this year in an interview with the Sydney Morning Herald, when he was trying to walk away from the problem of thousands of qualified students missing out on a place at university, he declared that there was a ‘natural limit’ on those suited to go to university. He did not stop there though. He went on to warn that, if access were opened up to too many Australians—and these are the words of a minister for education—‘you’d have people with IQs of around 90 going to university’. That is the attitude of the Commonwealth minister for education.

Life must be pretty simple for this minister. In his world view there are obviously two types of people: those like him who are destined to go to university; and all the rest who, in his view, are better off staying away. It is a fundamentally anti-education view. In his world it is not about what education can do for people or the way it can change their lives—as you yourself have experienced, Mr Deputy Speaker Adams. In his world it is all about being biologically equipped or having the right IQ score. In his view it is not about the potential of education to create opportunities or to build understanding; it is about credentialing only the predetermined elite who sit on the front bench of this government. This is a fundamental cleavage between the Howard government’s view of education and Labor’s policy, which is all about expanding opportunity, raising aspirations and putting challenges in front of young people.

This is all borne out by contrasting the minister’s comment of just three weeks ago that careers counsellors are pushing schoolchildren too hard to continue in education with one of Labor’s policies in our higher education package: our Bright Futures policy. As part of Aim Higher, Labor will establish a $35 million Bright Futures program. We want to expand the horizons of students at disadvantaged schools, especially in the early years of high school that are so influential. We want to get TAFE and university students going into schools and mentoring schoolchildren who otherwise might never have met anyone who has been to university and who might never have considered going on to further study. This is a fundamental difference between Labor and the Howard government: we want people, especially young people, to strive to be the best they possibly can be. We will be there to make
sure they get every support to do that—to make sure that, if they study hard, they will get a place at TAFE or university. Meanwhile in this country we have an education minister who is quite happy to leave them behind in the ‘quiet pond’.

Of course, the minister is understandably a little sensitive about the large number of students who are missing out on a university place. When asked about the tens of thousands of qualified Australians who miss out on university every year, he has become rather fond of talking about the 34,000—according to him—new places being created in our universities. But this is just not true. Maybe it is a bit of sophistry on his part; maybe it is an intention to mislead. But one thing is certain: it is not accurate. Of the places the minister is talking about, 25,000 replace currently existing marginally funded places in our universities. These places already have students in them. They cannot be made available for all those students who want to get into university. Those places will not do anything to provide opportunities for those who are currently missing out. Of the remaining places, little more than half are for students starting a degree and only a handful will be created before 2007. So there is not much there if you look closely; there is not much hope for the tens of thousands of Australians who are missing out on a university place every year.

This has led Professor Simon Marginson of Monash University to write in the *Sydney Morning Herald*:

Make no mistake: the intense scarcity of publicly funded places is a sign of things to come.

Following the reforms piloted by Nelson, and amended and agreed to by the Senate in December, publicly funded places will become more scarce over time...

What is the government’s plan to address this? In the absence of enough HECS places, the government is pushing more Australians into full fee places. These places cost anything up to, and in some cases exceed, $100,000. It costs $100,000 to get a degree because this government will not create enough HECS places. More students are going into massive levels of debt in order to get the education they so desperately want. That is the Howard government’s approach and that is the only way to summarise it.

The Australian Vice Chancellors Committee recognises that we have a chronic shortage of university places. Its president, Professor Di Yerbury, stated on 19 January this year:

... the issue of insufficient places was one of great concern to the AVCC.

It is critical that more university places are incorporated into our education system each year to ensure the successful growth of an educated population.

That is what Professor Yerbury had to say at the beginning of this year. That is why Labor will not only properly fund the 25,000 over-enrolled places; in addition we will create 20,000 new places every year for Australian students to start a degree. We on this side of the parliament are committed to making sure that every Australian who is qualified is able to get the education and the skills they need to be successful—a fundamental difference between Labor and the Howard government.

The other very big development that we have seen unfolding day after day since this legislation went through last year is the rate at which universities are taking up the opportunity provided by this government to increase their HECS fees. So far, nine universities have decided to increase their HECS fees by between 20 and 25 per cent. Universities in Queensland, Victoria and New South Wales have already decided to increase their fees. Just yesterday Monash University, one of the biggest universities in the country,
decided to put its fees up. A very large number of students at that university from next year will find their student debt going through the ceiling. There is every indication that we will see more and more universities around the country join them in the next month.

For many of us, this rush to increase fees was nothing more than the predictable outcome of allowing cash starved universities—universities cash starved by this government and nobody else—to address their need for cash by putting up fees. The minister seems to have found this something of a surprise. He was the lone voice denying the inevitability of the stampede to increase fees as he tried to convince us all of the merits of deregulation. In the House last September he said:

What that means in real terms is that the HECS charge for most courses in most universities will not change at all.

Goodness me! That certainly has not come to pass. In August he told us that the changes were not just about money but also about creating a market in education. He told us that fee flexibility is important ‘not because some universities will get extra money for teaching and supporting students by increasing HECS charges in some courses but because it goes to the heart of quality and differentiation’.

How wrong he was. Vice-chancellors at universities that have increased their fees have been almost unanimous in their public statements about their motivations. Professor Sally Walker at Deakin University, Glyn Davis at Griffith University and Michael Osborne at La Trobe University—and the list goes on—have all expressed their reluctance to increase HECS fees, making it clear that, in the absence of proper indexation, ignoring this income would jeopardise the future of their universities. That is why they have put up their fees—because there is nowhere else to get the money from. They have been forced into this by this government’s underfunding of universities over so many years. So much for it being about differentiation and not about money; it is all about money.

Indeed, when Queensland University of Technology indicated that, along with the need for money, the desire to send signals to the market about the quality of their degrees was a motivation for increasing fees, the minister responded with one of the most astounding outbursts—and it was some outburst—describing the decision as ‘facile, ridiculous and nonsensical’. Dorothy Illing in the Australian captured the disbelief of many observers in her column of 25 February when she wrote:

Brendan Nelson’s apparent shock that universities will use his new policies to raise their HECS to the maximum allowable is, well, shocking.

She followed up the next week by pointing out what seemed obvious to most of us—that cash starved universities would rush to increase their fees. She wrote:

If Dr Nelson thought deregulation would create price variability and stimulate competition, he was mistaken. So far it’s creating conformity: most institutions have hit the HECS ceiling with little regard for high and low-demand courses.

She was right. As an attempt at differentiation, deregulating HECS has been an unmitigated failure. Tim Dodd in the Financial Review noted the minister’s desire to associate the government with universities that do not increase their fees, while he works hard to condemn and distance himself from those universities that use his laws to increase fees. Tim Dodd wrote that the minister ‘evidently thinks the only correct response to fee discretion is to reduce them or leave them the same’. Dodd noted how deluded the minister was, writing:
The fact is that most universities will put up fees because the federal government has steadily reduced their grants ... 

That really sums it up. It is bizarre that the minister, having tried so hard to convince us of the need to let universities set their own fees, is now outraged when universities do precisely what he has allowed them to do. Immediate increases in fees at most universities was always the obvious outcome of allowing them to set their fees. It was obvious to everyone except, it seems, the minister.

There is a serious alternative to fee deregulation which has been put forward by the Labor Party. There is no question that the parliament can—and, if Labor are successful at the next election, will—determine the appropriate contribution by students. We will also properly index university grants. That is Labor’s approach to funding universities. We want to make sure that universities get the funding stability that they need, and we will deliver that through proper indexation. That is what the universities want, and it is only Labor that will deliver that change.

HECS increases are no substitute for proper indexation of grants, and we can go to a pretty good source for that. Michael Gallagher, a former head of the Higher Education Division of DEST, tells us that even an across-the-board increase in HECS rates to the 25 per cent maximum would at best compensate for inadequate indexation of operating revenues for only 3½ years. So once the HECS hike that students are currently facing has been absorbed by rising costs, there will be nothing left. The outcome, if this government is re-elected, will be students burdened with even bigger debts and universities right back where they started.

Without proper indexation we can expect to have the vice-chancellors knocking on our doors again in 3½ years. If this government is elected again the vice-chancellors will be back in 3½ years, asking for another 25 per cent fee hike—and, no doubt, if this government is re-elected, it will give it to them. It will make students pay for the lack of indexation all over again. What is very plain from Michael Gallagher’s comments is that this government’s policies are unsustainable. They are unsustainable for students, that is for sure; they are certainly unsustainable for their parents; and they are also unsustainable for universities.

We know that Australian students are already paying some of the highest study costs in the world, but the only response from this government is to load students up with more and more debt. As I indicated when the act was passed by the parliament on 5 December last year, and I reiterate today—and I will move some substantive amendments when we get to the consideration in detail stage—a Labor government will reverse the 25 per cent fee hike immediately after the next election if we are successful, and we will properly index university grants. We will also immediately abolish full fee paying places for Australian undergraduate students.

I want to make this very clear: we have a government that want to increase student debt and we have a Labor Party that are opposed to loading students up with more and more debt—a very clear choice for voters at the next election. There is no question that universities will be better off under a Labor government and no question that students will be better off under a Labor government. We will properly index grants, but indexation is only one important element of our $2.34 billion Aim Higher policy, which is all about rebuilding and reforming our universities. Most importantly for the universities, indexation grows into the future to meet rising costs, while student fee increases are a momentary financial reprieve to allow universities to tread water for a few years at the
expense of students. This makes the next election one of the most important for the future of universities. As Simon Marginson wrote in Campus Review at the end of last month:

If the government is returned at the election, Australia will have an American style higher education system.

An American style higher education system means students just pay more and more and have higher and higher debt, and universities will not get the indexation they need.

This is the very stark choice facing voters in the upcoming election. I encourage all members to think very seriously about these major university policy issues because they will have a fundamental impact on the opportunities of so many Australians to get the education that they so desperately want. The choice is between a Labor Party that is committed to funding our universities properly, to reversing the decision to increase fees by 25 per cent and to abolishing full fee paying places, and a government that is all about hiking up the fees that students have to pay to go to university. The choice is very stark indeed.

Mr MOSSFIELD (Greenway) (6.41 p.m.)—I am pleased to support the remarks of the member for Jagajaga on the Higher Education Legislation Amendment Bill 2004. I think the intention of the bill is to implement some last-minute aspects of the government’s deal with the four Senate Independents which could not be drafted when the Higher Education Support Bill was debated in the parliament last December.

The bill gives effect to a number of policies, including a couple that cause the Labor Party concern. Our first concern is that the first 2.5 per cent funding increases under the Commonwealth Grants Scheme, payable in 2005, will be agreed at the discretion of the Minister for Education, Science and Training without necessarily all IR or government conditions being met. The indications are that the minister can exercise his discretion based on universities attempting to introduce the government’s wishes. However, how this will be judged, we just do not know; it is a bit confusing at this stage.

The second concern is that this bill will allow all universities to set different HECS charges for the same unit, depending on which course of study it is taken in. The bill also provides $3 million—$1.5 million in both 2004 and 2005—to Batchelor College and Charles Darwin University for collaboration on Indigenous education, as well as other administrative and technical charges and other administrative issues. The issue of universities being able to set different HECS fees, up to an increase of 25 per cent, is already causing some concern in the sector. In the Sydney Morning Herald last weekend the Vice-Chancellor of Griffith University in Queensland, Glyn Davis, said:

… making some subjects substantially cheaper than others might push students to “make a price judgement” when choosing between study options.

While other vice-chancellors hold different views, the possibility that price may influence students’ choices, rather than appropriate education and career paths, is causing much concern in the sector.

What we have seen since the Higher Education Support Bill was passed last December, giving universities new powers to increase their HECS fees, is universities more or less on a daily basis making decisions to increase their HECS fees by some 20 to 25 per cent. It appears now that there are nine universities that have made this decision—not willingly, I might say; all have indicated that they regret this decision very much. As reported in the Herald Sun today, the latest is Monash University, which has increased fees
by 25 per cent, following similar decisions by Deakin, La Trobe and Swinburne universities, which have all announced 25 per cent fee increases for the same course. The federal shadow education minister, Jenny Macklin, is quoted in the article as saying:

This means students will now be paying a massive $20,000 for a basic science degree from 2005.

She claims the responsibility for this fee hike lies squarely at the door of the Howard government. Ms Macklin stated further:

Since 1996 the Howard Government has slashed $5 billion from Australian universities, including over $337 million from Monash University alone.

We have also seen many thousands of students missing out on places in universities and the Australian vice-chancellors calling for an increase in Commonwealth funded places. We have seen qualified students missing out on places while others able to pay the full fee—some as high as $100,000—have been able to jump the queue ahead of students with better marks.

I now turn to the University of Western Sydney in my electorate. I had recent correspondence from the vice-chancellor of that university concerning university undergraduate programs. It stated:

We remain very concerned about the university’s financial health going forward as the Commonwealth higher education reforms are implemented.

This statement is not surprising when UWS has suffered funding cuts of $270 million since the Howard government came to power. This is the third largest cut to any university in Australia, behind Melbourne and Monash.

Without over 100 years of building investments in property, as well as savings and a research base that can attract funding, UWS has been disproportionately hit by these funding cuts. It has not had the opportunity that other universities have had of building up investments and property and saving on the university research base. UWS is situated in one of the fastest growing regions in Australia and the demand for university places will increase each year, but during the Senate estimates process last year it was revealed that, if the current government’s policy is allowed to continue, there will be 510 fewer places available at UWS in 2005 than there are today.

Speaking in an education debate last year, I indicated that UWS had lost half of its postgraduate research student places in the last round of changes, resulting in important economic, social and environmental research being curtailed. Fewer research places means less funding. In a recent visit to the federal parliament, university vice-chancellors stated that research infrastructure was a top priority for 2004 and 2005. In total, universities are seeking an extra $550 million in 2004 and 2005. In the *Australian Financial Review* on 22 March, Di Yerbury, President of the Australian Vice-Chancellors Committee, wrote:

We must also increase investment in today’s research students, who are Australia’s future researchers. There are first-class honours students in science and technology going overseas to do PhDs because of insufficient places in Australia. We ask that an additional 1000 funded research places be phased in from 2005 to 2007 (while the funding per research student should be increased by at least 7.5 per cent by 2007).

I think that emphasises the need for more additional funding to be ploughed into universities to help with their research programs.

I have also referred previously to remarks made by the vice-chancellor of the University of Western Sydney at a Senate references committee inquiry on higher education funding and regulation legislation. In brief, these remarks were to the effect that there should
be real increases in public funding to higher education, that there should be no further strain placed on students and their families and that what Australia needs is not only one or two world-class universities but a world-class university system—very important words: a world-class university system.

The issue of income support is also a concern, and it goes hand in hand with fee increases. In an article in the Australian on 17 March this year under the heading ‘Students doing it tough’ it was reported that student income support for university undergraduates will be reviewed by a Senate inquiry. In that article, the Australian Vice-Chancellors Committee president, Di Yerbury, ‘welcomed the inquiry into the student income support’ and said:

The AVCC has always held the strong view that student should be able to reach their full potential. This is an onerous task if students have to support themselves by undertaking paid employment because suitable income support provisions cannot be accessed.

A key outcome of the major AVCC survey Paving the Way of over 30,000 undergraduate students, conducted in 2001, indicated the level of income support is too low and access to the schemes is too restrictive. This is an inquiry, conducted by the Senate, which I am quite sure will be closely watched by universities, particularly UWS, who have consistently argued against fee increases for students because it is unfair to raise the total financial burden on students and their families. While some universities have embraced higher HECS charges and the new fee arrangements, UWS, to its credit, has said that fee increases are contrary to the access and equity needs of the region it serves. However, UWS has yet to make a decision in relation to fee increases, and what the outcome of the deliberations will be we do not know, but I certainly hope that it sticks to the policies it has indicated on previous occasions. Financial decisions may require it to increase fees, which would be very disadvantageous for the people I represent.

The mission statement and social charter of UWS do not fit well with the prospect of increasing the debt burden for students, particularly when students come from families of modest means who are unable to underwrite the additional costs of university education. Professor Reid expressed the view that fee increases and interest-bearing loans reinforce the hidden face of privilege and increase the burden of disadvantage that characterise many of the communities in Greater Western Sydney. She was concerned that this divide would lead to differentiation in the sector, based on individual or institutional privilege and wealth, and needed to be strongly opposed. I support Professor Reid’s concern, as I am sure all Western Sydney MPs on both sides of this House would.

The 2001 census showed that, compared with people who live in other parts of Sydney, half as many people who live in Western Sydney are graduates. The potential growth of UWS has been retarded due to the federal government’s funding cuts. In 2003, UWS turned away 2,700 students who met the university’s entry requirements. Unfortunately, this year it has turned away nearly twice that number; that is, 5,000 people who qualified have been rejected because of a lack of places. These potential students were mainly in the fields of teaching, nursing, communications and business. This is an enormous waste of talent. In spite of funding cuts, the university continues to provide quality education to the students of Greater Western Sydney, a region that has one-tenth of Australia’s population and a GDP of over $38 billion.

The University of Western Sydney was founded in 1989 with the purpose of provid-
ing high quality and accessible higher education and research in a region which has been historically underresourced. This has been difficult to achieve under the policies of the Howard government. However, as a reflection of the wide geographical area that UWS covers, with six campuses—at Campbelltown, Bankstown, Parramatta, Penrith, Richmond and Blacktown—UWS is now the fifth largest university in Australia and the second largest in New South Wales, and that has been achieved in just over 15 years. UWS has over 35,000 students, but this figure would be higher if all students who met the university’s entry requirements were able to be accepted. Of the 35,000 students, 60 per cent come from Western Sydney. I would like to see this figure a lot higher. UWS has developed partnerships and agreements with other educational groups such as TAFEs, high schools, local government and private industry, but it has the potential to do more in this area if more funds were available.

New universities such as UWS have the potential to create a new educational culture in the regions they serve. In Western Sydney, university provides higher education opportunities for students from a diverse background—many of whom come from families who have never previously had a family member educated at a university. In fact, some two-thirds of students attending UWS are the first in their families to go to university. There have been universities in Australia for over 150 years, yet the overwhelming majority of the current crop of students at UWS are the first ones in their family to be able to access university education. Without UWS—the university created by the Whitlam Labor government to serve the Greater Western Sydney region—many of these families would still not have any members attending university. The impact on these communities, in both the short term and the long term, cannot be overestimated.

As I wind up, and prior to making a final statement, I want to come back to another concern that has been expressed by people in higher education, and that relates to the fact that the growth states will lose out in these reforms. This concern was expressed in the higher education supplement of the Australian on Wednesday, 10 March. I will briefly quote from that article. It states:

Queensland and West Australian students face paying full fees while “the kids of Hobart and Adelaide will have an effective walk-in right to a HECS subsidy”, a former senior bureaucrat has warned.

Pinpointing for the first time the likely losers under Education Minister Brendan Nelson’s reforms, Michael Gallagher, head of policy and planning at the Australian National University, said Queensland and Western Australia faced exceptional growth in demand in the coming years.

Mr Gallagher, who was previously head of DEST’s higher education division, said unless the federal Government injected more publicly funded places into growth regions, universities in those areas would have to admit more fee-paying students.

The article goes on:

“The kids of Hobart and Adelaide will have effective walk-in rights to a HECS subsidy, whereas their peers in Brisbane will have to pay fees,” Mr Gallagher told a seminar at Griffith University.

He said that after 2010, demand growth would be concentrated in Queensland, WA, parts of NSW and, on a much smaller scale, in the Northern Territory.

But almost 70 per cent of commonwealth-supported undergraduate places this year were locked in to universities supplying regions where demand was not growing.

“Some 12,500 new places are to be funded from 2005, representing 8 per cent of commencing student opportunities, whereas demand in Queensland alone is growing by more than 10 per cent.”

The article goes on:
His concerns came as private institutions dismissed increased full-fee places at public universities as a threat to their livelihood.

Let me conclude by reiterating some of the remarks made by the member for Jagajaga, who emphasised that this is the first time we have had the opportunity to discuss higher education since the bill was introduced in December. Labor have expressed concern about the minister’s discretion in giving additional funds, relating to the need to meet the government’s industrial relations requirements. We also have some concerns about the power that the minister is seeking to determine the size of university governing bodies and about students missing out. Quite frankly, we believe that there should be more places for young, qualified people to attend university, and that is certainly not going to happen under the government’s policy. The member for Jagajaga has said that Labor will abolish full-fee university degrees, some of which now cost $100,000, and will not raise fees for other courses. Labor will also create 20,000 new places. Labor will reverse the 25 per cent HECS increases and introduce a new formula for indexing university grants. I have great pleasure in supporting the remarks of the member for Jagajaga.

Mr SNOWDON (Lingiari) (7.01 p.m.)—I welcome the opportunity to participate in the debate on the Higher Education Legislation Amendment Bill 2004 and the amendments which our shadow spokesperson has forewarned, which would have the effect of reducing the increasing burdens placed on Australian students and, indeed, on universities. This bill is, put simply, a pay-off. To many, it represents the 30 pieces of silver that the government is prepared to pay in return for junking Australia’s rather more egalitarian university system. It is the loose change that the government has offered to buy the favour of four allegedly independent senators. In return, these four senators have given Australians full-fee degrees and a massive hike in HECS fees.

It is perhaps worth pointing out—I am sure the House will want to note this—that this has all been done and orchestrated by a minister who paid nothing for his own tertiary education. The Minister for Education, Science and Training told this House some seven years ago:

I certainly was privileged ... to be the product of a tertiary ... system where I ... did not have to pay anything for it ... other than to try to put some thing back into the system ...

I would have thought that it was eminently laudable to put something back into the system, to pay back the public investment in the higher education system that allowed the minister and many others in this parliament to get an all but free education in the tertiary system. Whilst I had to pay fees in the first year or so of my university education, I am one of those people who were then able to access free university. I have to say that I was disappointed when HECS was initially introduced. But to see the way in which this government is choosing to abuse the Australian community by dramatically increasing the HECS impost upon Australian families and students is not only lamentable but shameful.

What the minister is putting back into the system, as a result of his changes, is privilege. Despite the early experience of the minister—he was formerly a member of the Labor Party and someone who no doubt valued free education and the accessibility of universities when he was a student—a university education is rapidly becoming a badge for the privileged only. It is becoming increasingly clear that, for the conservatives in this country, university education is more about exclusion than inclusion. Merit based university access was one of the great achievements of Labor. People like the min-
ister and many others in this place—particularly, in the context of this debate, many of the minister’s own colleagues—benefited from the great education reforms of the Whitlam government. But now, just as with Medicare, this government is determined to destroy a proud, egalitarian Australian institution: merit based access to affordable higher education.

As it happens, in many respects the bill before us is relatively uncontroversial and contains some otherwise useful measures. It allows the minister to implement the first 2.5 per cent funding increase under the Commonwealth Grant Scheme, payable in 2005. This is part of the increase the government had originally tied to workplace reforms; in other words, it was money to blackmail universities into moving staff to Australian workplace agreements. Thankfully, this attempt to make funding dependent on whether institutions pander to the government’s vitriolic anti-union politics has been put aside.

The bill also provides $3 million in funding to Charles Darwin University and the Batchelor Institute, both in the Northern Territory. I am pleased to be able to speak on those issues and will do so a little later. This funding is for unspecified collaborations in Indigenous education. However, it is worth noting—and I am pleased that the minister is in the chamber—that, whilst we welcome this $3 million, it is a pitiful amount of funding when we relate it to the needs of Indigenous Territorians, who face overwhelming disadvantage at every level of education.

It is useful to note that this funding will be for a collaboration between the Charles Darwin University and the Batchelor Institute. Although I am uncertain as to the government’s intention in that collaboration, in my view it is important that there is collaboration. The Batchelor Institute should not feel threatened by this collaboration. We ought to ensure that the Batchelor Institute remains independent, which it has most forcefully and, I think, very intelligently argued for over a number of years. It is an organisation with which I have had a lot of experience and know a fair bit about. The Batchelor Institute provides a very important role in addressing Indigenous disadvantage in education in the Northern Territory and across Northern Australia.

In relation to student poverty it is timely that this debate is taking place a day after reports that two Victorian universities have been forced to set up free food services for students who cannot afford to buy meals. Shane Green’s article in the Age yesterday also detailed how student poverty is undermining students’ capacity to commit to education. He writes:

"It appears that financial demands, rather than learning—... opportunities dominate the daily lives of many students.

The pressure to hold down one or more jobs is considerable. A visible indicator is the number of students on campus. Students say that, in the first weeks of uni, the lecture theatres and car parks are full. As the year progresses, both thin out, the crowd returning for revision weeks. Study does get squeezed out.

"I think they have less time to read," says Mark Peel, who teaches history at Monash. "They are probably more tired because a lot of their jobs now are on a deregulated labour market—they’re the ones who are working at three in the morning.

This is the life of many Australian university students in the 21st century. This is what university education is like after an eight-year, $5 billion demolition job on higher education by this government. Thanks to the Howard government and this minister, life for students is about to get much worse. One of the amendments Labor has proposed to this legislation is the reversal of the govern-
ment’s 25 per cent optional increase to HECS charges. To my knowledge, at the last count eight universities have indicated that they will sign on to these HECS increases. Unsurprisingly most, although not all, are so-called elite institutions like the University of Sydney and the University of Melbourne. I note, thankfully and encouragingly, that one of Australia’s primary institutions, the Australian National University, has chosen not to do so.

If regional universities like Charles Darwin University and the Batchelor Institute charged these fee increases, they would be unable to retain their students. Instead, the government would have these universities becoming under-resourced, second-rate institutions for those too poor to afford anything else. Unfortunately, that appears to be where we are heading under the Howard government. I hope, although I am sceptical, that that is not the way they want it. But that will be the result of the decisions they have taken—one system for the privileged and another, lesser system for the hoi polloi. This shift from an egalitarian university system to a divided system of privileged universities against poorer, less fortunate universities is, I fear, well under way.

A report in The Australian last month revealed that universities are already under pressure to avoid the stigma of being labelled ‘cheap’. This report, published on 19 February, reads:

Queensland University of Technology wants to increase HECS fees for all subjects under a secret strategy that warns lower fees could tag the institution as “cheap” because most prestigious universities will lift fees by 25 per cent.

A confidential QUT discussion paper, obtained by The Australian, has found that levying “premium HECS” on students from 2005 would generate an extra $21 million for the institution.

I understand that the minister regarded these comments as ‘facile, ridiculous and nonsensical’. It is clear from this, though, that HECS increases are not optional. Many universities—probably all universities in the end—effectively have no choice. After being starved of funds for almost a decade they now need to take, and it appears they are taking, whatever opportunity they can to recover costs. If this means that universities have to price themselves out of the range of the poor, then so be it. The government has given them little alternative. I expect the minister to deny that this will be the result, that this is what the government intends and that this will be the effect of what it is doing. But the government simply fails to understand how difficult it is for those who are not from privileged families to put themselves through university—or, more probably I fear, it does not care.

The government has continued to deny the irrefutable logic that HECS increases will punish the less privileged. It tried to deny this obvious truth until two publications from the Department of Education, Science and Training were leaked last year. The two reports, _HECS and opportunities in higher education_ and _Expansion in higher education during the 1990s: effects on access and student quality_, showed clearly that HECS increases significantly reduced enrolments amongst poorer, less fortunate universities is, I fear, well under way.

After the first major HECS hike in 1996, applications from males of poor backgrounds dropped 38 per cent for the more expensive HECS courses. This is the future of higher education under the Howard government. The children of the wealthy will go on to become doctors, lawyers and engineers—like the minister—but, if you are from Werribee, Penrith, Tennant Creek, Katherine or any part of my electorate, you will have to settle for a career that you can afford.

The impact on regional universities is severe. That is particularly the case for Charles
Darwin University and the Batchelor Institute of Indigenous Tertiary Education. The government has made much of its regional loading for institutions like these. This loading is meant to compensate for the increased cost of providing education in regional areas. Charles Darwin University is one of the few universities to receive the maximum regional loading of 30 per cent. But the 30 per cent loading is a fiction. It is not a 30 per cent additional increase in funding, because the government includes in the loading the increases it has already made in HECS funded places in other grants. The reality is that this 30 per cent regional loading represents a real funding increase of between 10 and 15 per cent. In the case of Charles Darwin University, this is nowhere near enough to cover the university’s existing functions.

In the 2000-01 financial year, the Northern Territory government and Charles Darwin University commissioned KPMG to analyse the needs of the university and recommend areas in which it could make efficiency gains. That report found that Charles Darwin University, at its most efficient, would still need an extra $4 million to $5 million annually to continue its current services. It is worth noting that, since the Howard government came to power in 1996, Charles Darwin University has lost $34 million in Commonwealth funding. So, despite the fanfare of the minister’s announcement last year of the 30 per cent loading, the university is no better off now than it was before the government’s legislation was passed last year. Even if the government did provide Charles Darwin University with an actual 30 per cent increase in funding, that would still fall well behind the university’s funding requirements.

There has been no real recognition of the high costs of providing education services in the Territory, which are estimated to be 60 per cent higher than elsewhere in Australia. There has been no recognition of the additional expenses of building construction, travel costs for staff or the higher overall operating costs in isolated remote centres like Alice Springs and indeed in Darwin. It is worth noting that Charles Darwin University was formed after combining with Centralian College in Alice Springs. It is very important that we understand that the motive behind that merger was to extend the range of university courses that could be provided to students throughout the Northern Territory. That is important.

To date, Charles Darwin University, thankfully, remains on course and has not increased its HECS fees at least for next year. But will anyone be surprised if it does? Does any university ultimately have any real choice? If that were to happen, the people who would suffer would be those people in the Northern Territory whom Charles Darwin University was designed to attract. It is a small regional university with a limited number of courses. It has experienced significant funding cuts since 1996 and it is trying to build a reputation and provide the capacity for students to undertake a full range of courses, but it is finding it extremely difficult to survive under the current environment.

The Batchelor Institute of Indigenous Tertiary Education, Australia’s only Indigenous tertiary education provider, faces similar problems. I would hope that the minister would be particularly interested in securing the future of Batchelor, because I know he has expressed a great deal of interest in and concern about Indigenous education in the past. I remind the minister of what he wrote in the foreword to the national report on Indigenous education and training in 2001, which was tabled in parliament last November:

There can be no higher priority in a complex and broad portfolio than to improve educational outcomes for Indigenous Australians.
I am sure we would all agree with that. But we are yet to see evidence of this minister’s or the government’s commitment to that objective. One thing that certainly will not help the Batchelor Institute is the capacity to accept full fee paying students. All of Batchelor’s students are Indigenous, all of them are HECS paying students and the vast majority face considerable economic disadvantage. The Batchelor Institute has no market for full fee paying students, and it will gain nothing from the government’s elitist approach to university funding.

The shadow minister has clearly outlined what we intend with the amendments she will be moving shortly. We will be moving substantive amendments to reverse the 25 per cent HECS increase, to abolish full fee paying places for Australian graduates and to introduce Labor’s formula for indexing university grants. I know that, despite the minister, there will be many people on his side of the chamber who would like to be voting with us. It is noteworthy that, given the plight of Charles Darwin University, the member for Solomon has not put himself down to speak in this debate. One would wonder why, but I think it is because of a sense of shame, because he knows—as I know and as the shadow minister has eloquently demonstrated in the chamber this evening—that what the minister and the government are doing is undermining the principles of access and equity in education by imposing great costs on university students, to their detriment, and requiring universities to impose higher fees on students, thereby making universities inaccessible to many Australians who should have the opportunity to go to university. This minister and this government are responsible for that. I urge all members in this chamber to support Labor’s amendments. (Time expired)

Dr NELSON (Bradfield—Minister for Education, Science and Training) (7.21 p.m.)—in reply—I thank the members opposite for speaking to the Higher Education Legislation Amendment Bill 2004, although I do not agree with much of what was said; in fact, much of it was not based in fact, but that is another matter. As members know, the bill forms part of the government’s higher education reform package, which was made possible last year with the passage of the Higher Education Support Act 2003, thanks to the four key Independent senators, who recognised the importance of what we were trying to achieve. In fact, it is noteworthy that every Independent member of the parliament—the House of Representatives and the Senate—with the possible exception of the member for Kennedy, supported the government’s reforms to higher education; when you come to the issue with an open mind and free of ideological baggage, you cannot help but support it. This bill amends the act—along with the Higher Education Support (Transitional Provisions and Consequential Amendments) Act 2003 and the Higher Education Funding Act 1988—to help make the transition to the new higher education funding arrangements as smooth and as effective as possible.

The member for Jagajaga spoke in particular about governance, and I would like to take the opportunity to address that issue. The government is certainly not backing away from its commitment to improving governance arrangements in universities. The government remains committed, because at the very heart of university reform is the way in which universities are governed and administered. The government remains committed to seeing that the governance protocols are implemented for the benefit of both students and institutions. However, we have to appreciate that unforeseen circumstances might result in delays in the passage of state legislation. For example, it is possible that a state or territory parliament may be pro-
rogued, so their legislative programs may be delayed, or a parliament may have urgent legislation which may take precedence over amendments to universities enabling legislation. The amendment will enable the minister to approve a funding increase to the universities if satisfied that the universities have taken all steps that have been required to meet the protocols, even though there may be unexpected delays in the passage of state government enabling legislation, which are well beyond the powers of the universities.

The Labor Party is essentially saying that if, for example, for some extraordinary and perhaps unforeseen reason a state parliament has not amended its enabling act for universities, yet every one of those universities has fully complied with the governance protocols, the money should not be delivered to them from the Commonwealth Grants Scheme. Should that be the case, there should be some capacity legislatively—as I might say has been argued by the Australian Vice-Chancellors Committee—for the government not to withhold the funding to universities in those circumstances. Of course, if the universities have not complied with the governance protocols and the legislation has not been enacted by those states, obviously the money will not be delivered.

The bill follows through also on the government’s commitment last year to the higher education sector to amend legislation to allow higher education providers to set in advance the student contribution amounts and tuition fees that will be paid over the life of a course by students who commence that course in that particular year. Again, the sector argued strongly for this amendment on the basis that it would allow the institutions the flexibility to guarantee fees for students over the life of their courses of study, thereby providing students with increased certainty about the costs of their higher education. Of course, not a single cent in HECS is required to be paid up front and, thanks to the reforms passed last year, no student will be required to pay until their income reaches $35,000 this year and $36,100, or thereabouts, next year.

The bill also includes other adjustments to correct the current drafting in the act, including a technical change to appropriately reflect the arrangements that apply to the University of Notre Dame. There are also some minor funding variations. For example, I announced last week that new funding of $1 million a year, for 10 years, will be provided to establish the first chair in child protection at the University of South Australia. This bill provides funding for four years for that particular initiative. The bill also includes funding of $1.5 million this year to enrich Indigenous higher education in the Northern Territory and for some other funding variations to reflect price increases and program adjustments.

The member for Lingiari spoke at some length about Charles Darwin University and the Batchelor Institute in the Northern Territory. One of the things that clearly needs to happen in the Northern Territory is a much closer affiliation between the university and the Batchelor Institute in the interests of the education of Territorian Indigenous Australians. The government is providing $3 million specifically to support that process. The bill, together with legislation passed last year, will deliver vital new funding and changes to our universities for the benefit of students, institutions and society as a whole.

There were a number of remarks made by members through the course of the debate which I think need to be addressed. Firstly—but in no particular order—much was made about student poverty. I think it was the member for Lingiari that I heard talking about students lining up to be fed at university because they find it difficult to support
themselves financially. It needs to be pointed out, firstly, that the real costs that students face at university, as they were when I went through university—when there was no HECS but the sector was about a third of the size it is today—are accommodation, living expenses, transport, food and all the things that all of us, whatever our walk of life, have to fund and support. Under these reforms, the only compulsory cost that students face in relation to their university education is the one thing that we are trying to make optional—that is, student union fees. Before you can actually enrol at university—and certainly before you get your degree—students are compelled to part with anything from $150 to almost $600 in compulsory student union fees. In legislation that is currently in the House, the government is proposing to offer that to students as an optional or voluntary contribution.

All the other fees that students face are deferred until they are actually working and earning, under these proposals, some $35,000 a year. As for the students who are protesting—for example, at Monash University last night—unless they are currently not at university and planning to enrol, not one of them will be affected by any of these changes other than by not having to pay their HECS contribution back until they are earning $36,000 a year. In fact, 180,000 former and current students will not be paying HECS this year at all. The government will forgo $100 million in repayments this year by virtue of having increased the HECS repayment threshold.

What is never mentioned by the opposition, nor indeed by the supposed advocates of student interests, is the fact that there is funding of $327 million over five years to support 34,000 scholarships to help students with their real costs at university, such as computers, books, living expenses, food, accommodation, transport and so on. The scholarships, if students get both of them, are worth up to $24,000 tax-free over a four-year period.

It is interesting that a lot has been made by the opposition in this debate about allowing universities to set their own HECS charge. The government has not simply said to universities that all HECS charges will increase 25 per cent. The average taxpayer, who has more than a passing interest in this, should know that the taxpayers will continue to pay for about three-quarters of the provision of funding to universities and that after these reforms students, once they have graduated, will at most pay 28 per cent of the total cost of their education, and they will pay it back through the tax system.

Charles Sturt University, the Australian National University, the University of Tasmania, James Cook University and, we were just told, Charles Darwin University are not changing their HECS charges at all. Deakin University is going to zero HECS in science and maths for its education students. It is increasing HECS by five per cent for its engineering students. Macquarie University is reducing HECS by about a third in biology, chemistry and physics for a number of its advanced science students, and going to zero HECS for its honours science students. These are just some of the changes which are able to now occur as a result of the bill.

It is interesting that the maximum possible increase that a student could face in relation to HECS is 25 per cent.

What does that mean in plain language? As the Deputy Leader of the Opposition has said, it means, for example, that a science graduate—and I emphasise graduate, because you pay it back once you have graduated—will pay an extra $4,000 for his or her science degree. To put that into some perspective, it means that the maximum possible HECS increase—or what can be added to the
HECS debt paid back by a student once they have graduated—is $1,600 in medicine, veterinary science, dentistry and law; $1,300 for science, commerce, economics and business administration; $960 or thereabouts for arts, humanities and social sciences; and absolutely no change in teaching and nursing.

Every last dollar of that HECS, which will be paid up front by the taxpayer through the federal government, will go directly into the education of those students. It has nothing to do with the costs that those students face when they are at university. It is rather interesting that in the TAFE sector, which disproportionately attracts students from lower income backgrounds—in fact, 26 per cent of students in the TAFE sector come from the poorest socioeconomics status backgrounds in the country—students cannot get into TAFE until they have paid their fees. Those fees have to be paid up front.

In South Australia TAFE fees increased by 50 per cent last year thanks to the South Australian state Labor government. Just before Christmas, the Victorian Labor government increased up-front TAFE fees by 25 per cent—that is the maximum possible increase under HECS that university graduates pay back once they are actually working—and full fee paying degrees were introduced into Victorian TAFEs. In New South Wales, TAFE fees have increased on average by 95 per cent thanks to the New South Wales Labor government and, in some instances, have gone up by 300 per cent.

But not one word has been said about this by any one of the people on the other side of the parliament. The member for Jagajaga jumps on the social justice truck and drives it up here from Melbourne and rants on and on about lawyers, doctors, vets and dentists: people who are training to be university graduates in highly paid careers and will earn, on average, $8,000 a year more than a person who has not been to university, where three-quarters of taxpayers are continuing to pay for their education, where they will face a lifetime unemployment rate a quarter that of a person who has not gone to university and an average graduate starting salary last year of some $38,300 for men. The member for Jagajaga and members of the Labor Party seem to have forgotten that the average Australian man is earning, on average, some $45,000 a year. In fact, 42 per cent of Australian men between 25 and 44 years of age are earning $32,000. University graduates will not be paying back their HECS contribution until they are earning $36,000 a year. And those men who are earning $32,000 a year or less—40 per cent of the population between 25 and 44 years of age—are actually paying for three-quarters of the education for people training to be lawyers, vets, dentists, economists, scientists and a whole range of disciplines which this country needs, but from which they also derive a personal benefit.

In relation to indexation, the Labor Party has budgeted indexation for universities at $312 million over the forward estimates, over the next four years. The department of finance has calculated that the underfunding of that indexation is anywhere from $28 million to $300 million. I point out that under the government reforms, in the next four years of the Commonwealth Grants Scheme, which is the effective indexation of the universities, universities will receive $569 million—considerably more than the $312 million that is being being proposed by the ALP.

The Labor Party has made much about student debt. The average university student will leave university with a HECS contribution of less than $20,000 if every university in every course increased its HECS contribution by 25 per cent—in other words, exactly the same level as the Victorian Labor government increased up-front TAFE fees. The average HECS debt that is carried by 1.1
million Australians at the moment is $8,500. Ninety per cent owe less than $18,000 and 80 per cent owe less than $14,000. In the entire country there are 6,313 people who owe more than $30,000 in HECS and 449 who owe more than $40,000. We cannot find a single person in the country who owes $60,000 in HECS but we have in another loans program.

One reason why the department of finance considers that the Labor Party’s higher education policy is seriously underfunded—to the tune of more than half a billion dollars, I might add—is that one of the ways in which they are proposing to fund it is by reintroducing and maintaining a loans scheme called the Student Financial Supplement Scheme, and they intend to save $159 million over four years by running the scheme. The government has just closed down that scheme. It was opened in 1993; it ran for just on 10 years. It is a scheme whereby low-income students—predominantly not in the university sector, often mature age students and people with disabilities—trade in their Abstudy and their pensioner education supplement and for every dollar they trade in they can take back $2 as a loan, and they can trade in between $500 and $3½ thousand. So in 10 years $2½ billion was lent to those students. Some $1.4 billion is considered to be a doubtful debt, close to unrecoverable.

The default rate for people in the family and community services area is 54 per cent, and the doubtful debt rate for Indigenous students is 84 per cent. Some 8,000 of those students owe $20,000. Do you know that there is one person who owes $60,000? If you earned $35,000 a year, which is the repayment threshold, and if you had a $28,000 loan it would take you 40 years to pay it back. Madam Deputy Speaker Corcoran, as a member of the Labor caucus, you would be shocked to know that the leadership of your party is proposing to save $160 million by reopening that scheme. Do you know how the money is saved? The money is saved because the loan is carried as an asset by the Commonwealth. Because the Commonwealth does not have to pay the social security benefit up front, there is not up-front payment.

Opposition members go on and on, smile, carry on, laugh and joke about student debt. They claim to be worried about people who are training to be lawyers and dentists but at the same time they want to drive Aboriginal students, mature age students, sole parents and people with disabilities into crippling debts which they will never repay and which will never be paid back to the Australian taxpayer. They will give them a debt that cannot possibly be sustained.

One of the things that I will endeavour to do is to make sure that more people understand what the Labor Party is proposing. It is one thing for the Labor Party to say that it wants to tax the mining industry $470 million so that people who are training to be lawyers, dentists, doctors and vets do not have to pay an extra $1,600 a year into their HECS once they have graduated but to say then that the Labor plan to fund its higher education package is to reopen a loans scheme which has an 84 per cent default rate amongst Indigenous students, which will give them crippling debt, is, at least, an abrogation of responsibility to the most vulnerable people in the education sector.

I thank members opposite for their contribution. Unfortunately, not a lot of it was well informed. These reforms are critical for our future. As Professor Bruce Chapman and many others have pointed out, with a repayment threshold increasing to $35,000 and no more than a 25 per cent increase in HECS there will be no reduced participation of students from low-income areas, unlike what will happen with the recent changes to TAFE.
fees that were introduced by Labor governments.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Consideration in Detail

Bill—by leave—taken as a whole.

Ms MACKLIN (Jagajaga) (7.42 p.m.)—by leave—I move:

3B Section 198-20

Repeal the section, substitute:

198-20 Meaning of index number

The index number, for a year that is 2005 or later, is the Higher Education Grants Index number for that year is:

\[
\text{Wage Cost Index (Education) for the reference date} \times 0.6 + \text{Consumer Price Index (Australia) for the reference date} \times 0.4
\]

The Minister in the Gazette will publish the index number at any time, including any time before the start of the year. The reference date is the September of the year immediately preceding the grant.

(3) Schedule 3, after item 8, page 12 (after line 25)

insert:

8A Section 36-35

Repeal the section substitute:

36-35 Percentage of Commonwealth supported places to be provided by Table A providers

(1) A "Table A provider must ensure that, in any year, the "number of Commonwealth supported places provided by the provider accounts for 100% of the total number of places that the provider provides in each undergraduate "course of study.

(2) For the purposes of calculating the proportion of Commonwealth supported places in subsection (1), international students and students who are not Commonwealth supported students and were enrolled before 2005 are to be disregarded.
(3) For the purpose of applying subsection (1) in relation to a *course of study, disregard any enrolment in *work experience in industry or in an *employer reserved place in that course.

(4) Schedule 3, item 24, page 15 (lines 26-30), omit the item, substitute:

24 Section 93-10

Repeal the section, substitute:

93-10 Maximum student contribution amounts per place

The maximum student contribution amount per place for a unit of study is that referred to in the following table:

<table>
<thead>
<tr>
<th>Item</th>
<th>Funding clusters</th>
<th>Maximum student contribution amount per place</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Law</td>
<td>$6,283</td>
</tr>
<tr>
<td>2</td>
<td>Accounting, Administration, Economics, Commerce</td>
<td>$5,367</td>
</tr>
<tr>
<td>3</td>
<td>Humanities</td>
<td>$3,768</td>
</tr>
<tr>
<td>4</td>
<td>Mathematics, Statistics</td>
<td>$5,367</td>
</tr>
<tr>
<td>5</td>
<td>Behavioural Science, Social Studies</td>
<td>$3,768</td>
</tr>
<tr>
<td>6</td>
<td>Computing, Built Environment, Health</td>
<td>$5,367</td>
</tr>
<tr>
<td>7</td>
<td>Foreign Languages, Visual and Performing Arts</td>
<td>$3,768</td>
</tr>
<tr>
<td>8</td>
<td>Engineering, Science, Surveying</td>
<td>$5,367</td>
</tr>
<tr>
<td>9</td>
<td>Dentistry, Medicine, Veterinary Science</td>
<td>$6,283</td>
</tr>
<tr>
<td>10</td>
<td>Agriculture</td>
<td>$5,367</td>
</tr>
<tr>
<td>11</td>
<td>Education</td>
<td>$3,768</td>
</tr>
<tr>
<td>12</td>
<td>Nursing</td>
<td>$3,768</td>
</tr>
</tbody>
</table>

Note 1: For the funding clusters in which particular units of study are included, see the Commonwealth Grant Scheme Guidelines made for the purposes of section 33-35.

Note 2: Maximum student contribution amounts per place are indexed under Part 5-6.

(5) Schedule 3, item 25, page 15 (lines 31-33), omit the item

(6) Schedule 3, item 26, page 15 (line 3) to page 16 (line 2), omit the item.

(7) Schedule 3, item 27, page 16 (lines 3-5), omit the item.

(8) Schedule 3, after item 39, page 18 (after line 7), insert:

39A Section 104-1

Repeal the section, substitute:

104-1 Entitlement to FEE-HELP assistance

(1) A student is entitled to *FEE-HELP assistance for a unit of study if:

(a) the student is enrolled in a postgraduate course of study; and
(b) the student meets the citizenship or residency requirements under section 104-5; and
(c) the student’s *FEE-HELP balance is greater than zero; and
(d) the *census date for the unit is on or after 1 January 2005; and
(e) the student is not a *Commonwealth supported student in relation to the unit; and
(f) the unit meets the course requirements under section 104-10; and
(g) the unit:

(i) is, or is to be, undertaken as part of a "course of study; or
(ii) is a unit access to which was provided by "Open Learning Australia; or
(iii) is part of a "bridging course for overseas-trained professionals; and
(h) the student:

(i) enrolled in the unit on or before the census date for the unit; and
(ii) at the end of the census date, remained so enrolled; and

(i) the student "meets the tax file number requirements (see section 187-1); and
(j) the student has, on or before the census date, completed and signed a "request for Commonwealth assistance in relation to the unit, or in relation to the course of study of which the unit forms a part.

(2) However, the student is not entitled to "FEE-HELP assistance for the unit if:

(a) the student has already undertaken 8 or more other units of study, access to which was provided by "Open Learning Australia; and
(b) the student did not successfully complete at least 50% of those other units.

I want to respond to an attempt by the Minister for Education, Science and Training, in his summary of the second reading debate, to misrepresent the opposition’s position on this legislation. We do not support tying this $404 million to any governance changes, let alone the changes to see university staff put onto Australian workplace agreements, so the minister is absolutely incorrect to suggest that we want to stand in the way of this money going to universities. We urgently want to see this money get to universities. We just do not think that the governance changes, let alone the industrial relations changes that the minister has talked so much about, are anything close to what he would call reform. We do not support those changes but we definitely do want to see the money go to the universities. I would appreciate it if the minister did not try such sledging again.

The amendments that I have moved would implement some of the most important parts of Labor’s higher education policy. Of course I do not expect the government to support them here tonight. I have moved these amendments before and they have been moved in the Senate, and the government continues to oppose any efforts by the Labor Party to improve indexation for universities. We want to make some other changes that certainly would see significant benefits for Australian students. So I do not expect the government to support these amendments tonight. Given the time of this debate, I will not seek a division, but I do not want anyone in this parliament or in the Australian community to think that these changes will be
given anything other than the highest priority if Labor is successful at the next election.

Amendments (1) and (2) introduce proper indexation for our universities. The minister says that the $404 million tied to these governance changes is effectively indexation. The problem is that it is not. That $404 million is not indexation. The minister does not call it indexation, and he has given no commitment that this sort of money will continue into the future. There is no formula in the legislation and, in fact, when this legislation went through the Senate he agreed to a review about indexation. So quite plainly the $404 million has nothing to do with indexation. The minister does not call it indexation, and he has given no commitment that this sort of money will continue into the future. There is no formula in the legislation and, in fact, when this legislation went through the Senate he agreed to a review about indexation. So quite plainly the $404 million has nothing to do with indexation. The Australian Vice-Chancellors Committee continues to call on the government to introduce indexation, and quite obviously it is as yet unsatisfied with the government’s response. The first amendment that is in front of us is a technical amendment. It would be required to get the indexation factor correct in the first year—that is, in 2005—when there is not a comparable figure for the previous year to act as the denominator. Amendment (2) introduces the formula based on the Wage Cost Index (Education) which was announced last July in Aim Higher, Labor’s higher education policy. This will deliver $312 million in additional indexation between 2005 and 2007. As I said before, if Labor are successful at the next election we will move this change to the higher education legislation as an urgent piece of legislation, because we know that our universities are desperately in need of additional funding.

Amendments (3) and (8) address another very important part of Labor’s policy, and that is to see the complete abolition of new full fee paying places for Australian undergraduates. Amendment (3) requires that no Australian undergraduate students other than those enrolled before 2005 be enrolled on a full fee paying basis. Labor do not believe that if you have the money you should be able to jump the queue and buy a place at university. I think that is un-Australian. (Extension of time granted) I cannot understand how any member of this parliament can think that is fair. We have opposed the introduction of full fee paying places for undergraduates since this government first brought them in. We continue to oppose them. We will move this amendment tonight. Undoubtedly the government will oppose it, but I want to make it plain to all of those in the community who are interested in this issue—that is, students and especially their parents—that we do not believe in queue jumping when it comes to getting a place at our Australian universities. I find it continually perplexing that the government thinks that this is a fair way to proceed. Amendment (8) limits the FEE-HELP scheme to postgraduate students. This is an important restriction on full fee paying places in our universities. This is another amendment that we will move as a matter of urgency if we are successful at the next election, because we want to make sure that getting into university has everything to do with how hard a person studies and nothing to do with how much money either the student or their parents have in the bank.

The final set of amendments, (4), (5), (6) and (7), reverse the government’s 25 per cent HECS increase. I set out in my earlier remarks why Labor are so opposed to this fee rise. We are seeing fees rise in many universities. It will apply to thousands upon thousands of students from 2005 if this government is re-elected. Amendment (4) sets a schedule of fees that are capped without the 25 per cent increase. This is another amendment that Labor will move if we are successful after the election, because we want to make sure that getting into university has everything to do with how hard a person studies and nothing to do with how much money either the student or their parents have in the bank.
You can look to paying $20,000 for a basic science degree. That is this government’s approach to higher education, pure and simple. When you cut it all down that is really what it is all about—a fee hike. Amendments (5), (6) and (7) are all consequential amendments, and I will not go through those here tonight.

I want to make it very clear to the government that we want to make sure that the money contained in this bill gets to the universities, so we will not stand in the way of the legislation. But I want to make it absolutely plain to everybody in this parliament that we are very serious about these changes. We will move them immediately after the election if we are successful. They will deliver proper indexation to our universities, they will abolish full fee paying places for Australian undergraduates and, most importantly for Australian students, they will reverse the 25 per cent HECS increase that this government is allowing universities to introduce. The only reason universities are introducing these fee hikes is because this government has starved universities of funding over the last eight years. Many vice-chancellors have said so as their councils make the move to increase these fees. The responsibility for the fee hike lies at the door of this government, no-one else. It is not the fault of the universities. They are desperate for additional funding. It is going to be a fact that we have students carrying very hefty debts into their early working life. We already know from research that has been done that Australian students are putting off buying their first home and delaying having their families because of the level of their HECS debts. What is this government’s response? It is just to increase it even more. That is totally irresponsible, and Labor will make these changes immediately after the election if the Australian people give us that opportunity.

Dr NELSON (Bradfield—Minister for Education, Science and Training) (7.52 p.m.)—The government will not accept the amendments. A couple of things need to be pointed out. Firstly, the member for Jagajaga says that Australians and Australian families will have a choice. I remind the House that the Department of Finance and Administration estimates there is a funding hole of at least $218 million in the changes to HECS for science and maths students specifically and, as I said, a hole of somewhere between $28 million and $300 million in the funding for the proposed indexation. There is a further $160 million black hole in relation to the Student Financial Supplement Scheme. There is a further $160 million hole—an amount which will have to come out of the taxpayers’ cheque book—for the income tax arrangements for foreign workers, a category which no longer exists, from which Labor proposed to make a saving.

I also remind the House and Australians that full fee paying places in Australian universities are extra places. The government is funding a $2.6 billion package of reforms over the next five years. It involves a minimum of $569 million additional public money to core funding for universities before we even start on a $250 million Learning and Teaching Performance Fund and $83 million for a workplace performance pool. It includes $327 million for scholarships to help students with their real problems, which are living expenses when they are actually at university. Fee paying places are extra places.

There are 34,000 fully funded HECS places in this package. In addition, the government is saying to an Australian citizen, ‘If you want to, you can choose to be a full fee paying student in an Australian university.’ That is like free-to-air television. You have SBS, 2, 7, 9 and 10. Imagine the government saying, ‘Right, we’re giving you another
free-to-air channel’—extra HECS places—‘and, by the way, if you want to get Foxtel or Austar or anything else you can, but you can go and pay for it.’ Additionally, the government says, ‘For the very first time the taxpayer will lend you the money and you will not have to pay a cent back until you have graduated.’

The Labor Party is apparently trying to make Australians think that, for every student who wants to do a course to become a dentist, a lawyer, a vet or anything else in Australia, the government will in some way fully fund a HECS place. The reality is that at the moment there are 130,000 foreign students, international students, in Australian universities that we welcome; we welcome these students. But apparently under the Labor Party, if you are an Australian citizen and you are academically eligible, you are not allowed to pay full fees in your own universities, unless you want to go to Bond or the University of Notre Dame.

Ms Macklin interjecting——

Dr NELSON—The member for Jagajaga talks about jumping the queue. A fee-paying student is a student who has missed out on the HECS cut-off. The HECS cut-off is determined by supply and demand and academic merit, as it should be; and a student who has missed out on the HECS cut-off is then offered a full fee paying place—in other words, there is no taxpayer subsidy—and the penalty they pay for having lower marks is that they have to pay the full tote odds; they have to pay every cent. So a student that gets 99 pays the full tote odds because they did not get 99.4. But the Labor Party says to those students, ‘You’re no good; get out of universities and go somewhere else.’ The government says, ‘Instead of taking up a HECS place in a course you do not want to do, you should be eligible as a free Australian to take up a fee-paying place if you want to and for the very first time be eligible for a loan to assist you to actually do it.’

In terms of queue jumping, fee-paying students are those who pay their own way and are academically eligible. Once they pass first or second year, if there are vacancies—because 40 per cent of HECS students drop out of the system—they can fill them. If they have passed, why shouldn’t they be eligible to take up that HECS place in a second or subsequent year? In terms of fee payers, 15 per cent of students who got a HECS place this year did not actually meet the academic standard, but the universities gave them a place because they were educated in difficult educational circumstances—and we strongly support that. But do not then go and ridicule very bright students who missed out on the HECS place of their choice, who are eligible for it and who want to pay their own way, just like a kid from Beijing or Jakarta.

Question negatived.
Bill agreed to.

Third Reading

Dr NELSON (Bradfield—Minister for Education, Science and Training) (7.57 p.m.)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

SEX DISCRIMINATION AMENDMENT (TEACHING PROFESSION) BILL 2004

Second Reading

Debate resumed from 10 March, on motion by Mr Ruddock:

That this bill be now read a second time.

Ms ROXON (Gellibrand) (7.58 p.m.)—I am delighted to speak on the Sex Discrimination Amendment (Teaching Profession) Bill 2004. However I am astounded that the Minister for Education, Science and Training, of all people—and he is just leaving the
chamber—is not on the speakers’ list for this bill.

Mr Slipper—He is not the responsible minister.

Ms ROXON—No, he is not; but it is extraordinary. Despite my being the responsible shadow minister, at least two other shadow ministers take very seriously this issue and its impacts. The government’s rhetoric on this bill is that it is about boy’s education. It is very interesting that the minister not think that he should come in and argue why the government believes that this bill will deliver on an objective which everyone agrees is quite appropriate. However, the mechanism that is going to deliver it is very dubious.

The Attorney, for his second reading speech on this matter, could barely put together two pages. I am not surprised and I do not read into that any lack of understanding or integrity on the part of the Attorney. I understand that, even though he has carriage of this bill, he no doubt was not the one who ultimately made the decision to go ahead with it—because this bill is a stunt. I am going to take my time to go through why Labor opposes it. I will outline its technical, practical and principled problems, why it will not be effective in delivering what the government asserts it will deliver, and why, since its introduction, it is no longer even necessary for it to go ahead.

The first comment that I would like to make, particularly while the Attorney-General is here, is that the Labor Party seeks that this bill now be withdrawn. The reason for introducing this bill has been removed. I will take the time to go through the activities of the Catholic Education Office and the human rights commission, to deal with the history of this matter, to show why it is no longer appropriate to proceed with this bill and to go through the problems that we see with the actual operation of the bill as it is before the parliament.

As people would know, the bill is quite narrow and specific in its terms. It would add a new, permanent exemption to the Sex Discrimination Act to offer student scholarships disproportionately to one sex over the other, the purpose being to ‘redress gender imbalance in teaching’. The government claims that the bill facilitates measures to address the problem of an imbalance in the number of male and female schoolteachers, particularly in primary schools, and the effect of that imbalance on the educational outcomes for male students.

The Attorney-General in his second reading speech referred to a House of Representatives committee report Boys: getting it right. The committee was chaired, at least for some time, by the minister for education before he was on the front bench. He cites that report as part of the reason for introducing this bill. But mysteriously, after dealing with the very issue that the government says it is concerned about—the education of boys and role models for boys in schools—the report, released eighteen months ago, made over 20 recommendations, but not one of those recommendations suggested to the parliament that we should change the Sex Discrimination Act.

One question we will deal with as we go through this debate is why, after dealing with the detail of the substantive issue—that is, how to get more men as teachers into our schools—a report would not make this recommendation. I think the answer is going to become obvious, because this bill is not an effective way of achieving that outcome. There are many more things that the government could do that would have a serious and beneficial impact in this area.

I will show through my speech in the second reading debate that the Attorney-
General, in introducing this amendment to the Sex Discrimination Act, is really seeking to make it look like the government are doing something in this area. It is certainly a good way to bring attention to it, and it was effective, as we saw two weeks ago in parliament. Congratulations to the government for raising that issue! It is interesting that they raise it just at the time when the Leader of the Opposition is successfully making the issue of boys' education a public one and a part of the national debate. We welcome that. But why is it that, just when that has happened, the government take virtually the only initiative in this area that can make them look like they are doing something—without them having to do anything through the education department, invest any money in these programs or look at all the research that suggests the many serious steps that could be taken? None of that research suggests what this bill proposes.

I should make it clear for the record, given that the Labor Party are opposing this bill, that we do not by any means oppose the objective as it has been described by the government. The objective of encouraging more men to go into primary teaching is supported by both of the major parties and, I understand, the minor parties. But this particular mechanism is not supported by Labor. We do not view it as an effective mechanism; we do not see it as dealing with the underlying issue of why men are choosing not to enter the teaching profession.

As someone who has worked in schools, Madam Deputy Speaker Corcoran, you would be aware that there is no glass ceiling preventing men from enrolling in teaching courses or progressing within the teaching profession. In fact, the statistics indicate that—and, if you looked at the report *Boys: getting it right*, you would find this as well—whilst there are fewer males in primary schools, a disproportionately large number of them are school principals. So it is hard to see how discrimination at the entry level is the problem. There might be difficulties in keeping men in the classroom and getting more of them into teaching courses, but this bill is not going to affect that.

Everybody in this House, even the Prime Minister and the Attorney-General, knows that it is not the general laws prohibiting discrimination in employment that are preventing men from becoming teachers. But the government has decided to act on these laws first. Why is that? I have suggested the possibility that it is because changing the act does not cost anything. The government can look like it is addressing the issue without having to put too many resources or too much energy into it. As I have said, symbolically it looks like some action is being taken to help boys in schools—at just the time when the Leader of the Opposition has identified this as a major social issue.

But this political opportunism, the action taken in introducing this bill, is riddled with a whole lot of problems. It ignores the fact that the measure will not necessarily deliver the outcome that the government say it will. As I said, it ignores the fact that a bipartisan parliamentary committee looking at this very issue made 24 recommendations that have not been acted on—I think with the exception of one—and none of those 24 recommendations were to change the Sex Discrimination Act. Those recommendations have not been acted upon by the government. We have to ask why they have decided to take this action first. I am sure that during the debate this will come up.

Labor's opposition to changing the Sex Discrimination Act and to the government using it as a tool to make it look like they are delivering something in this area when they are not has led the Prime Minister to call our view 'a triumph of narrow ideology over
commonsense and an ideological commitment to not altering a comma in the Sex Discrimination Act’.

Mr Slipper—That’s what the community is saying.

Ms ROXON—I am not surprised that the parliamentary secretary at the table would raise this, because he has shown in many of his speeches that he has absolutely no understanding of the technical provisions of this act. If he is prepared to stay here, he might understand that, although the community might see this symbolic attempt to fix the imbalance in schools as a good idea, once they understand that this is not going to be delivered they will be sorely disappointed. They will be knocking on your door, Parliamentary Secretary, or on the Attorney-General’s. They will be knocking on every other government member’s door and saying, ‘Hey, hang on a second. That thing you did with such fanfare actually didn’t deliver anything to us.’

Mr Slipper—Why not let it through and see if it works?

Ms ROXON—Why don’t I take the parliamentary secretary through the substantive reasons why we think this bill will not work but will cause certain problems? For the sake of completeness, let us go through the reason for introducing the bill—why the government says it introduced it. The Catholic Education Office in Sydney indicated that they were keen to offer scholarships to men to study teaching, which they had identified as a way of getting more male teachers into schools. In August 2002 they applied for an exemption under section 44 of the Sex Discrimination Act so that they could offer 12 teaching scholarships that would be available only to men.

The application for the exemption was considered by the Human Rights and Equal Opportunity Commission. On 23 February this year the commission declined to grant that exemption. The Catholic Education Office, as this House knows, were appealing that decision, and a hearing was set for next month. The government pre-empted this process by introducing in the parliament this bill, which contains a measure that they say will give more certainty to the Catholic Education Office and others that might want to take this sort of step in the future. Since the introduction of this bill, the Catholic Education Office have stated publicly that they did not seek and did not ask for an amendment to the act.

The human rights commission did go into quite a lot of detail—I will not take the House through all of it today—as to why they refused the exemption in the first place. Interestingly, they referred to the very report that the Attorney relied on in his second reading speech on this bill, noting that this report identified a range of reasons that men were not attracted to the teaching profession. As I have already said, none of those reasons identified the Sex Discrimination Act as a barrier. The report acknowledged that the main reasons identified for men not entering the profession were its low status, its low salaries, its lack of career opportunities and a perceived issue around child protection concerns in many primary schools. The human rights commission recommended that the Catholic Education Office undertake a further investigation of those issues and their possible solutions before returning with a new application for consideration. The decision also referred to other options and identified the possibility of offering equal numbers of scholarships to men and women as a way of still being able to get more men into the teaching profession.

Since the introduction of the bill on 10 March, new negotiations have been held between the Catholic Education Office and the human rights commission, resulting in the
original application being withdrawn, the appeal to the AAT being withdrawn, a new application being submitted for an exemption and that exemption being granted by the human rights commission. I am not sure if it is already, but the full decision will be available on the human rights commission web site.

I think what this brief history highlights is that there are provisions within the Sex Discrimination Act that exist for the very purpose of giving an educational authority or others the capacity to seek an exemption under the act. They work well; they are granted often. While one application may not have been granted, it might have been because it did not present enough evidence or was not framed in the right way. The fact that there was an opportunity for the Catholic Education Office and the human rights commission to come to a sensible resolution is something that we should all welcome.

If the purpose of introducing this bill was to help deliver more male teachers to primary schools, or in fact if the purpose was simply to help the Catholic Education Office get the outcome it wanted, that has been achieved. That has been achieved through the existing act, through the existing exemption provisions, and I think it is irresponsible of this parliament to seek to permanently change an act when there are provisions that already exist within the act which can be used. I am going to spend some time looking at the damage that can be caused by putting in a new and permanent exemption rather than relying on the existing provisions—not just in the context of the Sex Discrimination Act, because that is not damage in itself; we need to look at what damage that might cause to the community and why that will be a problem in the future. I think it is worth going through those sorts of things.

The first point, Attorney, is that this bill is no longer necessary. The circumstances that drove the government to introduce this bill have been resolved—the most immediate circumstances have been resolved—and there is no need to take this measure. The resolution reached by the Catholic Education Office and the human rights commission shows that the bill is unnecessary and, I might say, highlights that the act has sufficient flexibility to allow these sorts of measures. The second point I would like to deal with in some detail—

*Mr Slipper interjecting—*

*Ms ROXON*—clearly, for the benefit of the parliamentary secretary, who would like to have a lesson in the Sex Discrimination Act, which he is about to receive—is that there are two existing provisions which could be used.

The first is the exemption provision, which has now been used in the final resolution of this matter raised by the Catholic Education Office. The act already contains a very cheap and quick method of seeking an exemption from the commission. Sometimes, it is true, that does not work the way an applicant would wish; but usually, when it does not work, it is when the cases perhaps have not been prepared in the way that they should have been or where there is not the necessary link between the action that people want to take and the outcome they are trying to achieve that would justify an exemption under the Sex Discrimination Act.

I think it is easy to get hot under the collar because a first application was not granted, but when you read the later decision—and I am not going to put words into the mouths of either the Catholic Education Office or the human rights commission—the reality is that this outcome could have been reached if people had sensibly talked through the different options much earlier on. But we in the parliament should not change general laws because litigants or applicants for an exemp-
tion under a piece of legislation might get their application wrong. That is not a good ground for us to permanently change the legislation.

The second is the special measures provision within the act. This idea that the Labor Party will not change a comma of the Sex Discrimination Act is not proven if you look at the act’s history. In fact, this special measures provision was introduced by the Labor Party in 1994 or 1995. I think that the Attorney-General was the shadow spokesperson at the time, and he agreed with and supported the amendment because it acknowledges that people may want to take actions that would technically be discriminatory but are actually to compensate for an imbalance that exists in society between men and women.

So it is possible to argue that if you took a measure, like offering men scholarships to go into teaching, that was aimed at delivering a substantive equality between men and women, the terms of these provisions could be used to make sure that your actions were lawful and would not breach the Sex Discrimination Act. Not very many people know that these provisions exist, but I know that the Attorney is one person who does happen to know because he has been involved in the carriage of the act before.

I think the most worrying thing about this bill is the question the parliamentary secretary asked before: ‘Even if you don’t think this bill is effective, why don’t you let it through? It’s not going to cause any harm. You can still do the other things you want to do in government.’ That is a good question. It is a question that the public are entitled to ask as well. One of the strongest reasons for not doing it is that including a specific permanent exemption in relation to scholarships in schools or for teaching will mean that this general provision will probably not be able to be relied on by anybody in the future who might want to implement measures regarding the imbalance between men and women in schools, though not the specific scholarship initiative that is being dealt with at the moment, and—the Attorney would know this—the legal interpretation of that would be: use the specific provision, not the more general one. So we might as a parliament be tying our hands in the future to all sorts of measures that we might identify as being a good way of getting more men into schools, when we have said the purpose of this bill was actually to deliver that outcome. In fact, it is picking up a very narrow provision. It is saying, ‘We’ll make sure there is a permanent exemption for that one scholarship issue,’ but by doing that we might be limiting the broader benefit of those special measures provisions. In fact, we had some legal advice to say that that is the way that similar provisions have been interpreted elsewhere.

That is a major concern for us. We do not think it makes sense to change a general act which prohibits discrimination for something that (1) might not be effective, (2) might tie our hands in the future and (3) is not necessary anyway now that this agreement has been reached between the Catholic Education Office and the Human Rights and Equal Opportunity Commission. I think that the potential damage that can be done should seriously be considered. As I said, if we really were convinced that this was going to deliver any particular benefit to boys in schools or even deliver more male teachers into schools, it may well be worth supporting. But, because there is no evidence anywhere from any of the committees that have looked into this issue or from the applicants who were seeking the measure to start with that this bill will deliver that outcome, we are not convinced that it is worth supporting.

Of course, another issue is that we would be putting a permanent exemption into the act. People would probably be aware that an
exemption, when it is granted through the existing process, can have certain conditions and be set for a period of time—I think in this instance it has been agreed as five years. But this exemption in the act, if this bill is supported, will be a permanent exemption; it will be universal in applying to anyone that will fit within its terms and it will be unconditional. That means that in the future some educational authority could seek to introduce male only, or female only, teachers for particular schools, which may not be something that this parliament would wish to do. I would think that people on both sides of the House would have some serious concerns about giving an unconditional tick to those sorts of measures without being confident of who might be applying or how it would work.

So there are very serious issues. I know it is fun—it is good sport—to say that the reason we are opposing it is that we are all lefties who are stuck in time 30 years ago or something. I love it when I get accused of being stuck in the seventies, because I can always remind those on the other side who are older than me that I was still in primary school at that time!

Mr Pearce—Weren’t we all?

Ms ROXON—Not all of the people on the other side—I should not be so unfair; that is true. But there are very serious issues that do need to be dealt with. The issues of how we deal with boys’ education, how we get the best quality teachers into our schools, whether they are men or women, and how we make sure that our teaching methods are appropriate for girls and boys are serious matters that we should not demean by having a change to the act which really is more about posturing—more about the government wanting to make a symbolic show of this—than really delivering an outcome. That is really a problem.

Mr Slipper—Haven’t you got quotas for women in parliament?

Ms ROXON—I think we should stick to the issues affected by this bill, because in the 10 minutes that I have, Parliamentary Secretary, I would like to talk about the matters before the House. In particular, I want to discuss the very serious issues regarding the recruitment of teachers, the pay scales of teachers and the career opportunities for teachers. They are the issues that should be under the spotlight here, not the sex discrimination legislation. Indeed, as I have said before, we know that there is not a barrier that prevents men from enrolling in teaching courses but that there are a lot of social and economic issues which are making them choose other options.

They are the issues that the Labor Party would like to see addressed. Our education spokesperson, the member for Jagajaga, will be speaking in this debate. She will no doubt spend more time on our policy proposals to ensure that we get more men into schools. And we will not be talking about getting 12 men into our schools; we will be talking about how we get thousands into our schools. On both sides of the House we know that is what is needed, not a measure that is only going to get 12. That is a fine place to start, but it is not going to deliver the sort of social change that is needed. We have to deal with the tricky issues like wages and status—all of these sorts of things.

In contrast to what the government is doing, Labor has a five-point plan to address this problem. As I say, the member for Jagajaga will go through this in more detail, but I will quickly identify those five issues. The first is a national campaign to attract quality entrants to teaching, targeting men with relevant skills and backgrounds. Some of our state colleagues have run such campaigns. Members from different states will have seen
those campaigns, which have been quite successful to date. Labor will encourage more male mentors to work with schools and parents, particularly fathers, in reading to students, using technology, vocational education, music, drama and sporting activities.

Labor will look at providing incentives for quality teaching, including for teachers who have the skills needed to improve the learning outcomes for boys. Targeting improvements in teaching skills for boys in the Commonwealth’s professional development program and in the development of the national teaching standards is another method that we think will be effective. Obviously, we think an important part of this plan is the issue of student discipline and welfare programs, much of which will be targeted to boys and which was identified by the committee as an area where we needed to do much more work in our schools.

I think that all of these options that Labor is interested in pursuing highlight that the lack of men in the teaching profession is not because of any systematic discrimination or disadvantage that they face in applying for teachers courses or positions but because they are choosing not to enter the profession for a range of reasons, many of which are legitimate. If we are serious about dealing with this issue, we should be addressing these reasons rather than being distracted by what we describe as simply a diversion.

In summary, Labor thinks that the government, in tackling this issue, has opted for an option which is not the right target. It will not deliver the outcome that the government seeks. It is not appropriate to narrow the effects of the Sex Discrimination Act when existing provisions should be used. In terms of the technical argument, I think that is the strongest point that should be made. If you can use existing provisions of a piece of legislation, why would you change it and narrow it if you do not think that it is necessarily going to deliver any outcome and if you think that it could actually cause some damage by narrowing opportunities in the future? I think that is a very real issue that this House has to deal with.

We are convinced that if, on reflection, the government looks at these arguments and at the bill, it will see that it is not necessary to proceed with the bill and that it is actually a diversion on an issue that we can agree, across the House, it is important to deal with. We should not use sex discrimination legislation—or any antidiscrimination legislation, for that matter—to masquerade or to look as if we are doing something in this area when far more constructive and practical initiatives could be taken that would have a more significant, long-term and developmental impact on our education system. Let us address those real issues. Let us not get stuck in a debate about changing the Sex Discrimination Act so that you can feel good, rather than actually delivering something that is needed.

The particular set of facts that gave rise to the government introducing this bill have now been resolved. The Catholic Education Office did not ask for these changes. The Minister for Education, Science and Training—who, you would think, would have the strongest interest in this area—is not even going to debate the bill, and I think that is extraordinary. I urge the Attorney to use all of his powers of persuasion—which I know must be quite significant—to convince his colleague that this method of trying to achieve an outcome on which the government and the opposition agree is not the best one. General legislation that prohibits discrimination should not be used as a tool unless we are really confident that the social objective we are all trying to achieve can actually be achieved by this method. I urge
the Attorney to consider withdrawing this bill. I urge him to talk to his ministerial colleagues—in particular, the minister for education—and to reconsider the action that the government is taking in this area.

The Labor Party will oppose this bill if the government persist with it, and I think that the community will fast understand—perhaps they will understand quicker than the parliamentary secretary at the table, Mr Slipper, who seems to be a particularly slow learner in the sex discrimination area—that just posturing about doing something, but not actually delivering, does not get us anywhere in the long run. It might be worth a cheap hit in the short term, and I acknowledge that the government have got that; and I acknowledge that our argument requires people to understand how the existing legislation works. But the Attorney has carriage and responsibility for this act. It should be in our interests in the parliament to explain to people how to use existing legislation instead of changing it every time a particular case is run in a way that does not get the outcome that people want. Let us educate people about using the existing provisions. They are strong enough and flexible enough to allow the sorts of initiatives that we have been talking about; in fact, they would give us more flexibility in the future than would a very narrow, specific exemption which might tie our hands when we seek to introduce some other initiative. I trust that the Attorney will take our advice and have those discussions. I look forward to hearing from the government whether they will reconsider their position on this bill and withdraw it.

**Mr LINDSAY** (Herbert) *(8.26 p.m.)*—Unfortunately, there was a fundamental flaw in the argument that the member for Gellibrand has put before the parliament on this bill. I was very careful to write down some words that the member for Gellibrand said. She said that there is ‘no evidence’ that this measure in the bill before us tonight will result in more males in teaching. I ask the parliament, and I ask those who are listening to this debate: if there are male-specific scholarships advertised by the Catholic Church, is the member for Gellibrand suggesting that they will not be taken up by males? Is she suggesting that there will not be any more males? She is suggesting that, but plain commonsense would indicate that, if you advertise that you need more males in teaching, if you advertise a male scholarship, you will get males applying and you will get more males into teaching. The fundamental point that she makes—and the *Hansard* record will show she used these words—that there is ‘no evidence’ that this measure will result in more males in teaching clearly is flawed.

**Mr Slipper**—Only one?

**Mr LINDSAY**—Perhaps more than one, Parliamentary Secretary. The fundamental flaw was in the reliance of the member for Gellibrand on the special measures provisions that, she has advised the parliament, could be used to overcome the particular impediments that the Catholic Church faced. On that basis, she said that this legislation need not proceed. The Human Rights and Equal Opportunity Commission looked at the special measures provisions to see if they could apply in this case, and they decided that they would not be available to the Catholic Church. That really puts the member for Gellibrand’s argument out the window.

I was very careful to write down some words that the member for Gellibrand said. She said that there is ‘no evidence’ that this measure in the bill before us tonight will result in more males in teaching. I ask the parliament, and I ask those who are listening to this debate: if there are male-specific scholarships advertised by the Catholic Church, is the member for Gellibrand suggesting that they will not be taken up by males? Is she suggesting that there will not be any more males? She is suggesting that, but plain commonsense would indicate that, if you advertise that you need more males in teaching, if you advertise a male scholarship, you will get males applying and you will get more males into teaching. The fundamental point that she makes—and the *Hansard* record will show she used these words—that there is ‘no evidence’ that this measure will result in more males in teaching clearly is flawed.

**Mr Slipper**—They have quotas for women in parliament.

**Mr LINDSAY**—I am making the speech, Parliamentary Secretary. There needs to be a tad more commonsense in this debate. I think
we all agree that the purpose of the bill is to facilitate measures to address the problem of an imbalance in the number of male and female teachers. It is an important strategy for addressing the problem of encouraging males to enter the teaching profession. Importantly, section 38A applies only if the purpose is to redress a gender imbalance in teaching. I know that the opposition argues that the government is discriminating against women. However, the purpose of the amendment is not to discriminate against women; the purpose of the amendment is to try to get more males into teaching to make sure the male role model is there, for the reasons I now intend to advise the parliament of.

We need men and women represented everywhere and at all levels in our society. I do not think anyone could disagree with that. Everyone would understand the common-sense of that. In the past, teaching has attracted and kept dedicated men. But that is no longer the case, for whatever reason. There is certainly a gender imbalance. Balance is needed now more than ever, because of breakdowns in families, in what we understand the word ‘family’ to mean. The healthy development of both sexes needs a healthy relationship with both sexes. I do not think that can be argued against either. It can happen—there is evidence of this—that schools have all female teachers. It is not good to have children at a school for 5½ hours every day where all of the teachers are female. Male and female understandings of issues can be very different, and that is why it is vitally important to have a gender balance.

I talked to a behaviour management teacher about where the problems occur in schools. That teacher said that 80 to 85 per cent of the children he works with are boys. The need for behaviour management is mostly in the male domain. But he also told me that once these difficult students with behaviour management problems get into a male teacher’s class they are much better. Young males who are suffering from behaviour management problems in fact do much better in a male teacher’s classroom. What occurs is that, if a young male does not have a male role model, then that young male takes on the alpha male role. Of course, if they go into a female teacher’s class, they act in the same way, and that causes difficulty in the classroom. So there is ample evidence that having a male role model in the classroom is beneficial.

I checked today with the Catholic Education Office in Townsville, and I was advised that in primary classes across the Catholic system in Townsville there are 245 female teachers but only 52 male teachers. That is the imbalance that the Catholic Church is trying to address. At the secondary level, fortunately, the imbalance is not so bad—in Townsville and Thuringowa there are 147 female teachers and 98 male teachers—but it is still there. Certainly those in the education profession would be the first to agree that we should try to address the imbalance that exists so that we can make sure our students benefit from having a healthy relationship with both sexes.

The passage of this bill will assist the initiatives of the Catholic Education Office. What is being proposed through the commission will mean that there will be more males—but there will also be more females, and that does not address the imbalance, as is desirable. This bill assists the Catholic Education Office initiatives for offering scholarships to male teachers to increase the number of male teachers in Catholic schools. The bill will also complement the government’s other major strategies for delivering the best education outcomes for both male and female school students in Australia, which include the $159.2 million Australian Government Quality Teacher Program and the $6 million committed to the Boys Education Lighthouse
Schools Program to identify best practice in boys’ education, along with a further $500,000 committed to research. The fact that the Human Rights and Equal Opportunity Commission has the power to examine the operation of the legislation will permit a review of the operation of the legislation from time to time. I ask that the Australian Labor Party understand that we need to do something about this urgently and that we should have a bit of commonsense here. We should assist the Catholic Church in their endeavours to recognise this difficult issue in the community.

Ms MACKLIN (Jagajaga) (8.37 p.m.)—What we know about this Prime Minister is that he introduces changes to the Sex Discrimination Act when he is in trouble. We have seen it before, and we are now seeing it again with the Sex Discrimination Amendment (Teaching Profession) Bill 2004 being rushed into the parliament entirely because we have seen the Prime Minister’s falling poll numbers, not because we do not have enough male teachers in our primary schools.

This Prime Minister has been in the job for eight years and has not worried about this issue before. But now we have a Prime Minister responding to his own political difficulties by trying to shrink our country, trying to make the country smaller by making it less fair than it is. That great Australian virtue, fairness, is at the heart of the Sex Discrimination Act, and this bill is an attack on that essential Australian value.

This bill seeks to wind back Australia’s antidiscrimination laws, laws which are there to protect every single Australian. We know that the Prime Minister has been antagonistic towards antidiscrimination laws right from the start. During the third reading debate on the Sex Discrimination Bill 1983, he said:

… I am a profound sceptic of the value to our society of the Human Rights Commission.

He went on to say:

… I certainly have major reservations about the concept of affirmative action legislation and I certainly do not regard support of this legislation as being indicative of support for that.

He has obviously changed his mind about that. So much for this Prime Minister being the conviction politician that he says he is. He is now proposing to change the Sex Discrimination Act to permit affirmative action for men to become teachers. The Prime Minister has done one of his usual about-faces on affirmative action by dumping his long-held opposition to affirmative action legislation, just because he is in serious political trouble.

It is not hard to understand why a man like this Prime Minister is profoundly sceptical about the value of antidiscrimination laws. These are the laws—this is an extraordinarily important point to make in this debate—that challenge deep-seated prejudices held in our community. It therefore follows that attacks on antidiscrimination laws are fertile ground for politicians who exploit community intolerance and prejudice. We have seen, through experience, that this Prime Minister is exactly that sort of politician. Attacking the Sex Discrimination Act is his natural territory, especially when he is in trouble. As I said at the start, he has done it before.

We should all acknowledge here tonight that this bill is not about getting more male teachers into our classrooms. It does not tackle the real reason why so few men teach in our primary schools. All the evidence shows that the real barriers to men becoming teachers and staying in our primary schools are about pay, career structure and status compared with other professions. They are the issues. State governments, Catholic and independent schools all need to work to improve the status of teaching. That is what will make a difference. But pay and career
structures will not be addressed by winding back the Sex Discrimination Act.

This bill will also not solve the other significant issue the government is seeking to address: it will not solve the multiple and complex issues holding boys’ education back. In fact, the Deputy Prime Minister admitted this yesterday when he wrote in the Australian newspaper:

Amending the Sex Discrimination Act will never solve these problems, nor will it deal with their symptoms.

It is extraordinary that we have this government proceeding with this bill when they know that it will not deal with these serious issues. The insincerity of the government on this issue was summed up at a recent press conference by the Prime Minister and the Minister for Education, Science and Training. After just two days of talking up their commitment to boys’ education you would have expected the government to back up their concern with some money and some real policy. At that press conference to announce the government’s schools funding package, the education minister was asked by a journalist:

Is there anything in this package, Dr Nelson, to encourage more male teachers into the system?

Wait for it! Wait for the minister’s reply:

… there is nothing specific in this package for the encouragement of men into teaching itself.

So the minister talks up the problem. He talks and talks about it. He even co-chaired the House of Representatives committee that looked into boys’ education. But when it comes to him actually doing something as the minister for education, outlining the next four years of funding for government schools, Catholic schools and independent schools, there is not one single initiative to get more young men into teaching.

I just made reference to the fact that the education minister co-chaired the House of Representatives inquiry, the report of which was called Boys: getting it right. That inquiry found that there are major problems facing boys but that the major cause of boys’ problems—this is from the report of the parliamentary committee that this minister chaired—when it comes to their educational achievement was the decline of the extended family and community and structural economic change.

The report did not recommend changes to the Sex Discrimination Act. Instead, it recommended that the Commonwealth provide scholarships for equal numbers of males and females to undertake teacher training, and these would be based on merit. But do we see any additional scholarships offered by the Commonwealth to men and women, on the basis of merit, to encourage them into teacher training? No. We do not see any initiative from the government when it comes to encouraging more young men into teaching.

In fact, the minister has implemented only one of the report’s recommendations, and that was to write letters to the state and territory ministers to put boys’ education on the agenda of the ministerial council. What a pathetic achievement by this minister! He has the opportunity to offer equal numbers of scholarships to encourage more men into teaching but does nothing of the sort.

This approach of equal numbers of scholarships for men and women was also suggested by the Human Rights and Equal Opportunity Commission and, I am pleased to say, was agreed to by the Catholic Education Commission when they met last Friday and decided that they would offer 24 additional merit based scholarships—12 for men and 12 for women. So the Catholic Education Commission can see the sense in this approach which was recommended by the Human Rights and Equal Opportunity Commission, but the
Howard government cannot see the sense of it. They have just announced all their schools funding, and there is not one scholarship and not one effort to get more men into teacher education.

The Prime Minister, when talking about this change to the act, has repeatedly referred to the Catholic Education Commission’s application to the human rights commission as the reason that this legislation is necessary. So you would have to say that, on the Prime Minister’s own logic, now that the Catholic Education Commission is able to offer 12 male scholarships along with 12 scholarships for women, this bill is unnecessary. And I would again call on those opposite to put whatever pressure is necessary to get the Prime Minister and the education minister to withdraw this bill. It is unnecessary.

I guess we will not see it withdrawn because, even though the Catholic Education Commission have their scholarships, the Prime Minister’s numbers, as we see in the polls today, are still falling. So he cannot afford to ditch his attempts to just score political points. That is all he is doing. He is just trying to score political points and playing politics with boys’ education—not actually making any practical impression on this important issue. I want to quote a couple of paragraphs from the Catholic Education Commission’s press statement of 15 March. They said:

Contrary to recent media reports, the Sydney Catholic Education Office did not request a change to the Sex Discrimination Act.

So they did not ask for this change. They do not want this change. They have achieved what they wanted. They went on to say:

A far bigger challenge is the need to address the underlying reasons why more men are not attracted to teaching. These include the status of the profession, salaries and career opportunities.

I could not agree with them more. Boys’ education is of course a serious issue. I have two boys, and I am sure there are many parents of boys in this parliament. We all care about what happens to boys at school. And it deserves a serious policy response. But we do not get a serious policy response from this government. All we get from this government is an attempt to play politics—the government trying to change the Sex Discrimination Act to allow discrimination on the basis of gender for teaching scholarships.

Anyone who knows anything about schools knows it is not entrenched discrimination that is stopping men entering the teaching profession. If anyone can show me entrenched discrimination facing men, I will be prepared to look at it. But I can see no entrenched discrimination preventing men applying to get into teaching and then taking up those positions in schools. Men who want to be teachers are not discriminated against in their employment. As the Catholic Education Commission has said, there are multiple and complex reasons why men are not becoming teachers. From my point of view, discrimination is not one of those reasons. This bill will not work. All it does is legalise discrimination, and it is certainly going to be strongly opposed by Labor.

I want to stress that getting more men into schools is one of the policy priorities of the Labor Party—but, by contrast, we intend to put forward a comprehensive strategy. We do not believe that solutions to this issue lie in legalising discrimination on the basis of gender. We want to see more male teachers in our schools and we will implement a five-point plan to encourage more men into schools. There are two issues here: one is to get more men into teaching and the second is to address the educational needs of boys. The plan that we have put forward includes a national campaign to attract quality entrants to teaching, targeting men at school and at uni-
versity who have the relevant skills and backgrounds. We know that those states that have already embarked on these sorts of campaigns are having some success.

Secondly, we not only want to encourage more young males into teaching; we want to encourage more male mentors to work with schools and with parents and to involve fathers in a range of activities in our schools, whether it is reading to students, using technology, vocational education, music, drama or sporting activities—all of the things where male mentors could make a great contribution. We want to see incentives for quality teaching, including for teachers who have the skills necessary to improve the learning outcomes of boys. Most importantly, we want to target improvements in teaching skills for male and female teachers in the Commonwealth’s professional development program.

We will always have boys in classrooms with female teachers, and I have no doubt those teachers will do a wonderful job. It is our responsibility, through the professional development program, to make sure that all teachers, male and female, get the professional development that they need to make sure that they are well skilled to educate our boys. We also know that student discipline and welfare programs are critical, and this is the fifth part of Labor’s program when it comes to addressing these very important issues. Many of the boys who are currently struggling at school are located in areas with concentrations of social and economic disadvantage.

I also want to address an issue which of course the government never look at because it is not within their frame of thinking. Many of the boys who are currently struggling at school are actually located in areas of serious concentration of social and economic disadvantage. I gave a speech a couple of years ago which was called ‘Postcodes to Prosperity’. I argued that postcodes mattered. I argued that postcodes mattered when it came to education. I pointed out that, in 1999, the retention rate to year 12 for boys in the inner part of eastern Melbourne was 94 per cent—those boys were doing pretty well; 12 per cent of boys attained low grades in their Victorian Certificate of Education English; and the unemployment rate for men in that area is very low.

Contrast that to the north-west of Melbourne; the contrast could not be sharper. In 1999 the year 12 retention rate for boys was just 55 per cent. More than 35 per cent of boys in these suburbs attained very low grades in their year 12 English exam. The male unemployment rate in that area is very high. These figures show that it is not the case that all boys are struggling; geographic location and socioeconomic status make an enormous difference. So you would have to wonder why a government that says it is committed to improving educational outcomes for boys would continue to increase funding to the wealthiest non-government schools in this country.

If the government is really concerned about the education of boys, why has it given some of the wealthiest non-government schools in this country an increase in funding over the last four years of 150 per cent while giving little more than indexation to schools in suburbs that are really struggling—the schools where the boys are not really keeping up? If the government really cared about boys’ education, it would not have published a fact sheet that implied that the wealthy King’s School was underfunded compared with Fairvale High School in Sydney’s west. We know it is much more likely that the boys at Fairvale High School will be doing it tough than the boys at the King’s School. Of course, the government is not really concerned about the large number of boys who are struggling, otherwise it would not have given a 195 per cent increase in funding to
the King’s School while only giving a 20 per cent increase to students at Fairvale High School.

This government is patently not concerned about the serious issues of boys’ education, otherwise it would change its schools funding system and make sure that schools were funded on the basis of need. Just last Sunday, the Attorney-General was at it again, releasing a media statement that falsely stated that the Western Australian Department of Education and Training offered male-only scholarships. The Deputy Prime Minister repeated this false claim yesterday. No male-only teaching scholarships are offered by the Western Australian department. Last year, Western Australia offered 200 teaching scholarships in a range of categories. In the final year teaching category, on the basis of merit, 35 scholarships went to men and 27 to women. The rest of the scholarships were for maths, science and those sorts of things.

One thing that is very clear is Western Australia’s commitment to getting more men into teaching. They market these scholarships to men. But, in the end, all applicants apply on merit. Why are the scholarships offered on merit? It is because Western Australia, like parents—and certainly like the Australian Labor Party—wants the best teachers teaching their children, regardless of the sex of the teacher. To choose teachers on any other criteria weakens the quality of teachers in our schools.

I will finish with an extraordinary quote from the Prime Minister, speaking back in 1992. In a second reading debate on the Affirmative Action (Equal Opportunity for Women) Amendment Bill 1992, he said:

I hope the Government will have absolutely no problem with the impeccable principle of non-discrimination—an impeccable liberal principle—

This is the Prime Minister’s view, back in 1992—

that people ought to be recruited on the basis of merit and merit alone. Nothing else should determine the entitlement of somebody to a job.

It seems that that was the view of the Prime Minister back in 1992, but it is not his view when he is in such serious political trouble.

The Labor Party is committed to getting more male teachers into our schools, but we want the best teachers in our schools. We will encourage men to apply for teaching, but we want to make sure that the real issues are tackled when it comes to getting more men into teaching. We will not be playing politics—which is all that this bill is about.

Mr Baird (Cook) (8.57 p.m.)—I listened with interest to the member for Jagajaga’s contribution to the debate on the Sex Discrimination Amendment (Teaching Profession) Bill 2004. Some of the features of her speech were quite interesting and well put together. The basic problem on which her speech fails is the track record of the faction of the Labor Party that she leads which promotes EMILY’s List, for women in politics, and positive discrimination for preselection for the Labor Party, whereby more points are accumulated if you are a female candidate. As we saw in the seat alongside mine—in the seat of Hughes—a very fine male candidate was gazumped by the female candidate simply on the basis of points. Mr Greg Holland, who was the previous aspirant for the position, was very bitter about the fact that a woman whom he thought was less entitled to the position gazumped him simply on the basis of Labor Party policy. It is very interesting that the member for Jagajaga comes into the House and says, ‘We do not believe in discrimination,’ when the Labor Party—particularly the left of the Labor Party—pushes this criterion, and EMILY’s List requires positive discrimination for females. It is perfectly all right for her own party to positively discriminate and have EMILY’s List and push out male candidates; but when
the government attempts to correct the imbalance in relation to male teachers, particularly in primary schools, this is not acceptable.

I understand what the member for Jagajaga is saying about other factors such as salary, salary progression and status for male teachers. All of those things are very important; a deputy head of a school in my area wrote to me and said just that. But, clearly, if schools wish to discriminate in favour of males to try and correct the imbalance, that is also a plus and a step forward. I think it is somewhat ironic that the Labor Party, which has advanced the case for positive discrimination in so many areas, when it comes to trying to correct the imbalance in schools for perfectly right and proper reasons says this is not appropriate, that you cannot discriminate in favour of males. The government’s view on this bill is that there are a number of factors that state governments should address. Our position, in terms of positive discrimination towards young male teachers, is that this is one important step forward.

Debate interrupted.

ADJOURNMENT

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

That the House do now adjourn.

Foreign Affairs: Taiwan

Mr DANBY (Melbourne Ports) (9.00 p.m.)—We have just witnessed the third democratic election for president in Taiwan, and the result was a very narrow victory for President Chen Shui-bian. He won by 30,000 votes, a half a per cent of the 12 million voters in Taiwan. As democrats, I am sure members on all sides of the House welcome the progression of the democratic process in Taiwan. It is very interesting to see that a number of factors in the election have led to this narrow victory. Some months ago, it would have seemed very unlikely that the current DPP government of Taiwan would be re-elected, but a mixture of a recovering economy and a very strong increase in Taiwanese identity has led to this victory.

I praise Lien Chan, the leader of the nationalist opposition—the KMT—who has said that, despite the narrow victory, he will challenge the process through the judicial system. As Keith Bradsher said yesterday in the New York Times:

Lien Chan’s stance shows a willingness to accept democratic values at the possible cost of losing the chance to overturn a democratic election result.

When there are narrow election victories in any country, it is a good thing to see the opposition behaving in such a way.

Most interestingly, the two parallel referendums that took place at the time of the Taiwanese election failed because they failed to garner 50 per cent of the vote. Of the 80 per cent of people who voted in the referendums, 45 per cent voted in favour of them, but that was not enough for them to pass. The result should ease some of the rather overwrought concerns in mainland China that this would lead to a rapid re-arming of Taiwan and ease the widespread Taiwanese concern at the deployment of some 500 ballistic missiles across the Taiwanese straits.

It is very important to look at the background to the referendum and election in Taiwan. The most interesting factor about Chen Shui-bian’s victory is the shift in Taiwanese public opinion over the last decade since Taiwan became a democracy. Taiwan’s government have renounced the fiction of their claim to represent the entire mainland. At the same time, polls indicate that there is an increasing identification of people in Taiwan to see themselves as distinctly Taiwanese. This trend is evidenced in the surveys conducted by the election studies centre at
the National Chengchi University, which show that the number of people identifying themselves as solely Taiwanese has risen from 17.3 per cent to 47 per cent—equal to those who identified themselves as both Taiwanese and Chinese. I think this trend is largely as the result of some of the overbearing reactions from China over the last few years, particularly during the recent SARS epidemic, when China—whose own negligence caused the epidemic in the first place—blocked aid to Taiwan and blocked Taiwan’s admission to the World Health Organization and blocked health inspectors going there. There is no division on the matter of health when an international pandemic happens. We all live in a globalised world, and everyone is affected. No country should be without assistance from the World Health Organization. As I said in my article in the *New Investor*, one Beijing official reacting to Taiwan’s concern contemptuously said, ‘Who cares about your Taiwan?’ This kind of arrogance has led to an increasing identification amongst Taiwanese as a separate identity.

The point I want to conclude on was that, according to Hamish McDonald in the *Sydney Morning Herald*, there were some threats in the Xinhua news service from a mainland official after the election that, before 2006, Taiwan will be the subject of a military decapitation strike. I am sure that good sense will prevail in relationships between Beijing, Canberra, Taipei and the United States. It is in none of our interests that Taiwan makes a provocative bid to become a totally independent country. Nor is it in our interest that our great trading partner, host of the 2006 Olympics and a great trading civilisation like China make an overwhelming attack on Taiwan. *(Time expired)*

Housing: Affordability

Mr FARMER (Macarthur) (9.05 p.m.)—
The Macarthur region is one of the fastest growing regions in Australia. Over 20 years ago, I was part of a group of people who were lured by affordable land prices and who grabbed hold of the great Australian dream around Campbelltown. In those days it was just a small village. Today the Macarthur region is home to nearly 200,000 people. I am here to tell you that what was once a dream is fast becoming a nightmare. It is a nightmare that I know my colleagues in Western Sydney understand, especially the member for Lindsay, who is a strong supporter of the need for affordable housing and, I note, seemed to be misrepresented last night on a *Four Corners* program.

Buying your first home is getting out of reach. Figures released in February show that first home buyers now make up less than 12 per cent of the market. Two years ago, the figure was 24 per cent. I blame the state government’s drip-feed land release policies that are forcing prices through the roof. And Bob Carr’s outrageous stamp duty is pushing young people out of the market. For example, last year he only released 4,000 new blocks in Sydney for the 50,000 new people living there. This has created ridiculous levels of demand. Things are so bad that people have to camp out overnight just to secure a block of land, and then it costs them over $300,000. If you put a basic house on it the cost is over $400,000. Even an old home in Macarthur sells for over $350,000. Most young couples can afford the mortgage repayments, but they just cannot save the deposit.

By the time you take into account the $20,000 needed by the bank, $8,000 in mortgage insurance, and $13,500 in stamp duty to Bob Carr, you need $40,000 in the bank just to get started. Last year Bob Carr grabbed
over $3.5 billion in stamp duty from the people of New South Wales—and the most crippling thing was the $151 million that he snatched from first home buyers. It is a long hard road of scrimping and saving to get into your own home.

A young couple in my electorate earn an average of $997 a week between them. The Australian Bureau of Statistics now says that the average cost of living per household in Sydney is around $670 a week for food, utilities and other basics. But that does not include rent. Add $220 to rent an average place in Macarthur and that young couple are now forking out $890 just to get by. With the basics paid for, they can save only $100 a week. That young couple are facing having to pay $400,000 to buy a new house and they need $40,000 deposit just to get started. Assuming that they can save $100 per week, it will take eight years to scrape together the deposit, by which time the goalposts will have moved.

It staggered me that young professional people who are earning good money in stable jobs cannot get themselves into their own homes. We need to address this problem because home ownership is about breaking the poverty cycle. By getting into affordable housing, young people can build an asset base. We need to give first home buyers a chance. Most of them can save the bank deposit and the lenders insurance but they just cannot get over the line and find the stamp duty needed to complete the sale. That is why I have started a campaign to petition the Carr Labor government to abolish stamp duty for first home buyers. Carr’s policy of reductions for homes of up to $300,000 is unworkable. I challenge him to find more than a handful of homes selling for around that price in Sydney. What is the use of the federal government helping first home buyers with a $7,000 grant when it ends up directly in Bob Carr’s pocket anyway? Cut the stamp duty and you will save someone in my area around $13,500. Combine that with the federal government’s grant and first home buyers will have a realistic helping hand.

With the large number of low-deposit or no-deposit loans on the market, a stamp duty exemption would make it possible to get started with only around $10,000 in the bank. Let us remember: Bob Carr took $3.5 billion in stamp duty last year alone. Funding the abolition of stamp duty for first home buyers would take only around $151 million from that huge amount. It is not a new idea but it is an idea that I have been talking to the Treasurer about because we need to take urgent action. I hope that the Treasurer and I can put pressure on Bob Carr to abolish stamp duty for first home buyers. If we do not, we will have a generation of people who will never have their own home, who will never have an asset of their own and who will never have wealth to pass on to their children. (Time expired)

Education: Outside School Hours Care Services

Mr SCIACCA (Bowman) (9.10 p.m.)—The recent announcement that the government was calling for applications for new outside school hours care services was music to the ears of the staff, parents and students at St John Vianney’s School in Manly in my electorate. For some 2½ years now they have been waiting for a response to their application to establish such a service at the school to meet the growing needs of local parents. For some 2½ years parents have been trying to make do while their children slowly progressed up the waiting list of other local outside school hours care services.
In the Bayside we have had the ridiculous situation that, while some local services have waiting lists of up to 60 children, St John Vianney’s School has been ready and willing but unable to assist parents to meet their care needs, despite having the staff and the facilities to do so. And although they were fully aware of the shortage of outside school hours care places, the Howard government refused to allocate a single extra place in the 2001 or 2002 budgets, leaving parents with the impossible decision: leaving children unsupervised or turning down the opportunity to work—an option that many families simply cannot afford.

But finally we have seen some action. Finally, the government has heeded the cries of parents across the country. On the eve of an election year the Howard government decided to act, and in December last year it announced that 10,000 new places would be made available for outside school hours care services across the country. Last week, St John Vianney’s School lodged its application to establish a new service, an application that has my full support, and everyone concerned now has their fingers crossed that processing will happen quickly and smoothly and that the service can be up and running as soon as possible. Tonight I urge the Minister for Children and Youth Affairs to make sure that is what happens. When this application is, hopefully, approved it will be a tremendous relief to the St John Vianney’s community. I have received numerous representations from parents over the last few years setting out the real need for a service at school. One mother recently wrote to me:

Like many of the other parents that send their children to St John Vianney’s, I work three or four days a week and require the use of such a facility. Manly State School can no longer provide outside school hours care for the increased number of children requiring it. In the last 6 months alone, I have been asked by the care co-ordinator if it was possible to drop the Monday and Friday spaces I had my children booked in for ... She was asking because she told me that there was a waiting list for those days.

Indeed the parents at the nearby Manly State School are very keen to have a service established at St John Vianney’s so that the places at their outside school hours care service can be reallocated to allow them to meet the growing demand for care in their own school community. In November last year the Parents and Citizens Association at Manly State School expressed its concern that the centre at the school is perpetually full. At that time the service had a waiting list of 15 children in need of care, and other services in the area such as the Wynnum Police and Citizens Youth Club also had lengthy waiting lists. They have been lobbying me for some time.

The establishment of a new service at St John Vianney’s will go a long way to reducing those waiting lists, as the school is committed to providing care for up to 40 children each day. Importantly, it will mean that St John Vianney’s students will no longer need to travel between school and their care provider—a state of affairs that is understandably a constant cause for concern and consternation among parents and staff. One family wrote to me:

At present our son attends a community day care centre in Manly for Outside School Care, 3 afternoons a week and during school holidays for vacation care. While happy with the care provided, I would much prefer that our son attend after school at St John Vianney’s. This would allow for continuity of care, also he would not have to catch a bus to the centre, where there is of course the possibility of an accident.

Like the families at St John Vianney’s, I am very pleased that the government has finally acted to address the growing demand for care for school aged children in our community. I hope it will mean that working parents at St John Vianney’s—a very good, well-known
Catholic school in my area—no longer have to make ad hoc care arrangements for their children before and after school and during the school holidays and that in the very near future the school will be able to open its own service, giving parents some certainty and peace of mind as they struggle to balance work and family commitments. I am just sorry that it has taken so long to happen.

Nguyen, Mr Tuong Van

Mr BAIRD (Cook) (9.15 p.m.)—I wish to draw the attention of the House to the plight of a young Australian man, Mr Tuong Van Nguyen of Melbourne. I am the chairman of the Amnesty International Parliamentary Group, and our group is very concerned about the plight of Mr Nguyen. As you would be aware, he was condemned to death in Singapore last Saturday. He is a young man of just 23 years of age. In December 2002, Mr Nguyen was arrested at Singapore’s Changi International Airport allegedly in possession of 396 grams of heroin. On Saturday last, as I mentioned, Mr Nguyen was sentenced to death by the High Court of Singapore.

By way of background, Mr Nguyen was born in a refugee camp in Thailand, his mother having fled Vietnam some years previously. His mother was accepted as a refugee by the Australian government when Mr Nguyen was just six months old, and the family settled in Melbourne shortly after. Mr Nguyen was a member of his local Scout troop—a specialist troop designed to help integrate and bond the Vietnamese and Australian cultures. His mother worked hard at many jobs to provide for Van’s and his brother’s education as well as her own needs. Mr Nguyen attended St Joseph’s Primary School in Springvale—in the member for Hotham’s electorate—and subsequently Mount Waverley Secondary College, and he passed his VCE in 1998. Mr Nguyen had a successful school life and was obviously respected by his peers. He was elected to his high school student council in his final year of school and was chosen to compere his year 12 valedictory dinner. Mr Nguyen went on to try and establish an Internet based company after he finished school—a venture which unfortunately was not successful. He also completed some further education at this time.

Mr Nguyen obviously is not exactly a model citizen and was found to have committed a serious and very substantial crime, with nearly 400 grams of heroin found on his person and in his belongings. I understand that, following the sentence of death that was handed down on Saturday, Mr Nguyen’s legal team will be lodging an appeal within the next 14 days to the Singaporean court of appeal. I think the substance of this appeal should be based on the fact that a mandatory sentence of death applied to all felons convicted of trafficking in drugs denies the equal protection before the law that is expressed in the Singaporean constitution. I feel that the House would agree that a high-level drug trafficker with a significant network and an intention to create a market of addicts should be treated more harshly than a foolish youth with heroin in his backpack. Mr Nguyen’s attempt at smuggling was so amateurish that it is amazing he was not detected before boarding his initial flight. He had heroin strapped to his back and in his hand luggage. The amateur nature of his smuggling attempt would place his offence at the lower end of criminality.

Mr Nguyen’s case is of course still before the Singaporean court, and as such intervention by the Australian government would be pre-emptive at this stage. Mr Nguyen’s legal team will be lodging what I understand will be a strong legal argument as to why this sentence should be reconsidered, and I have every faith that the Singaporean court of ap-
peal will hear this case fairly and in accordance with the law. If, however, Mr Nguyen’s appeal is not successful, I will be urging the Australian government to continue to appeal on Mr Nguyen’s behalf. I would like to commend the foreign minister for his strong support for Mr Nguyen already, and I draw the attention of the House to the minister’s comments to the *Australian* newspaper today, in which he said he will do whatever he can to save this young man’s life. I know from personal discussions with the foreign minister that he has been very active in having discussions with the Singapore High Commission on this very day. I commend him for his approach on this.

It is particularly unfortunate that this young man, who was coming from another South-East Asian country, was transiting Singapore when he was found with this heroin in his backpack. I understand that Mr Nguyen has committed a crime of a very serious nature. Members would agree that heroin and other addictive drugs are a great social ill and a cause of much of the crime and misery in modern society in Australia and elsewhere in the world. No-one is suggesting that Mr Nguyen should go unpunished. He has committed a crime and must be punished, but punishment by death is not proportionate to the level of Mr Nguyen’s criminal culpability. Australia and Singapore have always had strong ties with one another. These ties have strengthened considerably in recent times, and I am confident that, should Mr Nguyen’s appeal be unsuccessful for any reason, these strong ties will allow our government’s appeal for clemency to be given a fair hearing by the President of Singapore.

**Foreign Affairs: Sri Lanka**

*Mr MURPHY (Lowe) (9.20 p.m.)*—Since February 2002, Sri Lanka has been free of the violence that resulted in the deaths of over 60,000 people over the previous two decades. These deaths include Sri Lankan soldiers, Tamil soldiers and several thousand civilians living in the north-east of the island, the Tamil homeland. Also as a direct consequence of the violence, thousands of Tamils have fled the island and over 800,000 have been made refugees in their own land.

The violence was brought to an end due to the untiring efforts of the Norwegian government, which facilitated a cease-fire agreement between the government of Sri Lanka and the Liberation Tigers of Tamil Eelam, the LTTE. I wish to congratulate the Norwegian government for facilitating the cease-fire agreement and the government of Sri Lanka and the LTTE for honouring their commitment to the memorandum of understanding signed in February 2002. The signatories to this historic cease-fire agreement were the Sri Lankan Prime Minister, Mr Ranil Wickremesinghe, and the Tamil leader, Mr Velupillai Prabhakaran. Unfortunately, due to a conflict between the President, who holds executive power, and the Prime Minister, the President dismissed parliament in February of this year and Sri Lanka will face general elections on 2 April 2004. It is vital that these elections are free and fair. It is particularly important that the Tamil people of the north-east, who have been deprived of their franchise during the last two decades, are permitted to cast their votes at the forthcoming elections.

A large number of Tamils reside in my electorate of Lowe. These Tamils are concerned that the peace process continue and that the Tamil people in Sri Lanka be permitted to exercise their democratic rights. The Tamil community in Sydney on 14 March this year passed a resolution calling upon the Australian government to assist this process by persuading the Sri Lankan authorities to:

... ensure that all Tamil people residing in the north-east of Sri Lanka are permitted to exercise
their franchise at the general elections to be held on 2 April 2004.

In this context, I draw particular attention to the voting rights of the several hundred thousand Tamils living in the LTTE controlled areas. It is vital that the necessary logistics are in place to permit these people to cast their votes.

I firmly believe that Australia should help take the peace process forward in Sri Lanka after the elections by (1) rendering all support to the Norwegian government to continue its role as a facilitator in the negotiations between the government of Sri Lanka and the LTTE; (2) supporting the establishment of an interim self-government authority in accordance with the proposal submitted by the LTTE on 1 December 2003—this document was drafted with the assistance of legal experts within the Tamil diaspora who met with the LTTE in Paris and Dublin; interestingly, one of the drafters was a former attorney general of Sri Lanka and is now an Australian citizen; (3) encouraging the newly elected Sri Lankan government to act promptly in establishing the ISGA by recognising that this would help meet the urgent needs of the people of the north-east in respect of resettlement, rehabilitation, reconstruction and development while the process for reaching a final settlement remains ongoing; and (4) assisting in the reconstruction, resettlement and redevelopment tasks of the war ravaged north-east of Sri Lanka by providing direct humanitarian assistance to the people of the north-east of Sri Lanka.

In concluding, it is my hope that the negotiations in Sri Lanka will result in the Tamil people in the north-east of the island being able to freely exercise their right to self-determination while cooperating with the Sinhala people in areas of common interest. The negotiations must reflect the win-win approach that can bring about peaceful coexistence that is vital for peace and prosperity for the entire island. (Time expired)

**Miss Jackie Kelly**—Mr Speaker, I ask that the debate be extended.

**The SPEAKER**—The adjournment debate has not concluded. While the member for Lindsay is a parliamentary secretary, my view would be that, while it is unusual to recognise a parliamentary secretary, in the absence of anyone else rising and the member for Lowe having already had the call, it is reasonable for the member for Lindsay to have the call.

**Miss Jackie Kelly**—I am happy to defer.

**The SPEAKER**—If, by agreement of the House and the duty minister, the member for Lowe is to be recognised again, that is fine. But I would then feel an obligation to extend the debate to accommodate the member for Lindsay.

**Aviation: Sydney Airport Master Plan**

**Mr Murphy (Lowe)** (9.25 p.m.)—Once again I place on record the concern of the citizens of the electorate of Lowe, which I represent—indeed, the concern of the citizens of the inner west—about last night’s decision by the Deputy Prime Minister to sign off on the master plan for Sydney airport. I was elected to this House on the very vexatious issue of aircraft noise in Sydney. It is of grave concern to me that, against a background of numerous speeches and even more numerous questions on notice to the Deputy Prime Minister and Minister for Transport and Regional Services about aircraft noise in Sydney, nothing has improved—contrary to the promises that were made by the government prior to its election in 1996, when the Howard government came to power.

As I stand here tonight, the people of the inner west of Sydney—that is, people living north of the airport—are receiving twice the
amount of noise promised by the government under the long-term operating plan for Sydney airport. That is, people are currently receiving the noise from 33 per cent of all air traffic movements in and out of Sydney airport; they were promised only 17 per cent. Against that background, the Deputy Prime Minister has signed off on a master plan which gives authority to the Sydney airport to expand air movements by another 200,000 over the next 20 years and to treble the number of passengers using the airport. This should be of grave concern to not only all the people immediately affected in my electorate and that of the member for Grayndler but indeed all the people of Sydney in terms of the increased environmental risks of aircraft flying over densely populated areas of Sydney, with no resolution of the problem of aircraft noise.

Quite honestly, Mr Speaker, you have heard me speak in this chamber on this issue many times. I do not think the government is serious about this issue, and I hold that belief primarily because the seats that are most affected by loud aircraft noise are held by Labor, both at a federal and state level. People were given the promise that they would receive less aircraft noise—that is, the people of the inner west living north of the airport—and that Sydney airport would not be sold until the problems with aircraft noise had been fixed. Mr Speaker, as you know, last year the government sold Sydney airport to Southern Cross Consortium, bankrolled by the Macquarie Bank, for a foolish $5.6 billion—and, as I have said many times in this House, as an airport it is operating very well as a shopping centre and a car park.

I am calling on the Deputy Prime Minister and the Prime Minister to hold the new owner of Sydney airport to account to ensure that the long-term operating plan is implemented, which will mean that the people who live north of the airport will only get 17 per cent movements and not 33 per cent, and for the government to get serious about building a second airport for the people of Sydney. It is obvious that in the next 10 years Sydney will need a second airport. That being the case, if this government stays in power there will be disastrous environmental consequences for the people of Sydney.

The SPEAKER—Order! It being 9.30 p.m., the debate is interrupted.

Miss Jackie Kelly—Mr Speaker, I require that the debate be extended.

The SPEAKER—The debate may continue until 9.40 p.m.

Ministerial Reply

Miss Jackie Kelly (Lindsay—Parliamentary Secretary to the Prime Minister) (9.30 p.m.)—I will touch on a matter raised by the member for Macarthur, a report on the ABC last night called ‘Tarnished Gold’ on Four Corners. I found that report to be almost worthy of the commercial stations. It was certainly not something you would expect from the ABC. Being government funded, it can add a lot of balance to its programs and not appeal to sensationalism. Promotions for that program seemed to indicate that there was some sensational revelation to be made about my time as minister for sport during the Olympic Games and just afterwards, when Australia played a leading role—and it continues to play a leading role—in the fight against drugs in sport.

I watched the program very carefully. It was very crafty. At no stage was I approached by Four Corners to be interviewed or to contribute to the program. There was a phased-out, blurred vision of me, as if there was something sinister about my decisions. The current minister for sport, Rod Kemp, was portrayed with a very dark background, again as if there was something sinister about the way the government had banned further
research into anti-doping methods on the AIS campus.

The decision was contained in my charter letter to the chairman of the AIS, which I will read into the Hansard. My letter to the ASC informed the chairman that ‘anti-doping programmes must not be conducted within the AIS or the commission’, being the Australian Sports Commission. It went on to say:

However, individuals with expertise from within the Commission may contribute to, or collaborate with, external institutions in relation to anti-doping research programmes.

That gave scientists extensive possibilities as government employees, and that continues today. The Australian Sports Drug Testing Laboratory is located at the AGAL laboratories in Pymble. As a government employee you could have relocated from the ASC in Canberra to Pymble and continued the research in a laboratory where a significant investment had been made in equipment that allowed EPO testing during the Olympic Games. A lot of the research material and very expensive scientific apparatus remains at that laboratory for that type of research.

John Mendoza from ASDA was accurately quoted in the report on the reasons why the AIS and the ASC were not to continue with anti-doping investigations on the campus. Australia had worked so hard during the Olympic Games to ensure that we had as drug-free a games as possible. When the research was being conducted at the AIS, the international community could look to Australia and say, ‘Where is your research being conducted and where are your elite performance athletes? Aha, they are at the same institution. Is this institutionalised doping?’ For the good international name of the AIS—one of government’s premier brands—we really needed to separate those functions. There was certainly not any derogation of the research in Australia into anti-doping. I will table a document that sets out the allocation of funding to Australian anti-doping research projects. In 2001 there were barely four projects. Today there are 12 ongoing projects investigating ways of catching drug cheats and identifying their methods of avoiding detection and cheating.

I think the program tried to go for a sensational view in the lead-up to the Athens games—that somehow the Australian government had dropped the ball on anti-doping. This is not the case. I stand by the decision that I made as minister in 2001. It was a good decision. It stands Australia in good stead with our international friends around the world. We cannot point to other countries and accuse them of institutionalised doping when there is even the slightest perception that something like that might be occurring in Australia. For the good of our AIS athletes and our future Olympic medal winners, and for the reputation of past Olympic medal winners who have been through the AIS, it was important that we separated those two functions.

The Australian government is seen internationally as having a strong interest in and an ongoing financial commitment to promoting the performance of athletes. Therefore, an ongoing research program into performance-enhancing drugs and methods conducted by the premier training institute runs the risk of undermining the legitimacy of Australia’s performance results and giving rise to accusations of institutionalised doping. It was a very good policy in 2001 and it remains a good policy. I am extremely disappointed in the comments by Jim Ferguson, who as the ex-director of the Australian Sports Commission should know better how those things play out. He is a very senior and experienced bureaucrat, but I suppose that perversity may indicate why his expertise has not been sought by the government on further boards.
This policy was not about the government cooking up or fabricating anything; it was a broad policy stance that we can justify on the international stage. It deflects criticism from AIS athletes now and into the future, and the effect on the EPO researchers at the AIS was probably incidental to the broader government policy on anti-doping in all situations that will stand us in good stead for the future. It was a good decision and I stand by it. I table a document.

The SPEAKER—That is normally no problem for the parliamentary secretary, but I presume also that the member for Lowe, who is at the table, has no problem with the tabling of this document.

Mr Murphy—I have no problem with it.

House adjourned at 9.37 p.m.

NOTICES

The following notices were given:

Mr Truss to present a bill for an act to amend legislation relating to agricultural and veterinary chemicals, and for related purposes. (Agricultural and Veterinary Chemicals Legislation Amendment (Name Change) Bill 2004)

Mr Ruddock to present a bill for an act to amend the Bankruptcy Act 1966, and for other purposes. (Bankruptcy Legislation Amendment Bill 2004)

Mr Ruddock to present a bill for an act to amend the Classification (Publications, Films and Computer Games) Act 1995, and for related purposes. (Classification (Publications, Films and Computer Games) Amendment Bill 2004)

Mr Ruddock to present a bill for an act to amend various Acts relating to law and justice, and for related purposes. (Law and Justice Legislation Amendment Bill 2004)

Mr Ruddock to present a bill for an act to set out the powers of Commonwealth law enforcement agencies with respect to surveillance devices, and for related purposes. (Surveillance Devices Bill 2004)